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H.R. 2229, FREE TRADE WITH CUBA ACT

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H.R. 2229, Free Trade With Cuba Act...

**HEARING**

BEFORE THE

SUBCOMMITTEE ON SELECT REVENUE MEASURES

AND THE

SUBCOMMITTEE ON TRADE

OF THE

COMMITTEE ON WAYS AND MEANS

HOUSE OF REPRESENTATIVES

ONE HUNDRED THIRD CONGRESS

SECOND SESSION

MARCH 17, 1994

**Serial 103-79**

Printed for the use of the Committee on Ways and Means



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# **H.R. 2229, FREE TRADE WITH CUBA ACT**

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**THURSDAY, MARCH 17, 1994**

HOUSE OF REPRESENTATIVES,  
COMMITTEE ON WAYS AND MEANS,  
SUBCOMMITTEE ON SELECT REVENUE MEASURES, AND  
SUBCOMMITTEE ON TRADE,  
*Washington, D.C.*

The subcommittees met, jointly, pursuant to notice, at 10:15 a.m., in room 1100, Longworth House Office Building, Hon. Charles B. Rangel, chairman of the Subcommittee on Select Revenue Measures, presiding.

[The press releases announcing the hearing follow:]

FOR IMMEDIATE RELEASE  
FRIDAY, FEBRUARY 25, 1994

PRESS RELEASE #19  
SUBCOMMITTEE ON SELECT REVENUE  
MEASURES  
COMMITTEE ON WAYS AND MEANS  
U.S. HOUSE OF REPRESENTATIVES  
1102 LONGWORTH HOUSE OFFICE BLDG.  
WASHINGTON, D.C. 20515  
TELEPHONE: (202) 225-1721

THE HONORABLE CHARLES B. RANGEL (D., N.Y.), CHAIRMAN,  
SUBCOMMITTEE ON SELECT REVENUE MEASURES, AND  
THE HONORABLE SAM M. GIBBONS (D., FLA.), CHAIRMAN,  
SUBCOMMITTEE ON TRADE,  
COMMITTEE ON WAYS AND MEANS, U.S. HOUSE OF REPRESENTATIVES,  
ANNOUNCE A JOINT HEARING ON H.R. 2229,  
THE FREE TRADE WITH CUBA ACT

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The Honorable Charles B. Rangel (D., N.Y.), Chairman, Subcommittee on Select Revenue Measures, and the Honorable Sam M. Gibbons (D., Fla.), Chairman, Subcommittee on Trade, Committee on Ways and Means, U.S. House of Representatives, announced today that the Subcommittees will hold a joint hearing on H.R. 2229, the "Free Trade With Cuba Act," on Thursday, March 17, 1994, beginning at 10:00 a.m., in room B-318 Rayburn House Office Building.

In announcing the hearing, Chairman Rangel stated: "The purpose of H.R. 2229 is to move toward normalization of relations with Cuba by lifting restrictions on trade, travel and communications, and by restoring the availability of the foreign tax credit with respect to Cuba. I am particularly interested in receiving testimony on the implications of the provisions of the bill for U.S. relations with Cuba, U.S. trade policy in the Caribbean, and business opportunities for U.S. firms."

Oral testimony will be heard from invited witnesses only. Any individual or organization, however, may submit a written statement for consideration by the Subcommittees and for inclusion in the printed record of the hearing.

**BACKGROUND:**

H.R. 2229 was introduced by Chairman Rangel, Mr. Coyne, Mr. McDermott, Mr. Kleczka, Mr. Kopetski, et al, and was referred jointly to the Committees on Ways and Means, Foreign Affairs, Energy and Commerce, and Post Office and Civil Service. The bill would terminate the denial of the foreign tax credit for companies that do business with Cuba. In addition, the bill would remove all restrictions on U.S. trade with Cuba, except in arms, under the Foreign Assistance Act of 1961, the Trading With the Enemy Act, and the Export Administration Act of 1979. Additional provisions in the bill include the repeal of the Cuban Democracy Act, notably its prohibitions on trade by foreign subsidiaries of U.S. firms and restrictions on landing rights in U.S. ports by vessels engaged in trade with Cuba. The bill would also urge the President to take necessary steps regarding the settlement of U.S. claims and the protection of human rights in Cuba.

**DETAILS FOR SUBMISSION OF WRITTEN COMMENTS:**

Persons submitting written statements for the printed record of the hearing should submit at least six (6) copies by the close of business on Thursday, March 31, 1994, to Janice Mays, Chief Counsel and Staff Director, Committee on Ways and Means, U.S. House of Representatives, 1102 Longworth House Office Building, Washington, D.C. 20515. If those filing written statements for the record of the printed hearing wish to have their statements distributed to the press and the interested public, they may provide 100 additional copies for this purpose to the Select Revenue Measures Subcommittee office, room 1105 Longworth House Office Building, before the hearing begins.

(MORE)

**FORMATTING REQUIREMENTS:**

Each statement presented for printing to the Committee by a witness, any written statement or exhibit submitted for the printed record or any written comments in response to a request for written comments must conform to the guidelines listed below. Any statement or exhibit not in compliance with these guidelines will not be printed, but will be maintained in the Committee files for review and use by the Committee:

1. All statements and any accompanying exhibits for printing must be typed in single space on legal-size paper and may not exceed a total of 10 pages.
2. Copies of whole documents submitted as exhibit material will not be accepted for printing. Instead, exhibit material should be referenced and quoted or paraphrased. All exhibit material not meeting these specifications will be maintained in the Committee files for review and use by the Committee.
3. Statements must contain the name and capacity in which the witness will appear or, for written comments, the name and capacity of the person submitting the statement, as well as any clients or persons, or any organization for whom the witness appears or for whom the statement is submitted.
4. A supplemental sheet must accompany each statement listing the name, full address, a telephone number where the witness or the designated representative may be reached and a topical outline or summary of the comments and recommendations in the full statement. This supplemental sheet will not be included in the printed record.

The above restrictions and limitations apply only to material submitted for printing. Statements and exhibits or supplementary material submitted solely for distribution to the Members, the press and the public during the course of a public hearing may be submitted in other forms.

\*\*\*\*\*

\*\*\* NOTICE -- CHANGE IN LOCATION \*\*\*

FOR IMMEDIATE RELEASE  
FRIDAY, MARCH 4, 1994

PRESS RELEASE #19-REVISED  
SUBCOMMITTEE ON SELECT REVENUE  
MEASURES  
COMMITTEE ON WAYS AND MEANS  
U.S. HOUSE OF REPRESENTATIVES  
1102 LONGWORTH HOUSE OFFICE BLDG.  
WASHINGTON, D.C. 20515  
TELEPHONE: (202) 225-1721

THE HONORABLE CHARLES B. RANGEL (D., N.Y.), CHAIRMAN,  
SUBCOMMITTEE ON SELECT REVENUE MEASURES, AND  
THE HONORABLE SAM M. GIBBONS (D., FLA.), CHAIRMAN,  
SUBCOMMITTEE ON TRADE,  
COMMITTEE ON WAYS AND MEANS, U.S. HOUSE OF REPRESENTATIVES,  
ANNOUNCE A CHANGE IN LOCATION FOR THE JOINT HEARING ON  
H.R. 2229, THE FREE TRADE WITH CUBA ACT

---

The Honorable Charles B. Rangel (D., N.Y.), Chairman, Subcommittee on Select Revenue Measures, and the Honorable Sam M. Gibbons (D., Fla.), Chairman, Subcommittee on Trade, Committee on Ways and Means, U.S. House of Representatives, today announced a change in location for the hearing on H.R. 2229, the "Free Trade with Cuba Act." The hearing, scheduled for Thursday, March 17, 1994, in room B-318 Rayburn House Office Building, now will be held in the Committee's main hearing room, 1100 Longworth House Office Building.

All other details for the hearing remain the same. (See Subcommittee on Select Revenue Measures press release #19, dated Friday, February 25, 1994.)

\*\*\*

Chairman RANGEL. The Subcommittee on Select Revenue Measures and the Subcommittee on Trade meet this morning for a joint hearing on H.R. 2229, the Free Trade With Cuba Act.

I introduced H.R. 2229 almost 1 year ago, in an effort to move toward normalization of relations with Cuba, by lifting restrictions on trade, travel and communications, and by restoring the foreign tax credit with respect to Cuba.

Additionally, the bill addresses important issues of financial claims by U.S. citizens and corporations against the Government of Cuba and the crucial matters of human rights and democracy.

I do know that there are strongly held views on both sides of this issue, but it is my hope that these hearings will help move the debate forward. As a member of the Ways and Means Committee, I have been involved in crafting the Caribbean Basin Initiative and other legislation affecting the Caribbean and Latin American regions.

As Chairman of the Select Committee on Narcotics, I have been intimately involved in stopping the flow of illegal drugs from and through countries in that region.

Knowing Cuba's importance not only in the area of drug addiction, but potentially as a contributor to the economic development of the region, I have long been dismayed by our policy of isolation, rather than integration, a feeling which is shared by our friends in the region. But it was not until the fall of 1992, and an unfortunately brief debate over the act generally known as the Torricelli bill, a bill introduced by my dear friend and colleague, Robert Torricelli, that I was thrust into the role of an active player in the debate which we are addressing today.

Ironically, I had been asked by the previous administration to help them to oppose the so-called Torricelli bill. But, as you know, after certain political developments in the Presidential election campaign, the Bush administration changed its position to one of supporting the bill. Despite that turnaround, I was nevertheless surprised by the strong level of support in the Congress against the bill. I was even more surprised by the subsequent emergence of a chorus of voices from the Cuban-American communities in Miami, New Jersey and other parts of the country in support of a policy of normalization.

That is how I was introduced to the issue and that is why I was moved to introduce the Free Trade With Cuba Act last spring. There are many reasons for changing our policy toward Cuba. As an American and as a Member of Congress, I believe it is my responsibility to speak out for what is best for America, as a moral nation and as a model for democracy and fairness around the world.

If we are going to live up to that standard as relates to Cuba, we should lift the embargo. Seeking normalization of relations, rather than confrontation and isolation, would first take us out of the indefensible position of contributing to the suffering of the Cuban people.

There is no argument but that the collapse of the Cuban economy is due to the failure of the Communist's economic system. But to the extent that our embargo limits to any degree the donation or sales of foods desperately needed, medicines and medical equip-

ment, it cannot make us proud as Americans to be a part of that. Once and for all, we must abandon that road of confrontation that makes the United States a convenient scapegoat for the failure of communism.

I want to commend our President and fully support his goal of defending democracy and human rights, not only in Cuba, but in Haiti and in China and elsewhere around the far reaches of the world. It is a goal that, as Americans, we all share, and a banner that I proudly carried on the plains of North Korea, where I was wounded by the Communist Chinese, as a foot soldier representing the United States and the United Nations in the Korean conflict.

Not only do I support the President's goal of promoting freedom and democracy in Cuba, but I urge him, as I have in the past, to try another tactic, to bury the hatchet, to open the door of negotiation and to persuasion, and to a process of influence through massive communication, cultural exchange, travel and trade.

We must never give up our principles. I ask that we find a way to allow our principles to work. Thirty-four years of embargoes have not worked. The President, in his wisdom, has taken exactly that kind of step in Vietnam, a very, very bold decision to drop the barriers of trade to a country where American blood of 60,000 servicemen and -women was spilled. It was a step that overcame not only the bitter memories of war, but nearly two decades of shame and despondency over our only loss in any military conflict. It was a step that was unopposed by the American people or the Congress, who were grateful to bring to closure one of the saddest periods in our history.

It was an action, too, that signified the end of the cold war in Southeast Asia, in a region where the great conflict ahead will be in the competition for economic markets. The cold war is over around the world. We have won. We have smashed the Iron Curtain in Eastern Europe and the former Soviet Union. We have reached an accommodation with China, while demanding, as we should, that we remain vigilant to the defense of the rights of citizens of those countries, and also now is the time to end the cold war in this hemisphere.

The administration has made it clear that trade will be the hallmark of our foreign policy, our moral goals for democracy and human rights will be carried out by using wisely the leverage contained in our ability to import and export American goods and investment by U.S. business.

It is a policy that makes sense in an era where global economic competition will determine national ascendancy in the world. Our actions in the former Soviet Union, China, Vietnam and a host of other countries whose governments may be offensive to us have remained, or will become, enthusiastic trading partners.

We should be mindful that the policy so well articulated by President Clinton is the same policy being carried out by our competitors, as well. That fact is nowhere better proven than in Cuba. While we stand by blocking our own companies from competing, investors from Canada, Mexico, Brazil, Italy and many, many other countries have begun a fast march to capture business opportunities in Cuba. And it is ironic that, even after we ratified the North American Free Trade Agreement, our two partners in that pact do

lucrative business with Cuba, the country we insist must remain ostracized by friend and foe alike.

While we trumpet our commitment to building up the economies of our friends in the Caribbean with the CBI agreement, we then threaten them with exclusion from future free trade agreements, because, as a sovereign nation, they choose to do business with Cuba. While we call upon the international community and the United Nations to work as partners in our global enterprises, we grimly dismiss its condemnation of our international embargo policy against Cuba.

I would not be so presumptuous as to claim any expertise in Cuban issues. That is the job of the diplomats. But my position, as exemplified by this bill, is the position of many of the human rights and religious leaders in Cuba who have visited me in Washington since I have introduced the bill.

Prominent and unquestioned leaders in the human rights movement in Cuba, the Catholic bishops in Cuba, the Protestant and Jewish leaders have all told me that the embargo hurts them and is doing nothing to promote their goals for freedom and human rights in their country. I speak for them in appealing to my President and to this Congress to support their heroic efforts for democratic change in Cuba.

The witnesses you will hear from today will cover the full range of opinion on this very sensitive and emotional issue. And I am proud that we in the Congress and this subcommittee have been able to assemble them in Washington. Many of these voices will be heard for the first time, because they have been silent in the face of intimidation by better organized and financed opposition. So, for their courage in coming today, I commend them.

There are many voices in the American business community, which has taken a greater role, better than ever before, in being a salesman for democracy and for our country. The ideas in this bill will give them a chance to do best in Cuba, as they have done in Eastern Europe, the former Soviet Union, and now in Vietnam, to sell the best that America has to offer.

I wish to extend a special welcome to our witnesses from the Cuban-American community, some of them legitimate heroes in their own right, and now they wish to enlist our support in doing what is best for the land in which they were born, and where many of their families still reside. I welcome them, as I welcome all of you.

Now, we have a very, very long list of scheduled witnesses, and we are going to hear from each and every one of them. But to make certain that the members have an opportunity to ask them questions, we are going to ask them, as we did inform them before we accepted their invitation to testify, to restrict their oral testimony to 5 minutes, with the understanding that, by the unanimous consent of the committee members, their full written statements will be entered in the record.

I pause now to ask whether any of the members of the Subcommittee on Trade, as well as the Subcommittee on Select Revenue Measures, have any opening statements.

The Chair yields to Representative Crane of Illinois.  
Mr. CRANE. Thank you, Mr. Chairman.

I want to thank the witnesses for coming today to review the controversial issue of U.S. policy toward Cuba. The collapse of the Soviet Union and the Eastern bloc cut Cuba off from large amounts of subsidized trade, upon which it greatly depended. Unless Cuba joins the civilized world and renounces dictatorship and State control, its economy and society will likely collapse.

Enacting a more liberal policy toward Cuba, while the repressive Castro regime remains in power, would only serve to shore up a dictatorship which has been our sworn enemy for nearly 35 years. I oppose H.R. 2229, because it would violate a longstanding bipartisan policy to isolate the Government of Cuba, until control passes to leaders who are willing to work constructively with the United States to promote democracy and free market reforms.

Thank you, Mr. Chairman. I look forward to today's testimony.

Chairman Rangel. Is there any other member seeking recognition? Mr. Shaw?

Mr. SHAW. Thank you, Mr. Chairman.

Mr. Chairman, I have always known that you are a man ahead of your time. I think you are that with H.R. 2229. I would much prefer this committee to be talking about a post-Castro Cuba, rather than talking about opening up the relationship with Cuba as it exists today.

As you can see by the lineup of witnesses, Mr. Chairman, in my home State of Florida, this is a very, very important issue to many of my constituents and constituents of surrounding districts.

When Cuba finally opens, it is going to be a great economic boon to South Florida, the Miami-Palm Beach-Fort Lauderdale area. However, until Castro is gone and his government has collapsed, there is no place for us. It would send out some very bad signals for the United States to change our policy toward Castro's Cuba.

I learned long ago that when you have your foot on the neck of a snake, you do not let it up, and particularly when we have the situation in Cuba where they are no longer the surrogate for the Soviet Union, which has collapsed. Cuba is without the support needed to keep it together; The glue that holds the terrorist government together is now gone, and I am convinced the "fat lady" is about to sing in Havana. Until we hear the fat lady sing and Castro is gone, I would hope we would stand fast by the policy that is in place and has been in place for over 30 years.

Whether we should have gone down there 30 years ago is not under debate here. What is under debate is whether the existing policy of the United States will be the fall of Castro in Cuba, and I think the answer is a resounding yes. Until Castro and all of his group are gone and all of the heavies are out of Havana, there will be no freedom for the Cuban people. That is our goal and should remain our goal.

Thank you, Mr. Chairman.

Chairman Rangel. I want to thank the panel of legislators, an outstanding number of Members of Congress, and certainly my friend Bob Graham from the Senate. You can see by the quality of the Members' interest in this and other issues, we have got quite a list of Members. We will be starting off with Senator Bob Graham. We will be hearing from Congressman Kopetski, Congressman George Miller, Congressman Torres, Congressman Torricelli,



Congressman Payne, Congresswoman Ros-Lehtinen, Congressman Serrano, Congressman Sanders, Congressman Deutsch, Congressman Diaz-Balart, and former Congressman Bill Alexander.

So I want to thank the entire panel for the quality of information that you will be sharing with us. And we will start off with the Senator from Florida, my friend Bob Graham.

**STATEMENT OF HON. BOB GRAHAM, A U.S. SENATOR FROM  
THE STATE OF FLORIDA**

Senator GRAHAM. Thank you, Mr. Chairman.

I appreciate the leadership that you are providing in so many areas of the national debate, and particularly appreciate the invitation to share in this important hearing this morning.

Mr. Chairman, 16 months ago, with the leadership of our friend and colleague Congressman Torricelli, the Congress restated and elaborated U.S. policy toward Cuba in the Cuban Democracy Act. The Cuban Democracy Act enjoyed widespread bipartisan support in the House, in the Senate, by then President Bush and by then Presidential candidate Bill Clinton. I believe that the Cuban Democracy Act is an effective tool now, as it was then, in providing a blueprint for post-Castro Cuba.

Mr. Chairman, the Cuban Government continues its blatant disregard of basic human rights. Last week, John Groth, a U.N. observer, reported that harassment, repression, and imprisonment are the Cuban Government's daily endemic weapons against dissidents and human rights activists. "It should be said," Mr. Groth added, "that the Cuban economy's unproductive and inefficient system is the principal cause of the present situation, not the embargo itself."

Havana continues to refuse to cooperate with human rights commissioners, and Castro continues to violently crush every reform movement that threatens his rule. But three decades of totalitarian government have not quelled the desire of Cubans to be free. The Cuban people are the ones suffering from Castro's intransigence, and yet they overwhelmingly say "maintain the embargo."

On March 11 of this year, the Miami Herald, in an article, quoted Angel Tomano, who had just arrived to America on a raft from Cuba. Mr. Tomano said, "Lifting the embargo or blockade, as it is called in Cuba, would only help Fidel Castro stay in power."

Mr. Chairman, I would like to submit these comments as part of the Miami Herald article entitled "Most Exiles Want Pressure on Castro," to be part of the record of this hearing.

Chairman Rangel. Without objection.

[The article referred to follows:]

## IDEAS FOR CHANGING CUBA

# Most exiles want pressure on Castro

By ALFONSO CHARDY  
Herald Staff Writer

Opponents of the trade embargo on Cuba are urging President Clinton to lift it, arguing it hurts the people more than Fidel Castro.

But many recently arrived Cuban refugees say they wholeheartedly support the embargo. The suffering, they say, is well worth the possible outcome: the downfall of the Castro regime.

"It may hurt the people, but that's the price we have to pay for the liberation of Cuba," said Angel Tamayo, who fled by raft last week. "Lifting the embargo, or blockade as it's called in Cuba, would only help Fidel Castro stay in power."

Tamayo's comments reflect the feelings of many Cuban refugees in South Florida, those recently arrived and those who have been here for decades. All but one of 33 recently arrived Cubans interviewed last week said they want the embargo maintained. Some actually want it toughened so that Castro gets the message clearly: It's time to go.

Debate over the embargo, always heated in exile Miami, has intensified in the two weeks since Clinton lifted the embargo on Vietnam.

Next Thursday, the 99th anniversary of the start of Cuba's war of inde-

### EMBARGO, FROM 1A

pendence, thousands of Cuban exiles from Miami and other U.S. cities will converge on Washington, D.C., for a rally at the Capitol to urge Clinton to stand firm and not scrap the embargo.

The three Cuban-American members of Congress — Reps. Ileana Ros-Lehtinen and Lincoln Diaz-Balart of Florida and Robert Menendez of New Jersey — Friday circulated a letter on Capitol Hill inviting fellow lawmakers to participate in the pro-embargo rally.

Next month, the anti-embargo religious organization Pastors for Peace will lead its third emergency aid shipment to Cuba from 13 U.S. cities as a part of a strategy to shame Clinton into lifting the embargo. In addition, hearings begin in Congress in March on new legislation written by Rep. Charles Rangel, D-N.Y., that would mandate the lifting of the embargo.

Rangel and other embargo foes believe momentum created by the lifting of the Vietnam embargo will enhance their argument for lifting the Cuba embargo.

At a rally in Miami Wednesday, speakers said the embargo must go because the Cuban people are going hungry and the end of the Cold War renders the U.S.-Cuba conflict meaningless. Yet, interviews with recently

arrived refugees yielded a sharply different outlook.

Only one newly arrived refugee interviewed by The Herald said lifting the embargo might ease food and fuel shortages. And he still felt that keeping the embargo was a good strategy against Castro.

"It's a terrible dilemma," said Pedro Freyre, who arrived with his brother Pablo last week. "The embargo makes people suffer, go hungry. No question about that. But lifting it may help the government and the people don't want the dictatorship. What to do? I have not yet resolved the issue in my own mind."

Pablo Freyre, however, has no doubts.

"Keep the embargo," he said. "If they take away the embargo, Fidel will not fall. He'll survive."

"The people of Cuba are going hungry because of the policies of the Fidel Castro dictatorship, not because of the embargo," said rafter Francisco Moreno.

Some of the rafters urged the embargo be tightened.

"I don't think the embargo is effective at all," said Idania Marquez. "Cuban government officials and foreign tourists can get whatever they want, not the people. What can't it be more fair and shut off everything to everybody?"

Senator GRAHAM. No scientific surveys have been conducted, but the informal ones have been conclusive. Thirty-two of the 33 recently arrived Cubans interviewed last week said that they want the embargo maintained. The Cuban people are willing to make the sacrifices necessary for the fall of Castro. We must support their efforts.

The Cuban Democracy Act had several objectives. It was designed to isolate the Castro regime, politically and economically. It was designed to facilitate contact with the people of Cuba and to outline a course of U.S. action to assist the restoration of democratic institutions and market economies in a post-Castro Cuba.

The embargo explicitly permits the United States to send humanitarian supplies to the suffering people of Cuba. And since the passage of the Cuban Democracy Act, the Federal Government has licensed \$8.5 million worth of humanitarian donations through religious, social and professional groups, as well as private individuals. Contrary to many arguments, the Cuban Democracy Act is not a draconian punishment of the common people of Cuba. The citizens of Cuba are provided with humanitarian aid from friends and families.

Mr. Chairman, there have been some comparisons drawn recently between our policy in Vietnam and that in Cuba. In my opinion, those comparisons underscore the appropriateness of continuing our present Cuban policy. The U.S. position on Vietnam remained clear and consistent for over two decades. We did not vacillate our international posture through changes of administration or changes in the Congress.

Similarly, the Cuban Democracy Act reestablishes with greater specificity a policy we have maintained for over three decades. We must follow the example of our Vietnamese policy and focus on the long-term overall U.S. objective of democracy in Cuba. The Government of Vietnam knew what conditions it had to meet to end the U.S. embargo. Cuba is also aware of what steps it must take for normalcy of our relations.

Vietnam met its human rights and POW-MIA disclosure obligations. Castro, however, has made no attempt to fulfill his responsibilities. Castro's lack of action has given the United States no reason to alter its position. Answering Castro's call for increased contact with the United States, in the absence of human rights and political freedom, will only perpetuate the repression in Cuba.

The United States has shown its willingness to alter its policies when totalitarian countries meet their obligations. The fate of the Cuban people lies not in the U.S. action, but in Castro's intransigence. Castro can no longer rely on the \$6 billion a year in Russian aid to subsidize his misguided economic policies.

For the crisis that he has caused, Castro continues to blame everything and everybody but himself. It is absurd to blame Cuba's economic turmoil on the embargo. We must remain consistent in our policies to retain the most effective framework to facilitate our goal, democracy and prosperity for the people of Cuba.

Thank you, Mr. Chairman.

Chairman Rangel. Will you be able to stay with us, or do you have to return to the Senate?

Senator GRAHAM. Mr. Chairman, I am afraid I am going to have to leave at 10:45.

Chairman RANGEL. Let me thank you for the contribution that you made. I know the business that takes you to the Senate, so whenever you have to leave, certainly we understand.

Senator GRAHAM. Thank you, Mr. Chairman.

Chairman RANGEL. Mr. Kopetski from Oregon.

**STATEMENT OF HON. MICHAEL J. KOPETSKI, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF OREGON**

Mr. KOPETSKI. Thank you, Mr. Chairman.

Thank you for this opportunity to testify. Before I proceed with my own testimony, I ask that the statement from the Mennonite Central Committee be made a part of the record. It is a statement in support of lifting the embargo.

Chairman RANGEL. Without objection.

Mr. KOPETSKI. Thank you.

[The statement referred to follows:]



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**SUMMARY SUBMISSION FOR JOINT HEARING ON H.R. 2229,  
THE FREE TRADE WITH CUBA ACT**

**Witness: Linda Shelly**  
Secretary for Latin America and the Caribbean,  
Mennonite Central Committee

Mennonite Central Committee (MCC) is an agency of the Mennonite and Brethren in Christ Churches in North America. For seventy-five years, MCC has provided relief and development aid and technical assistance in over 40 countries around the world. MCC currently has 900 volunteers working worldwide.

In the region of Latin America and the Caribbean, MCC has personnel working in eleven countries. MCC does not at this time have workers resident in Cuba. Mennonites missionaries began working in Cuba in the 1950's. At the time of the revolution there were several small house church fellowships established in the region of Villa Clara. All foreign missionaries left in 1962 due to the imposition of the embargo. For a number of years there was little contact between Mennonite churches in the United States and in Cuba.

During the past several years MCC has had renewed contact with the churches in Cuba. MCC has supported the Martin Luther King Jr. Center in Havana, a peace education center of the protestant churches. In 1993, MCC received a license to ship medical supplies to Cuba from the U.S. Commerce Dept. These were distributed through the Cuban Ecumenical Council. MCC also sent some food aid to Cuba in response to the storm in mid-1993, cooperatively with Church World Service. In 1992, in response to the Cuban Democracy Act, MCC adopted a resolution calling for the lifting of the embargo against Cuba. The statement is attached.

In November 1993, I was able to visit Cuba with a religious visa and to spend some time with the Mennonite church groups in the area of Villa Clara. There are now nine groups, some of which are small family groups while others are as large as fifty people. They meet together regularly for Bible studies and prayer services. The visiting delegation was able to stay in homes and to visit privately with elderly people who were a part of the original church groups as well as with younger persons who had joined more recently.

The elderly people talked openly of the rough times they had passed through. One man said, "There was a time when we couldn't tell anyone we were of the Lord. Now we invite anyone and everyone to our church services."

The delegation heard much talk about the economy. Much of the people's time and energy goes into basic living. I stayed in a home that showed clear signs of better times: a washing machine, TV and VCR. Yet the family was going out daily to trade household items for food. They were using charcoal due to a lack of fuel for cooking. They were without electricity and water most of the time I was there. It was clear to me that the failing economy in Cuba impacts both rich and poor.

At the same time, I did not hear anyone calling for Castro to be removed. Rather I heard, "My parents were illiterate and poor, my children are university graduates." People in Cuba are proud of what the revolution has achieved in education and health. They did not hide the errors of the past (suppression of religion, fighting in foreign wars, etc.), yet feel their country is changing. They would like to see the changes continue but in order to do so they need access to markets and goods. The people I spoke with are proud to be well-educated, and feel that if given a chance they would be able to design an economy that is neither purely socialist nor purely capitalist but takes the best from both. They are rural evangelical folks; none are members of the Communist party.

Our delegation asked one of the house church groups what message they had for the people of the U.S. "Greetings, many greetings and may God bless." And what message for Bill Clinton? The voice of an elderly man rang out, "Stop the embargo."

Mr. KOPETSKI. Like so many of my colleagues, I believe it is time for a fundamental reassessment of our Cuba policy. At the heart of this, in my judgment, is letting the bright light of American commerce shine into Cuba, and, therefore, I support lifting the trade embargo and am an original cosponsor of Chairman Rangel's legislation to do so.

When we discuss the Cuban embargo, my colleagues, we are discussing an antiquated policy of the cold war. As such, it is very thinly linked, if at all, to the reality of the world we live in today.

No longer are national security issues the unchallenged focus of the global agenda. No longer is military capability the cornerstone of America's international commitment. No longer are U.S. international economic initiatives, such as the World Bank and the General Agreement on Tariffs and Trade, motivated solely by geopolitics and by security concerns alone. No longer is the international environment defined by the struggle between the United States and the Soviet Union.

No longer important are our respective efforts to expand our spheres of influence to include countries like Cuba. Traditional security concerns, such as regional conflicts and nuclear nonproliferation, remain important. But the central reality of the post-cold war is the primacy of economics in foreign policy.

As a lover of peace, I welcome the new importance of international trading and financial relationships, because I feel very strongly that the fabric of peace is strengthened by today's rapid-paced interweavings of international commerce. Simply put, war, whether hot or cold, is not healthy for business. This provides a built-in lobby for peace.

The new global competition is in business, not territory, the goal of which is to advance prosperity, not ideology. In China and Vietnam, and now in Cuba, opening the way for American trade means opening the way for peaceful relations with previously unfriendly countries.

I believe that the foundation for the fall of communism in Eastern Europe and the Soviet Union stemmed from its final erosion as an economic and social system to meet the needs of people living under it. We have the chance, in lifting the embargo, to let American companies shine the light of prosperity on Cuba. We should seize this opportunity. It will pay off for both American industry and for those of us who ardently defend and promote democracy, human rights and individual liberties.

Mr. Chairman, I visited Czechoslovakia in the fall of 1989, where a border guard told me that exposure to the Western World, to a different standard of living and individual freedoms made the difference, whether the exposure came from trade contacts or even from West German television. Vaclav Havel once said, "Communism was not defeated by military force, but by life, by the human spirit, by conscience, by the resistance of being and man to manipulation." He was right, and he would recognize we have a chance, even an obligation, to make an important difference in the future of the Cuban people.

Were I Castro, I would not want America to lift the embargo. He knows from watching the fall of Hungary, Czechoslovakia and Poland that pent-up force for economic justice, when unleashed, will

roll through his country, propelling with it the ideals of individual freedoms in the marketplace of liberties. It will be only a matter of time that a new revolution, probably and hopefully peaceful, will overcome the totalitarian regime in Cuba.

Let me also take a moment to raise another issue for my colleagues to consider in this post-cold war era, as Congress and the administration revisit American foreign policy toward Cuba.

It seems only fitting to reassess the need for a preferential treatment given to Cuban nationals. I recently introduced H.R. 3854, to repeal the Cuban Adjustment Act of 1966. This legislation would level the playingfield as regards our immigration policy.

In 1981-82, a total of 10,851 Cuban nationals adjusted to permanent resident status, in addition to 7,900 Cuban refugees for the same period. The number of Cuban nationals who adjusted under the act exceeds the total number of refugees in the same period from Cambodia, El Salvador, Romania, Somalia, the former Yugoslav Republic and, of course, Haiti.

Passage of this bill will not mean Cuban nationals seeking asylum are given substandard treatment. On the contrary, with the repeal of the Cuban Adjustment Act, they will be given the same opportunity to gain asylum as any other foreign national.

In conclusion, I want to reiterate my support for a fundamental rethinking of our Cuba policy, to include both the lifting of the trade embargo and a repeal of the Cuban Adjustment Act. I commend you, Mr. Chairman, for your leadership on this issue.

Let me also take a moment to commend Mr. Serrano, my colleague from New York. He has been a great leader on so many issues, social issues, especially for people in pain in this country and throughout the world. I have become a friend of his and know that it is a tragedy that, in our country, Mr. Serrano is a victim of threats and intimidation for his views on these and many other issues. In a nation that prides itself on debate and its aversion to threats and change in government by force, I think Mr. Serrano is a true leader and ought to be commended for his leadership and his gutsiness, as we like to say out West.

Thank you, Mr. Chairman.

[The prepared statement follows:]

TESTIMONY OF  
THE HONORABLE MIKE KOPETSKI  
BEFORE THE COMMITTEE ON WAYS AND MEANS  
SUBCOMMITTEE ON SELECT REVENUE

March 17, 1994

Thank you, Chairman Rangel, members of the subcommittee, for this opportunity to testify. Like so many of my colleagues, I believe it's time for a fundamental reassessment of our Cuba policy. At the heart of this, in my judgement, is letting the bright light of American commerce shine into Cuba, and therefore, I support lifting the trade embargo, and I am an original cosponsor of Chairman Rangel's legislation to do so.

When we discuss the Cuba embargo, my colleagues, we are discussing an antiquated policy of the Cold War. As such, it is very thinly linked, if at all, to the reality of the world we live in today.

No longer are national security issues the unchallenged focus of the global agenda. No longer is military capability the cornerstone of America's international commitment. No longer are U.S. international economic initiatives, such as the World Bank and the General Agreement on Tariffs and Trade (GATT), motivated solely by geopolitics, and by security concerns.

No longer is the international environment defined by the struggle between the U.S. and the Soviet Union, and our respective efforts to expand our spheres of influence to include countries like Cuba. Traditional security concerns such as regional conflicts and nuclear non-proliferation remain important, but the central reality of the post-Cold War is the primacy of economics in foreign policy.

And, as a lover of peace, I welcome the new importance of international trading and financial relationships, because I believe very strongly that the fabric of peace is strengthened by today's rapid-paced interweavings of international commerce. Simply put, war, whether hot or cold, is not healthy for business; this provides a built-in lobby for peace. The new global competition is in business, not territory; the goal of which is to advance prosperity, not ideology. In China, and Vietnam, and now in Cuba, opening the way for American trade means opening the way for peaceful relations with previously unfriendly countries.

I believe that the foundation for the fall of communism in Eastern Europe and the Soviet Union stemmed from its final erosion as an economic and social system to meet the needs of people living under it. We have the chance, in lifting the embargo, to let American companies shine the light of prosperity on Cuba. We should seize this opportunity; it will pay off for both American industry and for those of us who ardently defend and promote democracy, human rights and individual liberties.

I visited Czechoslovakia in the fall of 1989, where a border guard told me that exposure to the western world, to a different standard of living and individual freedoms made the difference, whether the exposure came from trade contacts or even from West German television. Vaclav Havel once said: "Communism was not defeated by military force, but by life, by the human spirit, by conscience, by the resistance of Being and man to manipulation." He was right, and he would recognize we have a chance, even an obligation, to make an important difference in the future of the Cuban people.

Were I Castro I would not want America to lift the embargo. He knows from watching the fall of Hungary, Czechoslovakia, and Poland that the pent up force for economic justice when unleashed will roll through his country propelling with it the ideals of individual freedoms in the marketplace of liberties. It will be only a matter of time that a new revolution, probably peaceful, will overcome the totalitarian regime in Cuba.

But I also want to raise another issue for my colleagues to consider. In this post-Cold War era, as Congress and the Administration revisit American foreign policy towards Cuba, it seems only fitting to reassess the need for a preferential immigration status for Cuban nationals.

I recently introduced legislation, H.R. 3854, to repeal the Cuban Adjustment Act of 1966. This legislation would level the playing field as regards our immigration laws.



The Cuban Adjustment Act allows Cuban nationals who have been living in the U.S. for one year-- under any circumstances--to become permanent residents of the United States. In practical terms, the Act creates an exception to our immigration laws for Cubans which is not available to persons of any other nationality.

Normally, the U.S. accepts asylum seekers for basically three reasons: family reunification, desirable economic benefits to the U.S., and humanitarian concerns (primarily political oppression). We turn many, many people away who have sympathetic cases, but do not fit these descriptions. In the case of Cuba, however, we accept virtually all asylum seekers, with extremely few exceptions, and literally no questions asked (except whether the person is a Cuban national).

In 1991-92, a total of 10,851 Cuban nationals adjusted to permanent resident status (in addition to 7,911 Cuban refugees for the same period). The number of Cuban nationals who adjusted under the Act exceeds the total number of refugees in the same period from Cambodia, El Salvador, Romania, Somalia, and the former Yugoslavia.

Passage of H.R. 3854 will not mean Cuban nationals seeking asylum are given substandard treatment; on the contrary, with the repeal of the Cuban Adjustment Act, they will be given the same opportunity to gain asylum as any other foreign national. That's the entire purpose of H.R. 3854.

And so, while much of my bill is intended to improve our immigration policy in terms of consistency, there is an undeniable foreign policy aspect inherent in repealing the Cuban Adjustment Act.

When passed in 1966, the Act was designed to be a temporary measure responding to a presumed temporary regime, and was needed to create a legal status for 165,000 Cuban political refugees already in the U.S. Nearly thirty years later, Fidel Castro is still in power in Cuba while many of those who oppose him now reside permanently in this country. Currently, Cuba's desperate economic situation drives much of the new migration, a fact I'm certain resonates with members of this subcommittee. Some would argue that the Act, by facilitating Cuban relocation to the U.S., has artificially prolonged the Castro regime.

The Cuban Adjustment Act creates not only the perception of unfairness, but the reality as well. The Cuban Adjustment Act is indefensible, given the flight of so many people facing desperate situations, and should be repealed.

In conclusion, I want to reiterate my support for a fundamental rethinking of our Cuba policy, to include both the lifting of the trade embargo and the repeal of the Cuban Adjustment Act of 1966. Thank you.

Chairman RANGEL. Thank you, Mr. Kopetski.

Senator, could I just ask one question before you leave? Do you have any objections to any type of broadening exchange between the United States and Cuba in the cultural or the education area, as opposed to just trade?

Senator GRAHAM. As I suggested in my remarks, I believe that one of the keys to our success in Vietnam, as well as in Central Europe, was the consistency of our position. I believe that position was stated in greater specificity than in the past in the Cuban Democracy Act, which was adopted less than 18 months ago. I believe that we should follow the standards of the Cuban Democracy Act. I believe that that combination of isolation of regime, opening up to increased people-to-people contact, and laying out a roadmap for post-Castro Cuba relations with the United States, those are the fundamental principles and we should stick with them.

Chairman RANGEL. I understand that under existing law there are many Cuban-Americans that are allowed to return to Cuba under our law, because they have families in Cuba, and that many of them are involved in taking advantage of new business opportunities, for exploring them in Cuba, to the disadvantage of Cuban-Americans and other Americans that do not have families and access to travel in Cuba. Do you know this to be true?

Senator GRAHAM. I am not aware of any particular specifics, and I would think that would be contrary to the conditions upon which that right to travel was authorized.

Chairman RANGEL. Thank you.

Mr. SHAW. If I may, Mr. Chairman, just 1 second. I want to congratulate Senator Graham on a very, very fine statement. I am in full accord with his view of Cuba and our policy toward Cuba.

Thank you, Mr. Chairman.

Chairman RANGEL. Congressman George Miller will be heard.

#### **STATEMENT OF HON. GEORGE MILLER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA**

Mr. MILLER. Thank you, Mr. Chairman.

I certainly want to begin by strongly associating myself with your opening remarks and to applaud you for pulling together this hearing, and commend you and Mr. Serrano for your leadership on this issue.

The hearing that you are holding today would have been unthinkable just a few short years ago. Obviously, the times have changed and U.S. policy toward Cuba should change, as well.

I am pleased to join a growing number of individuals, organizations and nations in supporting an end to the U.S. embargo of Cuba. I support your legislation and believe that it should be adopted by this committee as a step toward opening the political environment within Cuba, improving the lines of Cubans and the Cuban-Americans, and providing important business opportunities for American companies. In addition, many argue that lifting the embargo would avert possible chaos in Cuba, resulting in a flood of tens of thousands of new Cuban immigrants to the United States.

The embargo against Cuba and the effort to prevent other countries from doing business with Cuba has been harmful to the

Cuban people and to their families now living outside the country. But it has also been ineffective in bringing about political change on the island. In fact, I would argue that the embargo has prevented the opening of the political climate in Cuba. Fidel Castro has successfully used the embargo and U.S. hostility toward him and his government to embolden his power, reinforcing the message that the United States has been the true enemy of the Cuban people.

The embargo against Cuba is a completely disproportionate response with regard to the danger posed by Cuba and the goals of the United States. It is also a disproportionate response compared to our policy toward other nations. The Cuban Government today poses no threat to the United States. It no longer is an ally of the Soviet Union. It is not engaged in wars in Angola or in Central America.

The embargo is the confusion of a personal vendetta with a national policy interest. It is a relic of the cold war and it is not in the interest of this country to maintain it.

My colleagues and I who support your bill, Mr. Chairman, are not alone in our view that U.S. policy toward Cuba must change. The United Nations has repeatedly voted for the United States to end the embargo. The Rand Corp., the 20th Century Fund, the Inter-American Dialog, United Technologies Corp. and other American businesses, and the editorial boards of the Washington Post, the New York Times, the Los Angeles Times, and the Boston Globe have all endorsed lifting the embargo, or at least taking initial steps to increase humanitarian, political and economic contact between the two countries.

And for the first time, there is now an increasing number of voices within the Cuban and the Cuban-American community calling for change in U.S. policy. At least two moderate Cuban-American organizations and five leading Cuban dissident organizations have all called for the outright lifting of the embargo or easing of tensions between the United States and Cuba.

U.S.-Cuban policy, unfortunately, is not the result of constant review and examination by the appropriate elements of the U.S. Government. The policy has been under the control of a special interest in the United States that does a disservice to the democratic process of open dialog in our own country. The Cuban American National Foundation has held U.S. policy toward Cuba a captive child, with its notorious purse strings and bullying tactics. The St. Petersburg Times put it best, when it said in an editorial last year: "The Cuban American National Foundation has always been less interested in liberating Cuba than in holding Washington hostage to its whims."

The foundation has been the main voice in support of the continued U.S. embargo, and it is the main reason the Congress has approved \$17 million a year for TV Marti, broadcasting American ideas and culture into Cuba, despite the finding that the transmissions are routinely blocked by Cuba and that virtually no Cubans see the programming.

If American television is going to bring about the downfall of Castro's Cuba, as the foundation claims is its goal, wouldn't it make more sense to end the ban on telecommunications between

the two countries and fill Cuban TV sets with the faces and voices of Peter Jennings and the Simpsons, and programming from the Cuban-American community in this country?

Finally, I would like to remind this committee, on a more serious note, that the CIA has warned the Clinton administration that it could face a major policy crisis in Cuba "at any time," because of the severity of economic conditions in Cuba, and we ought to take note of that and understand the possible ramifications.

U.S. policy must be reexamined and changed. Lifting the embargo and allowing free and open exchange of ideas and reunification of families and the examination of business claims against the Cuban Government is the course that we should follow. Again, I want to applaud you for holding these hearings.

Mr. Chairman, I hope that you would excuse me. I am in the process of chairing a hearing in the Natural Resources Committee. I want to thank your committee for this time and my colleagues here in support of this legislation.

Chairman Rangel. Thank you for taking the time from your committee to share your views with us.

The Chair recognizes Congressman Ed Torres.

**STATEMENT OF HON. ESTEBAN EDWARD TORRES, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA**

Mr. TORRES. Thank you, Mr. Chairman and members of the subcommittee.

I appreciate the opportunity to speak before you on the important issue of the U.S. embargo on Cuba. We know that Cuba has always been a peculiarly emotional issue in our U.S. foreign policy. Past U.S. interests with regard to Cuba were of a security nature and had more to do with Washington's global rivalry with Moscow than with Cuba itself. In the early 1960s, U.S. officials maintained that it was not the Socialist nature of the Cuban system which drove U.S. opposition, rather, it was our Government's concern with Cuba's interventionist foreign policy and its military ties to the former Soviet Union.

The Carter administration added to this list its demands that Cuba demonstrate greater respect for human rights. As recently as 5 years ago, U.S. barriers to improved relationships with Cuba were still conditioned by Cuba's commitment to the export of armed revolution and its close ties to the Soviet Union. For 33 years, the primary U.S. policy initiative, responding to our criticisms of Cuba's foreign policy, has been to maintain an economic embargo against Cuba.

In one form or another, this U.S. economic embargo against Cuba has been the policy of the last nine U.S. Presidents—count them, nine U.S. Presidents. Given the longevity and the consistency of U.S. economic policy toward Cuba, I feel that we ought to be able to examine now whether the embargo has furthered U.S. policy goals. In terms of the stated U.S. security concerns, we observe the following: Cuban troops are out of Africa; Cuba no longer is supporting revolutionary movements; and its military ties to Russia are virtually nonexistent and certainly not a threat to the United States. How ironic that Russia is in our sphere of foreign aid as-

sistance today. So if the intent of our embargo was to guarantee certain U.S. security interests and these concerns have been met, why did we recently pass the Cuban Democracy Act, which tightened the effects of our 33-year-old embargo, and ironically provided Fidel Castro with fresh reasons for showing how, as Congressman Miller just pointed out, President Castro can point to his nation's economic problems as not being his fault?

I would maintain that U.S. policy interests toward Cuba are no longer based on security issues, but, rather, are attempts to affect internal changes in Cuba. If the United States is now seeking internal political and economic changes in Cuba, does the existing embargo serve these ends? Certainly, 33 years of economic embargo have not toppled the Castro regime. There has been a renovation of the top political leadership. The Government appears to have been able to impose severe economic restrictions, because most Cubans, in spite of their hardships, have adjusted successfully. The State's security forces remain loyal and effective. Compensation for U.S. property seized has not been reached. Cuba has not been isolated internationally, and the U.S. embargo, particularly the enactment of the Cuban Democracy Act of 1992, gave Cuban leaders a vehicle for mobilizing patriotic support to elicit the sacrifice necessary to make the economic adjustments. As I mentioned earlier, Mr. Chairman, this act provided the Cuban Government with a target for blaming the U.S. Government as a cause of Cuba's many calamities.

For a moment, let us suppose that the U.S. trade embargo were to be lifted tomorrow in its entirety. What would be the effect on Cuba's economy in the short run? It is quite probable that not much would happen immediately to the Cuban economy. Cuba could not export more sugar, because it does not produce it. Cuba could not import more goods, because it lacks the foreign exchange to pay for them. Cuba's principal product, sugar, is oversupplied worldwide, and it is traded internationally at low prices in a residual market.

It seems to me, Mr. Chairman and members of the subcommittee, that the U.S. trade embargo policy is assisting the continuation of the Castro government and the miseries of its people. I trust that others here will speak today to the suffering which has visited on the Cuban people by our outdated trade embargo.

I maintain that it is time for a new vision in U.S. policy toward Cuba. And as a part of this new vision, I would make the following three short suggestions: That the Clinton administration should outline and define its U.S. interests in Cuba in simple and clear terms. Washington should consult with our democratic Latin American allies in reshaping our own policy toward Cuba, and our policy should include the following elements.

Yes, continue to call upon Cuba to foster a respect for human rights and a transition to a pluralized democracy. Two, it should make clear that the United States has no intention of invading Cuba, and to condemn violent actions by exiled groups. And, three, to facilitate the flow of international information into Cuba, and this should include continuing the facilitation of telecommunications between our two countries, facilitate direct mail, promote

cultural and academic exchanges, establish news bureaus, and allow travel by U.S. citizens to Cuba.

Four, in order to make credible U.S. claims that our objection is to Cuba's Government and not to hurt its people, the United States should indicate its readiness to remove the embargo, if Cuba opens up its politics in specified ways. In this way, the United States would signal its desire to respond to changes that the Cuban Government chooses to adopt on its own.

And fifth, to remove all punitive measures from the Cuban Democracy Act which interfere with the normal exercise of sovereign jurisdiction by other countries. Our economic relationships with Canada, with Mexico and the European Community are of vital importance and outweigh any remaining objectives the United States may have toward Cuba.

Mr. Chairman, our current U.S.-Cuban policy provides a window of doubt for other governments to question U.S. ability to provide creative leadership in the post-cold war world.

In closing, Mr. Chairman, I would like to quote Dr. Jorge Dominguez, who I understand is here with us today. He is a professor of government at Harvard University, and I quote: "Immobility in U.S. policy helps the Cuban Government remain politically immobile. Continuing change in U.S. policy along the lines that are becoming visible holds the promise of fostering change within Cuba better than the alternatives that have not and remain unlikely to work."

Mr. Chairman, your bill, H.R. 2229, is clearly a move in the direction of change. It is clearly a move to begin to reduce the tensions, so that we can begin to talk to the people of Cuba and bring lasting peace in this hemisphere.

Thank you, Mr. Chairman.

[The prepared statement follows:]

TESTIMONY BY  
REPRESENTATIVE ESTEBAN E. TORRES (D-CA)  
"THE U.S. EMBARGO AGAINST CUBA"  
before the Ways and Means  
Subcommittee on Select Revenue Measures  
March 17, 1994  
10:00AM Rm. 1100  
Washington, D.C.

Chairman Rangel, and distinguished members of the Ways and Means Subcommittee on Select Revenue Measures, I appreciate the opportunity to speak before you on the important subject of the U.S. embargo on Cuba.

Cuba has always been a peculiarly emotional issue in U.S. foreign policy. Past U.S. interests with regard to Cuba were of a security nature and had more to do with Washington's global rivalry with Moscow than with Cuba itself.

In the early sixties, U.S. officials maintained that it was not the socialist nature of Cuba's system which drove U.S. opposition rather it was our government's concern with Cuba's interventionist foreign policy and its military ties to the former Soviet Union.

The Carter administration added to this list its demands that Cuba demonstrate greater respect for human rights. As recently as five years ago U.S. barriers to improved relationships with Cuba were still conditioned by Cuba's commitment to the export of armed revolution and its close military ties to the Soviet Union. For thirty-three years the primary U.S. policy initiative responding to our criticisms of Cuba's foreign policy, has been to maintain an economic embargo against Cuba.

In one form or another this U.S. economic embargo against Cuba has been the policy of the last nine U.S. Presidents. Given the longevity and the consistency of U.S. economic policy towards Cuba, I feel that we ought to be able to examine now whether this embargo has furthered U.S. policy goals. In terms of the stated U.S. security concerns we observe the following: Cuban troops are out of Africa; Cuba is no longer supporting revolutionary movements, and its military ties to Russia are virtually nonexistent -- and certainly, not a threat to the U.S. So, if the intent of our embargo was to guarantee certain U.S. security interests, and if these concerns have been met, why did we pass recently the Cuban Democracy Act -- which tightened the effects of our thirty year old embargo, and ironically, provided Fidel Castro with fresh reasons for showing how his nation's economic problems are not his fault?

I would maintain that U.S. policy interests towards Cuba are no longer based upon U.S. security issues, but rather are attempts to effect internal changes in Cuba. If the U.S. is now seeking internal political and economic changes in Cuba, does the existing embargo serve these ends? Certainly, thirty-three years of economic embargo have not toppled the Castro regime; there has been a renovation of the top political leadership; the government appears to have been able to impose severe economic restrictions because most Cubans, despite the hardships, have adjusted successfully; the state's security forces remain loyal and effective; compensation for U.S. property seized has not been reached; Cuba has not been isolated internationally; and the U.S. embargo -- particularly the enactment of the Cuban Democracy Act of 1992, gave Cuban leaders a vehicle for mobilizing patriotic support to elicit the sacrifice necessary to make the economic adjustment. And, as I mentioned earlier, this Act provided the Cuban government with a target for blaming the U.S. government as a cause of Cuba's many calamities.

For a moment, let us suppose that the U.S. trade embargo were to be lifted tomorrow in its entirety. What would be the effect on Cuba's economy in the short run? It is quite probable that not much would happen immediately to the Cuban economy: Cuba could not export more sugar because it does not produce it. Cuba could not import more goods because it lacks the foreign exchange to pay for them. Cuba's principal product sugar, is over-supplied worldwide and is traded internationally at low prices in a residual market.

The major impact of removing the embargo would be political: the Cuban government would be held responsible for the nation's economic problems. It seems to me that the U.S.'s trade embargo policy is assisting the continuation of the Castro government -- and the miseries of its people.

I trust that others will speak to the suffering which has been visited on the Cuban people by our outdated trade embargo. I maintain that it is time for a new vision in U.S. policy toward Cuba. As part of this "new vision" I would make the following suggestions: the Clinton administration should define U.S. interest in Cuba in simple and clear terms.

Washington should consult with our democratic Latin American allies in shaping our own policy toward Cuba. Our policy should include the following elements: 1. To foster a respect for human rights and a transition to pluralized democracy; 2) to make clear that the U.S. has no intention of invading Cuba and to condemn violent actions by exile groups; 3) To facilitate the flow of international information into Cuba: this should include continuing the facilitation of telephone communications between



our two countries; facilitate direct mail, cultural and academic exchanges, establish news bureaus, travel by U.S. citizens to Cuba; 4) in order to make credible U.S. claims that our objection is to Cuba's government, and not to hurt its people, the U.S. should indicate its readiness to remove the embargo if Cuba opens up its politics in specified ways. In this way, the U.S. will signal its desire to respond to changes that the Cuban government chooses to adopt on its own; 5) to remove all punitive measures from the Cuban Democracy Act which interfere with the normal exercise of sovereign jurisdiction in other countries.

Our economic relationships with Canada, Mexico and the European Community are of vital importance, and outweigh any remaining objectives the U.S. may have toward Cuba. Furthermore, U.S.-Cuban policy provides a window of doubt for other governments to question U.S. ability to provide creative leadership in the post Cold War world.

In closing, I would like to quote Dr. Jorge Dominguez, Professor of Government, Harvard University: "Immobility in U.S. policy helps the Cuban Government remain politically immobile. Continuing change in U.S. policy, along the lines that are becoming visible, holds the promise of fostering change within Cuba better than the alternatives that have not and remain unlikely to work."

Thank you, Mr. Chairman.

Chairman Rangel. Thank you, Mr. Torres.

The Chair and the subcommittee are honored to have Chairman Torricelli to come here to share his views with us today. Certainly, as a member and senior member of that outstanding, it has been your hearings and your thoughts and your views that have helped us in the Congress to formulate our views as to how we can make a better world and what leadership role our country can play.

I think for all Communist nations that do not enjoy the liberty that we do here, that they should take note as to how people can disagree on some points and at the same time work together in extended debate, so that we can have a better understanding of these complex problems that face our world.

Certainly, no one has worked more toward the answers and the solution of those problems than you, and we welcome the contribution you make today.

**STATEMENT OF HON. ROBERT G. TORRICELLI, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW JERSEY**

Mr. TORRICELLI. Thank you, Mr. Rangel.

Thank you for having this hearing, for inviting me, and for your very kind remarks. Indeed, the cooperative way in which we have worked together on issues like the crisis in Haiti and the civility with which we approach our differences on issues like Cuba is an example to all that you have suggested about how the process should operate.

Mr. Chairman, my interest and involvement in Cuba has spanned many years, but it is best explained by perhaps a single incident. Only 2 years ago, in Miami, in meeting a variety of Cuban-Americans, a man approached me and said that it was nice to see me again. I inquired as to where we had met. He said that, on November 24, 1988, we had met in a prison in Havana. I asked him how he could possibly remember the day. He said he would remember it all of his life, because the day before I visited the prison, for the first time in the 19 years of his confinement, the metal sheath had been taken off the windows of his cell and he had seen daylight and smelled fresh air.

Luis Zuniga is here with us today, Mr. Chairman. He is seated behind me. And in his story, more is told about the reality of Cuba today than most of what you will ever hear in the political debate in America today. This is Cuba today, Mr. Chairman: 5,000 Cubans killed, executed by Fidel Castro in the years of his regime; 61,000 children who are today confined in prisons, in labor camps in Cuba; 2,000 students who have been expelled from schools in the last 6 months because they have expressed displeasure with the regime or desire to travel. This is Cuba.

There is nothing romantic. There are no reforms. There is nothing progressive about it. It is a dictatorship. Simply because it is a dictatorship of the left makes it no different than all the fights, Mr. Chairman, that you and I have waged together with the dictatorships of the right, from Salvador to Chile. It looks the same, it smells the same, and it hurts the same to all the values that you and I hold dear. Plain and simple, that is all there is to it.

Eighteen months ago, as Democrats and Republicans, George Bush and Bill Clinton alike, by an overwhelming vote, we estab-

lished a new American policy that we would take a stand against the reality of this dictatorship. That product is the Cuban Democracy Act. It responded to the opportunity that the collapse of the Soviet Union presented, with a denial of \$5 billion of Soviet aid. It stood against the fiction that the former American embargo had any meaning, while \$300 or \$400 million of American trade subsidized the Cuban dictatorship.

The American embargo is not 30 years old. It is not even 2 years old. It is 18 months old, and it is working. Now that the economy is deteriorating, a third of the Cuban security forces have lost their uniforms and their guns have been retired. The Cuban Air Force and Navy are largely not operating, giving for the first time some opportunity for new institutions to operate. For the first time, the Catholic church has become a second institution of organization and delivery within the country.

I cannot tell you that we are on the verge of freedom, but I can tell you that, for the first chance, the fingers of dictatorship are beginning, at least beginning to take their hands off the throat of Cuban freedom.

Mr. Chairman, if it weighs on the conscience of Members of this Congress and of the American people that the Cuban people are suffering, believe me it weighs on me, as well. I did not come to this Congress to participate in hurting anybody, contributing to suffering or to have people starve. But I also understand the reality that the greatest crime is to do nothing and to allow another generation of Cuban children to live in freedom. That is our goal. To have them suffer would be the greatest crime, and that is the alternative. Because to do nothing means that Fidel Castro 10 years from now or 20 years from now will still deny any opportunity of expression or any form of pluralism in society. And this 5,000 will be 15,000 or 20,000. That is the alternative.

Mr. Chairman, Mr. Castro's excuses that the embargo is providing suffering, that all would be right in Cuba if it were not for the United States, rings hollow. That is believed nowhere except in the United States. The Cuban people know that they are suffering not from the embargo, but because of communism. It is the betrayal of their own revolution by Fidel Castro. It is the substitution of the ideals of the revolution for communism that has caused their suffering, their death and their destruction.

The Cuban Democracy Act is a strategy based on that reality. Ironically, it includes much of what Mr. Torres just suggested as the real answer. He says that the embargo should be lifted, if democratic elections are held. We do not even require that. Under the Cuban Democracy Act, the embargo ends, not the day there is an election, not the day an election is scheduled. The day the Cuban dictatorship promises a free and fair election, there is no American embargo. An American President can certify it, and the embargo ends.

But the Cuban Democracy Act also is not just an embargo. It includes exactly what Mr. Torres has said our policy should be, to open communication. We make a unilateral offer to the Cuban Government, end restrictions on mail, open telephone communications, the liberalization of some travel. In its original draft, it even proposed opening news bureaus.

Because it is built on the Eastern European experience, we will not bring down this dictatorship by embargo alone. Our greatest weapon is ideas. We seek to flood Cuba with information and free communication, knowing that it inevitably will spark a desire for freedom and for pluralism.

Finally, because we do not want the poorest of the poor to suffer, contrary to what you have heard here today, we have opened, not restricted, donations of food and medicine. Before the Cuban Democracy Act, less than \$1 million of assistance in food and medicine was flowing to Cuba. Last year alone, that number was nearly \$9 million. The Catholic church alone this year will send 2,000 tons of food and medicine, unbelievably making Cuba, if you include private donations, one of the largest recipients of food and medicine from the United States in Latin America.

That is the reality of the Cuban Democracy Act, not just an embargo, but a balanced approach to making clear to the Cuban people that we have no quarrel with them, we will give food and medicine, making clear that we will not dictate the form of the Government of a future Cuba. We have no favorites on who will rule Cuba. We simply want a free election at last promised.

Mr. Chairman, the issue before today, however, does not simply seem to be the Cuban embargo, but the very concept of embargo, whether it is a legitimate tool of American foreign policy. Perhaps this confuses me the most, because the history of the last 20 years in contemporary American foreign policy has been to recognize that economic embargoes are a legitimate means of American foreign policy to obtain legitimate ends.

It is a substitute for armed conflict. It is an extension of diplomatic means, and it has worked. It worked in Rhodesia. It worked in South Africa. It applied pressure on the Soviet Union. It is being applied today in North Korea. It is being used in Libya. It is being used in Iraq. And it is being used in Cuba, for the same means.

Who here today would argue that the cause of human rights is any less offended in Cuba than it is in Libya. Does Fidel Castro have less political prisoners? Has he killed less opponents than have been killed in those nations? On the contrary. According to the United Nations, Fidel Castro today per capita has more political prisoners than any one of those nations.

This institution is joined together, indeed people on this panel, in each of those causes, as I have indeed even today on Haiti, in believing that it is an answer and it speaks the best to what we try to do.

Perhaps, Mr. Chairman, if the real cause is that we do not believe that embargoes are a legitimate expression of our foreign policy, then let us amend this amendment, let us lift the embargo on all those nations, because they must similarly offend the things that we hold dear.

Finally, Mr. Chairman, it is argued here today that with the cold war over, we have no quarrel with Cuba, and indeed the embargo is not necessary because our own security is threatened. On the contrary, America's fight for human rights, our belief in pluralism, the things that we achieve through the Cuban Democracy Act did not begin with the cold war. They predate it. They predate this

generation. They predate this century. It is the oldest fight of America, for human rights and for pluralism.

I did not begin opposing Fidel Castro because he was allied with the Soviet Union. I do not oppose what he did, because he brought socialism to Cuba. I do not care what economic form he chooses for his country. I care about human rights. What he does offends everything America stands for. And when the last Communist regime has left this planet, I still believe this embargo makes sense and is justified, because of our fight for pluralism in this country.

Last week, Mr. Chairman, the United Nations passed a resolution, on March 9, which language speaks volumes about why it is the United States needs to stand firm. The special rapporteur on arbitrary arrests, beatings, imprisonment, harassment, threats, including the loss of employment, human rights debases everything the U.N. Charter stands for. The United Nations has taken this statement. They have not had the strength and conviction to follow it by believing in embargo. We have, and we have reason to be proud of it.

Mr. Chairman, a generation unborn of Cubans will look at the nations of the world and judge us in whether or not in this moment that tested Cuban history stood for Cuban freedom, whether we stood with them or idly by. We will be tested on where we were on that issue. I believe we can be proud of this embargo. I know your hesitation. I know of your concern because of suffering in Cuba. Believe me, I share it too.

But with my own eyes, I have seen people who have floated in rafts, lost their own children, and stood across from me and said we have suffered, we have died, but the embargo must stand, lest we lose another generation, stand firm.

Mr. Chairman, if they can say that to me, I can say it to you. We are on the right policy. We will be proud of it. I understand your concern. We have no choice, we must stand together for Cuban freedom.

I know that you have been liberal with the time. I know that you have the burden of a lot of speakers today. I thank you for holding this hearing and for giving me this opportunity.

Thank you, Mr. Chairman.

[The prepared statement follows:]

Statement of Rep. Robert G. Torricelli  
before the  
Subcommittees on Select Revenue Measures and Trade  
House Committee on Ways & Means  
1100 Longworth House Office Building

March 17, 1994

Mr. Chairman, members of the committee, thank you for this opportunity to speak to you today on American policy regarding Cuba.

I have read a great deal recently about a supposed internal debate within the United States government, and divisions both in Congress and in the Cuban American community, with regard to the embargo and current American policy. These are interesting articles. They are provocative. They are a good subject for discussion this morning. However, they have the distinct disadvantage, in my judgement, of largely being without foundation.

I believe that both in the Cuban-American community and in this Congress, as well as in the body politic at large, there is a view that Fidel Castro has had opportunities presented by successive American administrations to reform, to change, to respond to stimuli, and he has failed. And while hope always springs eternal in Washington that deep within each beating heart, there is someone who would be a Jeffersonian Democrat if only given the chance, Fidel Castro has provided more than ample evidence that such is not his beating heart.

Indeed, Castro need be taken only in his own words. Yes, he will have a few restaurants open in Havana and yes, there will be shoe-shine kids and there will be some small entrepreneurs on street corners. But the fundamental nature of the regime will not change.

And not only is there not political liberalization. The Castro regime is, indeed, a significantly more repressive regime today than it was 12, 24 or 36 months ago. Some of the people who were communicating with me during the writing of the Cuban Democracy Act, by telephone or mail, are today imprisoned. Some of the voices that have arisen have joined them. The regime, no matter how much we would hope to the contrary, is not lessening its grip.

In large measure, the Cuban Democracy Act was written in response to a series of Congressional visits and a conversation that I had four or five years ago. During that visit, Castro -- face to face -- made clear to me that in his judgement, any opening of political opposition, any move toward democratic elections, any pluralism introduced to any extent at all would lead to a Ceausescu example in the collapse of the Rumanian state.

The Cuban example was different from liberalization that was taking place elsewhere in Eastern Europe. He would not have it. He understood where it would lead and he disabused me of any illusions to the contrary.

The strategy that set out from that day has several components. It is not simply an extension of an American embargo, no matter how many times people write to the contrary. It had several elements. The first was to tighten the embargo by extending it to affiliates of American corporations, to deny Castro the foreign exchange that he would need to compensate for the loss of Russian aid. We did it. And it is working.

The Cuban Democracy Act of 1992 tightened the economic situation so that Castro would have to make some basic choices about the organization of his economy and his foreign relations with Western democracies. He is having to make those choices.

But that is not all we did. We also made a unilateral offer on communications. From that point forward, notwithstanding blocked accounts, we would encourage American telecommunications companies to restore phone communication.

We recognized that would mean increased foreign exchange for Cuba. We decided to take the gamble. It is worth giving him the money if every Cuban-American calls every night to talk about political change and the quality of life in Cuba. We made that offer. Castro has said that he will not agree to it because of his differences with AT&T and the blocked accounts. He may have been, until very recently, the last person in this hemisphere to notice that AT&T is not the only telecommunications company in the long-distance telephone business.

We have attempted to liberalize communications in a variety of other ways. We would expand direct mail contacts, if indeed he would respond, reciprocate. He will not. Now, we are in the process of liberalizing some visa requirements to allow, in my hope, human rights activists, people with political agendas, people who have a contribution to make to the debate to also visit Cuba. I doubt that will result in much of a change.

Third, contrary also to much of what I have been reading, we wanted from the start to make clear that our argument was not with the Cuban people. It is with the Castro regime. We, therefore, loosened the prohibitions on humanitarian donations. They have been liberalized. There has been a six-fold increase in the legitimate distribution of food and medicines to the poorest of the poor in Cuba. Since the enactment of the Cuban Democracy Act, \$8.5 million worth of humanitarian aid has reached the Cuban people.

All that the Cuban Democracy Act requires is that there be a license granted by the United States government to provide such aid. And this was not an arbitrary judgement. We were finding that within hours of delivery of food and medicines to Havana, if the Cuban government was doing the distribution, those medicines were showing up in tourist hotels for sale, or hard-currency stores, or if they were items of technology, for re-export. We are not allowing people to donate food and medicines so that they can be sold to Canadian tourists. People donate food and medicines to help the people in need.

The so-called Pastors for Peace, who have been making donations contrary to the law, can claim that they want to help people. Well, the people they are helping are tourists. On the other hand, the Archdioceses of Boston and New York have found internal means of distribution and are helping the people of Cuba, thousands of them, within the law.

Finally, we are asked all the time how we feel about the fact that people are suffering because of the embargo. Lives may be lost. The poor are hungry. The economy is in a downward spiral.

I didn't come to Congress to hurt anybody. I don't like being the author of an embargo which might lead to death or suffering. But, in my mind, economic embargoes are a legitimate, often used, well-tested and sometimes successful means of bringing change to repressive regimes.

I would agree that embargoes are not the best alternative. The best alternative is by logic and simple persuasion to convince despotic regimes to respect human rights and introduce pluralism. We have tried that. The United States tried it for 30 years. It is the ultimate triumph of hope over reality to believe that at this late date we will convince Fidel Castro, by simple persuasion, to follow that route. It isn't going to happen. And so we try economic pressure, knowing that the only other alternative is that, inevitably, there is going to be armed conflict, insurrection, or civil war in Cuba.

If we do nothing, then the next alternative is another 20 years or 30 years of a regime that has only brought economic suffering to Cuba. Because in the final analysis it is communism, not the embargo, that has led to economic collapse in Cuba. And, also, another generation where no dissent, no contrary views, no political rights, are recognized at all.

That is the alternative to the embargo, not nirvana. That is why we introduced it. That is why it continues to be a sound American policy. It will bring results.



I know, as Americans we are not a patient people. The ink is no sooner dry than people are saying that the embargo has not worked. In truth, the American embargo against Cuba is now 16 months old, not 30 years. It must be dated from that confluence of time when Russian aid ended and the foreign affiliates of American corporations were brought in.

I realize there are American companies that feel they are being placed at a disadvantage in regard to Cuba. It is true. American companies are not given the same right as European companies to trade with Cuba. They do not have that same right as their foreign competitors.

Why these companies would want to invest in Castro's Cuba is beyond me. Any current venture is an investment at risk, because significant political change is likely to come, to the disadvantage of those companies that had business dealings with Fidel Castro.

But even if you disagree with my economic judgement, I think we can agree on one particular political point. Even if America must stand alone in this embargo, there is reason to be proud of the fact we are doing so. Other nations may seek to do business with a regime which per capita has the most political prisoners in the world; which has done less than all but a few regimes on this earth to introduce political pluralism. Our country will not. That says a great deal about those governments who do, and volumes about our government which will not.

I am much prouder of our position than I believe anyone in Paris or Ottawa can be of theirs. And, I believe that when change inevitably comes to Cuba, a generation of Cubans will remember that the United States stood with them when no one else did -- in their fight for freedom.

I know that many of my colleagues distinguish between what we are doing in Cuba and what we do now in Iraq or did in South Africa or in a host of other countries. I do not. Whether dictatorships find their ideological foundations on the left or the right, fascism or communism, is of no consequence to me. They are dictatorships just the same. And if you are in a political prison, I suspect it would not make a great deal of difference to you either. I do not want to be part of that distinction.

I am told the embargo is wrong because the Cold War is over. America's security is not threatened by the island nation and, therefore, there is no reason to continue a confrontation with Fidel Castro.

I did not know that America's objectives in the world were only measured by the Cold War. No one ever told me that we only confronted regimes because they were either a security threat to the United States or allied to the Soviet Union. I thought, from South Africa, to North Korea, to Libya, to a host of other

countries, we took a stand on human rights because we believe in human rights. We took a stand against tyrannical governments because of the threat they represented to our values and their own people, not because of the threat to our people.

I see nothing in the end of the Cold War that changes American policy towards Fidel Castro, nor do I see any evidence in Washington that that policy is going to change. Somebody is going to blink, somebody is going to reform their policy. And it is going to be in Havana, not Washington.

We are going to see this policy through, and when it is done, perhaps we alone in the world are going to be very, very proud of what we have accomplished. When that day comes, we Americans will be making no apologies to a new democratic government in Havana. A government comprised of a new generation of Cubans who waited a long lonely time to join the international community in this new wave of freedom.

Thank you very much.

Chairman RANGEL. Thank you, Mr. Chairman.

The Chair now recognizes Congresswoman Ros-Lehtinen. I cannot think of any Member of the House that has more eloquently, openly shared her love for Cuba and her quest that democracy reaches her beloved land. Yet, in fighting to maintain the embargo, I have never found anyone that I disagreed with that has been so agreeable in sharing her view.

I want to thank you for your patience with me. The Chair recognizes you.

**STATEMENT OF HON. ILEANA ROS-LEHTINEN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA**

Ms. ROS-LEHTINEN. Thank you so much, Mr. Chairman.

Let me first of all express my deep appreciation for you and for your committee for granting me the honor to speak before your subcommittee on the issue that, as you know, is of utmost importance to the Cuban community, both inside and outside the island. I come before you today to express my very strong opposition to your bill, H.R. 2229, the Free Trade With Cuba Act.

I wish that my brothers and sisters in Cuba would have the opportunity to freely discuss ideas, as we have here today. The liberties that we take here so lightly in the United States are unheard of and unpracticed in my native homeland.

Mr. Chairman, it is universally acknowledged that Cuba stands presently as one of the most oppressive, if not the most oppressive regime in the world. The Castro regime has since its inception in 1959 systematically violated the Cuban people's human and political rights. And although the cold war may be over for some, nobody has bothered to inform the Cuban people of this.

As the most recent State Department human rights report states: "The Government"—that is the Cuban Government—"sharply restricts basic political and civil rights, including freedom of expression, of association, of assembly, of movement, as well as the right to privacy, the right of citizens to change their government, and worker rights. Authorities neutralize dissent through a variety of tactics designed to keep activists off balance, divided, and discredited by labeling them mentally disturbed social misfits or hostile agents of foreign nations."

The systematic human rights violations have also been acknowledged by other human rights organizations, such as Amnesty International, Americas Watch, Freedom House, and others. Most recently, the U.N. Human Rights Commission approved a resolution condemning once again the Castro regime for its human rights violations.

Mr. Chairman, proponents of lifting the embargo against Cuba seem to be intoxicated by Castro's recent rhetoric promising economic reforms. They point to the increase in foreign investment which has entered the island as a sign of the changing Cuban regime's ways.

But these reforms, Mr. Chairman, are nothing but cosmetic changes which do not substantially alter the highly centralized bureaucracy, which has governed the Cuban economy for four decades. Having lost the billions of dollars in annual subsidies which it received from the former Soviet Union, the Cuban regime has

been brought to its knees, as the people have been forced by Castro to live with his failed economic policies. As a result, the Cuban regime has begun an international campaign of attracting foreign investments to the island in order to maintain itself above water. However, absolutely no changes in the State controlled political system or improvement in human rights violations have followed this new strategy.

The truth is, Mr. Chairman, that the regime is desperately attempting to maintain itself above water, while continuing to maintain full tyrannical rule over the island. The lifting of the embargo would throw a life preserver which would only serve to aid the continuation of Castro's tyranny, and would give away the United States' primary leverage in bringing about political pluralism to the island.

Furthermore, the increased foreign participation in the country's economy is not designed to help the Cuban people, but, rather, to help the Communist Party's elite obtain the resources necessary to maintain its political control over the island. A perfect example is the tourist apartheid which exists in Cuba today. Foreign visitors bask in the glow of hotels and stores filled with all kinds of products, the same products that the Cuban people struggle to obtain for their basic survival. South Florida is reminded daily of the Cuban people's struggle to survive, as our shores receive new Cuban rafters who risk their lives in the ocean, in order to escape the hell in which they find themselves.

The Cuban regime has also begun a well orchestrated international campaign to pressure the United States into listing the embargo, portraying it as the cause and effect of Cuba's economic ills. However, we should make it clear that it has not been the embargo which has created this situation. It has been the intransigence of the Cuban regime to accept any type of political or economic openness. Their most recent farce in order to prove their nonexistent flexibility has been to call for a dialog between the regime and Cuban exiles. However, only those that they invite can attend, and only those issues which they approve of can be discussed. Of course, these do not include such issues as human rights or political pluralism.

I am baffled by the logic of those who wish to see an end to the embargo. No evidence exists that Castro would liberalize the political system, if the embargo is lifted. On the contrary, if there is one thing that we have learned about Castro, it is that his only goal is to maintain absolute control over the island and its people.

Mr. Chairman, we should not lift the embargo at a time when it is most effective. On the contrary, we should be working toward internationalizing the embargo against Castro. We should ask those countries which act as accomplices to Castro's tyranny to join us, so that we can finally bring about the disappearance of this ruthless regime.

If there is an embargo to be lifted, let Castro lift the embargo to be lifted, let Castro lift the embargo that he places on the freedom of assembly, on the freedom of speech, on the freedom of religion. Let Castro lift the embargo on the freedom of the press and the freedom of the Cuban people to freely decide their political destiny and choose their leaders. Let Castro lift the embargo on the Cuban

people's lives and allow them to freely conduct themselves, without having to worry about being continuously monitored and face brutal reprisals from his regime. That is the embargo which must be lifted, the embargo on freedom for self-determination for the Cuban people.

Mr. Chairman, as you all probably know, like millions of other Cubans, I was a refugee brought to this great country by my parents who fled the Communist regime which took over control in Cuba. My parents came to this country, because it offered us the opportunity to live in freedom, which was denied in our native homeland.

The same freedoms that my parents desired for our family is still desired by the Cuban people today. Let us not, after 35 years, send the Cuban people a message that the United States no longer stands by their side, that in order to satisfy the self-serving interests of some, we will compromise our principles of freedom and liberty. The United States holds the moral high ground on this issue. Let us not abandon the 11 million Cubans who for decades have looked to democracies like ours as their only light in an otherwise dark struggle against oppression.

To borrow lines from friends of democracy, when we say, "Castro, tear down this Communist wall," the cruel dictator says, "No, no, no, no."

Thank you, Mr. Chairman.

Chairman RANGEL. Thank you for sharing your views with us, and also for your willingness to at least keep the issue on the table so that we can continue to discuss it.

Ms. ROS-LEHTINEN. Thank you very much, Mr. Chairman, for your openness.

Chairman RANGEL. For the panel's knowledge, that is a quorum call vote that is on, and it appears as though we will have 15 minutes before the next vote.

Let me thank my friend and fellow New Yorker, Congressman Serrano, for coming to share his views today. I do not think that anyone has had more courage, in view of the threats that have been made against him, for consistently saying that he is going to do what is morally right, even though there is no political advantage at all that he would share in obtaining the removal of the embargo.

There was some concern as to whether or not you should even be invited as a witness, but I am glad that you were and I am glad that you accepted.

#### **STATEMENT OF HON. JOSE E. SERRANO, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW YORK**

Mr. SERRANO. Thank you, Mr. Chairman.

Thank you for your concern about whether or not to invite me, in view of the political atmosphere that exists against me and my reelection challenge from the Miami community. My conscience is clear, however, on this issue. I sleep well at night, and I want this issue to be resolved for the benefit of both of our countries and both the Cuban and the American people.

It is with great pleasure that I testify before this subcommittee today in support of an essential piece of legislation introduced by my esteemed colleague, Charles Rangel.

Mr. Chairman, I want to congratulate you, because I do not really know if you fully understand what you have accomplished here today. This audience, these many cameras, these many international and national reporters, this turnout by Members of Congress indicates that, no matter the result of these hearings, and no matter whether this bill gets to the floor of the House, there is no turning back on this issue. You have put it forth in a way where the conscience of this country will not be called into question, and we will deal with this issue like we never have dealt with it in the past.

There is, I repeat, no turning back, and we will deal with this issue, rather than ignore it. We have proven that, for over 30 years now, the United States has maintained a completely ineffectual embargo on Cuba. The original intent of this embargo was to bend President Castro to our will, to our way of government. It should be clear by now that the Cubans are perfectly willing and able to resist our pressure and to suffer the consequences.

The big lie that is put forth in this country, by a particular group of people, and the one that troubles me the most is that people residing in Cuba want us to continue with the embargo. Think of this, if you will, Mr. Chairman and members of the committee: A mother this evening trying to figure out how she is going to feed a family, calling or sitting down to write a letter to her relatives in Miami, or interrupting them by phone at dinnertime, taking them away from their steak dinner, to tell them, "Keep the embargo coming, I'm hungry, but this is a political decision." That to me is the big lie.

When you think about the thousands of children that are suffering from malnutrition and treatable diseases, you must question the morality of a policy tolerant of the death and suffering of children, all in the name of a political difference. The embargo is a useless relic of antiquated U.S. foreign policy. If we cannot find the human compassion to lift the embargo to save life in Cuba, perhaps then we can be motivated by considerations of U.S. foreign policy.

Now, today you are going to hear, as you have already, a lot of comments about political conditions in Cuba. I submit to you that if our foreign policy was the same with every country in the world, then those comments would carry a lot of weight. But it is not the same. We treat people differently, depending on our needs and not theirs.

The world has changed since the Berlin Wall fell in 1989. We won the cold war. I ask you, what is the difference between the political situation in Cuba and the political situation in China that allows us to grant most-favored-nation status to one, and refuse to deal with the other?

The United States is able to lift the sanctions against Vietnam, a country which caused the loss of many American lives during the Vietnam War, a war that still divides this society and whose consequences we still see on the streets of our cities in this country.

We are able to extend most-favored-nation trade status to China, regardless of our philosophical differences. However, we maintain

the embargo against Cuba. This, Mr. Chairman, is a policy of double standard. This is rank hypocrisy.

Even the depth of our belief in the justification for our policy is suspect. Though we claim to maintain the embargo to protect the political rights of Cubans, our own interest section in Cuba, our Government officials in Cuba presented a document to the Central Intelligence Agency stating that the majority of the people who want to leave Cuba as refugees right now do so because of the deteriorating economic situation, and not because of political oppression. This fact is supported by a report completed by the U.N. Human Rights Commission last January, which states:

"The main cause of immigration is the lack of opportunity and options."

There is no moral or factual basis to continue supporting the embargo against Cuba. It is time to negotiate with Cuba, to begin to discuss a peaceful, mutually beneficial relationship acceptable to both.

Mr. Chairman, many people will tell you that the true embargo is the one placed by President Castro on his own people, that it is his failings and inability to lead his country that have caused the problems in Cuba.

Well, that is the biggest argument for lifting the embargo. If indeed it is not the embargo that has created the problems for the people, then for God's sake lift it and show that, in fact, it was his shortcomings and not ours.

Another of the criticisms that I personally get, and I know you have, Mr. Chairman, is that this is not an issue for anyone else, that this is a Cuban-American issue. With all respect to the Cuban-American community, it is the Torricelli bill that imposes an embargo on Cuba. The Torricelli bill is an act of Congress. I am a Member of Congress. Therefore, it is as much my issue as it is anyone else's issue.

The problem is that we have a foreign policy toward Cuba arising out of Dade County, foreign policy dictated by a small group of people. Some people opposed negotiating with Cuba. Well, maybe negotiating would bring about changes from within Cuba. That is not in the best interests of some people who would like to return to form part of a government. Perhaps the government should come from the people in Cuba.

You know, Mr. Chairman, pretty soon you and I will not have to do much on this issue any more, because the great victory today and the great victory for the last 6 or 7 months is the number of Cuban-Americans who are lifting their voices in opposition to the embargo. People who before were in one way or another not able to speak, now are able to speak, raise funds, support candidates, and do the same things that other people have been doing. This is healthy and this will help us in a long way.

Let me just take 2 seconds here, Mr. Chairman, to do two things that may appear to some people to be melodramatic, but it will show you perhaps why I think the way I do. This is a very small picture. It was given to me, sent to me by mail by a group called the Cuban Institute for Friendship with other people or other countries. It is a picture of Cuban children in school frolicking in front

of the camera the way children do. They look happy. They look innocent.

These children will some day, if not already, be hungry. These children some day, if not already, will not have medicine to treat a disease. I can sustain the attacks, because I go to sleep at night knowing that I am doing nothing to hurt these children. I am trying in fact to help these children.

Last, but not least, I will submit for the record the words I read now very quickly in Spanish, and then I will translate them. The great Puerto Rican poet Lola Rodriguez de Tio wrote: "Cuba and Puerto Rico are two wings from one bird, they received flowers and bullets in one heart."

If not as an American Congressman, if not as a human being, then certainly as a person born on the island of Puerto Rico, I look over to the island close to us, and I certainly do not want to go to sleep at night thinking that I had anything to do with bringing misery to a people that are very much a part of my blood.

Let us end the embargo now. Let us talk to the Cuban people and let us create for these children a better future than the one we may participate in giving them now.

Thank you, Mr. Chairman.

[The prepared statement follows:]



STATEMENT BY CONGRESSMAN JOSE E. SERRANO  
ON H.R. 2229, THE FREE TRADE WITH CUBA ACT,  
BEFORE THE SUBCOMMITTEE ON SELECT REVENUE MEASURES  
AND THE SUBCOMMITTEE ON TRADE  
OF THE COMMITTEE ON WAYS AND MEANS  
MARCH 17, 1994

It is with great pleasure that I testify before this joint hearing today in support of an essential piece of legislation introduced by my esteemed colleague, Charles Rangel.

We have proven that for over 30 years now, the United States has maintained a completely ineffectual embargo on Cuba. The original intent of this embargo was to bend President Fidel Castro to our will - to our way of government. It should be clear by now that the Cubans are perfectly willing and able to resist our pressure and to suffer the consequences.

I do not believe that Cubans, residing in Cuba, want us to continue with the embargo, notwithstanding what the Cuban exile community wants us to believe. When you think about the thousands of children that are suffering from malnutrition and treatable diseases, you must question the morality of a policy tolerant of the death and suffering of children, all in the name of a political difference.

The embargo is a useless relic of antiquated U.S. foreign policy. If we cannot find the human compassion to lift the embargo to save life in Cuba, perhaps we can be motivated by consideration of United States foreign policy.

The world has changed since the Berlin Wall fell in 1989. We won the Cold War. I ask you: What is the difference between the political situation in Cuba and the political situation in China that allows us to grant Most-Favored Nation status to one and refuse to deal with the other?

The United States is able to lift the sanctions against a country which caused the loss of many American lives during the Vietnam War, even without knowing the whereabouts of our P.O.W.s. We are able to extend Most-Favored Nation trade status to China regardless of our philosophical differences. However, we maintain the embargo against Cuba.

This is a policy of double standard. This is rank hypocrisy.

Even the depth of our belief in the justification for our policy is suspect. Though we claim to maintain the embargo to protect the political rights of Cubans, our Interests Section in Cuba presented a document to the Central Intelligence Agency stating that the majority of people who want to leave Cuba as refugees do so because of the deteriorating economic situation and not because of political oppression. This fact is supported by a report completed by the United Nations Human Rights Commission last January which states that "the main cause of emigration is the economic situation with its lack of opportunity and options."

There is no moral or factual basis to continue supporting the embargo against Cuba. It is time to negotiate with Cuba to begin to discuss a peaceful, mutually beneficial relationship acceptable to both.

Thank you very much for the opportunity to testify before the subcommittees today.

Chairman RANGEL. Thank you for your very moving and informative testimony.

Mr. KOPETSKI. Mr. Chairman, might I comment on Mr. Serrano's testimony?

Chairman RANGEL. Yes.

Mr. KOPETSKI. Mr. Serrano, I just want to commend you on your testimony and your care for children in the world, be they in New York City; Salem, Oreg.; or Havana, Cuba.

There is something you said I want to highlight, and that is we do have a foreign policy that we hope looks at each nation differently. But the striking fact is that we have changed our policy with respect to China with the new administration, and it is one in which we are trying to engage in a comprehensive fashion the Chinese and the people of the People's Republic of China, and part of that goal is to bring them into the world community and having an impact on human rights conditions within China for those individuals.

Yet, here just 90 miles off of our shores, we are saying no, we want to continue to isolate, that we do not want to engage, and that for some reason this will be a better approach to Cuba than what we think will occur and hope to occur in China.

Having been in Eastern Europe in the fall of 1989, I remember this Nation and President Bush, and maybe the CIA, did not understand what was going on there, and did not predict the fall of the Berlin Wall and the fall of communism. It is because, I think, they did not understand the power and the force of those people having been engaged through tourists, through television airwaves, through discussions and listening to West German television, through seeing that there is another standard of living. The breakthroughs, the alliances that were occurring economically through bits of capitalism that came in; all of a sudden it blossomed and mushroomed, and there was a tidal wave that swept so fast people could not believe it actually happened.

So I think you are right on point in this testimony that you have given this morning.

Chairman RANGEL. The Chair would want to hear from Congressman Peter Deutsch. That will be followed by Congressman Robert Menendez, and we also have with us Congressman Lincoln Diaz-Balart. So if you would move up to the panel.

#### STATEMENT OF HON. PETER DEUTSCH, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA

Mr. DEUTSCH. Thank you, Mr. Chairman.

I, too, want to join my colleagues in thanking the Chairman for both having this committee, but also for his work in the Congress that I have had the opportunity to observe as a non-Member of Congress and now as a Member of Congress and have known to respect and appreciate that ability for many, many years.

I have an extensive statement that I am not going to read, that I will submit for the record.

Chairman RANGEL. Without objection.

Mr. DEUTSCH. One of the things that it does is it points out a number of the independent human rights groups, including the U.N. Human Rights Commission, including Ambassador Gross'

statements and comments about the conditions in Cuba today. And I think Congressman Torricelli truly pointed that out in a very dramatic way in some of his testimony. But I would like to add that, from my own perspective, as a Member of Congress whose district is closest to Cuba, as many of you know, I represent the district from Palm Beach to Key West. When I am in Key West, Fla., I am closer to Havana than I am to Miami.

From a perspective of where I sit and what I see, there is a process going on right now in Cuba in terms of a struggle for freedom that is historical in world history, a process that each of us in the world, when the history is finally closed, when the book on the Castro dictatorship is finally ended and we have a perspective of time, there will be tens of thousands of heroes, some whom we know their names and many whom we will never know, because they have perished in the seas between Cuba and South Florida, and in prisons, as well.

But almost every day—and I repeat that, almost every day—in South Florida we see heroes. Almost every day, people who arrive on our shores, most of who actually physically land in my district or who are picked up off the shores of my district arrive in South Florida almost every day. In fact, I am going to submit for the record a copy of yesterday's Miami Herald, a story that picked out, again almost every day, Tuesday, 32 Cubans were picked off 40 miles off Miami, 15 Cubans were picked off in two boats off of Key West. Already this year, there have been 632 Cubans picked up off the seas or have arrived on our shores in South Florida.

One of the things that we know and have only been computer models about this, and to describe some of these vessels as rafts is an overstatement. Some of them are actually on display today and have been on display in this building. They are not rafts. They are inertubes, they are pieces of scrap metal. And we see them sometimes in South Florida in my district washed on shore without any people in them. We do not know if ten times the number of people die on their way to our shores, if it is four times, but it is clearly a very large number of people who do not make it ashore.

I have had the opportunity to meet and to speak with several hundred people, each one of them a hero who have risked their lives to come to our shores, infants who had no choice, taken by their parents, people in their seventies, and every range in between. And as I talk to them and I hear their stories—I also had the opportunity to visit the American naval station in Guantanamo in Cuba, and when I was there, it was also an interesting experience.

I had the opportunity to meet about seven or eight young men. In this particular case it was only men. It was really a variety. But several young men, about seven or eight of them who had either walked across minefields, swam through what are literally shark-infested waters to reach Guantanamo Bay and reach freedom. Again, for those people, statistically they know, because the soldiers that work at that base hear the explosions of the minefields, hear the shooting incidents of people who are trying to leave Cuba who are shot in terms of that effort to get to that location and freedom.

I had the opportunity to talk to those people and asked them a variety of questions and talk to them about a variety of things. That experience, over several hundred people that I have had the opportunity to personally talk to—and I welcome you to my district on any occasion to visit the transit house where about 80 percent of those people travel through Stock Island in the Keys, almost every day, not a sample, not a selected group of people, and ask them about their conditions, ask them about what their lives are like.

Universally, the conditions of inhumane treatment are beyond our comprehension in this country. And they are verified by independent agencies. I think to get a perspective of what Cuba is like today, it is a dictatorship, it is an inhumane system on par with the worst in world history. What we see happening is an embargo that has been in effect 18 months, is starting to tighten the noose around the dictator. Castro has done things in the last 18 months that were unheard of, and we see that continuation.

If I can add not just what those who have risked their lives to come to our shore ask us to do and plead with us to do, that we will see the day in the not too distant future when that country will be free and these types of conditions will end. But what we should not be talking about is eliminating the embargo. What we should be talking about is enforcing it and continuing it, is to get our allies around the world, as we have done on other embargoes, like the embargo in place today in Haiti, like the embargo that was effective in changing the regime in South Africa, like the embargo in terms of issues related to Russia and the issue of Soviet Jewry there.

That is what the debate should be about, how to get our allies to join us in this effort, which clearly the path is toward success. Thank you, Mr. Chairman.

[The prepared statement follows:]

**TESTIMONY OF CONGRESSMAN PETER DEUTSCH  
BEFORE THE SUBCOMMITTEES ON SELECT REVENUE AND TRADE  
MARCH 17, 1994**

I would like to thank Chairmen Rangel and Gibbons for the opportunity to testify before the subcommittees on select revenue and trade on the issue of the Cuban embargo. While I find many other issues on which I agree with my colleague Mr. Rangel, I can not support this most current effort which I believe is altogether misguided.

Over the last year, the three decade long Cuban embargo has been ceaselessly targeted by its opponents. Why now? What has changed to cause this newfound attention? It is only recently that the Castro dictatorship has begun to suffer under the weight of its own policies. The regime, in trying to deflect its responsibility for Cuba's situation, has attempted to focus the spotlight on the United States' embargo of the island.

While the embargo has been in place for three decades, it has only recently been given the opportunity to work. We owe many thanks to Congressman Bob Torricelli who introduced the Cuban Democracy Act which passed in 1993. It is this legislation which closed the gap in U.S. Cuban embargo law making it more than just a rhetorical tool.

In addition, the demise of the Soviet Union has brought harsh realities to bear on the Castro regime. Cuban dictator Fidel Castro, who was able to sustain his regime and consolidate power through Soviet subsidies and assistance, is now floundering without them. With the end of the Soviet government, the Castro dictatorship has progressed into a severe economic decline.

In an effort to reverse this growing economic disaster, the Castro regime announced that it would now be legal for Cubans to possess American dollars. Indeed, there has always existed in Cuba an enormous blackmarket demand for American currency. In fact, this blackmarket trade was one of the only industries that Castro was unable to squelch. Now, the near collapse of his economy has forced him to legalize this once vilified industry.

The last year has clearly brought suffering to the Castro regime. It is only now that Mr. Castro shares the same misery that he has inflicted on the Cuban people for 34 years. The cause is a combination of world events and improved United States policy. And, to lift the Cuban embargo at this time would be to offer this withering regime, a regime that abuses its people and denies them basic freedoms, a crutch and a victory. Lifting the embargo now would only benefit the regime that has brought agony to Cuba.

For years the United Nations Human Rights Commission (UNHRC) has condemned the Castro regime as one of the world's worst human rights violators. Conditions are so frightful that Cuba is among the few nations for which a special rapporteur is appointed to investigate human rights abuses. Predictably, the special rapporteur, Ambassador Carl Johan Groth, receives no cooperation from the Castro government.

Only two weeks ago, Ambassador Groth presented yet another chronicle of the Castro regime's dismal record to the Rights Commission. Sadly, Groth's findings echo dozens of other reports brought before the Commission over years of investigations. The most recent report is punctuated by further findings of disgraceful prison conditions, mob action against dissenters, arbitrary arrests, and the murder of Cubans trying to flee the nightmare that has become the life of the Cuban people.

It is these individuals, who have fled Cuba, with whom I have had the most contact. Last year, 3900 of these individuals arrived in my congressional district many barely alive on rafts made of scrap material. They arrive young and old, grandparents in their 70's and newborn babies. They leave, some to begin, others to end their lives free of fear and in freedom. But of the many Cubans who arrive safely in South Florida, it is estimated that only one in ten survives the journey across the Florida straits.

This in itself is a testament to the horror that exists today, in Cuba. To see the many who risk their lives to live where they need not be concerned with random reprisals, arrests and beatings is chilling. It is nearly unimaginable to me, as an American, that

people must still choose between the only home they have ever known and the most basic freedoms which we take for granted.

Of those who remain in Cuba and speak out for freedom, democracy, and in support of the embargo, all are plagued by constant arrests, violence and detention. "[The Cuban Democracy Act] contributes to the democratization of our country," said Dr. Omar del Pozo. Political prisoner Pablo Reyes is quoted as saying, "The great majority of Cubans preoccupied with the destiny of Cuba desire that the Congress look kindly upon the Torricelli initiative and understand that any economic gains in Cuba will not be repaid to the people....." Pablo Reyes and Omar del Pozo remain jailed for their outspokenness and their work.

Another Cuban political prisoner, Carmen Arias has said, "We support Representative Torricelli in his project to strengthen the economic embargo against Cuba as this would be a factor of great importance in successfully effecting a decisive change for Cuba." Any aid to the regime, said Arias, would be "oxygen...given to the dying who have already been diagnosed a clinical death." Ms. Arias also remains in a Cuban prison for her activities.

These individuals speak with the authority of a life committed to freeing Cuba from the oppressive grip of Fidel Castro. Their commitment to freedom and democracy is one that they have made with their entire beings, and their message is clear. Now is not the time to lift the Cuban embargo.

On February 14, 1994, Cuban Foreign Minister Robert Robaina announced that a conference between the Castro government and 200 Cuban exiles would be held. The conference, slated for April 22-24, will focus on normalizing relations. While Mr. Robaina marketed the event as a significant attempt to reach out to the exile community, he later admitted that only those whose sympathies were with the revolution would be welcome. By only inviting those individuals who agree with the regime, Castro can insure a back-slapping, cigar-smoking good time but certainly not the dialogue which the government's rhetoric promises.

While the Castro regime attempts to borrow from the principles of democracy by hosting this "dialogue," it must realize that it can not borrow selectively. For 34 years, the regime has worked to stifle free expression. It has harassed, jailed, harmed and forced out those who have tried to express a different opinion. It has leveled fierce criticism against the United States, democracy and capitalism. Now, the Castro regime seeks to feign openness in order to work toward normalized relations.

A free exchange of ideas is the hallmark of a democratic system, a system which allows all opinions to be heard, a system which clearly does not exist in Cuba. And when the regime ostensibly initiates a discussion with only one side represented, it is a sham. Normalized relations in plain terms means getting the United States to lift the Cuban embargo. So the Castro regime has conveniently stricken embargo supporters from its guest list.

There is an old Cuban saying that when you have three Cubans in a room, you have at least four opinions. Cubans are no strangers to open discussion and free expression. And, many would like to see a Cuba where this type of freedom is institutionalized. Instead, Mr. Castro's remedy is a reunion for Cuba's so-called revolutionaries.

It is clear that Castro has no intention of making any kind of sweeping reforms. He himself has admitted that there will be few changes in Cuba. It is Mr. Castro's intention to hold the people of Cuba hostage to a system that he knows can not work.

Castro is solely responsible for the suffering of the Cuban people and the collapse of a once flourishing island economy. Lifting the embargo allows him to abdicate this responsibility and makes American citizens accomplices to the abuse. Permitting American business to help prop up the Castro regime is an affront to the principles of democracy and free expression. Fidel Castro is like a boot at the throat of a dying Cuba. At the very least, it is the duty of the United States to not be a party to the oppression of an entire people.

Chairman RANGEL. Thank you very much.  
Mr. Menendez, from New Jersey.

**STATEMENT OF HON. ROBERT MENENDEZ, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW JERSEY**

Mr. MENENDEZ. Mr. Chairman, I welcome the opportunity to testify about this particular topic, the U.S. embargo on the Castro dictatorship. I welcome the opportunity, as a Member of Congress, as an American of Cuban descent who has family in Cuba, and who knows that the overwhelming sentiment of that community here in the United States is in favor of our present policy. And I come from New Jersey, not from where some believe all policy is made on this issue or that is of a unique thought on this issue.

First, let me state that to understand Castro's Cuba, we have to imagine a different kind of reality, a reality where the government in power, the Castro regime, does not play by the rules of democracy, but, nevertheless, wants to be seen and judged by others as if it were a democracy.

The Cuban dictatorship tries through propaganda to appeal to the sensibilities of individuals who live and breathe in a democracy and debate in a democratic context. Through this hearing, it no doubt hopes to appeal to our democratic and humanitarian sensibilities.

So I hope that we would keep this in mind today, as we evaluate our Government's policy toward the Cuban dictatorship. Let us consider that this hearing could not possibly occur in Castro's Cuba.

I want to begin by citing a few basic facts about the embargo. Despite revisionist claims to the contrary, the U.S. embargo on Cuba is not an arbitrary punitive measure in response to Castro's radical political orientation. Nor is it an instance of American interventionism in Latin American affairs, as, unfortunately, other policies indeed have been.

The U.S. embargo was first put into effect in 1962 by Executive order of the late President John F. Kennedy. President Kennedy did so in response to the Castro dictatorship's expropriation of U.S. citizens' property with a value at that time of \$1.8 billion, without compensation and in violation of international law. That illegally confiscated property now is valued at close to \$6 billion.

President Clinton, another Democrat, right now can lift President Kennedy's embargo with the stroke of a pen. But like his seven predecessors, he sees no reason to do that, given the lack of any movement by Castro toward substantive political or economic reform or settlement of U.S. claims. And I applaud the President and support his principled stance, and am confident that he will maintain his firm position.

In respect to Cuba, our foreign policy objective is to promote democracy, human rights, and eventually prosperity in a country just 90 miles from our shores. We look forward to the day that relations between our two countries are constructive and based on mutual respect. But at the moment there is one obstacle which stands in the way, the dictator, Fidel Castro, and not U.S. policy, as some would claim.

The Castro regime is now in its 35th year of unelected, oppressive tyranny. If one accounts for the Batista dictatorship which pre-

ceded Castro, the Cuban people have not voted in a democratic election in 42 years. It is high time that the Cuban regime agreed that people have a right to vote in a fair and free election.

Sadly, it is unlikely to happen any time soon. Fidel Castro, Cuba's maximum leader, controls Cuba with an iron grip. He determines all of Cuba's domestic and foreign policies, controls her military, her legislature, her council of ministers, the Council of State, her single political party, her judiciary, her budget and economy. All of society, every institution and every individual must answer to him.

In Latin America and in Caribbean history, only Gen. Alfredo Stroessner of Paraguay, who served from 1954 to 1989, has ruled as a dictator longer. The Chilean dictator Gen. Pinochet served 17 years, less than half as long as Castro. Due to heavy international pressure, he had to agree to a plebiscite on his rule, to which a majority of his countrymen voted no, and soon thereafter the people elected a democratic government. This February, Chileans enjoy their first democratic transfer of power in two decades.

As American legislators, we need to ask ourselves what is the best policy approach toward the Cuban dictatorship. Is lifting the U.S. trade embargo on the Cuban dictatorship immediately and unconditionally, as you suggest, Mr. Chairman, in the best interests of the United States? I believe unequivocally that it is not.

I suggest that your approach is wrong, just as it would be wrong now to lift the U.S. component of a comprehensive international embargo on the Haitian dictatorship, despite the clear suffering and pain that the embargo inflicts on the Haitian people. I believe the Chairman agrees with me on the Haitian embargo, although we are all certainly aware of the recent report by Harvard University that states that maybe up to 1,000 children may be dying in Haiti daily as a result of the embargo.

Support for economic sanctions on Haiti and on South Africa, based on opposition to an illegitimate dictatorship in Haiti, or a hateful race-based regime in South Africa is consistent with support for an embargo to a similarly illegitimate tyranny in Cuba.

Our policy of economic sanctions worked in South Africa. I was glad to sponsor an amendment that the Congress passed last session to the South Africa Democratic Transition Support Act. The amendment, which was adopted unanimously, stated that economic sanctions were essential to ending apartheid and to moving South Africa toward a nonracial democracy in South Africa.

As economic sanctions worked in South Africa, and to a lesser extent have to date in Haiti, our policy of economic sanctions toward Cuba, as strengthened by the Cuban Democracy Act, is clearly working.

We should have faith in our policy. In effect, it has been an embargo truly only since 1989, when Castro lost the free ride provided him by nearly \$6 billion annually in Soviet subsidies. When Castro had available that \$6 billion a year from the former Soviet Union, U.S. sanctions had a limited and symbolic effect on Communist Cuba. Therefore, it is illogical to argue that the embargo has failed for 32 years. The embargo's opponents seek to end a policy which, following the collapse of communism, has been very successful, not a failure.



During the time when he received Soviet subsidies, Castro did not use that \$6 billion to put food on Cuban tables or to create agricultural reform or to improve production. Rather, he used it for building the third largest military in the Western Hemisphere, and for exporting his revolution abroad. And despite the huge resources available to Castro for three decades, the Cuban people, at least those outside of the privileged Communist Party elite, have had their food rationed, despite receiving \$6 billion a year.

Castro's limited exercise in foreign capital investments, as well as his inability for foreign adventurism and reduction of the army are all due to, and not despite the U.S. embargo. The embargo reveals Castro's true facade.

Cuban rights leader Elizardo Sanchez Santa Cruz, a dissident known for his conciliatory views, has said that measures such as the legalization of dollars were acts of desperation, not of genuine reform. When Gorbachev introduced glasnost and perestroika to the USSR, Castro rejected such limited openings, biting the hand that fed him nearly \$6 billion a year.

During the 1980s, Castro briefly gave farmers a limited opportunity to sell for profit crops—

Chairman RANGEL. Could you share with the Chair how long your statement is? Because we do have a severe problem this morning.

Mr. MENENDEZ. I just have 2 minutes left to finish, Mr. Chairman.

Chairman RANGEL. It has far exceeded what we had hoped, you know, with the rest of the Members that we have, but the Chair will allow you to summarize.

Mr. MENENDEZ. Mr. Chairman, I ask that my complete statement be made a part of the record.

Chairman RANGEL. Without objection, all the statements will be received in the record.

Mr. MENENDEZ. Mr. Chairman, some of us waited very long to be here on a very important hearing, and we were not told that there is a limitation on time.

Chairman RANGEL. There are other Members who have been here since 10 o'clock this morning.

Mr. MENENDEZ. The fact of the matter is I am happy to summarize it for you, Mr. Chairman. We know that what we are saying is not necessarily in line with your views, but let me just simply say that this is a Ways and Means Committee hearing. If we are talking about business, \$40 billion that Cuba owes throughout the world is unpaid; \$6 billion it now owes to the United States. Is the United States willing to be part of the slave labor that goes on in Cuba, where Cuban workers are exploited by foreign companies? The Government is paid a significant amount and they are paid a misery. I would wonder what the U.S. labor movement would say about that.

Mr. Chairman, I think there is imminent concern that in fact we continue the embargo. If we stand for freedom and democracy, if we want to restore that as one of our pillars of foreign diplomacy, then in fact it should continue as it relates to Cuba. If not, then in fact our position of being in favor of human rights and promot-

ing democracy is not a pillar of our foreign policy, and in fact would crumble if we are to remove the embargo.

I ask as part of my request to include my statement in the record, since I have been asked to abbreviate it, a list of 600 new political prisoners that was obtained by me from a European parliamentarian while he was in Cuba, so that you can consider the consequences of dealing with such a dictatorship.

Thank you.

[The prepared statement follows:]

Testimony of Congressman Robert Menendez (D-NJ)  
before the House Ways and Means Committee  
hearing on the U.S. Trade Embargo on Cuba

March 17, 1994

Thank you, Mr. Chairman. I am glad to appear before you today. I welcome the opportunity to testify about this particular topic, the U.S. embargo on the Castro dictatorship.

First, let me state that to understand Castro's Cuba, we have to imagine a different kind of reality: a reality where the government in power -- the Castro regime -- does not play by the rules of democracy, but nevertheless wishes to be seen and judged by others as if it were a democracy.

The Cuban dictatorship tries through propoganda to appeal to the sensibilities of individuals who live and breathe in a democracy and debate in a democratic context. Through this hearing, it no doubt hopes to appeal to our democratic and humanitarian sensibilities. So, I hope that we would keep this in mind today as we evaluate our government's policy toward the Cuban dictatorship. Let us also consider that this hearing could not possibly occur in Castro's Cuba.

I want to begin by citing a few basic facts about the embargo. Despite revisionist claims to the contrary, the U.S. embargo on Cuba is not an arbitrary punitive measure in response to Castro's radical political orientation. Nor is it an instance of American interventionism in Latin American affairs, as unfortunately other policies indeed have been.

The U.S. embargo was first put into effect in 1962 by Executive Order of the late President John F. Kennedy. President Kennedy did so in response to the Castro dictatorship's expropriation of U.S. citizens' property with a value of \$1.8 billion -- without compensation and in violation of international law. That illegally confiscated property now is valued at close to \$6 billion.

President Clinton, another Democrat, right now can lift President Kennedy's embargo with the stroke of a pen, but like his seven predecessors he sees no reason to do that, given the lack of any movement by Castro toward substantive political or economic reform or settlement of U.S. claims. I applaud the President, support his principled stance, and am confident that he will maintain his firm position.

In respect to Cuba, our foreign policy objective is to promote democracy, human rights, and eventually prosperity in a country just 90 miles from our shores. We look forward to the day that relations between our two countries are constructive and based on mutual respect. But at the moment there is one obstacle

which stands in the way: the dictator, Fidel Castro -- and not U.S. policy, as some claim.

The Castro regime is now in its 35th year of unelected, oppressive tyranny. If one accounts for the Batista dictatorship which preceded Castro, the Cuban people have not voted in a democratic election in 42 years. It is high time that the Cuban regime agreed that the people have a right to vote in a free and fair election.

Sadly, it also unlikely to happen anytime soon. Fidel Castro, Cuba's Maximum Leader, controls Cuba with an iron grip. He determines all of Cuba's domestic and foreign policies, controls her military, her legislature, her Council of Ministers, her Council of State, her single political party, her judiciary, and her budget and economy. All of society -- every institution and every individual -- must answer to Fidel Castro.

In Latin American and Caribbean history, only General Alfredo Stroessner of Paraguay, who served from 1954 to 1989, has ruled as a dictator for longer. The Chilean dictator, Gen. Augusto Pinochet, served 17 years -- less than half as long as Castro. Due to heavy international pressure, General Pinochet agreed to a plebiscite on his rule, to which a majority of his countrymen voted "No". Soon thereafter, the people elected a democratic government. This February, Chileans enjoyed their first democratic transfer of power in two decades.

In Ibero-American history, as the Spanish consider it, only Generalissimo Francisco Franco, who was in power from 1939 to 1975 -- 36 years -- has served longer than Castro. It seems Castro is bent on breaking both of those infamous records.

As American legislators, we need to ask ourselves what is the best policy approach toward the Cuban dictatorship? Is lifting the U.S. trade embargo on the Cuban dictatorship immediately and unconditionally, as Mr. Rangel suggests, in the best interests of the U.S.? I believe unequivocally that it is not.

I suggest that Mr. Rangel's approach is wrong, just as it would be wrong now to lift the U.S. component of the comprehensive international embargo on the Haitian dictatorship, despite the clear suffering and pain that the embargo inflicts on the Haitian people. I know that the Chairman agrees with me on the Haitian embargo, although he is certainly aware that a recent report by Harvard University states that 1,000 children may be dying in Haiti daily as a result of the embargo.

Support for economic sanctions on Haiti and on South Africa based on opposition to an illegitimate dictatorship in Haiti or a hateful race-based regime in South Africa, is consistent with

support for an embargo to a similarly illegitimate tyranny in Cuba.

Our policy of economic sanctions worked in South Africa. I was glad to sponsor an amendment which the Congress passed last session to the South Africa Democratic Transition Support Act. The amendment stated that economic sanctions were essential to ending Apartheid and to moving South Africa toward a non-racial democracy in South Africa.

As economic sanctions worked in South Africa, and to a lesser extent in Haiti, our policy of economic sanctions toward Cuba, as strengthened by the Cuban Democracy Act, is clearly working.

We should have faith in our policy. In effect, it has been an embargo only since 1989, when Castro lost the free ride provided him by nearly \$6 billion annually in Soviet subsidies. When Castro had available that \$6 billion a year from the former Soviet Union, U.S. sanctions had a limited and symbolic effect on Communist Cuba. Therefore, it is illogical to argue that the embargo policy has failed for 32 years. The embargo's opponents seek to end a policy which following the collapse of Communism has been very successful -- not a failure.

During the time when he received Soviet subsidies, Castro did not use that \$6 billion to put food on Cuban tables, or to create agricultural reform or to improve production. Rather, he used it for building the third largest military in the Western Hemisphere, and for exporting his revolution abroad. Despite the huge resources available to Castro for three decades, the Cuban people -- at least those outside of the privileged Communist Party elites -- have had their food rationed.

Castro's limited exercises in foreign capitalist investments, as well as his inability for foreign adventurism and reduction of the army, are all due to -- and not despite -- the U.S. embargo. The embargo reveals Castro's true facade.

Cuban human rights leader, Elizardo Sanchez Santa Cruz, a dissident known for his conciliatory views, has said that measures such as the legalization of dollars are acts of desperation, not of genuine reform. When Gorbachev introduced Glasnost and Perestroika to the U.S.S.R, Castro rejected such limited openings -- biting the hand that had fed him \$6 billion a year.

During the 1980's Castro briefly gave farmers a limited opportunity to sell for profit crops in excess of state quotas. It was a success. More food was available for the Cuban people. Small profits rewarded the farmers' labor. But it was too successful. Castro couldn't control it, so he stopped it. Once

again, he denied the Cuban people opportunity.

While under Soviet patronage, Castro ridiculed the U.S. embargo, boasting that Cuba would prosper in spite of it. Absent Soviet patronage, Castro now derides the embargo as the single source of his many troubles and notable failures.

He could not be further from the truth. Unlike Haiti and South Africa, which experienced comprehensive international sanctions, Cuba is sanctioned only by the United States. Were Castro's Cuba able to stand on her own two feet economically, like all other countries have to, Cuba could buy food and medicine from anywhere else in the world, from the many countries that still trade with him -- France, Spain, Mexico, and Italy, for example. The United States is not the world's only producer of food and medicine.

But suppose that the unlikely happens. Suppose the U.S. were to lift the embargo tomorrow. Who would invest in a country which owes billions of dollars in claims due to illegal expropriations? Who would benefit? Would U.S. businesses benefit? How could they if the Cuban regime cannot get the money to buy our goods and services or to make U.S. investment in Cuba profitable. Cuba owes about \$40 billion dollars in international debt, not a penny of which has been paid back since 1986. We are not even counting the property compensation issue, which somehow will have to be solved, as it has been in Central and Eastern Europe.

Current international investors must be getting nervous about a lack of return on their investments in Cuba. In fact, Cuba's situation is so bad that the world's main credit-rating agencies do not even list Cuba on their books.

According to Cuban government officials, the Cuban economy has shrunk by 50 percent in the last four years since the Berlin Wall came tumbling down. Imports are down 75 percent. Exports are down from \$8 billion in 1989 to just \$1.7 billion in 1993.

In sum, Cuba's present misery is due to unproductive and irrational economic policies, to the loss of Soviet aid and East Bloc trade, and to Castro's refusal to enact any substantive reforms. Castro's policies keeps the Cuban people hungry -- not our embargo.

This does not mean that there will not be a time and place for the lifting of the Cuban embargo. In my bill, the "Free and Independent Cuba Assistance Act", which outlines an assistance program to a transitional government, we ask that the embargo be lifted once the President determines that a democratic government exists in Cuba. However, the bill we discuss today curiously asks the U.S. to reward Cuban inaction, intransigence, and

stepped-up repression with gratuitous concessions.

Castro's human rights record is abysmal and one of the worst in the world. Severe violations began in 1959, when Castro's henchmen executed thousands of Cubans. Castro's human rights record -- that is, based on what we are able to obtain -- documents a horror story of systematic abuse and violations of the fundamental human rights of the Cuban people.

The only human rights monitors in Cuba are Castro's security thugs. But they do not monitor human rights. They monitor and beat, imprison, and torture the brave defenders of human rights. Some of these thugs may be in this hearing room today.

Freedom House's 1993 Annual Review lists Cuba as among the 10 worst offenders of human rights in the world. The United Nations and the Organization of American States, Amnesty International, Human Rights Watch, the Lawyers Committee for Human Rights, and other reputable human rights groups continue to equally denounce Castro. Yet, since none have been to Cuba, none of them really knows how many thousands of political prisoners today languish in Castro's brutal jails. Mr. Chairman, with your approval, I would like to have inserted into the record a list of 607 additional political prisoners that was smuggled out of Cuba by a European Member of Parliament, who handed it to me last fall. Castro cannot deny the truth on this list.

Every year, the U.N. Commission on Human Rights censures Cuba for its gross violations of human rights -- and every year the Cuban Government responds by refusing to grant a visa to the U.N.-appointed Special Rapporteur on Human Rights in Cuba. I ask my colleagues: should we reward this behavior with gratuitous concessions?

On the national security front, the United States needs to be concerned about Cuba's effort to finish building the Juragua nuclear power plant, near Cienfuegos. We certainly don't need another Chernobyl 90 miles from the U.S. Nor would we like the former Soviet spy station in Lourdes, Cuba to continue to intercept U.S. communications -- especially in the wake of the Ames espionage case.

If that were not enough cause for concern, it is probable that the Cuban government is pursuing the means to develop biological and chemical weapons in Cuba, through their biotechnology industry.

As a nation, we need to look beyond the Castro regime and to a time when Cuba will once again join the democratic nations of the world. To that end, I introduced H.R. 2758, the "Free and Independent Cuba Assistance Act", which details a plan of assistance and cooperation to a post-Castro government in Cuba.

Under the plan, emergency economic and humanitarian assistance and military adjustment assistance would be granted to a transitional government pledged to democracy and moving to a democratically-elected government.

Assistance to a democratic government would include developmental aid and insertion of Cuba into the international financial community to ease the transition to democracy. The bill provides for negotiations to include Cuba in the Caribbean Basin Initiative and in a potential free trade agreement, and offers the return of Guantanamo Bay Naval Station.

Under the proposed bill, the president must submit to Congress a plan of assistance for Cuba within 180 days of its passage. Prior to any assistance program, the president must certify that a transition government committed to free elections exists in Cuba.

Our message to the Cuban people and to the world community is one of solidarity. With you we can begin a new era for a free and independent Cuba.

In conclusion, Mr. Chairman, given the dubious record of the Castro regime, I believe we should not take any steps to prolong the life of this odious dictatorship --- especially at a time when the clock is ticking on its final hour.



Chairman RANGEL. Did you intend to read those 600 names into the record?

Mr. MENENDEZ. No, I did not. I ask you to include it, as well.

Chairman RANGEL. Without objection.

[The information referred to follows:]



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*Translation - Spanish*

**CUBAN HUMAN RIGHTS COMMITTEE**

**ANNUAL REPORT ON POLITICAL PRISONERS IN CUBA**

- 1992 -

**AUTHOR: Aida M. Valdés Santana**

**Introduction**

On December 10, 1948, the U.N. General Assembly approved the Universal Declaration of Human Rights, the guiding document for international agencies, organizations and governments in guaranteeing the individual rights of the citizens of the world.

The celebration of this date in 1992, in our country, became one more day of struggle, since a repressive escalation took place against human rights activists.

On this day there was harassment at residences of activists, who were held for several days, with neither relatives or friends being able to help those besieged; beatings; affronts; summons by police agencies; threats and arrests.

In this way Cuba celebrated International Human Rights Day.

We consider it necessary, as a tribute to our incarcerated brothers and the true defenders of human rights, to release an approximate list of the current political prisoners in Cuba, data obtained with difficulty, since it reached us through relatives, close friends and lists sent by the prisoners themselves.

This modest work of homage serves all the true strugglers in the world for the noble cause of human rights.

Last names, first name	Arrest	Charges	Sentence
Abad Flamand, Marcos. A.	--	Enemy propaganda and disobedience	15 years
Abreu Ascuy, Roger	5/07/83	Infiltration	30 years
Abedaño Conejo, Roberto	---	Disobedience	---
Abren Hernández, Manuel F.	---	IDC (Illeg. departure fm. country)	---
Acevedo Blanco, Arnaldo	01/22/92	Enemy propaganda	3 years
Acosta Dorga, Humberto	---	IDC and disobedience	3 years
Agrego Blanco Roberto	---	---	3 years
Aguila Chacón, Alberto	---	Common w. incident and unlawful association	3 years
Aguilera Estrada, René	---	Terrorism	30 years
Aguilera Guevara, Alberto	3/24/91	Enemy propaganda	3 years
Aguilera ..., Raymundo	---	Unlawful meeting/conspiracy	---
Aguilar López, Eliécer A.	---	---	---
Alarcón Martínez, Julián	---	Enemy propaganda	---
Alba Castellón, Aurelio	---	IDC	4 years
Alemán Almeida, Angel L.	---	Enemy propaganda	10 years
Alfonso González, Gustavo	---	Enemy propaganda	6 yrs, 6 mos.
Alfonso Molina, Manuel	---	Disobedience	1 yr, 6 mos.
Alfonso Rubio, Hermes	1/22/92	Enemy propaganda	---
Alfonso Aguilar, Jorge H.	7/16/92	Enemy propaganda	---
Almaguer, Rodríguez, Alis	---	Enemy propaganda, terrorism and theft	10 years
Almeida Barrera, Alba J.	04/06/92	Theft	7 years
Almendares Pérez, Rey	---	Sabotage and enemy propaganda	---
Alpizar San Martín, Regino M.	--	Other acts agst. state sec.	1 yr., 6 mos.
Alvarez Blanco, Alfredo	---	---	---
Alvarez Leiva, Alfredo	---	Enemy propaganda	---
Alvarez López, Juan C.	---	Enemy propaganda	3 years
Alvarez López, Julio C.	4/19/92	Revel of secrets of Min. of Inter.	17 years
Alvarez Martínez, Pedro J.	11/15/89	Enemy propaganda	3 years
Alvarez Montes de Oca, Carlos A.	--	IDC and disobedience	---
Alvarez Pedroso, Pedro	---	Acts against state security	---
Alvarez Salcegarra, Hector	---	Enemy propaganda	---
Alvarez Trisna, Juan	11/04/90	---	---
Alvarez ..., Freddy	---	---	---
Alvarez Prieda, Félix	4/15/90	---	4 years
Alvarino Pérez, José T.	12/12/90	Rebellion	---
Ampido Herrera, Pedro E.	04/02/89	Enemy propaganda & sabotage	5 years
Ampido Pérez, Pedro	---	Sabotage	5 years
Angulo Fleitas, Albeño	---	Enemy propaganda	---
Angulo Fleitas, Luis	---	Enemy propaganda	---
Anido Padilla, Miguel V.	---	IDC	---
Antunez Mora, Luminado	5/30/89	Theft	15 years
Aparicio Rodríguez, María E.	2/19/92	Unlawful association	8 years
Arcos Bergnes, Sebastián	01/15/92	Enemy propaganda	4 yrs, 8 mos.
Aranda Rodríguez, Manuel	06/13/91	Acts against state security	8 yrs.
Araña Rosaine, Dr. Julián F.	---	Terrorism	8 years
Arias Iglesias, Carmen J.	07/10/92	Revelation of secrets, rebellion	7 years

Arias ..., Roberto	--	--	--
Arizala, Arozco, Ramiro	--	IDC	--
Ayarde Herrera, Raúl	12/17/90	Espionage, terrorism	10 years
Bacallao González, Raúl	--	Sabotage, enemy propaganda	8 years
Bagur Bello, Vladmimir	06/13/91	Acts against state security	4 years
Bacs Viamonte, Juan C.	--	Enemy propaganda	--
Balmaseda Martell, José R.	--	Disobedience	--
Banegas Barroso, Yunier A.	--	Enemy propaganda	--
Barra Tejeda, Alexis	12/01/90	Enemy propaganda	3 years
Barreras Rivero, Rafael	01/19/91	IDC	--
Barrosa Enrique, Roberto	--	IDC, disobedience	--
Baster Avila, Rolando R.	--	Enemy propaganda/espionage	--
Basulto Pimentel, Alexander	--	Sabotage	--
Bedra Hernández, Manuel	--	Enemy propaganda	--
Bellos Díaz, Francisco	--	Sabotage	--
Benítez ..., José R.	01/22/92	Disobedience	--
Benítez Hernández, Manuel	11/29/90	Enemy propaganda	6 years
Benítez Jorge, Damián R.	04/27/90	Terrorism	9 years
Bergel Hernández, Eulogio	--	IDC	--
Betancourt ..., Reynaldo	10/09/91	Illicit clandestine association	3 years
Betancourt Escalona, Julián	--	Enemy propaganda	3 years
Betancourt Montenegro, Orfilio	06/13/91	Acts against state security	6 years
Betancourt Sánchez, Angel	--	Enemy propaganda	--
Biamonte León, Carlos J.	--	Sabotage	10 years
Bientz Saab, Dr. Julio Z.	--	Terrorism	13 years
Bisel Sambonel, Angel	--	Enemy propaganda	--
Blanco González, Martha	--	Enemy propaganda	--
Bogue Smith, Nelson	--	Enemy propaganda	--
Both ..., Ther	--	Disob. Chief Comm.	--
Braga Borges, Rogelio	09/11/90	Sabotage	5 years
Bren Iznaga, Pedro A.	--	IDC	--
Brocart Calas, Hernes	--	Enemy propaganda	8 years
Bruno Vázquez, Juan	--	Enemy propaganda	4 years
Bonilla Fonseca, Ernesto	04/04/90	Subversive oral propaganda	3 years
Caballero González, Raúl	04/21/90	Espionage	--
Cabrera Alvarez, Elpidio	--	Enemy propaganda	--
Cabrera Cruz, Alejandro	--	Enemy propaganda	--
Cabrera González, Joel	--	Enemy propaganda	8 years
Cabrera Martín, Benigno	--	Enemy propaganda	--
Calzada Valle, Lázaro	--	Enemy propaganda	--
Campos Márquez, Lázaro	--	Enemy propaganda	--
Camejo Moeliro, Ivelise	01/06/90	Terrorism	15 years
Camper Lugones, Humberto	--	Theft	6 years
Campos Muñiz, Guillermo	01/03/90	Terrorism	8 years
Cantero ..., Silvio	--	Sabotage	18 years
Cancio Vazco, Pedro R.	--	Disobedience	--
Cardo Leonardo, Osvaldo	--	Workers' strike	6 years
Cardo Hernández, Daniel	08/25/80	Rebellion	30 years

Caldoso Companioni, Iván	---	IDC	---
Carmen Arias, Luis	---	Enemy propaganda	---
Carrasco ..., Angel	---	Enemy propaganda	7 years
Carrazana Varela, Ideliso	05/31/89	Theft	10 years
Casanova Ponce, Miledys	---	Theft	15 years
Caraballo Vázquez, Norge	---	---	---
Carsilles Ibarra, Rigoberto	---	Enemy propaganda	5 years
Castañeda Muñoz, Antonio M.	--	Disobedience	---
Castañeda Muñoz, Julio C.	---	Disob. comm. in chief	---
Castillo Espino, Raúl	03/24/91	Enemy propaganda, attack	9 years
Castillo ..., Leosvani	---	IDC	---
Castillo Ferrer, Pedro A.	08/27/92	Enemy propaganda	5 years
Casto Hechevarria, Oscar E.	08/14/89	Sabotage, propaganda, theft	6 years
Céspedes Chávez, Oscar	05/25/87	Espionage and enemy propaganda	14 years
Cisneros Silva, Nivardo	---	Sabotage	---
Cisneros Silva, Orlando	---	Sabotage	---
Collazo Peregrino, Ernesto	---	Sabotage	---
Concepción Granada, René	---	Enemy propaganda	---
Contreras Hilán, Jesús	01/22/90	Enemy propaganda	6 years
Cordova García, Lenfn	---	Theft	15 years
Cordoví ..., Norma	---	Enemy propaganda	---
Corona López, Enríquez	---	Enemy propaganda	---
Corzo ..., Ulises	---	IDC	---
Corzo Rodríguez, Alexis	01/11/90	Enemy propaganda	8 years
Curra Lusson, Ielana	07/16/92	Enemy propaganda	---
Curra ..., Ivan	07/16/92	Enemy propaganda	---
Cuetra Mustelier, Angel	---	Sabotage	---
Cucalo Santana, Bienvenida	---	Enemy propaganda	3 years
Crespo Díaz, Jorge A.	---	Enemy propaganda/disobed.	15 years
Cruz Martínez, Anibal	10/09/91	Clandest. unlawful association	2 yrs, 3 mos
Cruz Delgado, Alibal	10/09/91	Clandest. unlawful assn.	3 years
Cruz Reyes, Angel L.	---	IDC	---
Cruz Varela, María E.	---	Unlawful association	2 years
China Fajo, Marcial	---	Sabotage	---
Chamber Ramírez, Jesús	---	Enemy propaganda	10 years
Chapelle Rojas, Francisco	---	Enemy propaganda	---
Chavez González, Gonzalo	---	Enemy propaganda	---
Delgado Cruz, Alberto F.	---	Act against state security	1 year, 6 mos.
Delgado ..., Julio C.	09/92	Enemy propaganda	---
Díaz Agüero, Jesús	---	Acts against. state security	---
Díaz Cabrera, Manuel	11/09/80	Infiltration	30 years
Díaz Echemendia, Francisco	08/09/90	Enemy propaganda/sabotage	20 years
Díaz Estrada, Bárbaro	---	Enemy propaganda	---
Díaz, Gómez, Hector	06/01/89	Theft	12 years

Díaz, González, Miguel A.	--	IDC	--
Díaz Leiva, Azael C.	06/13/90	Enemy propaganda	3 years
Díaz Rodríguez, Ramón	02/06/82	Sabotage	30 years
Díaz Romero, José L.	06/02/82	Sabotage	30 years
Díaz Rodríguez, Lázaro	08/02/90	Enemy propaganda	2 years
Díaz Rodríguez, Ezequiel	02/10/92	Sabotage	30 years
Díaz Simón, Alfredo V.	--	Disobedience	--
Díaz Villalón, Guillermo	--	Enemy propaganda	--
Díaz Villamar, Félix	01/07/89	Espionage	15 years
Díaz Trujillo, Recardo B.	12/82	Treason and espionage	20 years
Díaz Villamor, Félix	08/22/88	Espionage	15 years
Dobao Aragón, Orestes	01/24/90	Enemy propaganda	5 years
Domínguez de la Coba, Orlando	04/15/83	Sedition	30 years
Domínguez Sardinias, Julio	--	Enemy propaganda	--
Dueñas Martínez, Joel	12/31/91	Enemy propaganda	3 years
Duran ..., Adolfo	09/21/92	Enemy propaganda	--
Duarte Morio, Osmani	--	Disobed.,Comm. in Chief	--
Durga Acosta, Israel	--	IDC	--
Echenique González, Orlando	01/13/90	Sabotage, enemy propaganda	10 years
Echevarría Marrero, Miguel	--	Enemy propaganda	4 years
Echevarría Revafleche, Hector	--	Enemy propaganda	--
E. ...Figueredo, José	--	Enemy propaganda	4 years
Enríquez Hernández, Rafael	--	Disobedience	--
Enrique Espinosa, Luis	--	Enemy propaganda	5 years
Enrique García, Juan	--	Enemy propaganda	8 years
Escobar ... Dr. Vladimir	--	--	--
Espinosa Pérez, Juan E.	--	Theft	10 years
Esporsa Procard, Fernando	--	Enemy propaganda	8 years
Estrada Leiva, Ezequiel	--	Arson	--
Estrada Rivero, Luis	--	Enemy propaganda	--
Felipe Pino, Ewer	03/13/90	Enemy propaganda	2 yrs, 6 mos
Felix García, Angel	--	Sabotage	--
Fernández ..., Juan F.	--	Unlawful assoc/ failure of duty to report	--
Fernández Adier, Jorge	04 /26/90	Terrorism and propaganda	7 years
Fernández Crespo, Miguel A.	--	Terrorism	15 years
Fernández Díaz-Silvera, Jorge	04/92	Enemy propaganda	--
Fernández Mapule, Julio	12/91	--	--
Fernández Pérez, Santiago E.	--	Disobed. Comm. in Chief	--
Fernández Saliey, Alfredo	--	IDC	--
Feria Cao, Aurea	01/22/90	Enemy propaganda	5 years
Ferrer Venegas, Pedro C.	--	Enemy propaganda	--
Angulo Fleites, Luis	--	--	--
Figueroa Castro, Raúl	--	Theft	4 years
Fones Pérez, Frank	--	IDC	--
Fonseca García, José	--	Destruction fm. fire	--
Fonseca Reyes, Enríquez	--	Enemy propaganda	--

Fuentes Valdés, Jorge L.	--	Enemy propaganda	--
Fumero Carrado, Angel	--	IDC	--
Galanea Galvez, Carlos E.	--	IDC, enemy propaganda	--
Gálvez Contreras, Tomás	01/90	Enemy propaganda	3 years
Garay Callejas, José	--	Enemy propaganda	3 years
García ..., Jorge W.	08/02/90	Sabotage	5 years
García ..., Caridad	02/92	Enemy propaganda	3 years
García Alosca, Rigoberto	--	Enemy propaganda	10 years
García Aguilera, Juan	--	Enemy propaganda	8 years
García Bello, María C.	--	Sabotage	18 years
García Bello, María del C.	11/13/88	Sabotage	13 years
García Ramos, Lázaro E.	02/92	Enemy propaganda	6 years
García Cruz, Juan E.	--	Enemy propaganda	1 yr., 6 mos.
García Díaz, Carlos	04/29/82	Sabotage	30 years
García Pérez, Idalberto	--	IDC	--
García Jiménez, Eduardo	--	Espionage	15 years
García Figueredo, Luis E.	01/19/91	IDC	--
García García, Miguel	--	Enemy propaganda	5 years
García Hernández, Gladys	--	Espionage	8 years
García Mejías, Guillermo	--	Enemy propaganda, sabotage	--
García Moreno, José A.	--	--	--
García Navarro, Nestor	--	Espionage	8 yrs
García Pérez, Idalberto	--	Espionage	--
García Ortiz, Ramón A.	--	Enemy propaganda	--
García Pérez, Luis J.	--	Enemy propaganda	8 yrs, 7 mos
García Pérez, Jorge L.	--	Enemy propaganda	5 years
García Valdés, María M.	--	Terrorism	8 years
García Saldívar, Jadae	--	Enemy propaganda	5 years
Gavilán García, Jorge	08/02/90	Sabotage	--
Gil Olmas, Rubén	--	Dif. heroes and martyrs	--
Gómez..., Rodolfo	--	Enemy propaganda	6 years
González Ogra, Luis	--	Enemy propaganda	--
Gómez Cruz, Napoleón	--	Enemy propaganda	5 years
Gómez Delgado, Aguedo	12/19/89	Sabotage	--
Gómez Estevez, Alexix	07/16/92	Sabotage	--
Gómez González, Fray	--	Enemy propaganda	2 yrs, 7 mos
Gómez Macías, Ibalde	--	Enemy propaganda	--
Gómez Díaz, Ibraim	10/28/90	Sabotage	7 yrs
González ..., Juan	--	Theft	15 years
González Alemán, Genovevo	--	Sabotage	--
González Bello, María del C.	--	Sabotage	18 years
González Seguel, Jennie A.	--	Enemy propaganda	--
González Laffita, Rosalina	03/10/87	Theft	30 years
González Velázquez, Agustín	--	Enemy propaganda	4 years
González Legró, Luis E.	--	Enemy propaganda	--
González Leiva, Israel	--	Enemy propaganda	10 years
González López, Rolando	--	Sabotage	3 years
González Marichal, José	08/17/89	Sabotage/enemy propaganda	5 years

González Mateo, Emilio E.	--	Enemy propaganda	--
González Pérez, Yaamani	--	IDC	--
González Specks, Lino	09/01/82	Sabotage	30 years
Gonzalez Vásquez, Agustín	--	Enemy Propaganda	--
González Veguero, Nicolás	--	Enemy propaganda	--
González Valencia, Marcos	04/09/91	--	--
Gómez ..., María	--	--	--
Gorrín Verdecia, Ricardo	--	Enemy propaganda	--
Grave de Peralta, Roberto	--	Enemy propaganda	--
Grave de Peralta, Murrelli L.	02/13/92	Rebellion	13 years
Graveran Piloto, Juan	--	Enemy propaganda	--
Graveran Piloto, Tomás	--	Enemy propaganda	--
Guerra Blanco, Jesús	--	--	--
Guero Rosales, Senen	--	Enemy propaganda	--
Guerra Jiménez, Eduardo	06/11/79	Espionage	15 years
Guerrero García, Emigdio	--	IDC and acts rep. sabotage	5 years
Guerrero Martínez, Faustino	--	Sabotage	--
Guerrero Scheweyer, Alfredo	03/08/87	Espionage	12 years
Guillén Zalduva, José	--	Sabotage	1 year
Golobo Quinones, Ricardo	--	Sabotage	--
Gutiérrez ..., Angel M.	--	Theft	3 years
Gutiérrez Martínez, Guillermo A.	--	IDC	--
Gutierrez Ramos, Rodolfo	--	Rebellion	--
Gutierrez Sosa, José L.	--	Disobedience	--
Granda Oveido, Alafn	--	--	--
Hernández, Reyes, Sanvel	12/09/80	Attempted asylum	25 years
Hernández Tesis, Orlando	--	Enemy propaganda	5 years
Hernández ..., Eduardo	--	Enemy propaganda	5 years
Hernández González, Alcides	--	Enemy propaganda	--
Hernández García, Marcos A.	--	Espionage, sabotage	--
		Enemy propaganda	20 years
Hernández Hernández, Juan	--	Enemy propaganda	--
Hernández Morales, Yosvani	--	Theft	3 years
Hernández Luaces, Omar	--	Enemy propaganda	--
Herrera Macuran, Pastor	--	--	--
Hernández Oviedo, Alain	10/19/90	Sabotage	5 years
Hernández Toledo, Gelazio	--	--	--
Hernández Viera, Alberto	--	Theft	--
Hidalgo Gato, Armando	--	Enemy propaganda	2 years
Herrera Macuran, Pastor	--	Enemy propaganda	--
Herrera Ramírez, Ibrahin	--	Enemy propaganda	--
Hidalgo Labrada, Rigoberto	--	Enemy propaganda	--
Hoyo Ruiz, Rubén	--	Enemy propaganda	6 years
Huerre Peraza, Carlos	--	Enemy propaganda	3 years
Ibañez, Sánchez, Pablo	--	Enemy propaganda	--
Ibarra Tejeda, Elexis	--	Enemy propaganda	--
Infante Estrada, Victor R.	--	Revelation secrets Min. Int.	8 years



Isaac Nuñez, Francisco	---	Enemy propaganda	---
Izquierdo Carmona, Esteban	---	Espionage	15 years
Jiménez León, Rafael	---	Enemy propaganda	5 years
Jiménez Ramos, David	12/09/80	Attempted asylum	---
Jiménez Ramos, Gerardo A.	12/09/80	Attempted asylum	25 years
Jiménez Rivero, Francisco	07/03/90	Espionage	10 years
Jiménez Trujillo, Enerido	---	Disobedience	2 years
Jorrín Verdecia, Ricardo	09/09/90	Enemy propaganda	3 years
Kerr Michel, Jorge	---	---	---
Licourt Medina, Bárbaro	---	---	---
Labrada ..., Rafael	---	Sabotage	---
Ledesma Quijano, Isidro	11/02/89	Rebellion	3 years
Lamothe Teras, Emilio	---	Enemy propaganda	---
Lázaro Domínguez, Manuel	---	Enemy propaganda	8 years
Lazo Martínez, Andeés	---	Enemy propaganda	---
León Alemán, René	12/12/90	Rebellion	---
León León, Luis	---	Theft	4 years
León de la Rosa, Abrahán	---	Acts against state secur.	---
Leiva ..., Eduardo	---	IDC, enemy propaganda	---
Leiva Trista, Osmani G.	---	Enemy propagnada	5 years
Leiva Balado, Lilitana	---	Enemy propaganda	---
Leiva Leiva, Croniel	---	Enemy propaganda	3 years
Leiva Miguel, Orlando	---	Sabotage	---
Licour Medina, Bárbaro	---	Enemy propaganda, sabotage	---
Linancero Martínez, Luis E.	01/10/90	Terrorism	15 years
Lino Cardoso, Hector	---	Sedition	30 years
López Beltrán, Martín	03/23/79	Ex-milit.	25 years
López Contreras, Leopoldo	---	IDC, enemy propaganda, worker strike	6 years
López Contreras, Ramón L.	---	Transportation strike	6 years
López Estevez, Carlos	---	Enemy propaganda	---
López Estevez, Valeriano	---	IDC	---
López Jimenes, Leonardo	---	Sabotage	15 years
López López, Rubén	---	Enemy propaganda	---
López Martín, Manuel	---	Enemy propaganda	---
López Miranda, Diego	07/23/92	Enemy propaganda	---
López Novegil, Nelson	12/90	Rebellion	---
López Quinta, José	---	Enemy propaganda	8 years
López Rodríguez, Luis J.	---	Enemy propaganda	6 years
López de la Rosa, Andrés	---	IDC	---
López Torres, Luis A.	---	Sabotage, enemy propaganda	---
López Torres, Luis A.	12/12/90	Sabotage	---
López González, Gilberto	---	IDC, enemy propaganda	---
Lucio Rodríguez, Ernesto	11/21/90	---	---
llanes Márquez, Wilfredo	---	Enemy propaganda	---
Llyh Ojeda, Raúl	---	Rebellion	---

Matos Sánchez, Huber L.	--	Unlawful and clandestine association, printing	1 yr., 4 mos
Maestre Saborit, Alexis	06/18/90	Enemy propaganda	12 years
Magdalena Morales, Jorge D.	--	Disobedience	--
Manasa Elijah, Ham	--	Disobedience, comm. in chief	--
Maragoto Martín, Justo	--	Enemy propaganda	--
Marichal, Orillana, Waldo M.	--	Attack, disobedience	--
Marín Ramírez, Victor O.	--	Disobedience, comm. in chief	--
Marlote Triana, Felix	--	Theft, rebellion	3 yrs, 9 mos.
Márquez Medina, Rolando	--	Other acts	--
Marrero Martínez, Lic. Jorge	01/14/85	Espionage	15 years
Martí Callejas, Román	09/18/90	Espionage	12 years
Martí Rivas, Román	09/18/90	Espionage	8 years
Martín Callejas, Ruperto R.	--	Sabotage	12 years
Martín Roca, Pedro S.	--	Enemy propaganda	--
Martín Roca, Pedro	12/22/90	Enemy propaganda	3 years
Martín Roca, Aurelio	--	Enemy propaganda	--
Martín Terras, Gabriel	--	--	10 years
Martínez Alonso, Pablo	--	Enemy propaganda	--
Martínez Benavides, Reinaldo	--	Enemy propaganda	--
Martínez ..., Francisco R.	--	--	--
Martínez Bustamante, Bienvenido	--	--	--
Martínez García, Angel D.	02/06/92	Sabotage	--
Martínez García, Angel D.	--	Enemy propaganda	20 years
Martínez Gómez, Luis M.	--	Theft	--
Martínez Machado, Jesús	--	IDC, disobedience	--
Martínez Martín, María T.	--	Enemy propaganda	--
Martínez Martínez, Luis E.	03/23/90	Enemy propaganda	3 years
Martínez Vidal, José L.	--	Terrorism	15 years
Matiendo Borroto, José A.	--	Enemy propaganda	--
Matos Colombie, Rodolfo	02/07/91	Enemy propaganda	5 years
Matos Sánchez, Hubert L.	--	--	--
Maure Justiz, Roberto	--	Enemy propaganda, assault	--
Mayo Méndez, Juan	01/90	Enemy propaganda	4 years
Mayo Gómez, Rafael	--	Sabotage	2 years
Mena Pérez, Adán	--	Sabotage	10 years
Medina Corzo, Santiago	06/27/92	--	4 years
Méndez Rafful, Juan P.	--	Enemy propaganda	20 years
Méndez Montesinos, René	--	Enemy propaganda	--
Méndez Fernando, Juan	--	Enemy propaganda	6 years
Méndez Kenol, Manuel	--	Disobedience, Comm. in chief	--
Méndoiz Veloz, Anibal	--	IDC	--
Mendoza Marrero, María	02/20/92	Theft	10 years
Merino Guerra, Luciano	--	Enemy propaganda	--
Mesa Hernández, Mario	01/07/90	Enemy propaganda	5 years
Miero Díaz, Jorge R.	--	IDC	--
Mojena Anjeris, José M.	01/19/91	IDC	--
Monjer Quintana, Eduardo	--	Sabotage	--
Montes Prendes, Reinaldo	--	Economic espionage	--

Montes de Oca ..., René	---	Disobedience	---
Montes de Oca Cancio, Ronaldo de la C.	---	IDC	---
Monteagudo Rodríguez, Luis	---	Attempt Span. Embas. asylum	4 years
Montero Hernández, Alfredo	---	IDC	---
Montesinos Arguelles, Sara	---	Theft	---
Montoya González, Jesús	---	Sabotage	10 years
Morales Viort, Lázaro L.	02/03/90	Enemy propaganda	4 years
Martínez Hernández, Mario	---	Disobedience	---
Morai Veliz, Martín	---	IDC, disobedience	---
Morales Beltrán, Omar	---	Possible sabotage	---
Morales Cantero, Silvio A.	---	Sabotage	18 years
Morales ..., Pedro J.	---	Enemy propaganda	---
Morales Gerrero, Ariel	---	Sabotage	---
Morales Rodríguez, Pablo	---	Unlawful assoc. group	---
Morales Trujillo, Fredy	---	Sabotage	20 years
Moreno Reyes, Juan J.	11/21/92	Enemy propaganda	---
Morejón, Rodríguez, Felipe A.	11/21/89	Enemy propaganda	---
Moreno Tapia, Juan P.	---	Disobedience	3 years
Murez Justiz, Roberto	03/24/91	Enemy propaganda, assault, disobedience	6 years
Muñoz López, Pedro R.	---	Disobedience, comm. in chief	---
Muñoz Rodríguez, Guillermo	---	IDC	2 years
Napoles Fernández, Raidel	---	Enemy propaganda	2 years
Naranjo Ramírez, Eladio	---	Disobedience, defamation of heroes and martyrs	---
Naranjo Fonseca, José M.	---	Probable sabotage	---
Nasco Marrero, Ares	01/13/90	Terrorism	8 years
Nogueras Nápoles, Julio	01/19/92	IDC	---
Noto Barrios, Agustín	---	---	---
Núñez López, Pastor	---	Sabotage	---
Núñez Núñez, Martín	---	IDC	---
Núñez Cos, Ariel A.	---	Enemy propaganda	---
Núñez Villegas, Alcides	---	Disobedience	1 year, 6 mos
O'Farrill Victor, Felix	---	Sabotage	2 years
Orme Caballero, Carlos C.	---	Rebellion	7 years
Ortega Hunt, Leandro A.	---	Disobedience, comm. in chief	---
Orunda Montejo, Fernando	---	Enemy propaganda	5 years
Osorio Pupo, Merquiades	---	Sabotage	---
Osorio Sierra, Ramón	---	Sabotage	---
Oviedo Hermida, Ala	10/15/90	Sabotage	---
Pairal Díaz, Omar	---	Sabotage	3 years
Pantoja Flores, Fidel	---	Enemy propaganda	---
Pacheco Victoria, Luis	---	Enemy propaganda	---
Pantoja Rodríguez, Antonio	---	Enemy propaganda	---
Pasarín Siro, Román	---	Enemy propaganda, sabotage	---
Pascual Bello, Rodolfo	---	Sabotage	5 years
Pages Navarro, Rolando C.	---	Unlawful association	1 year

Pelegrin Campbell, Osmani	12/20/89	Sabotage and propaganda	--
Pelegrin Ramírez, Raymundo	--	Sabotage	--
Pena Ruiz, Mario	--	Acts against state security	--
Peraza ..., Carlos	--	Enemy propaganda	5 years
Peraza Cabrera, Eduardo	10/21/88	Sabotage	15 years
Perdomo Feria, Rafael	--	Sabotage	--
Pérez ..., Omar	--	Enemy propaganda	2 years
Pérez de Agreda Gómez, Ricardo L.	--	Disobedience, comm. in chief	--
Pérez Parrera, Pedro	--	Enemy propaganda	2 years
Pérez Batista, Fidel	--	--	--
Pérez Cardoso, Osvaldo	--	Enemy propaganda	3 years
Pérez Fuentes, Nérida	--	Falsific. documents	8 years
Pérez Hernnández, Jorge O.	--	IDC	--
Pérez Manso, Benito S.	--	IDC	--
Pérez Martín, Juan	02/09/90	Enemy propaganda	--
Pérez Martínez Justo	--	Sabotage	--
Pérez Martínez, Manuel F.	--	Disob., commander in chief	--
Pérez Miranda, Ariel O.	--	Disobedience	--
Pérez Morales, Omar	03/22/90	Enemy propaganda	2 years
Pérez Púlido, Osvaldo	--	Enemy propaganda	2 years, 6 mos
Pérez Rodríguez, Víctor L.	--	IDC	--
Pérez Smith, Angel M.	--	Other acts against st. sec.	5 years
Pérez Trueba, Carlos	--	Enemy propaganda	5 years
Pérez Vidal, Lázaro	--	--	--
Pino González, Ramón I.	--	Sabotage	2 yrs, 6 mos
Pintado Vitier, Armando	--	Enemy propaganda	--
Pita Santos, Luis A.	05/01/90	Unlawful assn/disobedience	5 years
Piris Piyd, Fernando	03/24/91	Assault	6 years
Placencia ..., Gonzalo	--	Disobedience	2 yrs, 6 mos
Poinet Hernández, Omar	--	Enemy propaganda	--
Poll Ramos, Jorga	01/24/90	Enemy propaganda	8 years
Pulido Valdivia, Juana M.	--	Disobed., Comm. in chief	--
Polanco Vázquez, Reynaldo	12/10/89	Sabotage/enemy propaganda	--
Pomar ..., Jorge	--	Unlawful association	2 years
Portal Artilles, Armijail	--	Disobedience	2 yrs., 6 mos.
Portuondo Rodríguez, Rafael	--	Enemy propaganda	--
Poso Marrero, Dr. Omar	--	Revelation secrets Min. of Int.	15 years
Pomar Montalvo, Jorge A.	--	--	--
Prendes Montes, A. Jaime	--	Economic espionage	--
Pridas ..., Eduardo	--	Sabotage	15 years
Prio Ayala, Rafael A.	--	Enemy propaganda	3 years
Prieto Méndez, Angel	12/26/91	Disobedience	--
Puig Valdés, Rolando	--	Other acts agnst. state secur.	--
Pujol Irizar, José L.	02/92	Enemy propaganda	3 years
Puentes Valdez, Jorge L.	--	Enemy propaganda	--
Pruno Isaac, Alberto	--	Enemy propaganda	--
Quesada Fernández, Carlos	--	IDC	--
Quesada Fernández, Juan P.	--	IDC	--

Quesada García, Roberto	---	Bearing firearms	---
Quiala Parra, Vismark	---	Sabotage	---
Quiala Parra, Jorge S.	---	Sabotage	---
Quinta López, José	---	Enemy propaganda	---
Quintana Silva, Jorge	---	Alleged disobedience	---
Quiñones ..., Raúl	---	---	4 years
Quiñones Estrada, Luis E.	01/19/91	IDC	---
Quiñello Echevarría, Mirian	07/23/87	Enemy propaganda	---
Ramírez Pérez, Eduardo	---	Theft	15 years
Ramírez Terrero, Frank	08/24/87	Asylum attempt	4 years
Ramírez ..., Mario	---	---	---
Ramos Andreu, Pedro R.	---	Enemy propaganda	3 years
Ramos Carrateala, Lázaro	07/10/92	Sabotage	---
Ramos Lechuga, Aroelio	02/18/72	Ex-military	36 years
Ramón Llorens, Juan	---	Enemy propaganda	1 yr., 6 mos
Ramos Martínez, Donato	03/18/87	Theft	13 years
Ramos Rodríguez, Tomás	---	Terrorism and rebellion	20 years
Ramos Rojas, Domingo	---	---	---
Restano Díaz, Roando	---	Rebellion	10 years
Reyes Martínez, Pablo	---	Enemy propaganda	---
Reyes López, Ricardo	---	---	---
Reyes Sánchez, Jesús A.	05/15/90	Assault	20 years
Risco Herrera, Ramón	01/19/91	IDC	---
Rivas Hernández, Celestino	---	---	---
Rivera Gutiérrez, José	---	Enemy propaganda	---
Rivero Betancourt, Martha L.	04/06/91	Theft	3 years, 6 mos
Rivero Rodríguez, Pablo	---	Enemy propaganda	6 yrs., 10 mos
Ricardo ..., Aurelio	---	---	---
Rodríguez Abreu, Oar	01/05/90	Sabotage/enemy propaganda	5 years
Rodríguez ..., Tomás	---	IDC	---
Rodríguez Alonso, Cecilio	---	Enemy propaganda	---
Rodríguez Benítez, José R.	---	Enemy propaganda	---
Rodríguez Carrillo, Juan	---	IDC	---
Rodríguez Campos, Jacinto	---	Sabotage	10 years
Rodríguez Castillo, Carlos M.	11/22/89	Theft	8 yrs, 6 mos
Rodríguez Castillo, Manuel C.	---	Theft	7 yrs, 7 mos
Rodríguez Hernández, Arnaldo P.	---	Enemy propaganda	---
Rodríguez Herrada, José	---	Hijacking	12 years
Rodríguez León, Luis	---	Enemy propaganda	---
Rodríguez Fuentes, Humberto	---	---	---
Rodríguez Leiva, Robier	---	Rebellion	---
Rodríguez Martínez, Israel C.	---	Disob. Comm. in chief	---
Rodríguez Martínez, José A.	12/05/91	---	---
Rodríguez Pérez, Alne	---	Enemy propaganda/sabotage	9 years
Rodríguez Placencia, Wlatter	08/90	Theft	3 years
Rodríguez Pupo, Ramón	---	Sabotage	30 years
Rodríguez Ramírez, Jaquín F.	---	Enemy propaganda	4 yrs, 6 mos
Rodríguez Rangel, Ramiro	04/15/83	Sedition	30 years

Rodríguez Rivero, Librado	--	Disob. comm in chief	--
Rodríguez Rodríguez, Armando	03/21/91	Enemy propaganda	4 years
Rodríguez Rodríguez, Bernardo	--	Espionage	14 years
Rodríguez Rodríguez Orelvis	--	Theft	15 years
Rodríguez Rodríguez, Raudel	01/25/80	Rebellion	30 years
Rodríguez Roque, Alexis	--	Enemy propaganda	2 years
Rodríguez Simon, Jorge	--	Disobed. comm in chief	--
Rodríguez Sosa, Gustavo	01/11/91	Rebellion	18 years
Rodríguez Villavicencio, Julio	--	IDC	--
Rodríguez Calá, Alberto	--	Theft	--
Rodríguez Fonseca, Alberto L.	--	Theft	--
Romero Fernández, Carlos	--	IDC	--
Román Pasarín, Gabriel	3/24/91	Enemy propaganda/assault	4 years
Román Pasarín, Ciro	3/24/91	Enemy propaganda/assault	11 years
De la Rosa, García, Nelson	--	Theft	17 years
Rosa Mendoza, Juan A.	--	IDC	--
Rosado Torres, Francisco	01/06/90	Terrorism	10 years
Rosario Carballo, Damián	--	--	--
Royo Estrada, Carlos	02/92	Enemy propaganda	--
Ruiz Columbié, Arquimides	--	Rebellion	10 years
Ruiz Díaz, Rafael	--	Enemy propaganda	--
Ruiz Matosos, Máximo O.	--	Disobed., IDC, desertion	20 years
Ruiz Echevarría, Jorge	--	Sabotage	--
Ruiz Varela, Antonio	--	IDC	--
Ruiz Varela, Daniel	--	IDC	--
Ruiz Vincent, Maurilio	--	Sabotage	20 years
Saez Alvarez, Gregorio	--	--	--
Sainz Castro, Roberto	--	Disobedience	--
Salvia Ricardo, Ismael	--	Grouping	--
Sánchez, Alexis	--	Enemy propaganda	1 year
Sánchez Echevarría, Julio	--	Sabotage	--
Sánchez Figueredo, Pedro	01/12/90	Enemy propaganda	--
Sánchez Olivares, Luis	--	Enemy propaganda	--
Santana Luis, José	--	Enemy propaganda	--
Santos Dávila, Guillermo	01/04/90	Other acts agnst. state secur.	3 years
Sarmientos Hernández, José O.	03/31/81 or 09/18/80	Ex-military Batista	30 years
Santovenia Fernández, Daniel	--	Other acts agnst. state secur.	--
Seibanes Padrón, Luis	04/28/90	Terrorism and propaganda	13 years
Sierra Guerra, Alberto L.	--	IDC	--
Sierra Pérez, J. Carlos	--	Terrorism	15 years
Simon Poll, Sergio	--	--	2 years
Sixto López, Alberto	--	Enemy propaganda	9 years
Socarrás López, Alberto T.	12/12/90	Sabotage	--
Soto Morell, Marco A.	--	--	--
Sotolongo Rodríguez, Ramón	3/90	Enemy propaganda	3 years
Speck González, Lino	09/07/92	Sabotage	30 years
Stenensó Betancourt, Arturo	--	Enemy propaganda	--

Suárez Cao, Wilder	--	Enemy propaganda	--
Suárez Fernández, Julio	06/08/90	--	5 years
Suárez Pérez, Felipe	12/24/90	Sabotage	--
Suárez Taboada, José	--	--	8 years
Suárez Ramos, Arturo	05/10/87	Theft	30 years
Tamayo Mojena, Luis L.	--	Sabotage	--
Tapanes Tapanes, Regla	03/14/92	Enemy propaganda	--
Tejeda Rodríguez, Angel	--	Sabotage	--
Tenreiro ..., Abelardo	--	Enemy propaganda	2 yrs, 6 mos.
Tobal Sánchez, Roberto	--	Disob., comm. in chief	--
Toledo Lugo, Timoteo	--	Rebellion	30 years
Toledano Rodríguez, Jaime A.	11/22/90	Enemy propaganda	3 years
Torres ..., Juan G.	--	IDC	4 years
De la Torre Calero, Reidel	03/06/92	Possible sabotage	--
Torre Jiménez, Lorenzo	04/28/90	Terrorism/enemy propaganda	7 years
Torres Lloudano, Bislan	83	Sabotage	30 years
Torres Santana, Adhil	--	Sabotage	7 years
Trujillo Cervantes, Rafael	--	Disobedience	3 years
Trujillo Graberón, José	--	Enemy propaganda	3 years
Valenzuela Tabón, Luis	--	Disob., comm. in chief	--
Valenzuela Tabón, Pedro F.	--	Disob., comm. in chief	--
Valdez Baro, Fidel	--	Enemy propaganda	--
Valdés Medina, Antonio	--	Disob., IDC	--
Valdés Semanat, Ismael	--	Sabotage	--
Varona Betancourt, Virgilio	--	Other acts agnst. state sec.	--
Valladares Efigenio, José	--	Other against aginst. st. sec/ enemy propaganda	--

## SUMMARY

<b>Total number of political prisoners (approximate)</b>	607
Men	580
Women	27
<b>Broken down according to cases:</b>	
Enemy propaganda	275
Sabotage	89
Illegal departure from country (with enemy propaganda)	58
Theft**	32
Disobedience	43
Terrorism	19
Espionage	20
Acts against state security	16
Rebellion	15
Unlawful association	14
Attempted asylum	5
Revelation of secrets	4
Ex-military	4
Sedition	4
Assault	3
Infiltration	2
Worker strike	2
Treason	1
Defamation of heroes and martyrs	1

Just a short comment to point out the increases in the charges of enemy propaganda, contempt and unlawful association, which shows the growing need for the people to express themselves freely, their feelings and their deep desires for change in search of the sacred right to live in a world where individuality and freedom of opinion and expression are respected, as established in article 19 of the Universal Declaration of Human Rights.

Aida M. Valdés Santana

\*\* Translator's note: The term "piratería" can be translated as *theft* or *piracy*. When combined with "aérea" it means hijacking. The translation *theft* is used here, but the word could refer to one of the other crimes.

*Translation provided by CRS - Language Services, April 12, 1993*



Chairman RANGEL. The Chair now recognizes Congressman Lincoln Diaz-Balart of Florida.

**STATEMENT OF HON. LINCOLN DIAZ-BALART, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA**

Mr. DIAZ-BALART. Mr. Chairman and members, the commercial embargo maintained by the United States against the brutal dictatorship that has oppressed Cuba for 35 years is a manifestation of solidarity with the people of that suffering island, intended to assist that people in obtaining its freedom.

No one is pleased that the embargo is necessary. But in the same fashion, no one with an elemental human sensitivity or basic sense of dignity can favor the continuation of the Communist dictatorship in Cuba.

I wish the embargo could be lifted, but I wish even more that Cuba be free. And for Cuba to be free, it is necessary before lifting the embargo to break the chains that currently weigh so heavily upon the Cubans.

It is wrong to seek an end to the embargo, without demanding free internationally supervised elections in Cuba. The real question is not embargo yes or embargo no. It is free Cuba or enslaved Cuba, freedom of tyranny. That is the real question. Disguising the question by focusing it upon the embargo, instead of focusing upon the nightmare of oppression that the Cuban people continue to live—the executions, the political prisons, the acts of repudiation, the historically unparalleled State vigilance and control of all aspects of life—seeking to divert attention toward the embargo and away from the real question, a few no doubt even unknowingly are contributing to the continuation of the oppression suffered by the Cuban people.

Invariably, those who oppose the U.S. embargo against the Cuban dictatorship, usually citing examples of our policy toward China or other distant lands, support here in the Caribbean the embargo against the 2-year-old Haitian dictatorship. The supporters of so-called constructive engagement with the tyranny of Castro, one of the five worst human rights violators in the entire world, according to the U.N. Human Rights Commission just a few days ago, vehemently oppose that same policy in Haiti, as they opposed it with regard to Apartheid South Africa. That double standard is as hypocritical as it is immoral and unacceptable.

I challenge those who seek to hand Castro his No. 1 priority, the lifting of the U.S. embargo against his dictatorship, to join us in demanding immediate and free elections in Cuba, with participation by all Cubans, without exclusions nor discrimination of any type, with the release of all political prisoners and the legalization of all political parties.

Today, in his desperation, the Cuban dictator is selling Cuba cheap to all those who will collaborate with him, if only for a few dollars. And there are those who would like to see U.S. policy changed, because they view their private commercial interests as converging with those of the Cuban dictatorship. Some in the business community are clearly tempted by the slave labor available in Cuba, by the total lack of labor rights, by the prohibition against

labor unions and the absolute ban on strikes and collective bargaining.

But to collaborate with the Cuban dictatorship is not only a brittle and risky investment, it manifests a racist attitude toward the Cuban people. It is a racist attitude, because the tyrant that oppresses Cuba is the son of a Spanish soldier of the army of colonial occupation at the end of the last century, the army that oppressed the Cuban people. At that time, the United States helped that people achieve its freedom. The most ruthless of the colonial rulers was Valeriano Weyler, known to the Cubans as the butcher of the reconcentration of the peasantry. The father of the Cuban tyrant of today was a soldier of the butcher Weyler, and his son, who profoundly hates the Cuban people, has become the butcher of the Cubans in the 20th century. It is a historical embarrassment that today there are still collaborationists of the brutality being committed against the Cubans, just as they existed yesterday, and just as they existed when Hitler massacred the Jews in the crematoriums.

I want the embargo to be lifted, but before we do that, the chains that enslave the Cubans must be broken. I want free elections now for Cuba, and an end to the hypocrisy, to the collaborationism with the dictatorship and to the racism directed against the noble people of Cuba.

Thank you very much.

Chairman RANGEL. Thank you very much.

I would ask the former Congressman Bill Alexander from Arkansas to join the panel. Let me thank the members and colleagues for returning. We know how valuable your time is, but we may have some questions, and I really appreciate the fact that you are concerned enough and willing to stay.

Congressman Alexander.

#### **STATEMENT OF HON. BILL ALEXANDER, A FORMER REPRESENTATIVE IN CONGRESS FROM THE STATE OF ARKANSAS**

Mr. ALEXANDER. Thank you very much, Mr. Chairman, members of the committee, my former colleagues.

I appreciate the opportunity to be here with you today and to appear on this important issue. I wish to congratulate the Chairman and the members of the committee for providing leadership in this post-cold war era, where you and other world leaders are focusing on jobs, trade, regional economic alliances and globalization, and advocating the cause of human rights by the adroit use of economic forces during this post-cold war era.

Mr. Chairman, I come here today in a new role as a private attorney in Washington, but I am wearing an old hat, as many of you know, with whom I have worked over the years on the subject of trade and other reforms that were intended to assist our country.

Until 1960, following the last Cuban revolution, one of the largest purchasers of rice for Arkansas farmers was Cuba. Some of you know that Arkansas is the Nation's largest rice producing State and is in the midst of one of the largest rice producing regions in the world.

I recall one experience just a few years ago, talking to the owner of a rice mill in Arkansas, in a place called Stuttgart, who told me

that before the Cuban revolution that his only customer was Cuba. So I began to wonder how much was lost in markets because of the Cuban revolution, and I asked my friend Dr. John Caminarides, who is the head of the Economics and Trade Department of Arkansas State University, to conduct an economic analysis. And while the data is somewhat dated, it is still valid.

The conclusion reached by Dr. Caminarides was that Arkansas lost, in 1987 dollars, \$80 million a year in lost rice markets, and about \$20 million in lost poultry markets, so generally around \$100 million a year. There are other farm products that are also lost that were of important trade value to the United States, including wheat, soybeans and other feed grains, dairy products, cotton and corn. And I have not conducted any current analysis of those data, but the data collected back in 1987 was about \$300 million annually, Arkansas losing the bulk of that.

Gentlemen, today we have heard a lot of conversation and talk about values, and specifically the freedom that we have in the United States and the great amount of value that we place upon our personal freedom.

I had the privilege of serving in the Congress during the Bicentennial years, from 1974 until just last year, during which we celebrated the Bicentennial, and I had over 20 years to reflect upon the values that made this country great. We are indeed blessed as Americans to have the freedom to come here and express our differing views, and it is something we all cherish.

The American farmer is asking for his freedom to sell his products that he produces in international trade, in order that he might be free to earn the kind of living that he knows how to earn, if only he is free to sell his products in world commerce during this time of global change and globalization and regional alliances and economic change. The American farmer is just asking this Congress for the same freedom that is expressed today by those who are condemning repression and dictatorship practiced in Cuba.

I recall very well in 1979, when I joined a trade delegation to the People's Republic of China to promote the sale of products in that Communist nation. We heard the same cries in 1979 that we are hearing today: We should not change our policy toward China, because it is Communist, it is a dictatorship, it violates human rights. And while China is still guilty of some of those violations, we are making progress in changing those practices in China, because our leaders had the wisdom back in 1979 to change its policy toward China.

I realize that the U.S. embargo against Cuba is a unifying political force with enormous gravity in some sectors of this Nation. I realize that it is an emotional issue among Cuban-Americans especially. But I would point out that communism has collapsed, and that only the embargo is keeping communism alive in Cuba at the expense of the freedom of the American farmer to sell his products in international trade, and at the expense of creating American jobs during a time when we are struggling to emerge from this persistent recession, and during a time when our trade deficit continues to mount, last year an increase of about 43 percent over the previous year, costing precious jobs in our economy.

What the Nation needs, along with conserving our values and preserving our freedom, is new markets in order to carry those values into other fora, so that the force of our values, along with the strength of our economics, can bring about needed change in those countries.

I thank the Chairman and the members of this committee again for your leadership. It is time for Congress to realize and to join the post-Communist era.

Thank you very much, Mr. Chairman.

Chairman RANGEL. We thank you for your contribution.

The Chair recognizes Congressman Sanders. Bernie, we went past our time on this, but your entire statement will be entered in the record. We welcome your contribution you can make to this panel, as we wrap it up.

#### **STATEMENT OF HON. BERNARD SANDERS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF VERMONT**

Mr. SANDERS. Thank you, Mr. Chairman.

I thank you for holding this important and timely, if not controversial hearing. I think, basically, as you have heard all morning, this is the year 1994, the cold war is over and it might be appropriate for us to acknowledge that reality and to move forward by ending the punitive trade embargo that we have imposed on Cuba.

Mr. Chairman, I believe that the passage of H.R. 2229, the Free Trade With Cuba Act, will finally recognize that the cold war is over. And a point that has been made earlier, if the United States and if people in the Congress can talk about most-favored-nation status with China, an enormously powerful entity, a Communist country, a dictatorship, then I think we can begin to talk about ending the embargo with a tiny island 90 miles away from us.

The reason, as I am sure you have been hearing all morning, is twofold: No. 1, the embargo is doing disaster to Cuba. The children are now hungry, they have established over the years, as you know, an excellent record to try to end child hunger, one of the best records in all of Latin America. With the destruction of communism, the end of their trade relationship with the Soviet Union, their children are hungry. Their children are lacking the pharmaceuticals that they need. And I think the humane thing is to recognize that and for us to change our policies.

But as you have also heard, ending the embargo with Cuba is not only positive for the Cuban people, it is positive for the people of the United States. Many people here in the United States would like to be able to freely visit Cuba. Farmers would like to be able to sell their products to Cuba. Businesspeople would like to take advantage of the Cuban market.

It is no secret that since the end of the embargo with Vietnam, you have had major corporation after major corporation running there trying to establish business. My strong suspicion is that many of these same corporations would like to open up trade with Cuba.

Mr. Chairman, I am sure you have heard from many people, and I would just like to add my voice to those who say the cold war is over, let's end the embargo, it is good for America, it is good for Cuba.

Thank you.

[The prepared statement follows:]

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## Congress of the United States

### House of Representatives

Washington, DC 20515-1501

TESTIMONY OF REP. BERNARD SANDERS  
BEFORE THE COMMITTEE ON WAYS AND MEANS  
SUBCOMMITTEE ON SELECT REVENUE MEASURES  
AND SUBCOMMITTEE ON TRADE

MARCH 17, 1994

Thank you, Mr. Chairman. Let me begin by thanking you for holding this timely hearing. I believe that the time has come to acknowledge the fact that the Cold War is over and that we are doing a tremendous disservice to both the people of Cuba and to the people of this country by maintaining the punitive trade embargo that we have imposed on Cuba.

Mr. Chairman, I believe that the passage of H.R. 2229, the Free Trade with Cuba Act, will finally bring us beyond the Cold War mentality that has shaped the debate on this issue for 34 years. Our relations with other former adversaries throughout the world reflect a new spirit of cooperation and positive engagement. The President has lifted the trade embargo on Vietnam; U.S. businesses are eagerly investing in Eastern Europe and the countries of the former Soviet Union; there is a considerable U.S. business presence in communist China. It is time that we adopted a similar approach with regards to Cuba. H.R. 2229 would not confer Most Favored Nation status on Cuba; it would simply bring our economic and political relations with that country into the reality of the post-Cold War world.

The time for hard line confrontation has passed. Opening channels for information, for commerce, and for the free movement of people will expedite the economic and political opening of Cuba. Our continuing efforts to isolate Cuba have reflected very poorly upon the U.S. and have compromised our relations with our Latin American allies. We must move forward in our relations with our Latin American neighbors; the passage of H.R. 2229 will enable us to shed our outdated intransigence and display a new spirit of cooperation.

There is no doubt that the time is ripe for a change. The loss of many heavily subsidized commodities which the Soviet Union used to supply has had a devastating impact on the Cuban economy. Cuba is facing its most severe economic crisis since the revolution: the Cuban economy declined an estimated 40% between 1989 and 1992. The number of cases of severe malnutrition has skyrocketed. Worse yet, because of the ban on exporting pharmaceuticals and medical supplies, human lives are threatened by readily-treatable diseases.

Mr. Chairman, Cuba desperately needs foreign investment to revitalize its crumbling economy. The trade embargo and the recent Cuban Democracy Act serve only to exclude American companies and their subsidiaries from the considerable business opportunities in Cuba. By maintaining the embargo we are denying American businesses access to Cuba's \$6 Billion market and her highly-educated population. Members of the Cuban religious and dissident communities have noted that removing the embargo and increasing trade would do the most to foster democratic change in Cuba.

Mr. Chairman, the most disturbing effect of the trade embargo is the severe costs it imposes on the children of Cuba. Cuba presently has the lowest infant mortality rate in Latin America. Yet the Cuban Democracy Act, banning trade with Cuba by foreign subsidiaries of U.S. corporations, has had the perverse effect of dramatically curtailing the availability of vaccines, medical supplies and equipment, and pharmaceuticals. This has occurred at a time of rising low birth weights and increased malnutrition, increasing the danger to infants and children. Mr. Chairman, our moral authority as a nation is called into question when we sacrifice the health of children for an outdated conflict.

Mr. Chairman, the time has come for us to take a bold step forward and lift the punitive trade embargo. The passage of H.R. 2229 will help to end a confrontational chapter in our history and recognize the changing realities of the post-Cold War world.

Thank you.

Chairman RANGEL. Let me thank you for making it here, and thank this entire panel.

I would like to start off with Congressman Serrano. We heard this morning about the overwhelming vote that the Cuban Democracy Act received. As I recall, the vote was actually taken on a day that there was no debate at all on the bill, and that the debate on the bill was taken on a day that no votes were taken in the House of Representatives. Is my recollection correct?

Mr. SERRANO. At the expense of going on record as having had a bad memory, my recollection is the same, that it was on a suspension type situation, and it was taken—

Chairman RANGEL. Does suspension of the rules mean that a noncontroversial bill is on the calendar?

Mr. SERRANO. A suspension of the rules means that a controversial bill can get on the calendar as a suspension, and it only becomes controversial if any Member feels that it is controversial. At that time, it is my belief, Mr. Chairman, that so many people thought it was an ongoing embargo on Cuba, that many people did not understand what the debate about a new embargo was, which is interesting, because today you have heard on this panel that, with the stroke of a pen, President Clinton can lift the embargo on Cuba.

The fact of life is that Secretary of State Christopher has been quoted recently as saying, when he was asked why are we dealing with Vietnam and not with Cuba, he said we are governed by a law, and that was his answer to the question.

Ms. ROS-LEHTINEN. Mr. Chairman, if I might intrude upon this discussion—

Chairman RANGEL. Certainly.

Ms. ROS-LEHTINEN [continuing]. Having been there also and remembering the debate which did take place, the discussion on that day, on that very important day for the cause of the liberty of the Cuban people, the Torricelli bill, the so-called Cuban Democracy Act was, as you know, a bill that was very controversial from the beginning. It was not a stealth bill. It was not a stealth amendment. It was quite an open discussion throughout the process.

On the day that we officially filed the bill, there was a big press conference on that day. The press covered it. The debate that took place in the various subcommittees or the committees, people had the opportunity to discuss it. It was a free and open debate, as I pointed out in my statement, a free and open debate which unfortunately is not available to my Cuban brothers and sisters.

On the date of the vote, I would be embarrassed, as a Member of Congress, to say that there was any discussion on a bill that I did not know about, that there was not the opportunity, if a Member wanted to, to discuss the bill. Just as you are open enough and fair enough to give us all the discussion to debate it, the amendment was presented, people who wanted to debate it were able to do so.

There are a number of controversial and noncontroversial bills all the time on suspension. We wish that it would just be noncontroversial ones. But, as you know, controversy is in the eye of the beholder. To us, to many of us, it was not controversial in nature. However, the free and openness and the availability for dis-

cussion was always there, as it is in any democracy, as I hope will be for your bill, as well.

Chairman RANGEL. What I think the gentlelady is saying is that the Cuban Democracy Act was in fact a controversial bill. It was then, as it is now.

Ms. ROS-LEHTINEN. I say that your bill is controversial, as well. The Torricelli bill was controversial, as well. An abortion bill is controversial. There are many—

Chairman RANGEL. My point is that the Torricelli bill—

Ms. ROS-LEHTINEN. But a vote did take place, Mr. Chairman. In a democracy, we were able to discuss it. Just because something is controversial does not mean that we should not debate it.

Chairman RANGEL. No, no, no.

Ms. ROS-LEHTINEN. And we are here debating your controversial bill.

Chairman RANGEL. Please.

Ms. ROS-LEHTINEN. A vote did take place, and two-thirds of the people present decided that that was the correct policy for the United States.

Chairman RANGEL. I am just asking you one question. I think I am not making myself as clear as I would like. The bill came up on what we call in the Congress on the suspension calendar, which means that the bill was debated on a day that no votes were taken and, therefore, Members of the Congress knew that their presence was not required on the floor. It was listed as a noncontroversial bill, came up on the suspension calendar, under the rules that it could not receive more than 40 minutes debate, 20 minutes for and 20 minutes against. And even the debate, the vote was actually taken on a day that no debate was allowed at all on the bill.

Ms. ROS-LEHTINEN. I believe that the Chairman doth protest too much. Perhaps you are trying to justify why it became the law of the land, and perhaps your vote was not there or your voice was not heard.

Chairman RANGEL. No, no. All I am—

Ms. ROS-LEHTINEN. I know that my vote was there and my voice was heard very strongly in favor of it, as it would be today, as I hope on the day we get to debate and vote on your bill. Perhaps if our side were able to control the legislative agenda and control which items get placed or not placed on the suspension calendar, perhaps things would change. I do not know if that is true.

Chairman RANGEL. OK.

Ms. ROS-LEHTINEN. I know that it was listed, it was complied with, with all the public records and laws. This was not a stealth bill. It was not a stealth amendment. And I think that the vote was very clear. The people who did not like the bill voted no. There was an actual vote taken. Democracy ruled. The democracy that does not exist in my homeland ruled. Two-thirds of the U.S. Congress decided that the Cuban Democracy Act was worthwhile U.S. policy. Votes were taken. Debate took place. I know my vote was in favor of it, as it would be today.

Chairman RANGEL. You are one of the most eloquent members we have in the House, and I just want to thank you for supporting the Chair's position that the bill did come up on the suspension calendar, that the bill was voted on, on a day that no debate was



taken, that your eloquent voice was heard in support of the bill on the day that there were less than a handful of Members on the floor of the House of Representatives.

So I just want to say that, even though the vote was overwhelming, it was only a few votes short of having been defeated, since a two-thirds vote was required for this extraordinary procedure.

Ms. ROS-LEHTINEN. Mr. Chairman, we would gladly bring it up today for a full vote, on any day, at any time. We would know that we would be in favor of it, we would be voting that way, and we think that we would have once again the support of the majority of the U.S. Congress. The vote was very clear, 276 Members of Congress said yes, we are in agreement that we need to tighten up the embargo. It was a full democratic process, a process which, as you know, is controlled by the Speaker of the House. And if perhaps another process should be in place, perhaps we should take it up with Speaker Foley.

Chairman RANGEL. I was merely addressing myself to the overwhelming vote which certainly on the question of suspension was not—but since we do have 110 new Members of Congress, I think that I agree with you that the more debate we have on these important issues, the better, and I think the debate should be when the full Congress is in full session, and not on the suspension calendar.

My question to you is, since we all basically want democracy and free trade and certainly the protection of political rights all over the world, and certainly with neighbors, is there anything that you think could be done now to expand exchanges in culture and education short of removing the embargo? Do you think that might assist in removing the dictatorship of Fidel Castro?

Ms. ROS-LEHTINEN. As you know, Mr. Chairman, since Fidel Castro has such total control over the Cuban people, any movement toward democracy he surely can control. Any movement toward establishing better communications, more freedom, more democracy, all of that is in his court. If there is one person who has been totally opposed to any kind of movement toward democratic reforms, it has been the dictatorship himself. He uses the embargo as one of the propaganda tools to tell the Cuban people you are suffering not because of my failed policies, but you are suffering because of the U.S. trade embargo.

Chairman RANGEL. So you would not allow any broadening of any type of exchange until you see—

Ms. ROS-LEHTINEN. I see no movement on Fidel Castro's part to walk the plank toward democratic reforms. He is the first one to say that he will not put these reforms into action.

As Congressman Menendez pointed out, when there was a great fervor of democracy throughout the world for perestroika and glasnost, if there was one speech daily that Castro would make to the Cuban people, it was saying why that is not the correct step for Cuba. And he made it very clear, there is no opening, there is no movement toward democratic reforms. He is the stumbling block for democracy, not the United States.

Chairman RANGEL. Mr. Diaz-Balart, I did not get the point that there is some racist attitude toward the Cuban people.

Mr. DIAZ-BALART. Those who collaborate with Castro, yes.

Chairman RANGEL. Are racist?

Mr. DIAZ-BALART. Yes. Yes, because a people in its majority of rich racial diversity that are being oppressed—

Chairman RANGEL. But you are saying that those who collaborate with Castro are basically racist?

Mr. DIAZ-BALART. Basically, yes.

Chairman RANGEL. Are racist?

Mr. DIAZ-BALART. Yes, because it is a people in its majority of rich racial diversity that are being oppressed by the son of a soldier of Weyler's Spanish colonial army, who profoundly hates the Cuban people.

Chairman RANGEL. How would you describe his predecessor, President Batista in these terms? Would he be considered a civil rights activist?

Mr. DIAZ-BALART. No. And we can get into a discussion about the history of the Republic.

Chairman RANGEL. I have heard a lot of things, but this is something new to me.

Mr. DIAZ-BALART. One thing that I do say is that there were problems before Castro took power 35 years ago, no one will disagree with. But to try to justify the crimes of Castro, based on mistakes either by Batista or anybody during the pre-Castro times, to say that because there were mistakes in the Republic, one should justify the crimes of Castro, that is unacceptable.

Chairman RANGEL. I certainly do not believe that the crimes of Castro should be justified, just your description.

Mr. Menendez, since the goal is really to try to get democracy into Cuba and protection of human rights, and since you believe the embargo is the best way to go, what would you believe the ultimate goal of the embargo, assuming the embargo becomes far more successful than we ever thought it would be, how would that bring about the democracy as you and I know it? How do you see that playing out, just in the hypothetical, really?

Mr. MENENDEZ. Mr. Chairman, first of all, we would hope that in fact if Fidel Castro really cares for the people of Cuba, that if he truly believes that our embargo is the one that is creating all of the ills, despite the fact that he can purchase goods, food and medical supplies anywhere in the world, he just needs the economy to do it, that he would ultimately move on. And if he refuses to do that, which is probably unlikely, then the question would be, as we see today, signs within Cuba of human rights activists like Paula Valiente, an Afro-Cuban dissident, and many others who I believe are here today, and many others, movements that we never saw before.

Chairman RANGEL. You are talking about a revolution.

Mr. MENENDEZ. I recently had a conversation with the Director of the U.S. Interests Section, who told me that we see movements within Cuba in civil society seeking to create change. As we saw throughout a lot of Eastern Europe, we would hope that people who come to understand that the only person who is creating difficulty for them on the island is the one that needs to be removed.

Chairman RANGEL. What would they do? They will not be able to vote for somebody. So assuming that the embargo is everything that you dreamed that it would be, and you want democracy in

Cuba and you want protection of human rights, and forgetting what Castro thinks or does not think, the embargo works, we will say for purpose of getting an answer from you, how would you see the transition?

What would be the next move? Will the poor and the hungry uprise against Castro and cast him aside? Or would there be an election, because the embargo has been so effective that a party would rise and then Castro would step aside? How does this happen?

Mr. MENENDEZ. We would hope to see the continual movement of activists within Cuba who would seek to create enough clamor in both international—

Chairman RANGEL. I will give you the activists and the clamor—

Mr. MENENDEZ. Can I give you an answer?

Chairman RANGEL. Listen, in a hypothetical, the embargo has worked, the activists are now organized, there is a lot of clamor, and they still are seeking democracy. Please do not believe I am badgering you. I haven't the slightest idea, in a country like Cuba, to see how we get to what you and I want.

Now, you are just going to have to take my word for it, I want democracy there. Please be kind enough and generous enough to share with me some way that it could happen, not that you know how it is going to happen. But if the embargo works, the people are concerned because they know that the Communist system has failed, they are thankful that America has placed the embargo there to let Castro know that he will never get any new life. What do they do now?

Mr. MENENDEZ. We could either have international pressures generated by the activism within Cuba that would seek to bring the pressure upon the Castro government to change, to call for international presence. We could have an election—

Chairman RANGEL. Do you mean an—

Mr. MENENDEZ. We could have an election called within Cuba, with multiple parties in which international supervisors would be, and very possible that the civil community would move against the Government in search of freedom and democracy, as it did in Eastern Europe, in Poland and many other places. Those are all among the possibilities that could exist.

Chairman RANGEL. Mr. Serrano, I did not understand any of that. Could you explain it to me?

Mr. SERRANO. I have too much respect for my friend Bob Menendez to try to explain what he may want to say. I can only tell you what my feelings are.

There are some people in this country, some people, not all, who want the embargo in place only to bring about a chaotic political situation in Cuba which comes from a chaotic economic situation, to allow for a change in government which is to their benefit, not necessarily to the benefit of democracy loving people.

Second, and most importantly, there are people in this country who will tell you that they are for elections in Cuba, and it would be nice if they could all come before this panel and you were to ask them if they would accept an election which under our system would be considered fair and proper and democratic, where either Mr. Castro or his brother would be candidates for the Presidency.

And a lot of them will answer that they will only accept an election, when Mr. Castro and his brother are not candidates or, for that matter, any members—

Chairman RANGEL. Would anyone accept—

Mr. SERRANO. I am suggesting that some of those people that would have that feeling may not be on this panel at all.

Chairman RANGEL. I just want to know, when you talk about open elections, certainly anyone, Castro could be one of the people that would be a candidate, right? I am asking.

Mr. DIAZ-BALART. I believe in the legalization of all political parties. I am convinced that, as in the Spanish situation, though, when Franco was in power 40 years, that situation required the elimination from the scene of Franco, and Carerro Blanco, his hand-picked successor, before there was a democratic transition.

Chairman RANGEL. You agree with him that Castro—

Mr. DIAZ-BALART. I do not foresee a situation where Castro accepts any sort of political situation as there was in Spain.

Mr. SERRANO. I think, Mr. Chairman, that is a question of democracy. I think we have to be clear. If there was an election and anyone was elected President, anyone, and Jimmy Carter and some other people I respect came to me and said the election was fair and so-and-so was elected, it would be my duty to tell my government that we should recognize that government. There are people in this country who want to dictate to the people of Cuba.

What I want to see is the embargo lifted and involvement, involvement from the Cuban people as to where they want to go. If indeed the embargo is not working, then let's find out what will happen after we lift it.

Mr. DIAZ-BALART. How can the Cuban people decide or show their trend, if you will, Mr. Serrano, without an election?

Mr. SERRANO. The same way that the Russian people showed that trend before there was an election, the same way that we are allowing the people in Vietnam to show a trend, and the same way we are going to allow China. My President, whom I respect and love very much, as you know, Mr. Chairman, said on a TV show in one of those town hall meetings, he was asked about China. And his answer was unacceptable to me. My President, who is a friend to me, said: That China is too big to avoid, we have to engage it. What does that mean, Cuba is too little, we have to step on it?

Chairman RANGEL. Are there members who are seeking recognition? Mr. Shaw from Florida.

Mr. SHAW. Mr. Chairman, I have heard the gentleman from Vermont, and now the gentleman who just spoke, make the comparison with China.

Look at what has happened in China over the last 30 years. Now, I am not defending China as being a great resource of human rights. They have got a long way to go. I know that, and everybody in this room knows that. But when you look at what has happened in 30 years in China, you can definitely see a trend, even though the last few years have been rather stormy. China is much freer today than 30 years ago. I believe very strongly that China is a lot freer than Cuba.

Castro and his hoodlums and gangsters are going out and finding people in the water and throwing handgrenades at them. What is going on in that country is absolutely abominable.

Mr. SERRANO. Mr. Shaw, the trend is not in China. The trend is on Wall Street. Just yesterday, either the Washington Post or the New York Times said the top ex-diplomatic leaders, including Mr. Kissinger, and many businessmen have said go easy, Mr. President, don't push China, we need the trade.

All I am suggesting is that we should be fair in how we deal. I cannot be a hypocrite on this issue.

Mr. SHAW. Let me ask you this: Do you see—

Mr. SERRANO. I do not support any embargo, Mr. Diaz-Balart. I do know this very well, that it hurts children. I do not support, I repeat, any embargo.

Mr. SHAW. As the gentleman knows, I have the time, so I wish you would please let me address you and ask you a question. Do you see or can you possibly show me any situation where Castro has gotten any better or where the people ruling Cuba today are any better than 30 years ago?

Mr. SERRANO. As I said in my statement when you were not here, that would be a subject for today's hearing, if our policy was universal across the board. Since it is not, that is really not an issue for today. The fact of life is that I would rather live here than in Cuba. You may laugh at that comment, but it is true.

Mr. SHAW. I am not laughing at it. I am amazed by it.

Mr. SERRANO. If we were demanding from China or Vietnam the same thing we are demanding from Cuba, then your statement would be correct, we would have to look at every step Castro has taken before we deal with that government. But we are not looking at every step China has taken. You cannot in all honesty be proud of the Chinese Communist system, and you cannot be proud of the Vietnam Communist system.

Mr. SHAW. Of course not.

Mr. SERRANO. But we are dealing with them, and I am suggesting that the best way to find out what is in the future of Cuba is to engage them. If we do not engage them, there is a possibility of chaos that we will have to pick up the tab for.

Because Cuba is so close to our shores, Mr. Shaw, and I say this with all due respect, that if there is chaos in Cuba, we would feel responsible in a way and have to be involved. Whether that involvement would be military or that involvement would be economic, it would cost the American people. Why go that far? Why not try this for a while, our suggestion, Mr. Rangel's and mine? Maybe it will work. Maybe it will not work, and we will admit to you that it has not worked.

Mr. SHAW. We have a genuine disagreement as to the policy of the United States and what is going to change things in Cuba. How can we reward Mr. Castro at this time by lifting the embargo, when we have seen absolutely nothing happen? We have seen no movement toward human rights, no movement toward human freedoms. In fact, we have seen the reverse. They are washing up on my shores every day of the week.

Ms. ROS-LEHTINEN. Mr. Shaw, if I could interrupt 1 second, when Congressman Serrano says maybe it will work and maybe it

will not work, I am sorry, but the Cuban people are not the playthings of either Congressman Serrano or anyone else in the U.S. Congress.

Mr. SERRANO. But maybe the Cuban people should be given—

Ms. ROS-LEHTINEN. This is not an experiment. This is not an experiment to be toyed with. The freedom and democracy and justice in my native homeland is not a social experiment for the U.S. Congress.

Mr. SHAW. Your point has been very well made. In fact, I think all the points have been pretty well made with this panel at this particular point, so I will yield back my time.

Chairman RANGEL. Mr. Kopetski.

Mr. KOPETSKI. Thank you, Mr. Chairman.

I think we have to keep in mind that the issue before us is whether the embargo is the effective means as part of our foreign policy to create change for individual liberties within Cuba. That is the issue: Whether this is the best means for us to use. None of us disagree that we want to see positive human rights change in that country for those people.

It seems to me that if you look at two very recent examples, one being the Eastern European countries, the reason that freedoms came there was not because we shut them down, but because the door opened up. And once that door was opened, yes, a rush of trade, but also ideas and democracy flowed in and, fortunately, a peaceful revolution occurred.

As Mr. Shaw indicated in terms of the changes within China, probably more within the last 15 years or even 6 years, more progress has occurred not because China closed its doors and kept them closed, but because they were opened. They opened them, and others came in. We have 40,000 students from China in the United States today learning in our institutions, living under our system of government, who will go back and be leaders, whether in government or in business. And that is a powerful force.

Mr. Diaz-Balart, the question I have for you, therefore, is why, if we have seen it work a few years ago in Eastern Europe, we see it slowly working in China, too, why you do not think that approach will work in Cuba?

Mr. DIAZ-BALART. Mr. Kopetski, if you have a better instrument to propose for change in Cuba, then I believe the issue should—

Mr. KOPETSKI. The Chairman has introduced the bill that I think is the better means.

Mr. DIAZ-BALART. That is the first public priority of Castro. The first priority, according to Castro, is the elimination of the U.S. embargo. If, for example—

Mr. KOPETSKI. You are not suggesting that we are collaborating with him by cosponsoring this bill?

Mr. DIAZ-BALART. What I know and have said—

Mr. KOPETSKI. You are not suggesting that, I hope?

Mr. DIAZ-BALART. What I know and have said is that the first priority in foreign policy of the Cuban dictatorship is the elimination of the U.S. embargo. So what I am trying to say in answer to your question is if there are other ways to effect change—for example, I have heard with regard to the Haitian situation, some have proposed that the United Nations should send in the blue hel-

ments to help the Haitian people eliminate the dictatorship and restore the democratically elected President. That is one possible solution for ending the Haitian crisis.

Now, to say with regard to the Cuban situation, which is just a few miles away, a 35-year-old dictatorship there, that instead of that we should do precisely what Castro wants, which is his publicly announced—

Mr. KOPETSKI. Well, that is not my question.

Mr. DIAZ-BALART [continuing]. First priority, that is not an instrument for change.

Mr. KOPETSKI. That is not my question.

Mr. DIAZ-BALART. In Europe, Mr. Kopetski, in Europe I do not share your view of what happened, what we did to encourage change. What I saw that we did was to require the Soviet Union to match us in a military buildup, that they were not able to maintain, and that their economy blew up, exploded. That is what I saw, Mr. Kopetski, that we did with regard to Europe.

Mr. KOPETSKI. I am not talking about the Soviet Union. I am not talking about Eastern Europe, Poland, Hungary, or Czechoslovakia.

Mr. DIAZ-BALART. What happened very simply was once the Eastern European people saw that their previous master, the head of the Kremlin, was not willing to kill, they ended Soviet domination. It was because the Communist system was not able to maintain its power, once the people perceived the Communist leaders were not willing to kill. It is very simple, Mr. Kopetski.

Mr. KOPETSKI. You do not agree with Vaclav Havel's analysis of what happened then?

Mr. DIAZ-BALART. I do not agree with your analysis, sir.

Mr. KOPETSKI. All right.

Chairman RANGEL. Thank you, Mr. Kopetski.

I thank this panel. First of all, we are going to have to agree that name calling is not going to help us in trying to resolve what is in the best interests of the United States and what our national policy is going to be. I think that we all have to agree, this is an issue that the people of Cuba are going to have to decide. And the United States, with Cuba, as the rest of the world, will be using our foreign policy in order to reach the objectives that we think is in the best interests of the Cuban people.

Now, those of us that believe that opening up the doors, having exchanges, really challenging a dictatorship with the free market system—you say we may be wrong, and for those who think it is hypocritical to say that in a country like Haiti, where we have been responsible for dictatorships there for scores of years, where we finally assisted in having a democratic election, where we saw the military overthrow that Government, and where we provided exile and asylum for the President, where we as the leader of the free world told the entire world that we will restore democracy and we will restore the President to that country, and now see fit to compromise with the military and try to do something other than that, I say that, yes, I think that you can see your way clear to say that we should try an embargo there, but for God's sake I hope I am never around to see that we would do it for 33 years.

I think embargo is a tool. I am not against it, and I think the people in the State Department are the specialists to determine

what tools are available. The questions that we have, and perhaps you have the answers, is that if it does hurt the Cuban people so that they do not want Castro, who will they get? Who follows Castro? Is he worse? Is he or she better? Where do we go? Where does the American influence go? Where does the Miami Cuban-American influence go?

Everybody from the Cuban community that believes that there is a different way to go, do they have to be an enemy of Cuba? Do they have to be an ally of Castro? I do not think we have to reach those conclusions, and the purpose of this bill is not to dramatically change anything. It is to expand the debate and see where we can go, and to let Castro know that we do not accept that type of government, that we are a democracy. But I do believe that my faith in capitalism is such that if we cannot challenge that little government that they have there in Cuba, then I have just mistakenly placed my faith in something.

We are not here to shore up Castro. But I do hope that you would continue to allow debate to continue, because it happens, no matter what the country is, whether it is Haiti, whether it is Vietnam, whether it is China, whether it is the Soviet Union. And I said in the opening, I do not think many people have spilled as much blood as I have in fighting communism, but I do hope that we can come together with something that causes less pain and bring forth a lot of democracy.

I respect the sincerity and emotion that you feel, especially those that know Cuba better than I. But I look forward to working with you to see whether we can come together as a nation with something that works.

I thank you for the great contribution you made to this hearing.

The Chair will take a 10-minute recess, so that the Members will be able to vote. When we come back, we will have the pleasure of listening to outstanding public servants from the State Department, Deputy Assistant Secretary Michael Skol, and I believe we have the Director of the Office of Foreign Assets Control, Richard Newcomb, from the Treasury Department.

We will resume our hearing before 1 o'clock.

[Recess.]

Chairman RANGEL. The subcommittee will be in order.

The committee has the pleasure of having testify for the State Department an old friend, Michael Skol, Deputy Assistant Secretary for Latin American Affairs, former Ambassador to Venezuela.

We look forward to your testimony. Your entire written statement will be entered in the record, without objection.

We also have Richard Newcomb, Director of the Office of Foreign Assets Control, representing the Department of the Treasury.

Thank you for taking your time to share your views with us.

Ambassador, you may proceed.



**STATEMENT OF MICHAEL M. SKOL, PRINCIPAL DEPUTY ASSISTANT SECRETARY OF STATE FOR INTER-AMERICAN AFFAIRS, U.S. DEPARTMENT OF STATE**

Mr. SKOL. Mr. Chairman, I am delighted to be here to be able to talk about the administration's view of the Cuban embargo and, indeed, about the whole of our Cuba policy.

Before I begin, I would like to join many of the members of the earlier panel this morning in congratulating you for holding this hearing. It is very important that this issue be debated, because there is a great deal of misconception about what policy is, why the policy should be continued in our view, what the Cuban Democracy Act is and what it is not. And I think it is very useful to have this kind of discussion.

Chairman RANGEL. Thank you.

Mr. SKOL. Rather than read my statement, I ask that it be entered into the record.

May I just make some basic comments about our Cuba policy? No. 1, our policy with regard to Cuba is very much consistent with our overall hemispheric policy on democracy. It is the same policy, essentially, taking into account differences in countries that we have vis-a-vis Haiti or 2 years ago with regard to the uprisings against Venezuelan democracy, or, more recently in relation to the attempt against Guatemalan democracy, exactly the same policy.

We resist dictatorship, we marshal all the tools, including cooperation with other countries in the hemisphere and beyond, to pressure, to cajole, to persuade, to move toward democracy and away from dictatorship. It has been successful at times. It has not been successful, yet, on other occasions.

But I would suggest that removing the embargo on Cuba is no more logical or viable than removing the embargo on Haiti, or not having joined with our Organization of American States' colleagues to pressure the regime in Guatemala to reverse its "auto golpe," its self coup against democracy in Guatemala not so long ago. It is consistent. It is the same policy. Our Cuba policy is not the odd person out. The odd person out in this hemisphere today is Cuba.

Another point I would like to emphasize is the question of what would be the effect of the elimination of the embargo on the performance of the Cuban regime. I would suggest that it is not an academic issue. It is not an intellectual issue, where we wonder what would happen if there would be an opening on the part of the United States unilaterally applied to Cuba.

It is not academic, because it has been tried repeatedly. Most countries of the world have legal trade and diplomatic relations with Cuba. And I can personally recall over the years country after country initiating or reinitiating diplomatic relations or trade relations, claiming that that very act would loosen up things in Cuba, would change the Castro regime's political attitude and performance on human rights, on democracy. But it has in fact failed every single time.

Opening up of trade, of economic relations is very unlikely to change the political situation in Cuba, because demonstrably it has not happened over the years when other countries have tried it. We know that Fidel Castro does want to have the embargo lifted. There is no question about that. It is not part of the diplomacy or

the foreign policy of the Cuban regime to want to have the excuse of being able to blame the embargo for the hunger and all the problems that the Cuban people suffer.

We know, partly because it has been said repeatedly by the Cubans, publicly and privately, that they need the embargo to be lifted in order for the Cuban regime to survive. We therefore believe very strongly that lifting the embargo would, on the one hand, not result in a loosening of the political climate there, and, on the other hand, would result in increased funding, resources for the Cuban regime which it could use, would use, to ensure its survivability.

Let me turn quickly to the Cuban Democracy Act. Chairman Torricelli, for whom the Act is rightly named, went into some detail this morning. I think that was a very useful presentation. I would suggest that many people do not really know everything that is in the Cuban Democracy Act, and perhaps fewer know what the administration is doing aggressively to implement the Cuban Democracy Act.

Most people know about the embargo. It stiffens the embargo. It is designed to make that tool more useful in pushing the Cuban regime toward democracy, toward respect for human rights. But the Cuban Democracy Act very specifically says just how and when that embargo can be lifted. One phrase is significant. It says that the United States should be ready to reduce the sanctions in carefully calibrated ways in response to positive developments in Cuba. This is a serious directive of the law, and the administration will follow it.

Let me turn finally to that other part of the Cuban Democracy Act which is misunderstood or not well enough known and deserves to be well known. We have informally called it the "second track" of the Cuban Democracy Act. It is a remarkable element of the legislation aimed at doing certain things that I think almost everyone in this room would agree should be done, must be done, to reach out to the Cuban people. On the one hand, we are isolating and continuing to isolate and pressure the Cuban regime. And this second track of the Cuban Democracy Act is designed to reach out to the Cuban people. It is extraordinary what is in fact in this act.

It calls for expanded telecommunications between the United States and Cuba. We are pursuing this. It is very interesting that this hearing, Mr. Chairman, is being broadcast live on Radio Marti. I personally will be very interested tomorrow or the next day to hear just what parts of it, or if all of it, has been jammed by the Cuban regime.

It is the intention of the administration, it is the intention of the Cuban Democracy Act, to communicate with the Cuban people. In this hearing, for example, that communication because of Radio Marti, would include both sides, several sides, of the arguments about the Cuban embargo. We hope the Cuban people today, right now, are listening to it.

Track two, as we call it, includes the increased flow of information and private humanitarian assistance. Chairman Torricelli quoted a figure of near \$9 million so far in licensed humanitarian assistance which have gone from the United States to Cuba since the Cuban Democracy Act was passed. The act also eliminates re-

strictions on donations of food and allows the export of medicine under certain conditions.

Mr. Chairman, I would suggest that one of the things we are not talking about here is starving Cubans. We are not talking about Cubans who do not have access to medicine, to food, because of something the U.S. Government, the U.S. Congress, has done. That is a false description of U.S. policy.

To sum up, we believe rather strongly that the logic of the situation demands that a powerful proven tool, the embargo, be continued to be used to press the Cuban Government to change, to reform, and, not coincidentally, to prevent it from having those kinds of resources which will allow it to survive and continue its anti-democratic, antihuman rights behavior in Cuba.

But at the same time, at the very same time, blessed by the same law, we want to reach out to the Cuban people in all kinds of ways, to see that they suffer least from the results of what their own Government is doing to them. Our goal in Cuba is a democratic Cuba, a Cuba which we can help then reinsert into the inter-American system and into a trade relationship with the United States.

We would like to see that achieved nonviolently. We are not looking for revolution or blood spilled in Cuba. We are looking for Cuba to join with the United States and the other countries of this hemisphere; not for a one-way reward to Cuba, without any reciprocal action on its part, which would be unwise diplomacy, in our view.

Thank you, sir.

[The prepared statement follows:]

THE U.S. EMBARGO ON CUBA  
MICHAEL SKOL  
PRINCIPAL DEPUTY ASSISTANT SECRETARY OF STATE  
FOR INTER-AMERICAN AFFAIRS  
SUBCOMMITTEE ON SELECT REVENUE MEASURES  
AND THE SUBCOMMITTEE ON TRADE OF THE  
HOUSE COMMITTEE ON WAYS AND MEANS  
HOUSE OF REPRESENTATIVES  
MARCH 17, 1994

Chairman Rangel, Chairman Gibbons, thank you for this opportunity to discuss H.R. 2229, and the implications of unilaterally lifting our economic embargo on Cuba, including the impact it would have on our objective of promoting democracy in this hemisphere.

Democracy, good governance and human rights are centerpieces of our hemispheric policy. In recent years we have seen nation after nation among our neighbors move from authoritarian regimes to freely elected governments. We welcome the spread of renewed respect for such basic human rights as freedom of speech, freedom of the press, and freedom from arbitrary arrest and detention. Simply stated, we want for our neighbors what we want for ourselves - a chance to be free, independent, democratic and prosperous.

In keeping with this vision, we must be careful not to blur our focus by sending contradictory messages about our commitment to democracy. The democratic nations of this hemisphere have stood together in the face of challenges to the elected governments of Guatemala, Haiti, Peru, Venezuela and elsewhere. We should resist accepting a much lower standard with respect to Cuba. To lift the embargo now - with neither a guarantee nor an expectation of any reforms in return - would bestow a gift on the regime which would be viewed with incomprehension by those who have long struggled for human rights in Cuba. It would undermine our ability to deal seriously with Latin America on this key issue.

Eighteen months ago, Congress passed the Cuban Democracy Act. It provides what this administration believes is an excellent framework for U.S. policy towards Cuba. It emphasizes that our disagreement is with the government of Cuba, not the people. The CDA confirms that Congress shares the administration's view that the U.S. must maintain the embargo "on the Castro regime so long as it continues to refuse to move toward democratization and greater respect for human rights." The CDA shows that both Congress and this administration believe we should be ready to "reduce the sanctions in carefully calibrated ways in response to positive

developments in Cuba." Finally, it states that we should take steps to lift the embargo, provide emergency relief and help Cuba reenter international organizations and financial institutions once it holds free and fair elections under international observation and shows respect for the human rights of its citizens.

This Administration intends to maintain the embargo against the Cuban regime until fundamental democratic reforms are enacted. Cuba must also recognize its international obligations to compensate U.S. citizens for their property. We are also prepared, as the CDA outlines, to respond to positive developments in Cuba. Sadly, however, there have been no meaningful steps towards freedom which would justify improving relations, much less lifting the embargo.

In addition to strengthened embargo provisions, the Cuban Democracy Act calls for a "second track." Under the CDA, we are reaching out to the people of Cuba through expanded telecommunications, an increased flow of information, and private humanitarian assistance. Since passage of the CDA, the Federal Government has licensed more than 8.5 million dollars worth of humanitarian donations to non-governmental organizations. The CDA also eliminates restrictions on donations of food and allows the export of medicine under certain conditions. We stand ready to work with responsible groups interested in delivering aid specifically licensed by Treasury to individuals and non-governmental organizations in Cuba and we are working with the relevant agencies to streamline these procedures.

Negotiations for "efficient and adequate" telecommunications are underway between U.S. companies and the Cuban government. Our goal is to facilitate communications between our two peoples without allowing excess accumulation of currency by the Cuban government. A few U.S. companies have signed contracts with the Cuban government which include surcharges which we advised the companies were not acceptable. We expect to be able to approve contracts which are fully consistent with the objectives of the CDA.

With regard to other forms of contact with Cuba, books, films and other informational materials remain exempt from the embargo. Among the 27,000 Cubans who obtained nonimmigrant visas at our Interests Section last year were hundreds of Cuban academics coming to give lectures and attend conferences, journalists, sports teams and folkloric performers. We have been working with academics to expand legitimate scholarly travel. We have, for instance, allowed longer stays by Cuban academics, permitted several Cuban seminary students to come for religious training, authorized U.S. undergraduates doing senior thesis research to visit Cuba and begun to issue "J visas" for academic exchange.

In addition, we are prepared, as part of the review prompted by Congressman Berman, to allow reciprocal news bureaus to be established. To meet the hunger for information in Cuba we are stepping up our donations of books to Cuban institutions. We continue to broadcast objective and timely reports to the people of Cuba over Radio and TV Marti.

These are the two tracks of our policy, a strong embargo coupled with humanitarian concern and an expanded flow of information. Together, they afford us our best opportunity to foster a peaceful democratic change in Cuba. To focus exclusively on one track or the other would unbalance our policy and weaken our leverage.

It has been said that by establishing dialogue with the regime, we could somehow bring it around and promote democracy on the island. Several countries, particularly in Latin America, have reestablished relations with Cuba over the past several years, all with this laudable goal. Yet, there have been no results. There has been no democratization, no permanent improvement in respect for human rights, as a result of enhanced contacts and trade with democratic countries. There is no evidence that contact with Cuba will motivate the government to change its 35-year policies of totalitarian control.

There is evidence, however, that Castro will change when he has no alternatives. He has said it clearer than I could. Just six weeks ago, he referred to some hesitant economic steps Cuba has undertaken when he said, "We have been forced to adopt certain measures we would never have adopted, save for this special period we are enduring." Castro took these hesitant steps towards economic liberalization because he had no choice. One month before that, he said, "If we do something today, it is with the unquestionable purpose of saving our socialism." Castro is not looking for a way to bring prosperity and freedom to his people. He is looking for a way to save his regime.

It is sometimes said that U.S. policy towards Cuba is a relic of the Cold War. We disagree. Before the fall of the Berlin Wall, U.S. policy was to be a friend of democracy and a supporter of human rights. Our policy today is to be a friend of democracy and a supporter of human rights. It is the Cuban government and its profoundly anti-democratic policies which are the real relics of the Cold War. It is Cuba's policies that need to be changed.

What are these anti-democratic policies that concern us? Let me review them for you briefly.

Cuba has not had a presidential election in more than 35 years. There has been one legislative election, a year ago, which had only one candidate for each vacancy, carefully vetted by Communist Party functionaries. Only one party, the Communist Party, is allowed to function. The media are owned by the government and opposing viewpoints cannot be aired. Those who speak out in favor of democratic change are harassed, arrested and imprisoned, and made objects of "acts of repudiation," which are attacks on dissidents by government-organized mobs. Independent observers estimate there are more than 2,000 political prisoners in Cuba. There is a three-year prison sentence for insulting Fidel Castro. Any assembly of more than three persons, even in a private home, is punishable by up to three months in prison and a fine. Construction of new churches is prohibited. Religious holidays, such as Easter and Christmas, have been outlawed since 1969. No domestic or international human rights group is permitted to function legally. Strikes are forbidden by law.

In sum, the democratic and human rights situation in Cuba is so contradictory to our values as a people and as a nation, that the notion of upgrading our ties and providing economic benefits is simply unacceptable. We cannot ignore the plight of the Cuban people, or do anything other than stand with them in their demands for basic civil liberties.

Thirty years ago, the Cuban regime bet that the largesse of the Soviet Union would provide it with the economic support its inefficient economic policies could not provide and that it could no longer earn in trade with the world. It accepted -- and squandered -- close to 100 billion dollars in aid, an unparalleled amount for a country of 11 million people. Until 1990, Soviet aid poured in at the rate of almost \$700,000 per hour. What happened to that money? Why don't the Cuban people have the same per capita GNP as Spain and Italy, as they did in 1959? Instead of investing that money in ways that would free the creative talents of the Cuban people, it was squandered on military adventures abroad and an enormous security apparatus at home, an apparatus designed to deny the Cuban people virtually every basic human right.

Mr. Chairman, the United States needs to keep faith with the Cuban people. We need to reach out to them through private humanitarian assistance and improved communications. We also need to make it very clear that we intend to keep our distance from the hemisphere's most repressive regime, in the hopes that Cuba may some day soon join the democratic community of nations. For all these reasons, the administration opposes H.R. 2229, the "Free Trade With Cuba" Act.

Thank you.

Chairman RANGEL. Mr. Secretary, thank you.  
Mr. Newcomb.

**STATEMENT OF R. RICHARD NEWCOMB, DIRECTOR, OFFICE OF FOREIGN ASSETS CONTROL, U.S. DEPARTMENT OF THE TREASURY**

Mr. NEWCOMB. Thank you, Mr. Chairman and members of the committee.

I am pleased to be here today to discuss the embargo against Cuba. As you know, the Treasury Department's Office of Foreign Assets Control is responsible for executing and enforcing economic embargoes and sanctions programs, including, since 1963, the U.S. embargo against Cuba.

In performing our mission, we rely principally on the President's broad powers under the Trading With the Enemy Act and the International Emergency Economic Powers Act to prohibit and regulate commercial or financial transactions involving specific foreign countries. The implementation of economic embargoes and sanctions by the President is an important aspect of the foreign policy of the United States. Any restrictions on the President's authority to impose, modify, or lift sanctions diminishes the effectiveness of this important tool.

The Cuban embargo, as it existed before the Cuban Democracy Act, prohibited all commercial, financial and trade transactions with all persons subject to U.S. jurisdiction, which includes U.S. citizens and permanent residents, wherever they are located, all people and organizations physically located in the United States, and all branches and subsidiaries of U.S. organizations throughout the world.

The Cuban Assets Control Regulations, which implement the embargo contained certain limited licenses or exemptions for specified types of transactions, such as limited family remittances, certain travel transactions, trade in informational materials, and trade by U.S. foreign subsidiaries. It was within this context that the Cuban Democracy Act was enacted. The original program, as I have just outlined, remains in effect, except where it was altered by the Cuban Democracy Act.

Since the passage of that act, the U.S. Government has licensed over \$8.5 million worth of humanitarian donations from a wide variety of religious, social and professional groups and individuals. We stand ready to work with all organizations interested in helping the Cuban people in this time of need.

As you are aware, informational materials, including such things as school texts, Bibles, books, records, and tapes are not subject to prohibitions contained in the regulations, and, therefore, require no authorization. Moreover, the Cuban Democracy Act deregulates the exportation of donated food to Cuban individuals and nongovernmental organizations. For this reason, qualifying donations of food may be exported without applying for a license.

As to medicines and medical supplies, the Cuban Democracy Act states that all exports of medicine and medical supplies must be done pursuant to a specific license issued by the U.S. Government. Authorization requires that certain conditions be satisfied, such as that there is a reasonable likelihood that the intended export will



not be used for torture or human rights abuses, that there is a reasonable likelihood that the intended export would not be reexported, and that there is a reasonable likelihood that the intended export would not be used in the production of a biotechnological product.

In addition to satisfying the requirements listed above, commercial shipments of medicine and medical supplies to Cuba must also satisfy requirements for U.S. Government verification that the exported goods will only be used for the purpose for which they were exported, and will be used for the benefit of the Cuban people.

We have received many inquiries in this regard, but to date we have issued only three licenses to U.S.-owned foreign subsidiaries who have filed applications. Others have shown an interest, but have not applied.

In the spirit of the Cuban Democracy Act provisions for support of the Cuban people, we have adopted a policy of licensing transactions incident to travel by persons requesting to accompany and deliver licensed donated goods to the intended recipients. We have issued licenses to over 130 persons traveling for this purpose.

With regard to telecommunications, an area of great interest between the United States and Cuba, prior to enactment of the Cuban Democracy Act, telecommunications service, including phone, telex and telegraph service, was authorized on a very highly regulated and restricted basis by licenses which we issued. These licenses insured that the vast majority of payments owed to Cuba would be placed in blocked accounts in the United States. Service and transfer of new telecommunications technology has also been limited consistent with the purposes of the embargo.

The Cuban Democracy Act provision dealing with telecommunications directs the Government to address telecommunications issues outside the prior system of laws and regulations that make up the Cuban embargo. Thus, it permits services between Cuba and the United States, notwithstanding any of the other restrictions relevant to the embargo.

This policy specifies that new service proposals must be capable of full implementation within 1 year, and must be limited to equipment and services necessary to deliver a signal to an international telecommunications gateway in Cuba, that new services cannot transit a third country, and new modes of service must be approved in advance. It also provides that payments to Cuba will be made pursuant to a license, and that full or partial settlement could be permitted. However, no debits from blocked accounts will be allowed.

As a first step in implementing the telecommunications policy, we have issued licenses to 15 telecommunications companies authorizing travel to Cuba for the purpose of negotiating an agreement to provide telecommunications services between the two countries. We are also licensing travel transactions incident to importing or exporting informational materials under certain circumstances.

In the past few years, we have faced several organized, well-publicized challenges to our embargo program. These challenges have taken the form of protests involving unlicensed travel transactions and the unlicensed export of goods.

The most recent challenge, for example, was just this month, March 9, when a group called the Pastors for Peace made an export of humanitarian goods to Cuba through the port of Laredo, Tex. This export consisted of medicines, food, clothing and other goods, all destined for the Martin Luther King Memorial Center and the Ebernezer Baptist Church, both located in Cuba. Inspection by U.S. Customs and Foreign Assets Control personnel at the scene revealed other items intended by this group for export that were not authorized for export to Cuba without a license.

Pursuant to current regulations and policy, items whose export was contrary to U.S. foreign policy and regulation were not permitted to be exported and were returned to this group. We have opened a dialog with this group and many other groups interested in exporting humanitarian goods to Cuba, with an attempt to work together to facilitate licensed exports of acknowledged humanitarian items to the Cuban people.

It is the aim of Foreign Assets Control and the Treasury Department to expeditiously process for export those items which can be exported, while at the same time fully enforcing the law, and denying export of any of those items clearly prohibited for export.

Thank you, Mr. Chairman.

[The prepared statement follows:]

Statement of R. Richard Newcomb  
 Director, Office of Foreign Assets Control  
 Department of the Treasury

before the

Committee on Ways and Means

Subcommittee on                      Subcommittee on  
 Select Revenue Measures              Trade

U.S. House of Representatives  
 Washington, D.C.

March 17, 1994

## I. Introduction

Chairman Rangel; Chairman Gibbons; members of the subcommittees.

I am pleased to be here today to discuss the embargo against Cuba. As you know, the Treasury Department's Office of Foreign Assets Control ("FAC") is responsible for executing and enforcing economic embargoes and sanctions programs.

In performing its mission, FAC relies principally on the President's broad powers under the Trading With the Enemy Act ("TWEA") and the International Emergency Economic Powers Act ("IEEPA") to prohibit or regulate commercial or financial transactions involving specific foreign countries. The implementation of economic embargoes and sanctions by the President is an important aspect of the foreign policy of the United States. Any restrictions on the President's authority to impose, modify, or lift sanctions diminishes the effectiveness of this important tool.

FAC has enforcement, regulatory and operational responsibilities. These include rulemaking, licensing, criminal enforcement, civil penalties, compliance, the blocking of foreign assets in the United States, and the authority to require recordkeeping and reporting.

In implementing and enforcing economic sanctions and embargo programs, FAC maintains a close working relationship with numerous other federal departments and agencies to ensure that the FAC mandate is properly implemented and effectively enforced. Among these agencies are: the State Department for foreign policy guidance in promulgating regulations and on sensitive cases; the Commerce Department on issues regarding exports; the National Security Council staff on significant policy questions and regulatory changes; the Customs Service for assistance in the many enforcement matters involving exports, imports, transportation, and travel; and the bank regulatory agencies to assure bank compliance with financial restrictions.

## II. The Provisions of the Cuban Democracy Act

The Cuba embargo, as it existed before the Cuban Democracy Act ("CDA"), prohibited all commercial, financial, and trade transactions by all persons subject to U.S. jurisdiction, which includes U.S. citizens and permanent residents, wherever they are located, all people and organizations physically located in the U.S., and all branches and subsidiaries of U.S. organizations throughout the world.

The Cuban Assets Control Regulations ("CACR" ; the "Regulations") which implement the embargo contained certain limited licenses or exemptions for specified types of transactions in the following areas: limited family remittances, certain travel transactions, trade in informational materials, and trade by U.S. foreign subsidiaries. It is within this context that the CDA was enacted. The original program remains in effect, as altered by the provisions of the CDA.

Since the passage of the CDA , the U.S. Government has licensed over \$8.5 million worth of humanitarian donations from a wide variety of religious, social, and professional groups and individuals. We stand ready to work with all organizations interested in helping the Cuban people in their time of need.

As you are aware, informational materials, including school texts, Bibles, economic books, records, tapes, etc., are not subject to the prohibitions contained in the Regulations, and therefore, require no authorization to export. Furthermore, the CDA at §1705 (b) deregulates the exportation of donated food to Cuban individuals and non-governmental organizations. For this reason, qualifying donations of food may be exported without applying for a license.

#### **a. Medicines and Medical Supplies**

Section 1705 (d) (2) of the CDA states that all exports of medicine and medical equipment must be made pursuant to a specific license issued by the U.S. Government. Authorization for exportation requires that certain conditions be satisfied. Section 1705 (c) of the CDA provides that such exports shall not be restricted except to the extent that:

- the intended export is restricted by §5 (m) of the Export Administration Act of 1979 or §203 (b) (2) of IEEPA;
- there is a reasonable likelihood that the intended export will be used for torture or human rights abuses;
- there is a reasonable likelihood that the intended export could be re-exported; and
- there is a reasonable likelihood that the intended export will be used in the production of any biotechnological product.

In addition to satisfying the four requirements listed above, commercial shipments of medicine and medical supplies to Cuba as well as donations to individuals and non-governmental entities, must also satisfy requirements for U.S. Government verification that the exported goods will only be used for the purpose for which they were exported and that they will be used for the benefit of the Cuban people. While we have received inquiries from companies regarding the sale of medicine and medical supplies, only 3 foreign subsidiaries of U.S. companies have filed applications and obtained licenses in this category.

In the spirit of the CDA provisions for support of the Cuban people, we have adopted a policy of licensing transactions incident to travel by persons requesting to accompany and deliver licensed donated goods to the intended recipients. We have issued licenses to over 130 persons traveling to Cuba for this purpose.

#### **b. Telecommunications**

An area of great interest has been telecommunications between the U.S. and Cuba. Prior to the enactment of the CDA, telecommunications service, including phone service, telexes, and telegraph service, was authorized on a highly regulated and restricted basis by licenses issued by FAC. These licenses insured that the vast majority of payments owed to Cuba would be placed in blocked accounts in the United States. Service and transfers of new telecommunications technology have also been limited consistent with the purposes of the embargo.

The CDA provision dealing with telecommunications directs the Government to address telecommunications issues outside the prior system of laws and regulations that make up the Cuban embargo. The CDA permits telecommunications services between Cuba and the United States, notwithstanding other restrictions on transactions with Cuba.

After a review conducted by the State Department in consultation with the Federal Communications Commission ("FCC"), Treasury, and other agencies, as well as discussions with telecommunications companies, State sent a policy guidance letter to the FCC outlining the scope of new services to be allowed.

State's policy guidance specifies that new service proposals must be capable of full implementation within a year; must be limited to equipment and services necessary to deliver a signal to an international telecommunications gateway in Cuba; the service cannot transit a third country; and new modes of service (e.g., fiber optic cable) must be approved in advance. The letter contains some technical requirements as well.

The CDA specifically provides that payments to Cuba will be made pursuant to a license. Payments may be licensed for full or partial current settlement with Cuba; however, the CDA prohibits debits from blocked accounts. Under section 1710 of the CDA, the Secretary of the Treasury must ensure that activities to support the Cuban people, newly permitted under the CDA, are carried out only for the purposes set forth in the Act, and not for the purpose of the accumulation by the Cuban Government of excessive amounts of U.S. currency or the accumulation of excessive profits by any person or entity.

As a first step in implementing the CDA telecommunications policy, we have issued licenses to telecommunications companies authorizing transactions incident to their travel to Cuba for the purpose of negotiating an agreement to provide for telecommunications services between the United States and Cuba. We have issued travel licenses to 15 telecommunications companies so far; 4 pending requests will be licensed soon.

Although not derived from a CDA provision we are also licensing travel transactions incident to importing/exporting informational materials under certain circumstances.

### III. Challenges to the Cuba Embargo

In the past few years we have faced several organized challenges to the embargo. These challenges have taken the form of protests involving unlicensed travel transactions and the unlicensed export of goods.

The most recent challenge was on March 9, 1994, when the group, Pastors for Peace, made an export of humanitarian goods to Cuba through the port of Laredo, Texas. This export consisted of medicines, food, clothing, and other goods, all destined for the Martin Luther King Memorial Center and the Ebenezer Baptist Church, both located in Cuba. Inspection by U.S. Customs and FAC personnel at the scene revealed other items intended by the Pastors for export that were not authorized for export to Cuba without a license. These items included a satellite dish antenna, a vehicle, computers, and various electrical office supplies. Pursuant to current regulations and policy, items whose export was contrary to U.S. foreign policy were not permitted to be exported and were returned to the Pastors.

FAC has opened a dialogue with the Reverend Lucius Walker, the spokesman and head of the group, in an attempt to work together to facilitate the licensed export of acknowledged humanitarian items to the Cuban people. It is the aim of FAC to expeditiously process for export those items which can be exported; likewise FAC will and does enforce the law in denying export of those items clearly prohibited for export.

Thank you.

Chairman RANGEL. Thank you, gentlemen.

So what you are saying is at the present time there are U.S. businesses that are doing business with Cuba under the existing law?

Mr. NEWCOMB. I am sorry?

Chairman RANGEL. Are U.S. businesses conducting any legal business right now with Cuba?

Mr. NEWCOMB. There are a few foreign subsidiaries that are licensed to provide exports from third countries to Cuba based on grandfathered provisions of the old third country goods subsidiary shipments to Cuba, but these are very limited, a very major decrease. The basic answer to your question is no.

Chairman RANGEL. The basic answer is yes, but it is very limited.

Mr. NEWCOMB. Very limited, that is right.

Chairman RANGEL. Now, can a U.S. company or individual invest in a second country and that country invest in Cuba?

Mr. NEWCOMB. If it is a direct investment into a third country for the purpose of investing in Cuba, the answer is no.

Chairman RANGEL. Well, can a U.S. company or individual make a secondary market investment in such a company, provided the investment does not result in control, in fact, of the third country by the U.S. investor?

Mr. NEWCOMB. If such investment is intended to put the U.S. company in a position where it has title or some interest of property in which Cuba has an interest, that would be prohibited by the Cuban Assets Control Regulations and the Trading With the Enemy Act.

Chairman RANGEL. Exactly what would not be prohibited?

Mr. NEWCOMB. This is about as broad of an economic embargo as we have and have had in place.

Chairman RANGEL. I understand that.

Mr. NEWCOMB. Virtually all transactions are prohibited.

Chairman RANGEL. I understand that. What is it you can do that is not prohibited under this broad economic type embargo?

Mr. NEWCOMB. I have outlined the basic categories that are permitted, limited family remittances, limited travel transactions, informational materials, but investment is prohibited.

Chairman RANGEL. A U.S. company can invest in a Third World company that has commercial dealings with Cuba. That is the question, and I think the answer to that is yes, with certain restrictions, isn't it?

Mr. NEWCOMB. If a foreign company has incidental investments in Cuba as part of its portfolio of international investments, a U.S. company may have a participation. However, if the company is predominantly directed toward Cuba, the major investment is Cuba or it is principally Cuba oriented, it cannot.

One important point here, if there is a joint venture for the specific purpose of going into Cuba, that would be prohibited. They would be specially designated nationals, and all trade with that company, economic transactions with that company are prohibited. The bottom line is that transactions are to be severely limited, incidental, and not a part of the nature of the relationship, and with no U.S. person involvement. It is very restrictive.

Chairman RANGEL. Now, with the communications industry, isn't that a little more liberal, where we can invest in communications with Cuba?

Mr. NEWCOMB. Because of the Cuban Democracy Act, telecommunications between a point in the United States to a point in Cuba, providing the signal from one country to the other, has been permitted. According to the guidelines which I have outlined in my testimony, assuming those criteria are met, telecommunications signals can be given. We have licensed 15 companies to travel for negotiations. We have four more on deck looking to go to Cuba to negotiate the possibility of conveying that signal.

Chairman RANGEL. Does Castro really want this type of agreement to succeed?

Mr. NEWCOMB. Let me defer on that.

Chairman RANGEL. It takes two parties, so—

Mr. SKOL. We believe that because the new telecommunications rules as outlined in the Cuban Democracy Act for the first time would allow limited funds to go to the regime, we believe that that is what has persuaded the Cuban regime to negotiate with several American companies.

Chairman RANGEL. Mr. Secretary, I am merely asking does this dictator Castro want this capitalistic deal to go through? Does he want it?

Mr. NEWCOMB. If I might answer that, Mr. Chairman, as a part of—

Chairman RANGEL. The reason I am asking this is because the Secretary said that Castro wanted the embargo removed, and so, therefore, we would never do anything that he would want, because this would cause his regime to survive. So I am just putting my question on the table, does this Communist dictator want the communications agreement to succeed, in order to get the cash currency?

Mr. SKOL. We believe that the Cuban regime needs the cash so badly that it is willing to enter into these negotiations.

Chairman RANGEL. And so it either has to be yes, he does, and so do we, in other words?

Mr. SKOL. That is correct. I am saying that this agreement—

Chairman RANGEL. So it is possible, it is remotely possible that maybe one day we may want the same thing. And just because he wants it, it does not mean that we are going to refuse to do it.

Mr. SKOL. That is exactly true, Mr. Chairman.

Chairman RANGEL. I just knew that is what you meant, when you say we cannot remove the embargo because he wants the embargo removed. We will remove the embargo when we want it removed, no matter what he believes.

Mr. SKOL. What I was saying about whether Fidel Castro wants the embargo removed had more to do with why he wants the embargo removed.

Chairman RANGEL. Well, people before you were almost saying that those who wanted the embargo removed, that Castro wanted it removed, so, therefore, you are supporting Castro, and I knew our State Department never had that view, even though the words came out almost the same. I just wanted the record to indicate—

Mr. SKOL. I would not accuse anyone here that I have heard so far as being pro-Castro in any way.

Chairman RANGEL. Now, you are a career officer and you have served in so many capacities. You have served our country and our State Department in a very professional way, and I cannot think of anyone offhand that knows more about Latin America and the Caribbean.

In the last administration, the State Department did not always support the Cuban Democracy Act, did they?

Mr. SKOL. In the process, as I understand it, of talking with the Congress about various provisions in the Act, there was a debate, as there often is, and that is the reason for hearings like this one. But the act itself as it exists today we believe is an extraordinarily useful tool, both to pressure the government of Castro and to make sure that it does not have the cash sufficient to extend its existence, and to reach out to the Cuban people—

Chairman RANGEL. You are going to have to be patient with me, Mr. Secretary, because I am not framing my questions correctly, because you have made it abundantly clear that you support the Torricelli bill, as we have come to know it.

Mr. SKOL. Yes.

Chairman RANGEL. So that is abundantly clear. My question was, or I wanted it to be, was that always the position of the previous administration?

Mr. SKOL. I am not speaking for the previous administration, Mr. Chairman. All I can say right now is that we support the Cuban Democracy Act. It is not only the law, it is an extraordinarily useful tool for the pursuit of our democratic policies with regard to Cuba.

Chairman RANGEL. Let me join with you and hurriedly add that, whether we agree or disagree on this law, as long as it is the law, you and I can depend on the fact that we will be working together to enforce the law. So it is clear that any feeling I may have had about this has nothing to do with trying to change the law's enforcement.

But it really would not affect your professionalism in representing this administration, for me just to ask, as an expert in this field, is it your recollection that in the last administration they did not always officially support the Torricelli amendment? As a matter of fact, did they not in fact oppose Torricelli, that old administration, not this brandnew exciting dramatic one? I mean the old one, when you were a career officer, didn't they at one time oppose the Torricelli amendment?

Mr. SKOL. Mr. Chairman, as I recall and as you recall, I was in Venezuela at the time and I really cannot speak about the intricate negotiations between the old administration and the Congress.

Chairman RANGEL. Well, one of the things that I have learned to really admire, coming down here to Washington, is the professionalism of the State Department, because really it does not make any difference what they believe. When the President of the United States establishes our foreign policy, then it is abundantly clear that the State Department personnel are so trained in such a professional way, it is that policy which they are going to support to the best of their ability.



When you change Presidents, you just changed whatever happened in the previous administration. I appreciate that, because most of the things I got for being against Torricelli I got from one of your predecessors who is no longer with the State Department, so that makes sense.

Mr. SKOL. Mr. Chairman, if I might add, it is traditional for administrations, the executive branch, to resist micromanagement of foreign policy affairs specifically country-by-country, and I would suggest that this is part of what was going on with the debate over the Torricelli bill.

Chairman RANGEL. Probably it was, but the micromanagement has now become a solid force for democracy in this hemisphere as we know it. That is all right.

Let me ask this: Since we all want change in administration, assuming that this embargo really and truly works, and based on your knowledge as to how other embargoes have been effective, because you have to use things, how does it really work in this scenario? What happens, when we make certain that we do not give anything to Castro to survive, that we just want to pump the juice of democracy and protection of human rights? Under what scenario, what happens?

You have heard me ask this question of my colleagues in the Congress. I do know where all of a sudden the activists against Castro come together and form a political party and then get shot down by the dictator, or whether they just make an appeal to him and say things are rough, please step aside, or whether there is someone over there that we know or do not know that has leadership ability, and he or she just comes out and says, enough already, we want an election. What happens?

Mr. SKOL. Mr. Chairman, the first thing to say is that anyone who believes that what the U.S. Government or Congress does is the dominant element in what will happen in Cuba is exaggerating our influence. We often make the mistake of believing that what we do determine automatically what will happen in other countries.

Chairman RANGEL. Mr. Secretary, I am going to assume that we are 100 percent right and further assume that it is working. Forget the 33 years, it is working now, it is this time in our history that we should never remove it, because it is just about to work. So what happens?

Mr. SKOL. Let me answer that question directly. Your scenario is that the embargo is working and it is about to bear fruit.

Chairman RANGEL. Exactly.

Mr. SKOL. That means that it will have been successful in not allowing the Cuban regime to last any longer than it would have, given the economic deterioration, the rising opposition to Fidel Castro and his regime, and the weakening of the regime itself.

Chairman RANGEL. Now it crumbles.

Mr. SKOL. Pardon?

Chairman RANGEL. It crumbles now.

Mr. SKOL. It crumbles, and it does not take any longer to crumble because we provided resources to the Cuban regime. That is how I would define the success of the Cuban embargo.

Chairman RANGEL. You would not?

Mr. SKOL. The Cuban embargo is not of itself going to cause the fall of the Castro regime.

Chairman RANGEL. Assuming, Mr. Secretary, that all of the other things that could help this to happen occur, and now the only one thing that would allow it to survive would be the removal of the embargo. So all of the strategists and the pundits and the State Department people, they get together and they say, for God's sake do not remove the embargo now, because—

Mr. SKOL. That is exactly what we are saying.

Chairman RANGEL. Exactly what you are saying, do not do it now, because everything else is working, keep it right in there.

Now, assuming all those things work and you, of course, are right, and the thing just crumbles. What happens? I mean how does it crumble, Castro quits and tries to get into Miami? What happens?

Mr. SKOL. Miami is an unlikely destination for Fidel Castro.

Chairman RANGEL. What happens? Will we have elections in Cuba? Is there somebody that we believe could replace Castro? I mean are there leaders there in prisons, like Mandela, that come out and they negotiate with Castro? I know that you people have been thinking about this for a long time, but you have kept it a secret. Will you share that with us? Where do you want the embargo to go?

Mr. SKOL. The success of the embargo would also mean that Fidel Castro would be continually forced to open up the system in order for him to survive, and which we hope would produce civic groups, the Catholic church, human rights activists and others to help to begin to create the kind of civil society that is roughly, very roughly parallel to what happened in Eastern Europe.

The tragedy of Cuba today and for the past decades is that the very actions of the Cuban regime have helped to prevent the growth of this kind of civil society.

Chairman RANGEL. In other words, we are not encouraging a revolutionary over there.

Mr. SKOL. We are not encouraging a bloody revolution, by any means.

Chairman RANGEL. Look, you have answered me—

Mr. SKOL. We are encouraging change.

Chairman RANGEL. So what you are basically saying is that you hope that, with all the other things that are happening, that there will be enough pressure in Cuba so that Castro would open up?

Mr. SKOL. Yes, sir.

Chairman RANGEL. Is there anything at all that you have seen in the last 1, 2, 5 years that moves in the direction in terms of what you mean by open up? Has the Castro regime done anything that could be considered as moving toward opening up?

Mr. SKOL. There have been some minor moves in those areas.

Chairman RANGEL. What are those minor things?

Mr. SKOL. For example, the allowance of free dollar convertibility, the circulation of the dollar, the allowance for certain categories of Cubans to operate in the private sector. I have to emphasize that we do not believe that these measures do anything at all to change the basic economic structure of Cuba, but there are signs that because of pressure and the need for cash, the Castro regime

is in fact being forced to make certain economic changes. But in the political sphere, nothing is happening.

Chairman RANGEL. But even though it is short of nothing, is it the type of things, if more is done, that may become something. I mean you name these things and you say that is nothing, so politically he has done nothing.

Mr. SKOL. Yes.

Chairman RANGEL. I accept that. I am just trying to find out what type of things would be considered something as a signal maybe that they are moving in the right direction. What is opening up? What can Castro and his gang of people do so that it will be considered opening up?

Mr. SKOL. Well, there are many things. In the field of human rights—

Chairman RANGEL. What are the main things?

Mr. SKOL. The respect for human rights, the release of political prisoners—

Chairman RANGEL. Do we have a list of prisoners that we could say, and how many would it be, so that we can say, look, these are the types of things that the United States of America demands, and he says what. We say here is the list of people, we want these people released and we would consider this a little better than nothing, but it would be less than something?

Mr. SKOL. We not only have figures, we have lists, we have names, the United Nations has names—

Chairman RANGEL. I know that, Mr. Secretary.

Mr. SKOL. And we have told the Cubans, the Cubans know what is necessary.

Chairman RANGEL. Mr. Secretary, I know that you are talking to the Cubans. This is a public hearing. Can't you share with us some of the exchanges that are taking place, so that everyone would know that we are—

Mr. SKOL. We have a U.S. interest section in Havana. We very definitely talk to them. There is no lack of communication.

Chairman RANGEL. Are these talks secret or public? Could you share anything, without violating any laws or regulations as to what is the extent of our communication directly with the Cuban Government or the private sector of the Cuban Government, or whatever we call them, the Cubans who are in charge?

Mr. SKOL. We have a list of things that we have told the Cuban Government would be steps toward democracy and respect for human rights.

Chairman RANGEL. Could you share that list with us publicly, so that—

Mr. SKOL. Yes, we will. We will place it in the record.

Chairman RANGEL. I mean now. Listen, these are public hearings not to change foreign policy. That is the executive branch, and it is true that in many cases the Congress has been able to be influential. But since we all want democracy in our hemisphere, and certainly with small countries in the Caribbean so close to the United States, it would seem to me that if you could say, listen, you want democracy, we do, too, now this is what Castro should do if he wants democracy.

Mr. SKOL. Let me quote from the list: Free and fair elections with international observation, the release of political prisoners, the end to rules which prohibit outward travel of Cubans to the United States or elsewhere, the dismantling of one of the most repressive States in the world in terms of the control of the daily lives of individuals, a much more profound freeing up of rules as to where Cubans can work, how they can work, for whom they work, whether or not they can engage in private activity without suffocating regulations.

There are a number of things, and beyond the specifics of the names of the people in Cuban jails, these are the same kinds of demands that are made throughout the world. These are the same kinds of things we ask of the Haitian and other regimes.

Chairman RANGEL. Let me ask this: Are these the same things we are really asking of China and Vietnam and these other countries? Are these the same type of things? I certainly wish all countries would do what you suggested, and I certainly will do everything I can to influence them to do that as the right thing. But it seems as though what you have just suggested for Cuba was really in more detail and broader than demands that we make with other trading partners.

Mr. SKOL. Each country obviously is different. The reasons why in our law and policy sanctions and embargoes are imposed are different in different cases. The Vietnam embargo was imposed for very specific reasons having to do with U.S. soldiers missing in action. And when there was progress in that area, President Clinton decided that a reciprocal gesture was in order, on exactly the same theory that—

Chairman RANGEL. What about the open trade and the elections and all of these things in controlling how they treat their—certainly in China, I was hurt and insulted for this country to tell the United States of America that political prisoners was an internal matter. And then I understood—and I hope I am wrong—that the Secretary of State said it was not an internal matter, it was a matter concerning the free world, and the United States of America, but you can report to us how you handle it, rather than the standards that we set. That surprised me.

Mr. SKOL. Mr. Chairman, there are specifics. What we are demanding of Cuba and what will be the characteristic of what Cuba would have to do in exchange are specifically pointed out in the Cuban Democracy Act.

Chairman RANGEL. Well, I will tell you how specific it sounds to me.

Mr. SKOL. Although, as you have pointed out, I am said to be an expert in Latin American Caribbean affairs, not in Chinese or Vietnamese matters, but the fact is that—

Chairman RANGEL. That is not fair. You are an expert in any of these areas, and you know it, and they are principles. But I do not want to make—

Mr. SKOL. I was nonetheless going to go on to talk about China and Vietnam.

Chairman RANGEL. I do not want to debate this. This is what I am asking you, Mr. Secretary: First of all, the way you lay out what you want the Castro regime to do is almost like stating what

the voting qualifications would be for minorities in the South 30 years ago, because they are so broad and so vague, that you always can find reasons that it did not meet the standards that we have in the United States. I am not knocking those standards.

What I am saying is this: For those of us that sincerely want to set tests to test the lack of sincerity of Castro, to see whether or not he has any concern for democracy. It is almost unfair to give those broad generalities.

I think what we should do, much like if it is not in the bill, is to say, these are the things that have to be done, if you want to talk with the United States. Sure, we could call the positive moves, but I think we can be more specific. Because it is embarrassing to see that we are asking something of them that we would not even bring to the table with another country. There have to be basic things that we are just not going to talk to any country about, unless those things are respected.

I think human rights is an ideal place for us to start. To me, it might be that if we have a list of people that believe in democracy, that were jailed just because they were trying to express their views, that we should have those names. And those of us who do not believe the embargo is the right thing to do should tell everybody, wait until we see movement that these people are released. And it should not be just private talks. The reason for these hearings is to make it public talk.

Mr. SKOL. Mr. Chairman, I will submit the list of possible changes, the list of political prisoners to you forthwith after this hearing.

[The following was subsequently received:]



United States Department of State

Washington, D.C. 20520

Dear Mr. Rangel:

I am writing to you following the testimony of Principal Deputy Assistant Secretary Skol before your subcommittee on March 17 to explore further the issue of human rights in our bilateral relations with Cuba.

We share your concern for the human rights situation in Cuba, and your desire that the Cuban people can soon choose their leaders in free and fair elections. We also understand your concerns regarding the embargo. We believe, however, that the next step in our bilateral relations is up to Cuba. In order for there to be an improvement in our relations, there first must be concrete and irreversible improvements in the human rights situation on the island. This policy is outlined in the Cuban Democracy Act, which confirms that we should be ready to "reduce the sanctions in carefully calibrated ways in response to positive developments in Cuba."

This policy is both public and clear and, we believe, is well known to the Cuban government; we will continue to reiterate our position at every available opportunity. In addition, Colombia, Spain and the European Parliament, in particular, have recently been active in pressing the Cuban government to adopt democratic reforms. From the Cuban side, however, we see reiterated demands that the embargo be lifted, yet absolutely no movement on basic human rights concerns. We therefore seek your assistance in passing on to the Cuban government our message that they must first act on human rights before there can be progress in our relationship.

As Ambassador Skol promised you on March 17, enclosed please find the following:

- a list of possible human rights improvements that Cuba could undertake;
- a list of political prisoners in Cuba (compiled by Aida Valdes, a prominent human rights activist in Havana);
- a list of prominent human rights cases of particular concern;

The Honorable  
Charles Rangel,  
House of Representatives.

--a copy of the report of the United Nations Commission for Human Rights' Special Rapporteur on the situation of human rights in Cuba. Section VI lists the eight improvements that he recommends that Cuba undertake to bring its observance of human rights up to minimum international standards; and, --our 1993 Country Report on human rights practices in Cuba, published in January 1994.

As you know, Radio Marti broadcast live the hearing you chaired on March 17, providing the Cuban people the novel opportunity to hear real public debate on an important issue. Assuming the broadcast was not jammed by the Cuban government, what they heard will have assured them that, while there may be different opinions on what U.S. policy should be, U.S. congressional leaders and administration officials share a deep concern for the well-being of the Cuban people.

I hope we have been responsive to your concerns. Please contact us if we may be of assistance in any way.

Sincerely,

*Wendy R. Sherman*

Wendy R. Sherman  
Assistant Secretary  
Legislative Affairs

Enclosures:

- List of possible human rights improvements in Cuba.
- List of political prisoners in Cuba.
- Prominent human rights cases of concern.
- Report of the UNHRC Special Rapporteur on Cuba.
- 1993 Country Report on Human Rights Practices in Cuba.

POTENTIAL HUMAN RIGHTS IMPROVEMENTS IN CUBA

1. Release prominent human rights activists such as Rodolfo Gonzalez, Sebastian Arcos, Yndamiro Restano and Omar del Pozo, and drop charges against Elizardo Sanchez;
2. Allow the Red Cross (ICRC) to visit Cuban jails;
3. End attacks by government-sponsored mobs on activists;
4. Allow the UN Human Rights Commission's Special Rapporteur to visit Cuba (Iran, Iraq & Cuba are the only countries that do not cooperate with the UN on human rights);
5. Allow international human rights groups free access to Cuba;
6. Abolish the 3 month prison term for unauthorized assemblies of over 3 persons;
7. Amend the penal code to prohibit forced labor;
8. Initiate a dialogue with human rights groups, independent labor unions and other independent organizations;
9. Legally recognize these groups;
10. Reform the penal code to abolish political crimes such as "dangerousness" (defined as "the special proclivity of a person to commit crimes, demonstrated by his conduct in manifest contradiction of socialist norms), "rebellion," "enemy propaganda," "contempt for authority" (disparaging government officials), etc.;
11. Abolish the re-entry visa requirement (Cubans abroad are required to obtain a visa prior to traveling home);
12. Abolish controls on churches and religious activities (for example, churches are not allowed to undertake any activity outside the church walls; all churches must be registered with and approved by the state; religious holidays have been abolished; churches are denied access to the mass media);
13. Free all political prisoners;
14. Abolish the Committees for the Defense of the Revolution (CDR's), the neighborhood spy committees;
15. Amend the constitution to remove the courts from under the authority of the National Assembly and the Council of State;
16. Allow workers the right of association and collective bargaining;
17. Allow independent media (TV, radio, newspapers), and abolish other legal restrictions on freedom of expression;
18. Allow the formation of political parties;
19. Hold free and fair elections under international observation.



PROMINENT HUMAN RIGHTS CASES INVOLVING ARREST  
As of March 1994

Sebastian Arcos is serving 56 months for "enemy propaganda." Evidence against him consisted of an unsigned letter that was lost prior to his trial in a fire in Interior Ministry files;

Maria Elena Cruz Varela, head of the activist group Criterio Alternativo and winner of Cuba's national poetry prize, is in Havana, suffering from damage to her eyesight from her 18 months in prison for felonious association and slander. For four of those months, she had 8 bright lights shining on her 24 hours a day. This form of torture is called "circadian deprivation." Winner of the "Liberty Prize" from the Liberal International, in 1991, Cruz Varela's home was ransacked by a mob of 200. She was dragged down four flights of stairs by her hair; the mob stuffed copies of her poems into her mouth to force her to eat them;

Norberto Fuentes, author of the best-seller "Hemingway in Cuba" and winner of Cuba's highest literary prize, was released after 20 days detention in November. He had tried to leave Cuba on a raft;

Felipe Lorens of the Marti Youth Organization is serving four years in prison for "dangerousness," defined in Cuba's penal code as "the special proclivity of a person to commit crimes, demonstrated by his conduct in manifest contradiction of socialist norms."

Bay of Pigs hero and founder of Castro's air force Alvaro Prendes is being prevented from leaving Cuba, in violation of Cuban and international law. In December 1992, he called for democratic change and an economic opening, becoming the first ranking military figure in Cuba to declare unity with human rights activists. He was subsequently stripped of his pension, rank, decorations and home;

Harmony Movement president Yndamiro Restano is a pacifist serving 10 years for "rebellion." At his trial, diplomats and journalists were turned away, though the law requires trials to be open. The Government's three key witnesses recanted on the stand, retracting statements attacking Restano because these were made under coercion by state security. The Government was unable to give any evidence linking Restano with violent activities; both prosecution and defense witnesses testified to that effect. The prosecutor noted the "dangerous" effect Restano's group would have if not stopped, comparing him disparagingly with Gandhi;

Pablo Reyes Martinez, vice president of the National Civic Union, is serving 8 years in prison for tape recording interviews with Havana residents that were subsequently played over Miami radio stations;

Elizardo Sanchez, president of the Committee for Human Rights and National Reconciliation, is out on bond for "contempt," after resisting a police beating during the December 10, 1992, UN Human Rights Day crackdown. That day, his home was surrounded by a rock-throwing mob. Police broke into his garage office and ransacked files. Sanchez was not home. Police later found him at a friend's house, broke down the door and assaulted him. He suffered cracked ribs, severe bruises, and a possible broken jaw. Sanchez' home was sealed off. His elderly mother and relatives received food through the windows of an adjacent building for several days.

DEDICATORIA

A: Sebastian Aroos Bergnes

No importa cuán estrecha sea la puerta  
ni que me halle abrumado de castigos:  
soy capitán triunfante de mi estrella  
y dueño de mi espíritu.

William Ernest Henley

INTRODUCCION

El día 10 de diciembre de 1948, la Asamblea General de las Naciones Unidas, aprobó la Declaración Universal de los Derechos Humanos, documento rector para Organismos, Organizaciones y Gobiernos internacionales en pro a garantizar los derechos individuales de los ciudadanos del Mundo.

La celebración de esta fecha en 1992, en nuestro país, se convirtió en un día más de lucha ya que se produce una escalada represiva contra los activistas de los derechos humanos.

Ocurren este día, acoso a residencias de activistas, que se mantiene por varios días, no permitiéndose ni a familiares ni amigos socorrer a los sitiados; golpizas; vejaciones; citaciones por órganos policiales; amenazas y detenciones.

De esta forma en Cuba se celebró el Día Internacional de los Derechos Humanos.

Consideramos necesario, como tributo a nuestros hermanos encarcelados y a los verdaderos defensores de los derechos humanos, dar a conocer un listado aproximado de los presos políticos actuales en Cuba, datos obtenidos de forma difícil, ya que nos llegó a través de familiares, amigos cercanos y listados enviados por los propios presos.

Sirva este modesto trabajo de homenaje a todos los verdaderos luchadores en el mundo por la noble causa de los Derechos Humanos.

Nombre y Apellidos	Detención	Cargos	Sanción
Abad Flamsd, Marcos A.	—	Propaganda enemiga y desacato	15 años
Abreu Acouy, Roger	07-05-83	Infiltración	30 años
Abedaño Conejo, Roberto	—	Desacato	—
Abreu Hernández, Manuel F.	—	S.I.P.	—
Acovedo Blanco, Arnaldo	22-01-92	Propaganda enemiga	3 años
Acosta Dorga, Humberto	—	S.I.P. y desacato	3 años
Agrego Blanco Roberto	—	—	—
Aguila Chacón, Alberto	—	Común con incidencia y asociac. ilícita	3 años
Aguilera Estrada, René	—	Terrorismo	30 años
Aguilera Guisvara, Alberto	24-03-91	Propaganda enemiga	3 años
Aguilera, Raymundo	—	Reunión ilícita y conspiración	—
Aguilar López, Eliecer A.	—	—	—
Alarcón Martínez, Julian	—	Propaganda enemiga	—
Alba Castellón, Aurelio	—	S.I.P.	4 años
Aleman Almeida, Angel L.	—	Propaganda enemiga	10 años
Alfonso Gonzales, Gustavo	—	Propaganda enemiga	6 años y 6 meses
Alfonso Molina, Mamel	—	Desacato	1 año y 6 meses
Alfonso Rubio, Hermes	22-01-92	Propaganda enemiga	—
Alfonso Aguilar, Jorge H.	16-07-92	Propaganda enemiga	—
Almaguer Rodriguez, Alis	—	Propaganda enemiga terrorismo y piratería	10 años
Almeida Barrera, Alba J.	06-04-92	Piratería	7 años
Almendares Pérez, Rey	—	Sabotaje y propaganda enemiga	—
Alpizar San Martín, Regino M.	—	Otros actos S <sup>ta</sup>	1 año y 6 meses
Alvarez Blanco, Alfredo	—	—	—
Alvarez Leiva, Alfredo	—	Propaganda enemiga	—
Alvarez López, Juan C.	—	Propaganda enemiga	3 años
Alvarez López, Julio C.	19-04-92	Revelación secretos del MININT	17 años
Alvarez Martínez, Pedro J.	15-11-89	Propaganda enemiga	3 años
Alvarez Montes de Oca, Carlos A.	—	S.I.P. y desacato	—

Nombre Y Apellidos	Detención	Cargos	Sanción
Alvarez Pedrosa, Pedro	—	Actos contra la seguridad del estado	—
Alvarez Salcoagaza, Hector	—	Propaganda enemiga	—
Alvarez Trizna, Juan	04-11-90	—	—
Alvarez , Freddy	—	—	—
Alvarez Prieta, Felix	15-04-90	—	4 años
Alvarillo Pérez, José T.	12-12-90	Rebelión	—
Ampidio Herrera, Pedro E.	02-04-89	Propaganda enemiga y sabotaje	5 años
Ampidio Pérez, Pedro	—	Sabotaje	5 años
Angulo Fleitas, Albeño	—	Propaganda enemiga	—
Angulo Fleitas, Luis	—	Propaganda enemiga	—
Anido Padilla, Miguel V.	—	S.I.P.	—
Antunes Mora, Luminado	30-05-89	Piratería	15 años
Aparicio Rodríguez, María E.	19-02-92	Asociación ilícita	8 años
Arcoo Bergnes, Sebastian	15-01-92	Propaganda enemiga	4 años y 8 meses
Aranda Rodríguez, Mammel	13-06-91	Actos contra la seguridad del estado	8 años
Araña Rosains, Dr. Julian F.	—	Terrorismo	8 años
Arias Iglesias, Carmen J.	10-07-92	Revelación de secretos, rebelión	7 años
Arias , Roberto	—	—	—
Arizala Arosco, Ramiro	—	S.I.P.	—
Ayarde Herrera, Eaul	17-12-90	Espionaje, terrorismo	10 años
Bacallao Gonzalez, Eaul	—	Sabotaje, propaganda enemiga	8 años
Bagur Bello, Vladimir	13-06-91	Actos contra la seguridad del estado	4 años
Bacs Viamonte, Juan C.	—	Propaganda enemiga	—
Balmaseda Martell, José R.	—	Desacato	—
Banegas Barroso, Yunier A.	—	Propaganda enemiga	—
Barra Tejada, Alexis	01-12-90	Propaganda enemiga	3 años
Barreiras Rivero, Rafael	19-01-91	S.I.P.	—
Barroas Enrique, Roberto	—	S.I.P., desacato	—
Baster Avila, Rolando R.	—	Propaganda enemiga y espionaje	—
Basulto Pimentel, Alexander	—	Sabotaje	—
Bedra Hernández, Mammel	—	Propaganda enemiga	—
Bellos Díaz, Francisco	—	Sabotaje	—

Nombres y Apellidos	Detención	Cargos	Sanción
Benites , José R.	22-01-92	Desacato	—
Benites Hernández, Manuel	29-11-90	Propaganda enemiga	6 años
Benites Jorge, Damian R.	27-04-90	Terrorismo	9 años
Bergel Hernández, Eulogio	—	S.I.P.	—
Betancourt , Reynaldo	09-10-91	Asociación ilícita clandest. de imp.	3 años
Betancourt Escalona, Julian	—	Propaganda enemiga	3 años
Betancourt Montenegro, Orfilio	13-06-91	Actos contra seguridad del estado	6 años
Betancourt Sanchez, Angel	—	Propaganda enemiga	—
Biamonte León, Carlos J.	—	Sabotaje	10 años
Bients Saab, Dr. Julio Z.	—	Terrorismo	13 años
Bisel Sambonel, Angel	—	Propaganda enemiga	—
Blanco Gonzalez, Martha	—	Propaganda enemiga	—
Bogue Smith, Nelson	—	Propaganda enemiga	—
Both , Ther	—	Desacato Cmdte Jefe	—
Brage Borges, Regelio	11-09-90	Sabotaje	5 años
Bren Isnaga, Pedro A.	—	S.I.P.	—
Brocart Calas, Hernes	—	Propaganda enemiga	8 años
Bruno Vasquez, Juan	—	Propaganda enemiga	4 años
Bonilla Fonseca, Ernesto	04-04-90	Propaganda oral sub - versiva	3 años
Caballero Gonzalez, Raul	21-04-90	Espionaje	—
Cabrera Alvarez, Elpidio	—	Propaganda Enemiga	—
Cabrera Cruz, Alejandro	—	Propaganda enemiga	—
Cabrera Gonzalez, Joel	—	Propaganda enemiga	8 años
Cabrera Martin, Benigno	—	Propaganda enemiga	—
Calsada Valle, Lazaro	—	Propaganda enemiga	—
Campos Marques, Lazaro	—	Propaganda enemiga	—
Camejo Moaliro, Ivelise	06-01-90	Terrorismo	15 años
Camper Lugones, Humberto	—	Piratería	6 años
Campos mufis, Guillermo	03-01-90	Terrorismo	8 años
Cantero , Silvio	—	Sabotaje	18 años
Cancio Vasco, Pedro R.	—	Desacato	—
Cardo Leonardo, Osvaldo	—	Huelga obrera	6 años
Cardo Hernández, Daniel	25-08-80	Rebelión	30 años
Caldoso Companioni, Ivan	—	S.I.P.	—
Carmen Arias, Luis	—	Propaganda enemiga	—
Carrasco , Angel	—	Propaganda enemiga	7 años

<u>Nombres y Apellidos</u>	<u>Detención</u>	<u>Cargos</u>	<u>Sanción</u>
Carrasna Varela, Ideliso	31-05-89	Piratería	10 años
Casanova Ponce, Miledys	—	Piratería	15 años
Caraballo Vasquez, Jorge	—	—	—
Carailles, Ibarra, Rigoberto	—	Propaganda enemiga	5 años
Castañeda Muñoz, Antonio M.	—	Desacato	—
Castañeda Muñoz, Julio C.	—	Desacato Cnt. en Jefe	—
Castillo Espino, Raul	24-03-91	Propaganda enemiga y atentado	9 años
Castillo , Leosvani	—	S.I.P.	—
Castillo Ferrer, Pedro A.	27-08-92	Propaganda enemiga	5 años
Casto Hechevarría, Oscar E.	14-08-89	Sabotaje, propa <sup>g</sup> anda y piratería	6 años
Céspedes Chaves, Oscar	25-05-87	Espionaje y P.E.	14 años
Cisneros Silva, Rivarado	—	Sabotaje	—
Cisneros Silva, Orlando	—	Sabotaje	—
Collazo Peregrino, Ernesto	—	Sabotaje	—
Concepción Granada, René	—	Propaganda enemiga	—
Contreras Hilán, Jesus	22-01-90	Propaganda enemiga	6 años
Corrova García, Lenin	—	Piratería	15 años
Cordoví , Norma	—	Propaganda enemiga	—
Corona López, Enrique	—	Propaganda enemiga	—
Corzo , Ulises	—	S.I.P.	—
Corzo Rodríguez, Alexis	11-01-90	Propaganda enemiga	8 años
Curra Lussan, Ielana	16-07-92	Propaganda enemiga	—
Curra , Ivan	16-07-92	Propaganda enemiga	—
Cuetra Musteliez, Angel	—	Sabotaje	—
Cucalo Santana, Rieuvénida	—	Propaganda enemiga	3 años
Crespo Díaz, Jorge A.	—	Propaganda enemiga y desacato	15 años
Crus Matfnez, Anibal	09-10-91	Asociación ilícita clandest. de imp.	2 años y 3 meses
Crus Delgado, Anibal	09-10-91	Asociación ilícita clandest. de imp.	3 años
Crus Reyes, Angel L.	—	S.I.P.	—
Crus Varela, María E.	—	Asociación ilícita	2 años
Chinaes Fajo, Marcial	—	Sabotaje	—
Chamber Ramirez, Jesus	—	Propaganda enemiga	10 años
Chapelle Rojas, Francisco	—	Propaganda enemiga	—
Chaves Gonzalez, Gonzalo	—	Propaganda enemiga	—

Nombres y Apellidos	Detención	Cargos	Sanción
Delgado Cruz, Alberto F.	—	Acto contra segrd. del estado	1 año y 6 meses
Delgado , Jilio C.	09-92	Propaganda enemiga	—
Días Agüero, Jesus	—	Actos contra segur. del estado	—
Días Cabrera, Mammel	09-11-80	Infiltración	30 años
Días Echeandia, Francisco	09-08-90	Propaganda enemiga y sabotaje	20 años
Días Estrada, Bárbaro	—	Propaganda Enemiga	—
Días Gómez, Hector	01-06-89	Piratería	12 años
Días Gonzales, Miguel A.	—	S.I.P.	—
Días Leiva, Assel C.	13-06-90	Propaganda enemiga	3 años
Días Rodriguez, Ramón	06-02-82	Sabotaje	30 años
Días Romero, José L.	06-02-82	Sabotaje	30 años
Días Rodriguez, Lazaro	02-08-90	Propaganda enemiga	2 años
Días Rodriguez, Ezequiel	10-02-92	Sabotaje	30 años
Días Simón, Alfredo V.	—	Desacato	—
Días Villalón, Guillermo	—	Propaganda enemiga	—
Días Villamar, Felix	07-01-89	Espionaje	15 años
Días Trujillo, Ricardo B.	12-82	Traición y espionaje	20 años
Días Villamor, Felix	22-08-88	Espionaje	15 años
Dobao Aragón, Orestes	24-01-90	Propaganda enemiga	5 años
Dominguez de la Coba, Orlando	15-04-83	Sedición	30 años
Dominguez Sardinias, Julio	—	Propaganda enemiga	—
Dueñas Martinez, Joel	31-12-91	Propaganda enemiga	3 años
Duran , Adolfo	21-09-92	Propaganda enemiga	—
Duarte Morio, Osmari	—	Desacato Crte, en Jefe	—
Durga Acosta, Israel	—	S.I.P.	—
Echenique Gonzalez, Orlando	13-01-90	Sabotaje, propaganda enemiga	10 años
Echevarria Marrero, Miguel	—	Propaganda enemiga	4 años
Echevarria Revafleche, Hector	—	Propaganda enemiga	—
E. Figueredo, José	—	Propaganda enemiga	4 años
Enriquez Hernández, Rafael	—	Desacato	—
Enrique Espinosa, Luis	—	Propaganda enemiga	5 años
Enrique Garcia, Juan	—	Propaganda enemiga	8 años
Escobar Dr. Vladimir	—	—	—
Espinosa Pérez, Juan E.	—	Piratería	10 años



Nombres y apellidos	Detención	Cargos	Sanción
Esposa Procard, Fernando	—	Propaganda enemiga	8 años
Estrada Leiva, Esequiel	—	Inocendio	—
Estrada Rivero, Luis	—	Propaganda enemiga	—
Felipe Pino, Ewer	13-03-90	Propaganda enemiga	2 años y 6 meses
Felix Garofa, Angel	—	Sabotaje	—
Fernández, Juan F.	—	Asociación ilícita e incomp. deber de denunciar	—
Fernandes Adier, Jorge	26-04-90	Terrorismo y propaganda	7 años
Fernández Crespo, Miguel A.	—	Terrorismo	15 años
Fernández Díaz-Silveira, Jorga	04-92	Propaganda enemiga	—
Fernández Mapule, Julio	12-91	—	—
Fernández Páres, Santiago E.	—	Desacato Cart. en Jefe	—
Fernández Salvey, Alfredo	—	S.I.P.	—
Feria Cao, Aurea	22-01-90	Propaganda enemiga	5 años
Ferrer Venegas, Pedro C.	—	Propaganda enemiga	—
Angulo Fleites, Luis	—	—	—
Figueroa Castro, Raul	—	Piratería	4 años
Fones Páres, Frank	—	S.I.P.	—
Fonseca Garofa, José	—	Estragos por incendio	—
Fonseca Reyes, Enriquez	—	Propaganda enemiga	—
Fuentes Valdez, Jorge L.	—	Propaganda enemiga	—
Fumero Carrado, Angel	—	S.I.P.	—
Galana Galves, Carlos E.	—	S.I.P., propaganda enemiga	—
Gálvey Contreras, Tomas	01-90	Propaganda enemiga	3 años
Garay Callejas, José	—	Propaganda enemiga	—
Garofa, Jorge W.	02-08-90	Sabotaje	5 años
Garofa, Caridad	02-92	Propaganda enemiga	3 años
Garofa Alosca, Rigoberto	—	Propaganda enemiga	10 años
Garofa Aguilera, Juan	—	Propaganda enemiga	8 años
Garofa Bello, María C.	—	Sabotaje	18 años
Garofa Bello, María del C.	13-11-88	Sabotaje	13 años
Garofa Ramos, Lazaro E.	02-92	Propaganda enemiga	6 años
Garofa Cruz, Juan E.	—	Propaganda enemiga	1 año y 6 meses
Garofa Díaz, Carlos	29-04-82	Sabotaje	30 años
Garofa Pérez, Idalberto	—	S.I.P.	—

<u>Nombres y Apellidos</u>	<u>Detención</u>	<u>Cargos</u>	<u>Sanción</u>
Garafa Jimenez, Eduardo	—	Espionaje	15 años
Garafa Figueroa, Luis E.	19-01-91	S.I.P.	—
Garafa Garafa, Miguel	—	Propaganda enemiga	5 años
Garafa Hernández, Gladys	—	Espionaje	8 años
Garafa Mejías, Guillermo	—	Propaganda enemiga, sabotaje	—
Garafa Moreno, José A.	—	—	—
Garafa Navarro, Nestor	—	Espionaje	8 años
Garafá Ortiz, Ramón A.	—	Propaganda enemiga	—
Garafa Pérez, Idalberto	—	Espionaje	—
Garafa Pérez, Luis J.	—	Propaganda enemiga	8 años y 7 meses
Garafa Pérez, Jorge L.	—	Propaganda enemiga	5 años
Garafa Valdes, María M.	—	Terrorismo	8 años
Garafa Saldívar, Jadae	—	Propaganda enemiga	5 años
Gavilán Garafa, Jorge	02-08090	Sabotaje	—
Gil Olmas, Ruben	—	Inf. heroes y mar- tires	—
Gómez , Rodolfo	—	Propaganda enemiga	6 años
Gonzales Ogra, Luis	—	Propaganda enemiga	—
Gómez Cruz, Napoleon	—	Propaganda enemiga	5 años
Gómez Delgado, Aguedo	19-12-89	Sabotaje	—
Gómez Esteves, Alexix	16-07-92	Sabotaje	—
Gómez Gonzalez, Fray	—	Propaganda enemiga	2 años y 7 meses
Gómez Macías, Ibalde	—	Propaganda enemiga	—
Gómez Díaz, Ibraim	28-10-90	Sabotaje	7 años
Gonzales , Juan	—	Piratería	15 años
Gonzales Alemán, Genovevo	—	Sabotaje	—
Gonzales Bello, María del C.	—	Sabotaje	16 años
Gonzales Seguel, Jennis A.	—	Propaganda enemiga	—
Gonzales Laffita, Rosalina	10-03-87	Piratería	30 años
Gonzales Velasquez, Agustín	—	Propaganda enemiga	4 años
Gonzales Legrá, Luis E.	—	Propaganda enemiga	—
Gonzales Leiva, Israel	—	Propaganda enemiga	10 años
Gonzales López, Rolando	—	Sabotaje	3 años
Gonzales Marichal, José	17-08-89	Sabotaje y propaganda enemiga	5 años
Gonzales Mateo, Emilio E.	—	Propaganda enemiga	—
Gonzales Pérez, Yasmani	—	S.I.P.	—
Gonzales Specks, Lino	01-09-82	Sabotaje	30 años

Nombres y Apellidos	Detención	Cargos	Sanción
Gonzales Vasquez, Agustin	—	Propaganda enemiga	—
Gonzales Veguero, Nicolas	—	Propaganda enemiga	—
Gonzales Valencia, Marcos	09-04-91	—	—
Gomez, Maria	—	—	—
Gorrin Verdecia, Ricardo	—	Propaganda enemiga	—
Grave de Peralta, Roberto	—	Propaganda enemiga	—
Grave de Peralta, Murrelli L.	13-02-92	Rebelión	13 años
Graveran Piloto, Juan	—	Propaganda enemiga	—
Graveran Piloto, Tomas	—	Propaganda enemiga	—
Guerra Blanco, Jesus	—	—	—
Guero Rosales, Senen	—	Propaganda enemiga	—
Guerra Jimenez, Eduardo	11-06-79	Espionaje	15 años
Gurrero Garufa, Emigdio	—	S.I.P. y actos rep. sabotajes	5 años
Gurrero Martinez, Faustino	—	Sabotaje	—
Gurrero Scheweyer, Alfredo	08-03-87	Espionaje	12 años
Guillen Zalduva, José	—	Sabotaje	1 año
Colobo Qmones, Ricardo	—	Sabotaje	—
Gutierrez, Angel M.	—	Piratería	3 años
Gutierrez Martinez, Guillermo A.	—	S.I.P.	—
Gutierrez Ramos, Rodolfo	—	Rebelión	—
Gutierrez Sosa, José L.	—	Desacato	—
Granda Oviedo, Alain	—	—	—
Hernández Reyes, Samvel	09-12-80	Intento de asilo	25 años
Hernández Teais, Orlando	—	Propaganda enemiga	5 años
Hernández, Eduardo	—	Propaganda enemiga	5 años
Hernández Gonzalez, Alcides	—	Propaganda enemiga	—
Hernández García, Marcos A.	—	Espionaje, sabotaje propaganda enemiga	20 años
Hernández Hernández, Juan	—	Propaganda enemiga	—
Hernández Morales, Yosvani	—	Piratería	3 años
Hernández Luaces, Omar	—	Propaganda enemiga	—
Herrera Macuran, Pastor	—	—	—
Hernández Oviedo, Alain	19-10-90	Sabotaje	5 años
Hernández Toledo, Celasio	—	S.I.P.	—
Hernández Viera, Alberto	—	Piratería	—
Hidalgo Gato, Armando	—	Propaganda enemiga	2 años
Herrera Macuran, Pastor	—	Propaganda enemiga	—

Nombre y Apellidos	Detención	Cargos	Sanción
Herrera Ramírez, Ibrahim	—	Propaganda enemiga	—
Hidalgo Labrada, Rigoberto	—	Propaganda enemiga	—
Hoyo Ruiz, Ruben	—	Propaganda enemiga	6 años
Huerre Peraza, Carlos	—	Propaganda enemiga	3 años
Ibañez Sanchez, Pablo	—	Propaganda enemiga	—
Ibarra Tejeda, Alexix	—	Propaganda enemiga	—
Infante Estrada, Victor R.	—	Revelación secretos MININT	8 años
Isaac Nuñez, Francisco	—	Propaganda enemiga	—
Isquierdo Carmona, Esteban	—	Espionaje	15 años
Jimenez Leon, Rafael	—	Propaganda enemiga	5 años
Jimenez Ramos, David	09-12-80	Intento asilo	—
Jimenez Ramos, Gerardo A.	09-12-80	Intento asilo	25 años
Jimenez Rivero, Francisco	03-07-90	Espionaje	10 años
Jimenez Trujillo, Emerido	—	Desacato	2 años
Jorain Verdecia, Ricardo	09-09-90	Propaganda enemiga	3 años
Kerr Michel, Jorge	—	—	—
Licourt Medina, Bárbaro	—	—	—
Labrada, Rafael	—	Sabotaje	—
Ledesma Quijano, Isidro	02-11-89	Rebelión	3 años
Lamothe Teras, Emilie	—	Propaganda enemiga	—
Lazaro Dominguez, Mamel	—	Propaganda enemiga	8 años
Lazo Martinez, Andrés	—	Propaganda enemiga	—
Leon Aleman, Rene	12-12-90	Rebelión	—
León León, Luis	—	Piratería	4 años
León de la Rosa, Abraham	—	Actos contra la seg. del estado	—
Leiva, Eduardo	—	S.I.P., propaganda e enemiga	—
Leiva Trista, Osmani G.	—	Propaganda enemiga	5 años
Leiva Balado, Lilitana	—	Propaganda enemiga	—
Leiva Leiva, Croniel	—	Propaganda enemiga	3 años
Leiva Miguel, Orlando	—	Sabotaje	—
Licour Medina, Bárbaro	—	Propaganda enemiga sabotaje	—
Linancero Martinez, Luis E.	10-01-90	Terrorismo	15 años
Lino Cardoso, Hector	—	Sedición	30 años
López Beltran, Martin	23-03-79	Ex-militar	25 años

Nombre y Apellidos	Detención	Cargos	Sanción
López Contreras, Leopoldo	—	S.I.P., propaganda enemiga, huelga obrera	6 años
López Contreras, Ramón L.	—	Huelga de transporte	6 años
López Esteves, Carlos	—	Propaganda enemiga	—
López Esteves, Valeriano	—	S.I.P.	—
López Jimenez, Leonardo	—	Sabotaje	15 años
López López, Ruben	—	Propaganda enemiga	—
López Martín, Mammal	—	Propaganda enemiga	—
López Miranda, Diego	23-07-92	Propaganda enemiga	—
López Novogil, Nelson	12-90	Rebelión	—
López Quinta, José	—	Propaganda enemiga	8 años
López Rodríguez, Luis J.	—	Propaganda enemiga	6 años
López de la Rosa, Andrés	—	S.I.P.	—
López Torres, Luis A.	—	Sabotaje, propaganda enemiga	—
López Torres, Luis A.	12-12-90	Sabotaje	—
Lora Gonzalez, Gilberto	—	S.I.P., propaganda enemiga	—
Lucio Rodriguez, Ernesto	21-11-90	—	—
Llanes Marquez, Wilfredo	—	Propaganda enemiga	—
Llyh Ojeda, Raúl	—	Rebelión	—
Matos Sanchez, Huber L.	—	Asociación ilícita y clandest. impresos	1 año y 4 meses
Maestre Saborit, Alexis	18-06-90	Propaganda enemiga	12 años
Magdalena Morales, Jorge D.	—	Desacato	—
Manasa Elijah, Ham	—	Desacato Cde en Jefe	—
Maragoto Martín, Justo	—	Propaganda enemiga	—
Marichal, Orillana, Waldo M.	—	Atentado, desacato	—
Marín Ramirez, Victor O.	—	Desacato Cde en Jefe	—
Marlote Triana, Felix	—	Piratería, rebelión	3 años y 9 meses
Marquez Medina, Rolando	—	Otros actos	—
Marrero Martínez, Lic. Jorge	14-01-85	Espionaje	15 años
Martí Callejas, Roman	18-09-90	Espionaje	12 años
Martí Rivas, Roman	18-09-90	Espionaje	8 años
Martín Callejas, Ruperto R.	—	Sabotaje	12 años
Martín Roca, Pedro S.	—	Propaganda enemiga	—
Maartin Roca, Pedro	22-12-90	Propaganda enemiga	3 años
Martín Roca, Aurelio	—	Propaganda enemiga	—
Martín Terras, Gabriel	—	—	10 años
Martínez Alonso, Pablo	—	Propaganda enemiga	—

Nombre y Apellidos	Detención	Cargos	Sanciones
Martínez Benavides, Reinaldo	—	Propaganda enemiga	—
Martínez, Francisco R.	—	—	—
Martínez Bustamante, Bienvenido	—	—	—
Martínez García, Angel D.	06-02-92	Sabotaje	—
Martínez García, Angel D.	—	Propaganda enemiga	20 años
Martínez Gómez, Luis M.	—	Piratería	—
Martínez Machado, Jesús	—	S.I.P., desacato	—
Martínez Martín, María T.	—	Propaganda enemiga	—
Martínez Martínez, Luis E.	23-03-90	Propaganda enemiga	3 años
Martínez Vidal, José L.	—	Terrorismo	15 años
Matiendo Borroto, José A.	—	Propaganda enemiga	—
Matos Colombie, Rodolfo	07-02-91	Propaganda enemiga	5 años
Matos Sánchez, Hubert L.	—	—	—
Maure Justis, Roberto	—	Propaganda enemiga atentado	—
Mayo Méndez, Juan	01-90	Propaganda enemiga	4 años
Mayo Gómez, Rafael	—	Sabotaje	2 años
Mena Pérez, Adán	—	Sabotaje	10 años
Medina Corso, Santiago	27-06-92	—	4 años
Mendes Rafful, Juan P.	—	Propaganda enemiga	10 años
Mendes Montesinos, René	—	Propaganda enemiga	—
Mendes Fernando, Juan	—	Propaganda enemiga	6 años
Mendes Kemol, Mamel	—	Desacato Cate en Jefe	—
Mendes Veloz, Anibal	—	S.I.P.	—
Mendoza Marrero, María	20-02-92	Piratería	10 años
Merino Guerra, Luciano	—	Propaganda enemiga	—
Mesa Hernández, Mario	01-07-90	Propaganda enemiga	5 años
Miero Díaz, Jorge R.	—	S.I.P.	—
Mojena Anjeris, José M.	19-01-91	S.I.P.	—
Monjer Quintana, Eduardo	—	Sabotaje	—
Montes Prendes, Reinaldo	—	Espionaje económico	—
Montes de Oca, René	—	Desacato	—
Montes de Oca Candio, Ronaldo de la C.	—	S.I.P.	—
Montesgado Rodríguez, Luis	—	Intento asilo embaj. España	4 años
Montero Hernández, Alfredo	—	S.I.P.	—
Montesinos Arguelles, Sara	—	Piratería	—
Montoya González, Jesús	—	Sabotaje	10 años
Morales Viort, Lázaro L.	03-02-90	Propaganda enemiga	4 años
Martínez Hernández, Mario	—	Desacato	—
Moral Veliz, Martín	—	S.I.P., desacato	—

Nombre y Apellidos	Detención	Cargos	Sanciones
Morales Beltrán, Omar	—	Posible sabotaje	—
Morales Cantero, Silvio A.	—	Sabotaje	18 años
Morales , Pedro J.	—	Propaganda enemiga	—
Morales Guzrero, Ariel	—	Sabotaje	—
Morales Rodriguez, Pablo	—	Asoc. Ilfrita, agrup. o/r	—
Morales Trujillo, Fredy	—	Sabotaje	20 años
Moreno Reyes, Juan J.	21-11-92	Propaganda enemiga	—
Morejón Rodríguez, Felipe A.	21-11-89	Propaganda enemiga	—
Moreno Tapia, Juan P.	—	Desacato	3 años
Murez Justis, Roberto	24-03-91	Propaganda enemiga atentado, desacato	6 años
Muñoz López, Pedro R.	—	Desacato Cnte en Jefe	—
Muñoz Rodríguez, Guillermo	—	S.I.P.	2 años
Napoles Fernández, Raidal	—	Propaganda enemiga	1 año
Naranjo Ramirez, Eladio	—	Desacato, difamación héroes y martires	—
Naranjo Fonseca, José M.	—	Probable sabotaje	—
Nasco Marrero, Ares	13-01-90	Terrorismo	8 años
Noguera Napoles, Julio	19-01-92	S.I.P.	—
Noto Barrios, Agustín	—	—	—
Nuñez López, Pastor	—	Sabotaje	—
Nuñez Nuñez, Martín	—	S.I.P.	—
Nuñez Cos, Ariel A.	—	Propaganda enemiga	—
Nuñez Villegas, Alcides	—	Desacato	1 año y 6 meses
O'Farrill Victor, Felix	—	Sabotaje	2 años
Orme Caballero, Carlos C.	—	Rebelión	7 años
Ortega Hunt, Leandro A.	—	Desacato Cnte en Jefe	—
Orunda Montejo, Fernando	—	Propaganda enemiga	5 años
Oscorio Pupo, Merquides	—	Sabotaje	—
Oscorio Sierra, Ramón	—	Sabotaje	—
Oviedo Hermida, Ala	15-10-90	Sabotaje	—
Pairal Díaz, Omar	—	Sabotaje	3 años
Pantoja Flores, Fidel	—	Propaganda enemiga	—
Pacheco Victoria, Luis	—	Propaganda enemiga	—
Pantoja Rodríguez, Antonio	—	Propaganda enemiga	—
Pasarín Siro, Roman	—	Propaganda enemiga sabotaje	—

Nombre y Apellidos	Detención	Cargos	Sanción
Pascual Bello, Rodolfo	—	Sabotaje	5 años
Pages Navarro, Rolando C.	—	Asociación ilícita	1 año
Pelegrin Campbell, Osmari	20-12-89	Sabotaje y propaganda	—
Pelegrin Ramirez, Raymundo	—	Sabotaje	—
Pena Ruiz, Mario	—	Actos contra la segr. del estado	—
Peraza, Carlos	—	Propaganda enemiga	5 años
Peraza Cabrera, Eduardo	21-10-88	Sabotaje	15 años
Perdomo Feria, Rafael	—	Sabotaje	—
Pérez, Omar	—	Propaganda enemiga	2 años
Pérez de Agreda Gómez, Ricardo L.	—	Desacato Cúte En Jefe	—
Pérez Barrera, Pedro	—	Propaganda enemiga	2 años
Pérez Batista, Pidel	—	—	—
Pérez Cardoso, Osvaldo	—	Propaganda enemiga	3 años
Pérez Fuentes, Nérida	—	Falsificación Docum.	8 años
Pérez Hernández, Jorge O.	—	S.I.P.	—
Pérez Manso, Benito S.	—	S.I.P.	—
Pérez Martín, Juan	09-02-90	Propaganda enemiga	—
Pérez Martínez, Justo	—	Sabotaje	—
Pérez Martínez, Manuel F.	—	Desacato Cúte en Jefe	—
Pérez Miranda, Ariel O.	—	Desacato	—
Pérez Morales, Omar	22-03-90	Propaganda enemiga	2 años
Pérez Pulido, Osvaldo	—	Propaganda enemiga	2 años y 6 meses
Pérez Rodríguez, Victor L.	—	S.I.P.	—
Pérez Smith, Angel M.	—	Otros actos contra la segr. del estado	5 años
Pérez Trueba, Carlos	—	Propaganda enemiga	5 años
Pérez Vidal, Lazaro	—	—	—
Pino Gonzalez, Ramón I.	—	Sabotaje	2 años y 6 meses
Pintado Vitier, Armando	—	Propaganda enemiga	—
Pita Santos, Luis A.	01-05-90	Asociación ilícita y desacato	5 años
Piris Piyd, Fernando	24-03-91	Atentado	6 años
Placencia, Gonsalo	—	Desacato	2 años y 6 meses
Poinet Hernández, Omar	—	Propaganda enemiga	—
Poll Ramos, Jorga	24-01-90	Propaganda enemiga	8 años
Pulido Valdivia, Juana M.	—	Desacato Cúte en Jefe	—



Nombres y Apellidos	Detención	Cargos	Sanción
Polanco Vasquez, Reynaldo	10-12-89	Sabotaje y propaganda enemiga	—
Pomar, Jorge	—	Asociación ilícita	2 años
Portal Artiles, Armijail	—	Desacato	2 años y 6 meses
Portuondo Rodriguez, Rafael	—	Propaganda enemiga	—
Poso Marrero, Dr. Omar	—	Revelación secretos - del MININT	15 años
Pomar Montalvo, Jorge A.	—	—	—
Prendes Montes, A. Jaime	—	Espionaje económico	—
Pridas, Ednardo	—	Sabotaje	15 años
Prio Ayala, Rafael A.	—	Propaganda enemiga	3 años
Prieto Méndez, Angel	26-12-91	Desacato	—
Puig Valdes, Rolando	—	Otros actos contra la seguridad del estado	—
Pujol Irixar, José L.	02-92	Propaganda enemiga	3 años
Puentes Valdes, Jorge L.	—	Propaganda enemiga	—
Pruno Isaac, Alberto	—	Propaganda enemiga	—
Quesada Fernández, Carlos	—	S.I.P.	—
Quesada Fernández, Juan P.	—	S.I.P.	—
Quesada Garcia, Roberto	—	Portar armas de fuego	—
Quiala Parra, Wismark	—	Sabotaje	—
Quiala Parra, Jorge S.	—	Sabotaje	—
Quinta López, José	—	Propaganda enemiga	—
Quintana Silva, Jorge	—	Supuesto desacato	—
Quiñones, Esfl	—	—	4 años
Quiñones Estrada, Luis E.	19-01-91	S.I.P.	—
Quiñiello Echevarría, Mirian	23-07-92	Propaganda enemiga	—
Ramirez Pérez, Eduardo	—	Piratería	15 años
Ramirez Texrero, Frank	24-08-87	Intento asilo	4 años
Ramirez, Mario	—	—	—
Ramos Andreu, Pedro R.	—	Propaganda enemiga	3 años
Ramos Carratala, Lazaro	10-07-92	Sabotaje	—
Ramos Lechuga, Arcelio	18-02-72	Ex-militar	36 años
Ramón Llorens, Juan	—	Propaganda enemiga	1 año y 6 meses
Ramos Martinez, Donato	18-03-87	Piratería	13 años
Ramos Rodriguez, Tomas	—	Terrorismo y rebelión	20 años
Ramos Rojas, Domingo	—	—	—

Nombre y Apellidos	Detención	Cargos	Sanción
Restano Díaz, Rolando	--	Rebelión	10 años
Reyes Martínez, Pablo	--	Propaganda enemiga	--
Reyes López, Ricardo	--	--	--
Reyes Sánchez, Jesús A.	15-05-90	Atentado	20 años
Risco Herrera, Ramón	19-01-91	S.I.P.	--
Rivas Hernández, Celestino	--	--	--
Rivera Gutiérrez, José	--	Propaganda enemiga	--
Rivero Betancourt, Martha L.	06-04-91	Piratería	3 años y 6 meses
Rivero Rodríguez, Pablo	--	Propaganda enemiga	6 años y 10 meses
Ricardo, Aurelio	--	--	--
Rodríguez Abreu, Omar	05-01-90	Sabotaje y propaganda enemiga	5 años
Rodríguez, Tomás	--	S.I.P.	--
Rodríguez Alonso, Cecilio	--	Propaganda enemiga	--
Rodríguez Benites, José R.	--	Propaganda enemiga	--
Rodríguez Carrillo, Juan	--	S.I.P.	--
Rodríguez Campos, Jacinto	--	Sabotaje	10 años
Rodríguez Castillo, Carlos M.	22-11-89	Piratería	8 años y 6 meses
Rodríguez Castillo, Manuel C.	--	Piratería	7 años y 7 meses
Rodríguez Hernández, Arnaldo P.	--	Propaganda enemiga	--
Rodríguez Herrada, José	--	Piratería	12 años
Rodríguez León, Luis	--	Propaganda enemiga	--
Rodríguez Fuentes, Humberto	--	--	--
Rodríguez Leiva, Robier	--	Rebelión	--
Rodríguez Martínez, Israel C.	--	Desacato Cnte en Jefe	--
Rodríguez Martínez, José A.	05-12-91	--	--
Rodríguez Pérez, Alne	--	Propaganda enemiga y sabotaje	9 años
Rodríguez Placencia, Walter	08-90	Piratería	3 años
Rodríguez Pupo, Ramón	--	Sabotaje	30 años
Rodríguez Ramírez, Jaquín F.	--	Propaganda enemiga	4 años y 6 meses
Rodríguez Rangel, Ramiro	15-04-83	Sedición	30 años
Rodríguez Rivero, Librado	--	Desacato Cnte en Jefe	--
Rodríguez Rodríguez, Armando	21-03-91	Propaganda enemiga	4 años
Rodríguez Rodríguez, Bernardo	--	Espionaje	14 años
Rodríguez Rodríguez, Orelvis	--	Piratería	15 años

Nombre y Apellidos	Detención	Cargos	Sanción
Rodriguez Rodriguez, Raudel	25-01-80	Rebelión	30 años
Rodriguez Roque, Alexis	—	Propaganda enemiga	2 años
Rodriguez Simon, Jorge	—	Desacato Cmte en Jefe	—
Rodriguez Sosa, Gustavo	11-01-91	Rebelión	18 años
Rodriguez Villavicencio, Julio	—	S.I.P.	—
Romaguera Calá, Alberto	—	Piratería	—
Rodriguez Fonseca, Alberto L.	—	Piratería	—
Rosero Fernández, Carlos	—	S.I.P.	—
Roman Pasarin, Gabriel	24-03-91	Propaganda enemiga atentado	4 años
Roman Pasarin, Ciro	24-03-91	Propaganda enemiga atentado	11 años
De la Rosa Garcia, Nelson	—	Piratería	17 años
Rosa Mendoza, Juan A.	—	S.I.P.	—
Rosado Torres, Francisco	06-01-90	Terrorismo	10 años
Rosario Carballo, Damian	—	—	—
Royo Estrada, Carlos	02-92	Propaganda enemiga	—
Ruiz Columbié, Arquimides	—	Rebelión	10 años
Ruiz Díaz, Rafael	—	Propaganda enemiga	—
Ruiz Matosos, Máximo O.	—	Desacato, S.I.P. de servición	20 años
Ruiz Echevarría, Jorge	—	Sabotaje	—
Ruiz Varela, Antonio	—	S.I.P.	—
Ruiz Varela, Daniel	—	S.I.P.	—
Ruiz Vinent, Maurilio	—	Sabotaje	20 años
Saes Alvarez, Gregorio	—	—	—
Sainz Castro, Roberto	—	Desacato	—
Salvia Ricardo, Ismael	—	Agrupación e/r	—
Sanchez , Alexis	—	Propaganda enemiga	1 año
Sanchez Echevarría, Julio	—	Sabotaje	—
Sanchez Figueredo, Pedro	12-01-90	Propaganda enemiga	—
Sanchez Olivares, Luis	—	Propaganda enemiga	—
Santana Luis, José	—	Propaganda enemiga	1 año
Santos Dávila, Guillermo	04-01-90	Otros actos contra la segrd. del estado	3 años
Sarmientos Hernández, José O.	31-03-81 6 18-09-80	Ex-militar Batista	30 años
Santovenia Fernández, Daniel	—	Otros actos contra la segrd. del estado	—
Seibanes Padrón, Luis	28-04-90	Terrorismo y propaganda	13 años
Sierra Guerra, Alberto L.	—	S.I.P.	—


Nombre y Apellidos	Detención	Cargos	Sanción
Sierra Pérez, J. Carlos	—	Terrorismo	15 años
Simon Poll, Sergio	—	—	2 años
Sixto López Alberto	—	Propaganda enemiga	9 años
Socarrás López, Alberto T.	12-12-90	Sabotaje	—
Soto Morell, Marco A.	—	—	30 años
Sotolongo Rodriguez, Ramón	03-90	Propaganda enemiga	3 años
Speck Gonzalez, Lino	07-09-92	Sabotaje	30 años
Stenense Betancourt, Arturo	—	Propaganda enemiga	—
Suarez Cao, Wilder	—	Propaganda enemiga	—
Suarez Fernández, Julio	08-06-90	—	5 años
Suarez Pérez, Felipe	24-12-90	Sabotaje	—
Suarez Taboada, José	—	—	8 años
Suarez Ramos, Arturo	10-05-87	Piratería	30 años
Tamayo Mojena, Luis L.	—	Sabotaje	—
Tapanes Tapanes, Regla	14-03-92	Propaganda enemiga	—
Tejeda Rodriguez, Angel	—	Sabotaje	—
Tenreiro , Abelardo	—	Propaganda enemiga	2 años y 6 meses
Tobal Sanchez, Roberto	—	Desacato Cmte en Jefe	—
Toledo Lugo, Timoteo	—	Rebelión	30 años
Toledano Rodriguez, Jaime A.	22-11-90	Propaganda enemiga	3 años
Torres , Juan G.	—	S.I.P.	4 años
De la Torre Calero, Reidel	06-03-92	Posible sabotaje	—
Torre Jimenez, Lorenzo	28-04-90	Terrorismo y propaganda enemiga	7 años
Torres Lloridano, Eislán	83	Sabotaje	30 años
Torres Santana, Adhíl	—	Sabotaje	7 años
Trujillo Cervantes, Rafael	—	Desacato	3 años
Trujillo Graberon, José	—	Propaganda enemiga	—
Valenzuela Tabon, Luis	—	Desacato Cmte en Jefe	—
Valenzuela Tabon, Pedro F.	—	Desacato Cmte en Jefe	—
Valdes Baro, Fidel	—	Propaganda enemiga	—
Valdes Medina, Antonio	—	Desacato, S.I.P.	—
Valdes Semanat, Ismael	—	Sabotaje	—
Varona Betancourt, Virgilio	—	Otros actos contra la segur. del estado	—
Valladares Efigenio, José	—	Otros actos contra la segur. del estado y - propaganda enemiga	—

Nombres y Apellidos	Detención	Cargos	Sanción
Valladares Rodríguez, Osvaldo	—	S.I.P.	—
Varona Gongora, Rene	—	Terrorismo	5 años
Vasquez Cárdenas, Elio	—	Sabotaje	2 años
Vasquez Cabrera, José L.	—	Desacato Cmte en Jefe	—
Vasquez Méndez, Jorge	—	Propaganda enemiga	5 años
Velasquez Medina, Fernando	—	Asociación ilfocita	2 años
Venegas Espinosa, Eugenio	—	Desacato Cmte en Jefe	—
Vega Alonso, Olegario	—	Propaganda enemiga	—
Vega Cabrera, Martha	—	Propaganda enemiga	3 años
Vergara Linares, Higinio	05-03-74	Ex-militar	30 años
Velaz Vasconcelo, Raul	—	—	—
Vera Trabajo, Rafael	—	Propaganda enemiga	—
Vialort Del Valle, Moises A.	06-01-90	Terrorismo	8 años
Vidal Franco, Eduardo	—	Propaganda enemiga	6 años
Vila Linares, Fidel	22-03-90	Propaganda enemiga	5 años
Villar Sidron, Felix	29-08-84	Piratería	20 años
Villas Redondo, Carlos	—	Propaganda enemiga	—
Wilian Garcia, Jorge	18-09-90	Sabotaje	5 años
Yalin Morales, Enrique	—	Propaganda enemiga	—
Yasim Faham, Ahmed	—	Desacato Cmte en Jefe	—
Yoises Murrero, Alfredo	—	Propaganda enemiga	—
Zaragoza, Rivera, Mammal	—	Propaganda enemiga	1 año y 6 meses

RESUMEN

Total de presos políticos (aproximado)	607
Hombres	580
Mujeres	27
Desglosados según causas:	
Propaganda enemiga	275
Sabotaje	89
Sálida ilegal del país (con propaganda enemiga)	58
Piratería	32
Desacato	43
Terrorismo	19
Espionaje	20
Actos contra la seguridad del estado	16
Rebelión	15
Asociación ilícita	14
Intento de asilo	5
Revelación de secretos	4
Ex-militares	4
Sedición	4
Atentado	3
Infiltración	2
Huelga Obrera	2
Traición	1
Difamación a héroes y mártires	1

Sólo un breve comentario para destacar el incremento de los cargos de - propaganda enemiga, desacato y asociación ilícita, lo que demuestra la - creciente necesidad del pueblo de expresarse libremente, sus sentimientos parecer y sus ansias de cambios en pos del sagrado derecho a vivir en un mundo donde se respete la individualidad y la libertad de opinión y expresión cómo se establece en el artículo 19 de la Declaración Universal de Derechos Humanos.

  
Aida M. Valdés Santana



## Economic and Social Council

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Fiftieth session  
Item 12 of the provisional agenda

QUESTION OF THE VIOLATION OF HUMAN RIGHTS AND FUNDAMENTAL FREEDOMS  
IN ANY PART OF THE WORLD, WITH PARTICULAR REFERENCE TO COLONIAL  
AND OTHER DEPENDENT COUNTRIES AND TERRITORIES

Report on the situation of human rights in Cuba, prepared by  
the Special Rapporteur, Mr. Carl-Johan Groth, in accordance  
with Commission resolution 1993/63

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## I. INTRODUCTION

1. At its forty-ninth session, the Commission on Human Rights adopted resolution 1993/63, entitled "Situation of human rights in Cuba", on 10 March 1993. In that resolution, the Commission decided to extend for another year the mandate conferred on the Special Rapporteur under resolution 1992/61 of 3 March 1992, whereby Mr. Carl-Johan Groth had been appointed Special Rapporteur.
2. In resolution 1993/63, approved by the Economic and Social Council in its decision 1993/274, the Special Rapporteur was requested to submit a report to the Commission at its fiftieth session, as well as an interim report which was submitted to the General Assembly at its forty-eighth session (A/48/562). For its part, the General Assembly adopted resolution 48/142 entitled "Situation of human rights in Cuba", in which it decided to continue the consideration of the question at the forty-ninth session. The present report is basically an update of the interim report.
3. In resolution 1993/63, the Commission also requested the Special Rapporteur to maintain direct contact with the Government and citizens of Cuba, and, noting that the Government of Cuba had failed to cooperate with the Special Rapporteur, called on it to permit him the opportunity to carry out his mandate in full, in particular by allowing him to visit Cuba.
4. Pursuant to his mandate, the Special Rapporteur, on 24 August 1993, addressed a letter to the Permanent Representative of Cuba to the United Nations Office at Geneva requesting the collaboration of the Cuban Government and an opportunity to visit the country. To date, there has been no answer to the letter, which is reproduced in appendix I to this report.
5. Also pursuant to his mandate, the Special Rapporteur tried to obtain information from a wide variety of sources, and expressed his willingness to receive any person or group wishing to meet him. For that purpose, and bearing in mind that most of the sources of information on the situation of human rights in Cuba are in the United States of America, he travelled to New York and Washington from 15 to 22 September 1993, where he had the opportunity to meet individuals and representatives of the following organizations and groups: the Cuban Committee for Human Rights, the Committee to Support the Human Rights Movement in Cuba, the Cuban Women's Foundation, the Foundation for Human Rights in Cuba, Freedom House, the Cuban Workers Trade Union, Americas Watch, Areito Review, the Cuban-American Committee of New Jersey, the Cuban Christian Democratic Party, the World Federation of Cuban Political Prisoners, the Cuban Human Rights Party, the Centre for Human Rights, the Cuban Committee against the Blockade, the Puerto Rican Group against the Blockade and Inter-American Dialogue. The Special Rapporteur also had a working session in Madrid on 24 September, where he had occasion to meet representatives of the Association for Continental Peace (ASOPAZCO), the Cuban Liberal Union and a group of 13 former Cuban prisoners exiled in Spain. During the current year, the Special Rapporteur also had an opportunity to meet representatives of the Coordinating Body for Human Rights Organizations in Cuba, and received written material - in addition to that received from the



above-mentioned sources - from such sources as the Information Bureau of the Cuban Human Rights Movement and Amnesty International, as well as a number of communications sent to the Special Rapporteur by Cuban citizens residing in Cuba.

## II. CIVIL AND POLITICAL RIGHTS

6. In analysing the information received regarding the situation of human rights, the Special Rapporteur has taken as a point of reference the relevant international instruments and in particular wishes to keep in mind some paragraphs of the Vienna Declaration and Programme of Action adopted by the World Conference on Human Rights on 25 June 1993. 1/ Firstly, in paragraph 1 of part I of the Declaration, the Conference reaffirmed "the solemn commitment of all States to fulfil their obligations to promote universal respect for, and observance and protection of, all human rights and fundamental freedoms for all in accordance with the Charter of the United Nations, other instruments relating to human rights, and international law. The universal nature of these rights and freedoms is beyond question".

7. For its part, paragraph 5 states that:

"All human rights are universal, indivisible and interdependent and interrelated. The international community must treat human rights globally in a fair and equal manner, on the same footing, and with the same emphasis. While the significance of national and regional particularities and various historical, cultural and religious backgrounds must be borne in mind, it is the duty of States, regardless of their political, economic and cultural systems, to promote and protect all human rights and fundamental freedoms."

Lastly, paragraph 8 reads:

"Democracy, development and respect for human rights and fundamental freedoms are interdependent and mutually reinforcing. Democracy is based on the freely expressed will of the people to determine their own political, economic, social and cultural systems and their full participation in all aspects of their lives. In the context of the above, the promotion and protection of human rights and fundamental freedoms at the national and international levels should be universal and conducted without conditions attached. The international community should support the strengthening and promoting of democracy, development and respect for human rights and fundamental freedoms in the entire world."

8. On the basis of these provisions, the Special Rapporteur arrived at the following conclusions. No matter what form it takes, a country's political system cannot be maintained if it means that the human rights and fundamental freedoms of citizens defined in international instruments are being systematically violated. Moreover, the interpretation of these rights cannot be the sole prerogative of the authorities of the State or of monolithic Governments which control the channelling of the alleged interests of various sectors of society. The Special Rapporteur is also of the opinion that advances in the economic and social field constitute a constructive basis for

advances in the field of civil and political rights. As stated in the Vienna Declaration and Programme of Action, advances in one area of human rights, specifically economic and social rights, cannot serve as justification for serious shortcomings in the protection and promotion of another category of rights, namely civil and political rights. Given their indivisibility, advances in the two areas must be parallel, otherwise the rights to which priority has been given might in the long term be diminished by the rights formerly minimized.

#### A. Legal and constitutional framework

9. Certain provisions of the current Constitution are crucial to an understanding of the background to civil and political rights. Article 1 proclaims that "Cuba is a socialist State of workers", and article 5 declares that "the Communist Party of Cuba, inspired by José Martí and Marxist-Leninist in nature, the organized vanguard of the Cuban nation, is the supreme leading force in society and the State, organizing and guiding the common efforts towards the noble goals of building socialism and progressing towards the communist society". According to article 62, "none of the freedoms which are recognized for citizens can be exercised contrary to what is established in the Constitution and the law, or contrary to the existence and objectives of the socialist State, or contrary to the decision of the Cuban people to build socialism and communism. Violations of this principle are punishable".

10. While the Constitution contains several provisions aimed at guaranteeing such basic rights as freedom of speech and freedom of the press (art. 53), freedom of assembly, freedom to demonstrate and freedom of association (art. 54), and the right to file complaints with and send petitions to the authorities (art. 63), it is obvious that those rights may be exercised only when, in the eyes of the authorities, that would not involve any challenge to the status quo or to the official ideology.

11. In this connection, mention should also be made of the constitutional precepts governing mass organizations. Article 6 declares that "the Union of Communist Youth, an organization of Cuban youth in the vanguard, is recognized and encouraged by the State in its primary task of promoting active participation by the young masses in the building of socialism". Likewise, article 7 stipulates that "the Cuban Socialist State recognizes and encourages the mass social organizations [...] which comprise various sectors of the population, represent the specific interests of the same and involve them in the tasks of building, consolidating and defending socialist society". These precepts establish beyond all doubt the ideological framework within which new associations may be formed. Any association which, in the opinion of the authorities, fails to meet that standard will have its application for registration denied or, as happens more often in practice, ignored.

12. A logical corollary to those constitutional precepts is the punishment of any act that can in any way be contrary to the status quo. The 1987 Penal Code thus has among its objectives "helping to develop among all citizens an awareness of the need to respect the socialist legal order, do their duty and properly observe the norms of socialist coexistence" (art. 1). The Code also specifies that "the purpose of the penalty is not only to punish the offence, but also to provide re-education in the principles ... of respect for the

norms of socialist coexistence" (art. 27). The Code goes on to identify a number of acts as offences against the internal security of the State, stipulating heavy prison sentences. In addition, under article 44, the court may, at its discretion, order confiscation of property as punishment for offences against the security of the State. Some of those offences, e.g. rebellion and sedition, involve the use of violence or force of arms. Others, however, such as enemy propaganda, do not involve the use of any violent means. Among those liable to punishment is any person who, by means of spoken, written or any other form of propaganda, incites others to take action against the social order or the socialist State, or who produces, distributes or possesses such propaganda. Furthermore, in the context of offences against the security of the State, preparatory acts are punishable under article 12. Article 72 of the Code deals with the concept of "dangerous state", which it defines as "a person's special proclivity to commit offences as demonstrated by conduct that is manifestly contrary to the norms of socialist morality"; it provides that any person who might develop a proclivity to commit offences, because of connections or relations with persons who are potentially dangerous to the social, economic and political order of the socialist State, shall be warned by the police authorities. It also states that preventive security measures involving, inter alia, supervision by National Revolutionary Police bodies may be taken against a person declared to be in a dangerous state.

13. The Penal Code's definition of other acts as offences - e.g. unlawful association, assembly and demonstration (arts. 208 and 209, which lay down penalties for associate or affiliate members, as well as promoters or directors of unregistered organizations), possession of illegal printed matter (art. 210) or contempt (art. 144) - is also likely to be applied to conduct which in any way implies the expression of opinions critical of the official ideology or of the actions of the authorities.

14. To illustrate this point, the Special Rapporteur would like to mention the provisional conclusions reached by the prosecutor in the October 1992 trial on the charge of enemy propaganda of Sebastián Arcos Bergnes, a leading member of the Cuban Committee for Human Rights, 2/ in order to show what type of action may be punishable:

"Sebastián Arcos Bergnes, without regard for the law, sent information to stations based outside the country, for the purpose of contributing to the campaign to discredit Cuba.

"In breach of the disciplinary code of the Combinado del Este Prison, he gave handwritten notes to counter-revolutionary inmates, with the aim of helping to incite opposition to the Cuban social system.

"During a search at the Combinado del Este Prison on 11 December 1991 ... pieces of paper with handwriting in ink ... were found on the prisoner. On one piece of paper ... the accused, Sebastián Arcos Bergnes, had written, and I quote: 'We are making continual demands for democratic changes to the regime, and we are trying to develop the necessary national consciousness so as to be able to bring about those changes through peaceful, but firm, civil resistance among the population. That is our main task, our educational task, our present

task ... then demand lunch, transport, private car; then amnesty, freedom of expression, freedom of association and, finally, democracy!' In other words, use systematic propaganda to promote action against our social system."

15. The Special Rapporteur does not consider it part of his mandate to express opinions about the ideological principles embodied in the Constitution. His comments relate to the restrictions which the interpretation and implementation of those principles by the authorities may place on the basic rights of the population.

B. Most frequent patterns of violations and specially vulnerable groups

16. On the basis of direct testimony, contacts with analysts of the Cuban experience and abundant written documentation, the Special Rapporteur has been able to note the excessive control exerted over the population via the institutional machinery. This has resulted in a systematic violation of, inter alia, the principle of non-discrimination on political grounds and the right to freedom of opinion and expression. This control is applied in the day-to-day life of every citizen - in the workplace, at educational institutions and even at the neighbourhood level. Education itself also has an ideological orientation, to judge from the Constitution, article 38 of which states that parents have a duty to contribute actively to the all-round education and training of their children as useful citizens prepared for life in a socialist society, whereas article 39 stipulates that the State bases its educational and cultural policy on Marxist ideology, and promotes patriotic education and communist training of the new generations.

17. According to the information received, the so-called "cumulative school record" and "employment record" make it possible to monitor the ideological integration of individuals virtually throughout their lives, by including not only purely academic or employment-related material, but also information regarding their membership in mass organizations, functions performed in such organizations, level of activism, ideological features of family members, misconduct, etc. Often individuals are expelled from educational institutions, dismissed from their jobs or subjected to some form of discrimination for expressing, in some way, views inconsistent with the official ideology.

18. The Committee of Experts on the Application of Conventions and Recommendations of the International Labour Organisation, considered some of these questions in connection with the application of Convention No. 111 concerning Discrimination in respect of Employment and Occupation, ratified by Cuba in 1965, in the light of comments made by non-governmental organizations alleging discrimination based on political opinion, in access to education, training and employment. Since this Committee is a body with which the Government has maintained a dialogue, the Special Rapporteur considers it important to make full reference to its consideration of the case of Cuba.

19. Among other comments, the Committee of Experts pointed out in 1992 that the Regulations for the Application of Employment Policy, like the Labour Code, defined the labour record as a document that contains data and

particulars of each worker's job and that the employing agency is under an obligation to prepare, update and maintain the record. Yet according to resolution No. 590/1980 of the State Committee on Labour and Social Security (CRTSS), distinctions which do not constitute a labour merit, but which are conferred by such bodies as mass organizations or official institutions and which express the "revolutionary attitude maintained by the worker outside his work centre" may be included in the labour record. The Committee of Experts considered that those provisions were not in conformity with the provisions of the Convention concerning the Elimination of any Discrimination Based on Political Opinion and that the inclusion in the labour record of distinctions conferred for a "revolutionary attitude" outside the labour environment might constitute discrimination. 3/

20. In its 1993 report, the Committee of Experts took note of the information supplied by the Government to the effect that the Ministries of Education and Higher Training had undertaken studies with a view to removing from the student's school record elements which did not involve academic matters and that discussions were being held on a draft regulation for the application of employment policy, which defined the content of the cumulative labour record and would indicate clearly that it could no longer contain information on merits or demerits. The Government also indicated that resolution No. 590/1980 had been repealed, and that the Government was conducting an inquiry on the internal rules that had been established by some enterprises with a view to eliminating from files all information relative to moral attitude or social conduct of workers, which were extraneous to the employment relationship. 4/

21. With regard to the communications media, the above-mentioned article 53 of the Constitution states that material conditions for the exercise of freedom of speech and of the press are created by the fact that the press, radio, television, cinema and other mass media are State-owned or social property and can in no case be privately owned. On this basis, there is no doubt that the authorities exercise strict control over the media and that censorship is practised systematically. The Committee of Experts on the Application of Conventions and Recommendations also referred in its 1993 report to possible discrimination against journalists on ideological grounds, stating in particular:

"In previous direct requests, the Committee had noted that section 3 of resolution No. 50, of 21 September 1987, respecting the parameters for evaluating the performance of workers in journalism includes the political and ideological scope of the work performed. The Committee noted that the outcome of the evaluation affects the wage level of the workers in question since an evaluation that is not 'positive' has the effect of lowering the worker's wages. . . . Section 28 provides that as a result of a non-positive biennial evaluation the employment relationship of the person concerned may be terminated. The Committee notes the Government's reply that journalists' performances are evaluated solely on the basis of their qualifications and the results of their work. Given, however, that the text of this resolution makes reference to ideological and political elements which may affect both access to, and security of, employment and conditions of employment, the Committee asks the Government to provide information, in its next report, on the

measures taken or envisaged to remove these elements from the criteria for evaluation of journalists, set forth in resolution No. 50, so as to bring it into line with the stated practice of judging performance on the sole bases of qualifications and results." §/

22. Another form of social and political control is exercised by the direct harassment of security agents, or through arrest and sentencing in the courts for offences defined by law. Here, the most vulnerable sector is the one made up of individuals belonging to groups that have emerged, without formal legal recognition, for the purpose of defending human rights or labour union rights and in some cases for a political purpose. The Special Rapporteur sees these groups as characterized above all by their zeal to use only peaceful means to achieve their ends. In many cases, they have applied to the authorities for inclusion in the Ministry of Justice's register of associations, although the requests have as a general rule remained unanswered. At the present time, there seem to be about 100 such associations and groups, according to a list recently received by the Special Rapporteur, each of them varying in their number of members, date of establishment or orientation.

23. As for the right to establish and join trade union organizations, the Special Rapporteur mentioned in his previous report to the Commission on Human Rights §/ that the Committee on Freedom of Association of the International Labour Organisation had examined a complaint relating, *inter alia*, to the impossibility of establishing independent trade unions and the monopoly exercised in that regard by the Central Organization of Cuban Workers (CTC), the official trade union, and that the Committee had formulated provisional conclusions on the case. As part of its recommendations, the Committee urged the Government to send precise observations on the failure of the Ministry of Justice to reply to the request for registration and recognition of legal personality submitted by the General Union of Cuban Workers (UGTC). In the course of its May 1993 session, the Committee took up the complaint again in the light of the reply furnished by the Government and reached the following conclusions:

"280. As regards the allegation concerning the Ministry of Justice's failure to reply to the request for registration and recognition of legal personality submitted by the General Union of Cuban Workers (UGTC) (its rules and a list of some of the members' names had been enclosed by the complainant organization), the Committee notes the observations made by the Government according to which a request for registration had not been submitted, merely a request to the Ministry of Justice for a 'certificate of recognition' that there was no association of workers with the same name in that department and that, subsequently, Mr. Gutiérrez asked the Ministry to discount the aforementioned request for registration. In the Committee's opinion, it seems that 'certificate of recognition' was requested by Mr. Gutiérrez with the express aim of being able subsequently to request 'legal registration' for the new trade union, and he thus seemingly embarked on a procedure obviously with the

aim of registering a new trade union body. The Committee observes, moreover, that from the documentation included by the Government it seems that, although Mr. Gutiérrez in effect asked for the UCTC registration application to be discounted, this was merely due to the fact that he wished to change the name of the association to the 'Union of Cuban Workers (UCTC)'.

"281. In the circumstances, the Committee concludes that the General Union of Cuban Workers was set up over a year and a half ago (according to the Government, it is now called the Union of Cuban Workers (USTC)), and has still not been registered. Furthermore, although it notes that the Government's declarations concerning the UGTC's lack of representativity, the Committee must point out that the fact that an organization has only a small number of members is not a good enough reason for refusing registration. In the circumstances, the Committee once again urges the Government to make an immediate pronouncement on the registration of the General Union of Cuban Workers (UGTC) (which according to the Government is now called the Union of Cuban Workers (USTC)), bearing in mind that, under Article 2 of Convention No. 07, workers and employers, without distinction whatsoever, shall have the right to establish and, subject only to the rules of the organization concerned, to join organizations of their choosing without previous authorization. The Committee requests the Government to keep it informed of any measures adopted in this regard." 1/

24. A great many of the complaints received by the Special Rapporteur concern persons, in some way linked to human rights, trade union or political groups, who indicate that they were visited by State security agents at their homes or workplaces and threatened with loss of employment, prosecution or so-called "acts of repudiation" on the part of the "rapid response brigades" and, in some cases, were assaulted in the street by unknown persons or warned to leave the country. Examples include the cases of Aida Rosa Jiménez and Asalia Sallestez Cintas, of the Democratic Civic Party; Rolando González Llanes, of the Human Rights Party in Guines, who was beaten by members of the police on 24 August 1993; and René Contreras Blanch, of the Cuban Human Rights Party, who was beaten on 16 March 1993 in the centre of Havana by members of the police and suffered head injuries. On 15 January 1994, the police staked out the homes of René del Pozo and Vladimiro Roca, of the Socialist Movement, in order to prevent a meeting from being held. In the view of the Special Rapporteur, the idea of allowing groups of persons without legal identity or responsibility to "administer justice" is something that cannot be accepted in any society.

25. In other cases, the persons concerned are summoned to appear before the police where they are warned or held in custody for a short period and interrogated. Threats of reprisals against the family are also frequent, as well as house searches. For example, the case was reported of Robert Trobajo Hernández, Secretary of Cuba's General Union of Workers in Havana province and member of the National Commission of Independent Trade Unions, who was arrested on 5 March 1993 in the Gaira de Melena district and taken to the police station at San Antonio de los Baños, where he was held for four days before being transferred to the Department of Technical Investigations (DTI) at San José de las Lajas, where he remained for

three more days. It was also reported that he was told he would be prosecuted for the crime of enemy propaganda if he continued to oppose the regime and that he had lost his job as a result of the arrest. Rolando Roque Malherbe, a member of the Socialist Democratic Movement, was warned on 23 September 1993 not to hold in his home a meeting planned for the following day and remained in custody until 27 September: at the meeting, which was held anyway, there was an act of repudiation in which about 300 persons took part, including some State Security officials, and some of the participants in the meeting, most of them linked to human rights groups, were threatened. In connection with those incidents Félix Antonio Bonne Carcassés, coordinator of the Cuban Civic Movement, was summoned on 27 September 1993 to the police station at Río Verde, Rancho Boyeros municipality, and later taken to the DTI detention centre at the intersection of 100 and Aldabó.

26. Other cases reported are the following: various members of the National Council for Civil Rights in Cuba and the Cuban Human Rights Party (Lázaro Fernández Hidalgo-Gato, Enrique López Valdés, Pedro Pablo Guzmán Cabrera, Sergio Rodríguez Valle, Sergio Llanes Martínez, Alcides Aguilar), were arrested in early November 1992 at San Antonio de los Baños. Omar Moisés Ruiz Hernández was interrogated for three days in July 1992 at the Santa Clara State Security headquarters in connection with complaints that had been sent abroad concerning Cuba's problems. Carlos Cordero Páez, a member of the National Council for Human Rights, was arrested on 5 October 1992 when, at the entrance to the Havana Provincial Court where the trial against Sebastián Arcos Bergnes was to be held, he displayed a placard with the words "Freedom for Sebastián Arcos"; he was beaten and taken to the police station at the intersection of Cuba and Chacón, released at about 11 p.m., once the trial had ended. Ana Daisy Becerra, a member of the Committee of Mothers for Granting Amnesty to Political Prisoners, was arrested on 13 December 1992 and taken to the Picota police station in Old Havana and was threatened with prosecution for enemy propaganda because complaints about human rights violations in the Combinado del Este Prison had been found in her home. Paula Valiente, President of the Association of Mothers for Dignity, was interrogated several times in 1992 and 1993 and threatened because of her activities in connection with political prisoners and for reporting human rights violations abroad; other members of her organization such as Hilda Cabrera, Berta Galán and Victoria Cruz and members of her family have also been threatened and interrogated. María Valdés Rosado, coordinator of Democratic Civic Action, and Alicia Suárez, of the Cuban Christian Democratic Movement, were arrested in Havana on 7 May 1993 and released two days later. Caridad Duarte Gómez, of the Organización Juvenil Martiana, was interrogated for several hours on 4 August 1993 at the municipal police station of Old Havana and on 19 May 1993 at the Picota and Paula station. Vivian Pérez Medina and Gisela Estévez Martínez, of the Cuban Foundation for Human Rights, were arrested on 5 August 1993, in San José de las Lajas and held for several hours at the police station where they were threatened and forced to sign warnings. Raúl Valderrama Martínez, Secretary-General of the Foundation for Human Rights, was arrested on 17 November 1993 in San José de las Lajas and taken to the municipal police station, where he was interrogated in connection with an interview he had given to a foreign journalist a few days earlier, accused of spreading false news and threatened; he was released two days later; he had already been arrested on 15 July 1993 and released three months later. Lázara Herrera Portel, wife of the Democratic Civic Front member,



Eugenio Rodríguez Chaple, was arrested in Havana on 23 November 1993 and taken to the police station in Capri, where she remained for 72 hours; on 2 December 1993, Mr. Rodríguez Chaple himself was threatened and beaten up in the street by persons who took his identity card away from him; where a few weeks earlier, he had been a victim of an attempt to run him down by persons driving past in a vehicle who shouted threats at him. Carlos Goicolea, Manuel Sánchez, Argelio Reyes and Leonardo Calvo, members of the Socialist Democratic Movement, were summoned to police stations on 12 January 1994 and received warnings in connection with their political activities.

27. In another group of cases the persons concerned were tried and sentenced to prison terms of varying lengths. According to reports, during the first stage of the investigation, the detainee is often held on security police premises for several months, sometimes in sealed cells from which he is taken only to be repeatedly interrogated at any time of day or night, with extremely limited access to visits from his family or lawyer. The Special Rapporteur received information recently on the following specific cases, some of which occurred in 1992:

(a) Pablo Reyes Martínez, a member of the National Civic Union, was sentenced in October 1992 by the Havana Provincial Court to eight years of imprisonment and confiscation of all his property for the crime of enemy propaganda because, according to the verdict, he had engaged in "the dissemination of false information about alleged human rights violations in Cuba and other economic aspects, reflecting negatively on the masses, which had been provided to him by various discontented people and not verified by the accused, and were clearly designed to discredit the work of the revolution, and the prestige of its leaders, and ultimately to undermine the economic, political and social foundations of our system";

(b) Luis Enrique Grave de Peralta Morel, a former professor of physics who was expelled from the Oriente University for having left the communist party, and Arquímecio Ruiz Columbié, Robier Rodríguez Leiva and Carlos Orue Caballero, researchers of the Cuban Academy of Sciences, were arrested on 13 February 1992 in Santiago de Cuba in connection with the establishment of a political movement called "New Generation" that was critical of government policy. For the crime of rebellion they were later sentenced to 13, 8, 10 and 8 years of imprisonment, respectively;

(c) Bárbara Celia Guzmán Toledo, a qualified economist and public accountant, was convicted of contempt on 15 July 1992 by the Ciego de Avila Provincial Court and sentenced to 18 months of imprisonment and loss of employment for having expressed critical views in private about the country's leaders;

(d) Juan José Moreno Reyes, Luis Reyes Reynosa, Benigno Raúl Benoit Pupo, Eduardo Guzmán Fornaris, Enrique Chamberlayne Soler, Lorenzo Cutiño Bázaga, Adolfo Durán Figueredo, Wiltredo Galano Matos, Rafael Rivera Matos, Maritza Santos Rosell, Ramón Mariano Peña Escalona and Ramón Fernández Francisco were sentenced to prison terms of between 5 and 13 years for crimes of rebellion and other acts against State security in March 1993 by the Santiago de Cuba Provincial Court. The acts for which they

were charged involved holding meetings and printing and distributing flyers in various municipalities of Holguín province criticizing the Government. Seven other people received sentences of between one and two years in relation to the same incidents;

(e) Juan Francisco Fernández González, a doctor, was arrested on 18 March 1992 in Havana and tried for the crime of enemy propaganda. During the trial, held on 15 December 1992, the charges were changed to rebellion and he was sentenced to 10 years of imprisonment. In the course of one year, the place of detention was changed no less than six times. In the same case, the Havana Provincial Court also sentenced Eduardo Prida, a qualified psychologist, and Mario Godínez, an electrician, to 15 and 12 years of imprisonment, respectively;

(f) Amador Blanco Hernández, President of the José Martí National Human Rights Commission, was arrested on 10 December 1992 at his home at Caibarién, Villa Clara, and taken to the State Security Department at Santa Clara. He was charged with enemy propaganda along with Joel Mesa Morales, Vice-President of the Commission, who was arrested on 26 January 1993, and they were sentenced in September 1993 to eight and seven years of imprisonment, respectively, by the Villa Clara People's Provincial Court. In his provisional conclusions, the prosecutor mentioned among the charges that the accused "had been engaged in a propaganda campaign in order to discredit the Cuban revolution through the collection of numerous false complaints, consisting of alleged maltreatment and physical attacks, persecution, injuries and threats to various persons and prisoners by members of the Ministry of the Interior in general and military and rehabilitative personnel at the penitentiary centres in particular, sent through different channels to different subversive outlets". In 1982, Mr. Blanco Hernández had been dismissed from his post as professor at the Central University of Las Villas for having been critical of government policy;

(g) Angel Prieto Méndez, a retired Cubana de Aviación pilot and founder of the Martí Association for Opposition to the Regime, was arrested on 26 December 1991 and accused of enemy propaganda and contempt. On 6 January 1993, he was tried and sentenced to 10 years' imprisonment. At present, he is serving his sentence in Guanajay Prison;

(h) Alfredo García Quesada, electrician and student at the University of Camagüey, was arrested on 23 April 1993 in the Guayabal district, Las Tunas, for distributing flyers reading "Down with Fidel" and for painting those words on the body of a white horse. He is now serving a five-year term in the prison at Típico de Las Tunas;

(i) Adriano González Marichal, of the Pacifist Solidarity and Peace Movement, was arrested on 6 January 1992. During the trial held in September 1993, he was accused primarily of maintaining contacts with Cuban organizations abroad and was sentenced to 12 years' imprisonment for enemy propaganda;

(j) Luis Felipe Lorens Nadal, President of the Organización Juvenil Martiana, was arrested on 22 September 1993 in Havana. A few days later, he was brought to trial and sentenced to four years' imprisonment for antisocial behaviour, having been accused of inciting the workers at the Comocuba Hotel and of not working. At present, he is serving his sentence in Combinado del Este Prison.

28. The Special Rapporteur was also informed of the following cases of persons who were formally accused of enemy propaganda or similar crimes who at the time the information was received, were being held in custody pending trial: Luis Gustavo Domínguez Gutiérrez, from the group Peace, Progress and Liberty, accused of enemy propaganda because he sent a letter to the Government in which he renounced the medals awarded to him for his participation in the Angola campaign; Pedro Armentero Lazo, imprisoned in the Combinado del Este Prison; Orfilio García Quesada, held in El Guayabal district, Victoria de las Tunas, in May 1993 for having participated in a process of collecting signatures calling for political change; Roberto Alvarez San Martín, a well-known writer and journalist, banned from practising his profession in February 1992; Domaciano Torres, a former professor of architecture, who was expelled from his department at the Armando Mestre de Guanabacoa Technological Institute in 1992, and vice president of the Democratic Civic Party, arrested on 13 August 1993 and taken to the State Security offices at Villa Marista, where he was held for 42 days; at the time of his arrest, he is alleged to have been brutally beaten; later, he was transferred to the Havana Psychiatric Hospital; the latest information received indicated that he was awaiting trial in El Pitirre Prison in San Miguel del Padrón district, Havana City.

29. The Special Rapporteur was also informed that, in 1992, a great many persons were sentenced to one to four years' imprisonment under the provisions on anti-social behaviour, particularly young persons accused of involvement in disturbances of public order. It was also reported that the trials in such cases did not offer minimum guarantees of the right of defence and that the accused were sentenced almost systematically in trials held only a few days after their arrest had taken place. Newspaper sources indicated that, from late August to early November 1993, about 2,500 persons had been sentenced on such grounds. 8/

30. In connection with proceedings in cases with political connotations, the Special Rapporteur received information on the role of attorneys stating that their basic duty is not to defend the interests of their clients, as these are subordinated to the interests of the system. Persons who had been sentenced for political offences told the Special Rapporteur that they met their defence attorney only at the time of their oral hearing and that the defence consisted only of presenting some standard mitigating circumstances rather than proving the innocence of the accused, who could always be certain in advance that he would be convicted. They also said that, in a large number of cases, neither the person concerned nor his family received a copy of the verdict and sometimes not even the accusation, so that, at the time of the trial, the accused had only the oral version given by the investigating authority, that is, under the Cuban procedural system, the police, with respect to the legal characterization of the offences he was accused of. Similarly, articles 160 and 161 of the Code of Criminal Procedure, which refer to the form in which a

statement by the accused is to be taken during the preparatory phase of the procedure in the appropriate police unit, do not give the accused the right to make a statement in the presence of a defence counsel, whether of his choice or assigned.

31. On a number of occasions, the Special Rapporteur received complaints about the way in which trials for offences against State security are conducted: discriminatory treatment of the witnesses for the defence and the prosecution, an excessively aggressive attitude on the part of the prosecutor and an obvious lack of impartiality by the judge in the conduct of the hearings seem to be habitual practices.

32. In addition to the measures referred to above, loss of employment is also common, often accompanied by threats and campaigns to discredit the victim. This measure creates particular problems for people who are unable to find any other work corresponding to their qualifications, because the State is the sole employer; the entire family unit then suffers the consequences. The following are some of the cases communicated to the Special Rapporteur:

(a) Rolando Díaz Acosta, expelled in October 1992 from his post in José Martí National Library, in 10 October District, for being one of a group of intellectuals who signed a letter to the Heads of State and Government at the Second Ibero-American Summit in which they drew attention to the need for changes in the country. For the same reason, he was also evicted from the house where he lived;

(b) Guillermo Fernández Donates, expelled in October 1992 from his civil engineer's post in Construction Project Company No. 2 in Havana for revealing his membership in the Corriente Cívica and the Cuban Committee for Human Rights; in February 1993, he was also expelled from Havana University where he was a law student and from the sports centre he frequently visited. His wife, Euridice Sotolongo Losada, was forced to resign from the same technical centre;

(c) Heriberto Alejandro Baric Lorences, expelled from his engineer's post at the Havana Institute for Sugar Projects in June 1992 for sending information abroad concerning the arrest of his colleague, Mariano Gort, on a charge of disseminating enemy propaganda;

(d) Leonardo José Rodríguez Pérez, expelled from his research post at the Havana Centre for Metallurgical Research in January 1993 for signing the above-mentioned letter to the Ibero-American Summit.

33. The Special Rapporteur also received information on the following cases of university professors expelled under Decree-Law No. 34/1980, which enables the heads of the Municipal Departments of Local People's Power Organizations to dismiss staff members from institutions of higher learning on the grounds of activities contrary to socialist morality and the ideological principles of society:

(a) Reinaldo Cosano Alén was expelled from his teacher's post in the "Jésus Suárez Gayol" faculty of Guanabo in Havana in September 1992 for his work with the Cuban Committee for Human Rights. In the official document

confirming his expulsion, Mr. Cosano's activities are rated inappropriate for the work of an educator since they may have serious repercussions on the training of Cuban children and young people:

(b) Ramón Rodríguez Ríos lost his teacher's post at a centre in San Antonio de los Baños and was generally disqualified from the teaching profession in 1992 after it was confirmed, according to the resolutions on expulsion, that "he was a full member of a human rights group", this being deemed "contrary to socialist morality and the principles of our society";

(c) Félix Díaz Cáceres, a physical education teacher at Pinar del Río, was expelled from his post in May 1992 for openly opposing the expulsion of a group of university professors from their posts because they had written a declaration of principles in which they asked for political changes; 9/ on 3 August 1992, he was summoned to State Security premises where he was interrogated about the "Open letter of Cuban professionals to the Ibero-American Summit"; in September, he was arrested and spent 18 days in the State Security Department at Pinar del Río on charges of disseminating enemy propaganda.

34. It is the opinion of the Special Rapporteur that these recent expulsions are not in keeping with what was indicated by the Committee of Experts on the Application of Conventions and Recommendations of the International Labour Office in its investigation of the application of Convention No. 111 (Discrimination in respect of Employment and Occupation), included in its 1992 report:

"The Committee takes note of the Government's declaration whereby the provisions of decree-law No. 34/1980 ... do not have practical application today. The Committee hopes that, as indicated by the Government, these provisions will be harmonized with the Convention at the time revision of the above laws is begun. Furthermore, the Committee again asks the Government to supply the text of attached resolution No. 2, dated 20 December 1989, from the Ministries of Education and Higher Education dealing with the reinstatement of workers in the teaching field to whom decree-law No. 34/1980 was applied". 10/

In its 1992 report, the Committee again requested the Government to provide a copy of resolution No. 2, dated 20 December 1989. 11/

C. The right to enter and leave the country

35. According to information received, in recent years the Cuban authorities have relaxed the restrictions on foreign travel by Cuban citizens, for example by lowering to 20 the minimum age for travel; however, many limitations still remain. Generally speaking, the right to leave and return to one's own country, embodied in article 13 of the Universal Declaration of Human Rights, is not recognized. All persons wishing to leave the country, either temporarily or permanently, are required to obtain an exit permit from the Ministry of the Interior, a permit which is issued on a discretionary basis.

36. With regard to cases of family reunification, the wives and children of ordinary citizens who leave the country temporarily, but subsequently remain abroad, normally obtain authorization to join their relatives. However, in the case of citizens who occupied posts regarded as sensitive or who have been openly critical of the system, their families are frequently refused such authorization. In this connection, reports have been received of the cases of Nydia Cartaya Medina and her four daughters, who have been refused exit permits ever since her husband, a former serviceman, obtained asylum in the United States in 1985; similar cases include those of Dalgis Nelson Ginarte and her daughter, Indira Lázara Martínez Nelson, from Santiago de Cuba, who have visas to join their husband and father in the United States, and Marelis Mena García and her daughter Marel Franquiz Mena, the wife and daughter of a nuclear physicist.

37. Even in cases where persons do obtain permission to emigrate, they are frequently subjected to reprisals as a result of their application, such as dismissal from their job, demotion, expulsion from educational institutions or confiscation of their ration book. In addition, the property of the persons in question, such as housing, furniture and cars, is taken over by the State.

38. Apart from these situations, there are others in which human rights activists - some of them in prison - are harassed by the authorities to leave the country. In this connection, reports have been received of cases such as those of Sebastián Arcos Bergnes and Yndamiro Restano, mentioned later, Rodolfo González González of the Cuban Committee for Human Rights and Félix Fleyta Posada of the Free Art Association, who is serving a sentence in Agüica prison. In the case of Francisco Chaviano González of the National Council for Civil Rights in Cuba, authorization for his children - who hold visas for entry to the United States - to leave the country has been made conditional on Mr. Chaviano's leaving the country also.

39. The stream of people trying to leave the country illegally by any means continues unabated. According to some sources, approximately 25 people a day make the attempt; as a rough estimate, only one in four succeeds; two, facing physical danger or arrest, are forced to return; and one is killed in the attempt. According to another estimate, 2,500 people reached the United States coast in this way in 1992 and about 3,000 in 1993. The sources consider that, although political reasons have some significance, the main cause of this emigration is the economic situation, with its concomitant lack of opportunity and options. As a result, during the past few years, the number of people attempting to emigrate has risen significantly. In view of the enormous risk to life which this entails, the Special Rapporteur does not favour people abroad encouraging Cubans to attempt this method of leaving the country.

40. Reports have also been received of Cuban coastguard patrols firing repeatedly on people trying to reach the United States naval base at Guantánamo by sea, and sometimes even by land, in order to seek asylum, as in the case of Ismar Torres Pérez, a young man who was shot dead on 8 August 1993. According to those sending in the reports, this policy should be all the more strongly criticized because the use of force is both excessive and unnecessary when arrest is the only purpose. Cases of excessive force used at other points on the coast against people trying to leave the country

by their own means have also been reported, along with cases of boats arriving from abroad and approaching the Cuban coast in order to pick up Cuban citizens. Thus, on 1 July 1993, frontier guards shot dead Alfredo Eualio Caballín Marín, Loamis González Manzini, aged 16, and Mario Norta while, together with other persons, they were trying to reach a United States boat off the coast at Cojímar. On 15 October 1993, Luis Quevedo Remolina, aged 23, was killed when he was caught by frontier guards while, together with seven other young men, he was trying to leave the country in a raft at Regla; according to the report, death was caused by the many blows he received immediately after his arrest; the men were also shot at when they were noticed.

41. Persons arrested while trying to leave the country continue to be prosecuted under article 216 of the Criminal Code. Moreover, the act of accumulating over time material to be used for leaving the country and transferring it to a prearranged place is considered a crime. Some of these cases were reported to the Special Rapporteur, for example, that of Alejandro Joaquín Fuertes García, sentenced on 10 May 1992 to five years' deprivation of liberty for illegal exit by the provincial court of Santa Clara after a trial at which his defending attorney was not present. At the time of his arrest by security agents of Santa Clara State, he was severely beaten, suffering, among other things, kidney damage and reduced vision in one eye.

42. Lastly, the Special Rapporteur considers positive the action taken by the Cuban authorities to increase the number of Cuban citizens residing abroad who can visit the country. Although in the past only 90 visas per week have been granted, apart from the humanitarian visas granted in cases of grave illness or death in the family, under the new measures announced at the end of July 1993, the Cuban authorities may issue 100 tourist day visas to Cubans who left the country more than five years ago.

### III. CONDITIONS IN THE PRISONS

43. It is reported that the food and hygiene situation and the lack of medical attention continue to be alarming and have created many health problems affecting the prison population. Anaemia, diarrhoea and skin and parasite diseases as a result of contaminated water seem to be common ailments in most prisons and, in some, like those of Manacas and Combinado del Este, cases of tuberculosis have been recorded. This situation has caused the death of some prisoners, including: Alcides Pérez Rodríguez, imprisoned before trial in Ariza provincial prison, who died on 5 March 1993 in Cienfuegos provincial hospital as a result of a generalized infection; Juan Enrique Olano Pérez, who was serving a two-year term in Quivicán prison and who died in Hermanos Ameijeiras hospital, to which he was taken when he was already in a critical condition; and Junior Flores Díaz, a 17-year-old inmate in Valle Grande prison in Havana, who died on 12 December 1993 after having been refused medical attention and having been beaten and kept in a punishment cell.

44. Prisoners who have protested in some way against their treatment or who have refused re-education, meaning - according to the information received - political and ideological instruction, have also been subjected to reprisals such as beatings, confinement in punishment cells (which are extremely small,

have sealed doors and in which the prisoner can remain for months without seeing daylight), transfer to another prison, usually far from his family's place of residence, suspension of family visits or denial of medical treatment. Thus there are cases such as those of Luis Alberto Pita Santos, President of the Association for the Defence of Political Rights, held in Kilo 8 prison in Camaguey, who was struck repeatedly to force him to wear the uniform and chained for long periods to the bars of his cell; before his transfer to that prison, early in 1993, he had been in Boniato prison in Santiago de Cuba, where he appears to have spent several months in punishment cells and was beaten in December 1992, as a result of which his arm was fractured. His cell-mate, Jesús Chabes Ramírez, was also beaten in the same incident, suffering a broken cheek-bone and bruising to several parts of his body. It has also been reported that some prisoners have been transferred or confined to punishment cells because written complaints about prison conditions had been discovered, as in the case of Arturo Suárez Ramos, a member of the Cuban Committee for Human Rights, who was transferred from Combinado del Este prison to Boniato and confined to a punishment cell for complaining about the condition of the prisoners. Carlos Alberto Aguilera Guevara, Roberto Mures, Luis Grave de Peralta, Jesús Chambert, Ibrán Herrera Ramírez, Enrique González, Rodolfo Guitiérrez and Robier Rodríguez were held in Boniato prison, beaten and transferred to Kilo 8 maximum security prison in Camaguey on 12 February 1993 for engaging in a hunger strike in protest against their ill-treatment. In early October 1993, Carlos Aguilera, Jesús Chambert, Rodolfo Guitiérrez and Roberto Mures were severely beaten for protesting about prison conditions and kept in solitary confinement. Reports have also been received of the cases of Tomás Córdova and Hibraín Odelín Hardin, inmates in Micro 4 prison in Alamar, Havana City, who were brutally beaten by several guards on 30 October 1993, as a result of which Mr. Odelín suffered a perforated eardrum; and the case of Junior Flores Díaz, a 17-year-old inmate in Valle Grande prison in Havana, who died on 12 December.

45. The Special Rapporteur has received material complaining of the use of psychiatry for other than strictly medical purposes, but does not have enough solid information to state that this takes place. On the other hand, the Special Rapporteur, in his conversations with former prisoners, observed that a fear of being subjected to this kind of treatment seems to exist among the prison population.

46. The number of persons serving sentences for political offences is difficult to estimate. Some sources place the number between 2,000 and 5,000 persons, including those sentenced for illegal departure. The Cuban Committee for Human Rights gave the Special Rapporteur a list of 602 prisoners who were serving sentences in 1992 for political offences. Of those, 342 were sentenced for the offence of disseminating enemy propaganda, 83 for sabotage, 31 for piracy, 52 for contempt, 15 for terrorism, 14 for espionage, 14 for offences against State security, 16 for rebellion, 15 for illegal association and the remainder for miscellaneous offences. A small number of prisoners were released in 1993 on condition that they leave the country. Others, such as Sebastián Arcos Bergnes, who is serving a sentence of four years and eight months in Ariza prison, Cienfuegos, and Yndamiro Restano, President of the Harmony Movement, who was sentenced to 10 years, have refused the offer.



IV. CONSIDERATIONS CONCERNING THE ENJOYMENT OF ECONOMIC,  
SOCIAL AND CULTURAL RIGHTS

47. The report of the group of ambassadors who visited Cuba pursuant to Commission on Human Rights decision 1988/106 sums up the comments made by representatives of the Government of Cuba on the enjoyment of economic, social and cultural rights in that country. The Special Rapporteur duly recalls some of those comments:

"The Minister of Labour explained to the group that the State guaranteed to all Cubans the right to work. There was no unemployment in Cuba and the social security system protected mothers, children and elderly people and looked after people who were temporarily or permanently sick or injured.

" ...

"In his meeting with the group, the President of the Council of State said that the achievements of the Revolution in the social sphere had been outstanding and that, as a result of the efforts made by the regime in the areas of preventive medicine, mother and child care, and nutrition, his Government had over the last 30 years saved the lives of approximately 300,000 children who would not have survived if substantial changes in Cuban social policy had not been introduced. He compared the experience of Cuba in this area with that of other countries of the third world, where as a result of the unjust international economic order many children were dying of starvation every day.

" ...

"The Minister of Health said that average life expectancy was currently 74.6 years (as compared with 58 years in 1965 and 52 years in 1959), which placed Cuba on a level comparable with that of many developed countries. He mentioned that other achievements in the area of public health were the treatment of contagious diseases, advances in the area of nutrition and the eradication of malaria, diphtheria, tuberculosis, polio, meningitis and tetanus in children and other common infantile epidemics, with a consequent drastic reduction in infant mortality. ... He also mentioned that those efforts with respect to health would have failed if adequate attention had not been paid to the training of future doctors, nurses and specialized technical staff. Other indications of the efforts being made by the regime in the area of health was the current encouragement to applied scientific research, especially in the spheres of genetics and tropical diseases, and the increased production of medical equipment.

"With regard to university education, the Minister of Higher Education informed the group that there had been 15,000 university students in Cuba in 1959, 35,000 in 1971 and 85,000 in 1976; the current figure was 310,000, or 3 per cent of the total population." 12/

48. Certain statistics in the Human Development Report 1991 issued by the United Nations Development Programme (UNDP) confirm some of the data given by the Cuban authorities:

- (a) Life expectancy at birth for 1990 was 75.4 years as against 63.8 in 1960;
- (b) Infant mortality (per 1,000 live births) was 14 infants in 1991 as against 65 in 1960;
- (c) The percentage of the population with access to health services (1987-1990) was 100 per cent, in both urban and rural areas;
- (d) The number of inhabitants per doctor (1984-1989) was 530;
- (e) The adult literacy rate for 1990 was 94 per cent as against 87 per cent in 1970;
- (f) The combined primary and secondary school-enrolment rate (1987-1990) was 95 per cent as against 76 per cent in 1970.

49. A report prepared and sent to the Special Rapporteur by the Cuban Christian Democrat Party (FDC) abroad takes stock of the achievements of recent decades in the social sector, which most of the population see as a positive factor.

50. In the educational sector, the report mentions that the Cuban Government has managed in 33 years to set up an educational infrastructure. Day-care centres, schools, secondary schools, pre-university institutions, technical institutes and universities exist throughout the country. Teachers have been trained in large numbers, and a series of laws have been put in place that foster education as one of the basic tasks of the Government. Furthermore, education is virtually free of charge.

51. In the health sector, the FDC report indicates that the Cuban Government has created a country-wide infrastructure, as concerns not only hospitals but also the training of doctors, nurses and all health personnel. However, many of the achievements, such as the low infant-mortality rates, the high life expectancy and the eradication of diseases, are being severely compromised by the economic crisis in Cuba. Surgical equipment is one of the items most affected. Only emergency operations are being carried out and there is a shortage of medicines and laboratory materials. The shortage of medicines and poor nutrition are producing vitamin deficiencies and serious nutritional deficiencies.

52. In the social security sector, the report recalls the adoption in January 1980 of Act No. 24, which set up the social security system, consisting of two parts: the social security system and the social welfare

system. The former offers protection to workers in case of ordinary or on-the-job illness or accident, maternity, disability and old age. If a worker dies, his family is protected. The social welfare system gives special protection to the elderly, persons incapable of working, and in general all whose essential needs are not ensured or who need protection because of their living or health conditions. Some of the benefits established include:

- (a) Old-age pension, to which men are entitled at the age of 60 and women at 55;
- (b) Disability pension;
- (c) Death benefit, to which are entitled widows, widowers over 60 or incapacitated widowers who were dependant on the deceased worker, children, including adopted children, under 17, parents, including adoptive parents;
- (d) As to women's benefits, 18-week paid maternity leave established by law for working mothers.

53. The same report indicates that, as the Cuban authorities state, the social security system has remained unchanged despite the present economic crisis.

54. The Special Rapporteur believes that the observations contained in both the report of the visiting mission to Cuba in 1988 and the report of the Christian Democrat Party generally convey the feelings of a large part of the population, which recognizes that in the last 30 years the Government has made efforts and achieved substantial progress in promoting and protecting economic, social and cultural rights. The economic crisis the country is experiencing at this time might unfortunately be a factor in determining whether the progress can be sustained. The Government's political will to preserve the people's social welfare benefits seems to be steadfast; however, the lack of adequate resources makes it a real possibility that the system will not be able to continue functioning as hoped.

55. The reforms in the Cuban economy introduced primarily during the past year include the promotion of direct foreign investment, the increase in cooperativization of agriculture, permission to engage in small private family businesses, and the possibility of receiving and using foreign currency. These measures are intended to strengthen the balance of payments and to increase the supply of goods and services for the population as a whole.

56. Additional measures on the same lines are essential and appear to be under way, with a view to developing an economy capable of meeting the basic needs of the population.

57. In the present circumstances, the parallel economy which has arisen primarily through the free movement of currency and the tourist sector is causing substantial changes in the distribution of incomes. Given the Cuban pattern of relative equality in the economic and social sphere during the past few decades, this undoubtedly involuntary effect of the economic programme, together with growing unemployment, could give rise to social tension.

58. The economic reforms are being curbed by ideological and political factors, in particular by deep suspicion of anything that entails limitation of governmental control. In addition, the economic, commercial and financial embargo maintained by the United States is curbing greater liberalization of the economy. Apart from impeding and dramatically increasing the cost of the reforms, the embargo against Cuba is creating political barriers to more far-reaching action and more immediate results, at a time when the urgent reactivation of the economy is necessary from a humanitarian standpoint and, in the final analysis, from a human rights perspective. The questions relating to the effects of the embargo from the standpoint of international law were dealt with by the General Assembly of the United Nations in its resolution 48/16 entitled "Necessity of ending the economic, commercial and financial embargo imposed by the United States of America against Cuba".

V. INFORMATION RECEIVED FROM INSTITUTIONS AND ORGANIZATIONS  
BASED IN CUBA IN ACCORDANCE WITH CURRENT LEGISLATION

59. The Special Rapporteur received letters from a number of organizations and institutions inside Cuba commenting on various aspects of the human rights situation there and on the content of the report submitted by the Special Rapporteur to the Commission on Human Rights at its forty-ninth session. These letters are summarized below.

60. The Cuban National Union of Jurists stated, with regard to the above-mentioned report, that the entirety of the Universal Declaration on Human Rights had not been taken into account when analysing the non-fulfilment of its provisions in Cuba. Of its 30 articles, only those relating to the right of everyone to freedom of movement and to leave and enter the country; the right to freedom of thought, conscience and religion; the right to freedom of opinion and expression; and the right to freedom of assembly and peaceful association, as well as conditions in the prisons, were considered. However, the analysis of human rights in any country must cover them all; otherwise the conclusions reached are incomplete and do not adequately reflect reality. Furthermore, the focus used for analysing fulfilment of the aforesaid rights was applied without regard for the climate of hostility which the United States has been imposing on Cuba for the last 34 years, the economic embargo being the fundamental reason for the adverse living conditions experienced by the Cuban people, and taking as valid unreliable information sources or sources based on rumours and speculation by the Miami-based media hostile to Cuba or others which are supposedly based in Cuba, but have no legitimacy, credit, membership or prestige.

61. The Special Rapporteur also received a letter from Cuba from the so-called Félix Varela Centre, commenting that the Rapporteur's report made no mention of the historic context within which the Cuban political system emerged and developed and, in particular, the continued United States aggression over 35 years. Cuban intransigence could thus be explained by the people's rejection of the idea of a possible loss of their independence and restoration of the former status quo. This organization wonders what legitimacy can attach to a policy which, in the name of "restoring" the Cuban people's civil and political rights, decides to deprive them of their economic, social and cultural rights and whether it would not be more appropriate to free the people from all outside pressure and give them, with

full respect for their self-determination, the material and spiritual assistance whereby they can make their own choice. The Special Rapporteur's report, far from contributing to human rights in Cuba, fosters their violation in two ways: overall, because it does not denounce the United States policy of genocide against the Cuban people and, in individual cases, because it encourages rejection and intolerance, thereby making more difficult the climate of tranquillity needed for any exercise of self-criticism.

62. The Cuban Movement for Peace and Sovereignty of Peoples stated that, as far as civil and political rights are concerned, the Cuban revolution has created a deep-rooted and wide-ranging democracy based on the direct and systematic participation of all the people in making and implementing decisions and in electing leaders at all levels, from the almost 14,000 district representatives, nominated and elected at the grass roots, to the members of the National Assembly of People's Power and the organs of the State. In Cuba, there is no police repression, or paramilitary gangs, or persons imprisoned without having been tried and sentenced by competent courts on the basis of laws promulgated before the offences are committed, and not including any that relate to political ideas or religious beliefs. While torture, assassinations, disappearances, etc. are rife throughout the world, in Cuba not a single case can be cited of an act of that kind having occurred over more than three decades of revolution. Nor is there a single case of discrimination in Cuba on any grounds. Furthermore, one characteristic of the revolutionary process is the effort towards social, economic and cultural development, aimed at attaining that quality of life repeatedly referred to by the General Assembly in its analysis of the right to development. All attempts at development are hampered by the economic, trade and financial embargo imposed on Cuba by the United States for more than 30 years and condemned by the United Nations General Assembly as well as by many Governments and such bodies as the European Parliament, the European Economic Community, the Latin American Group of Eight and the Third Ibero-American Conference of Heads of State and Government.

63. The Federation of Cuban Women also referred to the embargo, noting that it has caused stringent food rationing and a shortage of products for cleaning and personal use that seriously affect the daily lives of Cuban families. The inclusion of such sensitive categories as food and medicine gravely impairs the people's levels of health and social well-being. Another aspect from which to judge the effects of the embargo is the refusal of visas. On many occasions, members of the Federation invited to the country by universities and women's groups and organizations have been refused entry by the United States Government.

64. The Solidarity Organization of the Peoples of Africa, Asia and Latin America sent the Special Rapporteur a letter giving a brief history of the United States economic embargo against Cuba, an embargo which they claim has caused the Cuban people material losses of more than 40 billion dollars, and including references to acts of military aggression, terrorism and other crimes. The letter also referred to the following aspects of the accomplishments of the revolution in Cuba: the right to life is guaranteed, so much so that if Cuban public health standards were to prevail in Latin America, the lives of 500,000 children a year could be saved. Cuba has more teachers per capita than any other country in the world. Ninety-five per cent

of children have been immunized. Diseases such as poliomyelitis, diphtheria, tetanus, whooping cough, etc., have been eradicated and tuberculosis considerably reduced. The social security system guarantees retired persons the right to a decent old age. Illiteracy has been wiped out. The education budget is 20 times larger than in the previous period and the public health budget 50 times larger than before the revolution. In all the history of the revolutionary period in Cuba, there has been no case of torture or forced disappearance. Voting is not compulsory, but nevertheless 99 per cent of the voters take part in the elections. Women make up 40 per cent of the country's workers and 60 per cent of medium and higher-level technicians. Now that Cubans have been made the owners of their houses, evictions have been eliminated in the towns and, now that the peasants own their land, dispossession has been eliminated in the countryside. It took the United States 69 years to raise life expectancy from 60 to 70 years; Cuba, thanks to revolution, did it in less than half the time, attaining a life-expectancy of 76 years for Cubans.

#### VI. CONCLUSIONS AND RECOMMENDATIONS

65. The Government of Cuba still refuses to accept the Commission on Human Rights decision to continue monitoring human rights conditions in that country and rejects all cooperation with the Special Rapporteur. In this connection, appendix II contains the statement made by the Permanent Representative of Cuba to the United Nations on 29 November 1993 during the forty-eighth session of the General Assembly. The Rapporteur once again calls upon the Government of Cuba to modify this stance and to enter into an open and direct dialogue on the circumstances and specific cases described and presented in his reports and on any other aspect of the human rights issue. He also calls on the Government to afford him the opportunity to visit the country, as is customary for those fulfilling the mandates of the Commission on Human Rights.

66. The Special Rapporteur, however, received during 1993 communications from organizations and institutions based in Cuba in accordance with current legislation. The basic content of the communications is included in this report (paras. 59-64). The statements of these organizations focus on successes achieved in the social and educational sector, but also refer to the United States economic, commercial and financial embargo on Cuba as the fundamental reason for the economic shortfalls and lack of room for political reforms.

67. The present report concentrates foremost on analysing reports received concerning conditions in the areas of civil and political rights and describes specific cases of violations and some matters relating to the constitutional and legal framework. In connection with the latter, the Special Rapporteur observes that the Constitution in force in Cuba is based, as stated in its preamble, on the political and social ideas of Marx, Engels and Lenin. Like Cuba, many other countries have constitutions formulated on a more or less clearly defined ideological basis. It is not, however, the task of the Special Rapporteur to express opinions on this question; his mandate is confined to analysing the consequences for human rights and fundamental freedoms of the interpretation and implementation of the Constitution by the authorities - in this case Cuban. In this connection, the criticism is based,

primarily, on the lack of opportunity for citizens to channel and defend their interests and opinions in cases in which the latter do not coincide with the line authorized and maintained by the forces in power.

68. The report also refers in detail to the investigation carried out by the ILO Committee of Experts on the Application of Conventions and Recommendations and the Committee on Freedom of Association concerning the implementation of different conventions in Cuba, not only because of their fundamental relevance, but also because they are organs with which the Government has maintained a dialogue. In addition, some economic and social development data, based on information supplied to the United Nations by government sources, have been collected: the most recent Human Development Report compiled by the United Nations Development Programme, reports from non-governmental sources and communications from Cuba transmitted by the above-mentioned institutions.

69. Taking into account all the foregoing, the Special Rapporteur considers it necessary to recommend to the Government of Cuba that it should adopt measures to:

(a) Ratify the principal human rights instruments to which Cuba is not a party, in particular, the Covenant on Civil and Political Rights with its additional protocols and the Covenant on Economic, Social and Cultural Rights;

(b) Cease persecuting and punishing citizens for reasons relating to freedom of peaceful expression and association;

(c) Repeal all those legal provisions which entail discrimination between citizens on political grounds, in particular in the labor and education sectors, and redress as far as possible abuses committed in this area in the past, for example, by re-employing persons who have been dismissed in their former posts;

(d) Permit legalization of independent groups, especially those seeking to carry out human rights or trade union activities, and allow them to act within the law, but independently;

(e) Ensure greater respect for the guarantees of due process, in accordance with the provisions of the relevant international instruments, adopting in particular the measures necessary to facilitate effective access to legal assistance for all persons put on trial without any type of discrimination;

(f) Ensure greater transparency and guarantees in the prison system, so as to prevent excessive violence and physical suffering from being inflicted on prisoners. In this connection, it would be a major achievement to renew the agreement with the International Committee of the Red Cross and to allow independent national groups access to prisons;

(g) Release all those persons serving sentences for offences having political connotations and for trying to leave the country unlawfully;

(h) Eliminate the existing administrative barriers to departure from the country and to the entry of Cuban citizens resident abroad.

70. In early September 1993, the bishops of Cuba published a long pastoral letter analysing different aspects of the country's social, economic and political situation. In addition to the letter, the Special Rapporteur received a document signed by several groups considered dissident within Cuba, that had joined forces. Both the letter and document make a series of proposals, listed below, which were presented to the Government. The Special Rapporteur felt it was important to take note of these texts, since they are the products of real-life experiences and actual day-to-day contact with the realities of Cuban life.

71. The pastoral letter contains, inter alia, the following passage:

"It seems to us that, concomitant with certain economic changes in the life of the country now beginning to be put into practice, some of the irritating policies should be eradicated because it would generate unquestionable relief and a source of hope in the national soul.

- "(1) The exclusive and ubiquitous presence of the official ideology, accompanied by identification of terms that cannot be construed as unambiguous: Fatherland and socialism, State and Government, authority and power, legality and morality, Cuban and revolutionary. This centralist and ideologically all-embracing role of the State generates a feeling of fatigue caused by constant repetition of guidance and instructions;
- "(2) Limitations imposed not only on the exercise of certain freedoms, which could be occasionally justifiable, but also on freedom itself. A significant change in this policy would guarantee, inter alia, administration of an independent judiciary which would lead us, based on stable foundations, towards consolidation of the rule of law;
- "(3) Excessive control by the State security agencies which at times reaches even into the strictly private lives of individuals. That explains fear, the origin of which is poorly understood, but felt as though it were caused by something ungraspable under a veil;
- "(4) The large number of persons imprisoned for activities which might be decriminalized or reconsidered as a way to free many of those serving sentences for economic, political or other similar reasons;



- "(5) Discrimination for philosophical, political or religious beliefs, the effective elimination of which would encourage participation of all Cubans, without distinction, in the life of the nation."

72. The dissident organizations group, for its part, speaks of a common platform: amnesty for political prisoners; restoration of the freedoms of association, speech, assembly and peaceful demonstration, the press, trade unionism, and the right to enter and leave the country; eradication of any form of social and political discrimination, safeguarding the national identity, independence and sovereignty. In addition, these organizations, distinguished by their peaceful modus operandi, have demonstrated their willingness to begin a dialogue with the authorities within the law.

73. The Special Rapporteur does not have sufficient information to express an opinion on whether or not the current system enjoys the support of the majority of the population. He nevertheless considers that the claim that this support has been broadly expressed in recent elections is not valid, since, given the conditions in which those elections were held, the electorate was never given a genuine choice. Only after the conditions for guaranteeing the right of opinion and expression have been created would it be possible to obtain a clear idea of the electorate's preferences with regard to various options.

74. In the opinion of the Special Rapporteur, the most constructive measure, in an international context, for improving the human rights situation in Cuba should start by eliminating, as soon as possible, the vestiges of the cold war as they relate to Cuba, while at the same time endeavouring to promote the country's return to the regional and world system of cooperation and settlement of conflicts. The Rapporteur has the impression that a few timid steps are now starting to be taken towards greater confidence between Cuba and its neighbours, particularly the United States. This may have a favourable repercussion in the matter of human rights.

75. Cuba's role in the cold war has vanished, along with the economic assistance it received from the former Soviet Union. Fundamental changes in the way the domestic economy operates are more effective than any other measure in enabling the nation to provide for its own citizens. To avoid traumatic and costly disruptions, these changes should be made without delay. The international community must encourage a reform programme designed to improve productivity and efficiency in the economy. Such reforms would naturally assume a greater area for market forces to operate and greater entrepreneurial freedom. The Special Rapporteur considers that incentives or, at the very least, a policy which does not obstruct changes in the current system, rather than pressure or external conditioning, are likely to produce reforms tending towards liberalising not only the economy, but also political life. This opinion is not shared by all those concerned about Cuba's future, but the arguments in favour of ending the embargo are gaining ground, not only in industrial, economic and academic circles, but also in political circles where there is concern about the Cuban people and the future of the country.

Appendix I

LETTER DATED 24 AUGUST 1993 FROM THE SPECIAL RAPPORTEUR  
ADDRESSED TO THE PERMANENT REPRESENTATIVE OF CUBA TO  
THE UNITED NATIONS OFFICE AT GENEVA

I have the honour to refer to resolution 1993/63 adopted by the Commission on Human Rights on 10 March 1993 entitled "Situation of human rights in Cuba". As you know, this resolution was endorsed by the Economic and Social Council in its decision 1993/274, thereby confirming the extension of the Special Rapporteur's mandate for another year.

In paragraph 2 of resolution 1993/63, the Commission calls upon the Government of Cuba to permit the Special Rapporteur the opportunity to carry out his mandate in full, in particular by allowing him to visit Cuba, and, in paragraph 7, it requests the Special Rapporteur to maintain direct contact with the Government and the citizens of Cuba. In accordance with these provisions, it is my duty to write to you to request your Government's cooperation in the discharge of my mandate, including an opportunity to visit Cuba, in order to verify the human rights situation firsthand.

(Signed) Carl-Johan GROTH  
Special Rapporteur on the Situation  
of Human Rights in Cuba

Appendix IISTATEMENT MADE ON 29 NOVEMBER 1993 BY THE PERMANENT REPRESENTATIVE  
OF CUBA TO THE UNITED NATIONS DURING THE FORTY-EIGHTH SESSION  
OF THE GENERAL ASSEMBLY

Mr. President,

Thirty-five years ago Cuba was a neo-colony of the United States of America, and a repressive regime, with the full knowledge and support of the Government of that country, brutally violated the human rights of our people. The destinies of Cuba were decided upon in the United States Embassy and more than 20,000 Cubans were murdered or made to disappear, with the assistance of United States instructors.

This was the result of a century of geo-political manoeuvring and of five military interventions by the United States. National independence, respect for human rights, the establishment of a democratic system and the implementation of a development project that responded to the hopes of the Cuban people were only achieved through a much needed popular revolution in 1959.

During the past three decades, the United States has maintained a policy of hostility and aggression against Cuba, aimed at subverting and destabilizing Cuban society in order to deprive our people, once again, of their right to exercise their sovereignty, their liberty and national independence, and to restore its previous domination of our country.

This policy, which is in violation of the Charter of the United Nations and international law, has included: unceasing efforts to economically strangle Cuba from abroad through the economic, commercial and financial blockade which is still in place and has even been strengthened; mercenary military aggression that was at the time defeated, and a continuous military threat, compounded by the illegal presence of a military base in Cuban territory; economic sabotage and terrorist actions, including numerous attempts at assassinating Cuban leaders, illegal and subversive radio and television broadcasts beamed against our people with the futile aim of promoting subversion; and continuous disinformation and propaganda campaigns with the purpose of sowing confusion in world public opinion.

Cuba has expressed its readiness to work for normal relations and cooperation with all States without exception and has demonstrated that it is prepared to engage in dialogue in the context of respect and sovereign equality.

Nevertheless, now that the cold war has come to an end, the United States has redoubled its anti-Cuban policy obviously obsolete, fraught with double standards and useless in its purpose of breaking the will of the Cuban people to resist.

The fact cannot be ignored that during the past three decades, and even at present, our national life has been influenced by the exceptional circumstance of having to face the extremely powerful threat to our existence

represented by United States policy against Cuba. The only thing that explains that, under those conditions, the Cuban revolution has been able to continue is the support and participation of the immense majority of our people in this effort of national resistance.

That is why today the Cuban Government and people can show the world, with legitimate satisfaction, that they are involved in a titanic effort to preserve our enormous achievements in the field of human rights, and not only of economic, social and cultural rights, which few would dare to question, but also of the deepening and expansion of democratic participation in the governance of the country and the enjoyment of civil and political rights.

The rights to life, work, education, health and social security are guaranteed to all citizens without distinction. Cuba can show a clean record of full enjoyment of human rights and social development indexes that are among the highest in the world.

Prevailing new international circumstances and the reinsertion of the Cuban economy into the world market have led us to a deep and bold process of transformation.

The opening of different sectors of the economy to foreign investment, the expansion of the private sector, the free circulation of foreign currency, the increase of cooperatives in agriculture and steps geared at government reorganization are significant changes carried out in the past few years.

In the political sphere, these changes have been accompanied by a reform that expanded the rights enshrined in the Cuban Constitution approved in a referendum by 97 per cent of all Cubans. A new Electoral Law was promulgated, establishing free and direct elections to elect the Parliament through candidates directly nominated by the electorate.

In 1991, the most open elections in Cuban history were held, and with the highest participation, in the presence of thousands of guests, journalists and foreign tourists, in which 99 per cent of the electorate participated. Ninety-three per cent of them ratified, with their free and secret ballot, which was justly termed a true plebiscite by the press agencies, their support for the Cuban national undertaking.

The manipulation of the human rights issue for political ends and the slander campaign aimed at presenting a situation of violation of human rights in Cuba are a recourse of United States policy aimed at compelling internal change by force, favouring subversion and destabilization, and creating an international climate conducive to an intensification of the strangling of my country. All this is carried out without discarding a number of preposterous studies and apocalyptic recommendations made by institutions of the Government of the United States regarding the creation of a scenario propitious for a so-called humanitarian intervention in the face of alleged civil strife and internal disorder in Cuba, much sought by them.

The actions taken by the Government of the United States on the pretext of its concern for human rights are nothing but another facet of the aggressive and hostile policy with which it intends to subordinate and

amputate our national identity. These are the real reasons underlying their actions and no one should be fooled. What is really under attack is the very existence of Cuba as a nation.

Once again the United Nations is compelled to carry out a sterile exercise resulting from the insistence by the United States in a slanderous resolution on an ambiguous and grey report of a so-called Special Rapporteur.

The alleged situation of human rights in Cuba, in all historical truth, was orchestrated as a consequence of political manipulations carried out by the Government of the United States, which imposed in Geneva the special monitoring mechanism of human rights applied against my country in a selective and discriminatory manner.

As is well known, this mechanism was perverted from its origins, since it is the result of a flagrant violation of all existing procedures, of the undue and dishonest use of precedents regarding other situations, and of the disregard for the activities carried out regarding this case by the pertinent United Nations bodies. Thus, we are faced with a totally artificial and illegitimate scenario, which Cuba considers null and void in all its aspects.

The truth is that to achieve their objective of manipulating the human rights mechanisms and procedures of the United Nations and of transforming them in a weapon of their policy vis-à-vis Cuba, the United States has followed the tortuous path of successive and deliberate steps that have increasingly contravened the principles and norms governing the functioning of this Organization. Those steps, in all cases, have had no basis whatsoever and have not been justified by the facts, as Cuba had systematically denounced on every occasion.

As many have appreciated, the report of the so-called Rapporteur and his lukewarm presentation before this Committee do not reflect, and cannot in any way reflect, a situation of human rights violations that does not exist. Nevertheless, the report is very far from Cuba's reality, while the resolution which is now being imposed is, at the same time, very far from the situation described in the said report. By this means, the delegation of the United States once again takes pride in continuing those manipulations to which it has accustomed us, aimed at artificially furthering this issue.

Cuba declares that it does not recognize nor will it recognize any spurious, selective and discriminatory procedures in the field of human rights; at the same time, it commits its already traditional cooperation with all mechanisms and procedures applied to all States in the field of the promotion of human rights; and it reiterates its readiness to discuss any issue in that regard in the appropriate forums and on the basis of sovereign equality and of the principles of comprehensiveness, universality, interdependence and interrelationship of all human rights, as enshrined in the Vienna Declaration.

My country has nothing to fear or to be ashamed of in the field of human rights, but it does not agree, and will in no way agree to subject its sovereign Constitution, its own legal order and the political, social and economic organization chosen by its people to the illegitimate and unjustified scrutiny of a major Power.

My people has struggled for more than a century, has faced serious dangers and is today facing sufferings to preserve the nation's independence. When independence has been earned, it is not given away through dubious political settlements precisely with those who attempt to ignore it.

The Government of the United States, promoter of the farce that gave rise to the so-called Special Rapporteur and his report, has no moral nor political authority whatsoever to set itself up as judge and jury of human rights in Cuba. And the reason is not only that it is a confirmed violator of human rights in its own territory and that it has supported all military dictatorships and repressive regimes which have existed in the post-war era, but also, and very particularly, the fact that it has maintained, without any justification, the economic commercial and financial blockade against my country, which constitutes a cruel and inhuman measure, flagrantly violating the human rights of my people and ignoring the will of the General Assembly, which has condemned it as a clear violation of the Charter and of international law.

If the extraordinary circumstances faced by my country were to be modified, if hostility and strangling were to be replaced by a constructive attitude, if the path of transformations we have sovereignly chosen were not hindered, a qualitatively new and favourable situation would emerge, from any honest point of view, for the fullest enjoyment of human rights.

In any case, and in spite of those accusing us today, our people will continue to be faithful to the example set by José Martí and to his thinking, when he enunciated the idea which, from our sovereign Constitution, presides over our independent Republic: "With all, and for the benefit, of all".

Thank you very much.

#### Notes

1/ A/CONF.157/23.

2/ Throughout this report the names of groups and their posts are used as transmitted to the Special Rapporteur by non-governmental sources.

3/ International Labour Organisation, 79th session, 1992, Report III (Part 4A), Report of the Committee of Experts on the Application of Conventions and Recommendations (Geneva, 1992), p. 410-411.

4/ Ibid., 80th session, 1993, pp. 361-362.

5/ Ibid., p. 364.

- 6/ E/CN.4/1993/39, para. 57.
- 7/ International Labour Office. 287th report of the Committee on Freedom of Association, 27-29 May 1993 (GB.256/7/12).
- 8/ El País, 9 November 1993.
- 9/ For this case, see E/CN.4/1993/39, para. 54 (b).
- 10/ International Labour Conference, seventy-ninth session, 1952, ...  
p. 409.
- 11/ *Ibid.*, eightieth session, 1993, p. 363.
- 12/ E/CN.4/1989/46, paras. 124, 128, 130, 143 and 144

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1993 COUNTRY REPORT ON HUMAN RIGHTS PRACTICESCUBA

Cuba is a totalitarian state dominated by President Fidel Castro, who is Chief of State, Head of Government, First Secretary of the Communist Party, and Commander in Chief of the armed forces. President Castro has sought to control all aspects of Cuban life through a network of directorates ultimately answerable to him through the Communist Party, the bureaucracy, and the state security apparatus. The Party is the only legal political entity and is headed by an elite group whose membership is ultimately determined by Fidel Castro. The Party controls all government positions, including judicial offices. Though not a formal requirement, party membership is a de facto prerequisite for high-level official positions and professional advancement.

The Ministry of Interior is the principal organ of state security and totalitarian control. It operates border and police forces, orchestrates public demonstrations, determines whether to recognize nongovernmental associations, investigates nonconformity, regulates migration, and maintains pervasive vigilance through a series of mass organizations and informants. It is charged with suppressing opposition and dissent of any kind. The Ministry is under the de facto control of the Revolutionary Armed Forces, which in turn are directed by Fidel Castro's brother Raul. The mass organizations attempt to extend government and Communist Party control over each citizen's daily activities at home, work, and school. Neighborhood Committees for the Defense of the Revolution (CDR's) mobilize citizens, impose ideological conformity, and report suspicious behavior.

The economy remained highly centralized despite some changes during the year, most notably decriminalization of hard currency possession and legalization of some types of self-employment. The Government, however, continued to control the means of production and remained virtually the sole employer. The economy continued to decline dramatically, reflecting the collapse in Cuba's relationship with the former Soviet Union. An annual \$4-5 billion in Soviet aid has ended. Total foreign trade was one-fourth the 1989 level. The Government continued its austerity measures known as "the special period in peacetime," which call for draconian efforts toward economic self-sufficiency.

The Government sharply restricts basic political and civil rights, including freedom of expression, association, assembly, and movement, as well as the right to privacy, the right of



citizens to change their government, and worker rights. Authorities neutralize dissent through a variety of tactics designed to keep activists off balance, divided, and discredited by labeling them mentally disturbed social misfits or hostile agents of foreign nations. To a lesser extent than in the past, the Government used "acts of repudiation," which are attacks by mobs organized by the Government but portrayed as spontaneous public rebukes of dissident activity. The Government also metes out exceptionally harsh prison sentences to activists whom it considers a threat to its control.

In March the U.N. Human Rights Commission (UNHRC) passed a resolution endorsing the report of the UNHRC's Special Rapporteur, which made a strong and detailed criticism of Cuba's systematic violations of human rights. The report concluded with seven steps Cuba must take to bring its human rights practices up to minimum international standards. The Government for its part continued to refuse the new Special Rapporteur, like his predecessor, permission to visit Cuba. While there were no systemic changes improving human rights, the Government did release several imprisoned human rights activists and reduced the number of acts of repudiation. The overall human rights situation remained poor, almost as oppressive as in 1992.

#### RESPECT FOR HUMAN RIGHTS

##### Section 1 Respect for the Integrity of the Person, Including Freedom from:

###### a. Political and Other Extrajudicial Killing

Law enforcement officers were responsible for several extrajudicial killings. Five policemen arrested and handcuffed Jesus Acosta Ramos of Manicaragua in Villa Clara province on February 5 and brutally beat him in front of eyewitnesses. Acosta died later that day; his autopsy certified that he had died of a heart attack, failing to mention the injuries sustained. Rogelio Carbonel Buevara died on March 7 in a police holding cell after being beaten near his home by three policemen from the Malecon unit in Havana's Vedado district. Carbonel's widow was told days later that his death was due to natural causes. Police officer Cariel Gonzalez shot and killed 13-year-old Simon Heredia Alvarez in Cespedes in Camaguey province during a May 1 celebration, reportedly after Heredia complained to Gonzalez that he should not mistreat people who were waiting in line. This led to disturbances involving a few

hundred of the town's inhabitants, who chased Gonzalez to the police station. They were finally dispersed upon a show of force by police. In addition, there were several confirmed incidents in which border patrols killed people trying to leave the country (see Section 2.d.).

b. Disappearance

There were no reports of politically motivated disappearance.

c. Torture and Other Cruel, Inhuman, or Degrading Treatment or Punishment

The Constitution prohibits abusive treatment of detainees and prisoners. However, police and prison officials frequently employed beatings, neglect, isolation, and other abuse in dealing with detainees and prisoners convicted of political crimes (including human rights advocates) or those who persist in expressing their views. State security officials often subjected dissidents to systematic psychological intimidation in an attempt to coerce them to sign incriminating documents or to collaborate. The UNHRC Special Rapporteur found prison conditions, especially habitual beatings, severe overcrowding, and the lack of food and medical care, in violation of Cuban law. Dissidents are often placed in cells with common criminals.

The Government claims that prisoners have guaranteed rights, such as family visitation, adequate nutrition, pay for work, the right to request parole, and the right to petition the prison director. However, according to human rights activists, these purported rights are often and capriciously withdrawn, especially from political prisoners. There has been no indication that authorities investigated reports of abuse or took disciplinary action against the agents responsible. Among the many reported cases of brutality by prison guards and police was that of human rights activist Luis Alberto Pita Santos, whose arm was broken during a severe beating by prison guards in Boniato prison in January after refusing to wear a prison uniform. Ten guards handcuffed and severely beat activist Juan Carlos Aguiar Beaton in front of other prisoners at Guanajay prison in July.

Human rights activists and political dissidents are systematically harassed, beaten, and otherwise abused in public and private by police and state security officials as a means of intimidation and control. Three plainclothes policemen in

December 1992 accosted Nelson Eduardo Cruz Cabeza, an activist with the group Edad de Oro, and told him to stop his activities; they then beat him, causing an injury to his head which required six stitches.

Authorities continued to use acts of repudiation to intimidate activists and as a pretext for their arrest, though to a lesser extent than in 1992. Crowds of people are amassed outside homes of activists to harass them, yell insults, and vandalize property. At times, the targeted activist is forced through the crowd by police and physically beaten or abused. During such acts, police often arrest activists "for their own protection," and later charge them with counterrevolutionary activity, resulting in prison terms.

#### d. Arbitrary Arrest, Detention, or Exile

Arbitrary arrest and detention are commonplace. The Law of Penal Procedures requires police to file charges and either release a detainee or place him before a prosecutor within 96 hours of arrest. Authorities are also legally required to provide suspects access to a lawyer within 10 days of arrest. These procedures are routinely denied to those detained on state security grounds. The Constitution states that all civil liberties can be denied anyone opposing the "decision of the Cuban people to build socialism." Authorities invoke this open-ended article to justify lengthy detentions of activists on the grounds they constitute "counterrevolutionary elements." The UNHRC Special Rapporteur found that the legal system lacks laws and institutions needed to afford due process.

According to human rights activists, there were between 1,500 and 2,000 Cubans incarcerated for illegal exit and at least another 2,000 imprisoned for various political crimes. The Penal Code contains several articles prohibiting "counterrevolutionary" activity. Activists are often imprisoned for "enemy propaganda," "illicit association," "contempt for authority" (usually for criticizing Fidel Castro), "clandestine printing," or the broad charge of "rebellion." The latter is brought against advocates of peaceful democratic change.

The Penal Code also includes the concept of "dangerousness," defined as "the special proclivity of a person to commit crimes, demonstrated by his conduct in manifest contradiction of socialist norms." Government authorities continue to intimidate activists by threatening prosecution under this

article. If the police decide a person exhibits such behavior, the offender may be brought before a court or subjected to "therapy" or "political reeducation" for 1 to 4 years. In late 1993, there was a sharp increase in the number of convictions for dangerousness as several hundred people, possibly more in the Havana area alone, were sentenced to prison. Some were human rights activists such as Felipe Lorens, head of the Marti Youth Organization, who was sentenced to 4 years in prison in October.

Reports of arbitrary arrests of human rights monitors continued unabated. On June 22, plainclothes police picked up Maria Celina Rodriguez, president of the opposition group "Liberty and Faith," and her 6-year-old son and took them to a nearby house, where they were interrogated for 7 hours regarding her human rights activism. Police detained Roberto Pintado of the "Marti Youth Organization" in June and told him to stop his dissident activities or be tried on charges of "illicit association" and sentenced to 2 or 3 years in prison. The Government also preempts dissident activity by arbitrarily prolonging prison sentences by bringing new charges against detainees for human rights activities allegedly committed during imprisonment.

#### e. Denial of Fair Public Trial

Cuban law and trial practices do not meet international standards for fair and impartial public trials. Almost all cases are tried in less than 1 day. Although the Constitution provides for independent courts, it explicitly subordinates them to the National Assembly and the Council of State, which is headed by Fidel Castro. Judges are elected by the rubberstamp National Assembly and its lower level counterparts. The judiciary's independence is also compromised by the subordination of the courts to the Communist Party. There is no known case in which a court has ruled against the Government on any political or security matter.

Civil courts exist at municipal, provincial, and Supreme Court levels. All are presided over by panels composed of a mix of professionally qualified and lay judges. Military tribunals assume jurisdiction for certain "counterrevolutionary" cases. Most trials are public; however, trials are closed when state security is allegedly involved. Testimony from a CDR member may be introduced on behalf of a defendant and may contribute to either a shorter or longer sentence. The law recognizes the right of appeal in municipal courts. In provincial courts,

some cases are appealable, such as those involving maximum prison terms or the death penalty. The law requires that an appeal be filed within 5 days of the verdict.

Criteria for presenting evidence, especially in cases of human rights activists, are arbitrary and discriminatory. Often the sole evidence provided, particularly in political cases, is the defendant's confession. It is usually obtained under duress and without legal advice or knowledge of a defense lawyer. Defense lawyers often are not allowed to meet with defendants until the day of the trial. Several activists who have served prison terms say they were tried and sentenced without counsel and were not allowed to speak on their own behalf.

The law provides an accused the right to an attorney, but the latter's impartiality and independence are compromised by the absence of an independent bar association and by ideological controls exerted over members of the state-controlled lawyers' collectives, especially when defending persons accused of state security crimes. Observers have reported reluctance among attorneys to defend those charged in political cases.

f. Arbitrary Interference with Privacy, Family, Home, or Correspondence

Although the Constitution provides for inviolability of one's home and correspondence, official intrusion into private and family affairs remain one of the most repressive and pervasive features of Cuban life. Party-controlled mass organizations permeate society. The State has assumed a virtual right of interference into the lives of citizens, even those who do not actively oppose the Government. These intrusions aim ostensibly at "improving" the citizenry but are calculated to encourage ideological conformity.

Authorities possess a wide range of social controls. The educational system teaches that the State's interests have precedence over all other ties and commitments. Teachers, selected in part for their ideological commitment, emphasize Communist doctrine in the classroom and may penalize students whose families question orthodox opinion. Teachers are required to evaluate students' ideological character, which is noted in records carried by students throughout their education and which affect their future prospects.

The Interior Ministry employs an intricate system of informants and neighborhood security committees (CDR's) to monitor and

control public opinion. Guardians of social conformity, the 80,000 CDR's are tasked with closely monitoring the daily lives of residents. Participation in them is described as voluntary; it is, in fact, obligatory. CDR's report suspicious activity, such as reception of foreign radio or television broadcasts in the home, conspicuous consumption, unauthorized meetings, including with foreigners, and attitudes toward the Government. Activist Sergio Seco Cordero, for example, was denounced in a report by his CDR as "disaffected" because of his "active participation against our Socialist system." Such people are often harassed and fired from their jobs (see Section 2.a.).

Cubans do not have the right to receive publications from abroad. Their international correspondence is often read by state security. Overseas calls are difficult to make and are monitored; conversations with foreigners are reported. Activists, diplomats, and foreign journalists report surveillance by security agents, though this seems to have decreased.

Authorities regularly search people's homes without probable cause for purposes of intimidation and harassment. Police broke into the home of activist Carlos Negrin on February 3 and seized three pairs of foreign-made shoes. They told Negrin that his mother-in-law had accused him of illicit economic activity. Negrin and his wife were arrested, taken to the police station, and placed in a holding cell. Negrin's wife had a miscarriage and was taken to a hospital; though doctors ordered bed rest, she was returned to the station, where she and Negrin were held for 5 days. They were both released after paying a fine equal to 1 month's salary.

## Section 2 Respect for Civil Liberties, Including:

### a. Freedom of Speech and Press

The Government does not allow criticism of the revolution or its leaders. Laws are enforced against antigovernment propaganda, graffiti, and insults against officials. The penalty is 3 months to 1 year in prison for contempt. If Fidel Castro or members of the National Assembly or Council of State are the object, the sentence is 1 to 3 years. Rosa Campos Hernandez, for example, was sentenced to 3 years' imprisonment because she allegedly made defamatory statements about Castro and other ministers while standing in the door of her Havana home. Local CDR's inhibit freedom of speech by monitoring and reporting dissent or criticism (see Section 1.f.).

The Constitution states that electronic and print media are state property and "cannot become, in any case, private property." The media are controlled by the Communist Party and operate under its guidelines. They faithfully reflect government views and are used to indoctrinate the public. No other public forum exists. TV Marti and Radio Marti, which broadcast from the United States, are often jammed; however, other foreign broadcasts are not. Police and Interior Ministry officials frequently confiscate foreign newspapers from members of the Independent Journalists' Association (APIC) and human rights activists. The Government also circumscribes artistic, literary, and academic freedoms. Education is the exclusive prerogative of the State. Schools follow Marxist-Leninist precepts as interpreted by the Government.

Beyond the Government's tight control over media, other forms of expression are rigidly monitored. The Government often arrests people for the crimes of "enemy propaganda" and "clandestine printing." Dissidents are physically attacked and intimidated if they try to report on incidents. APIC head Nestor Baguer called one of his contacts abroad in July with news about a large-scale disturbance near Havana. The next day two men posing as telephone company employees beat him in his home and destroyed his telephone. On August 6, three men severely beat APIC member Jorge Casanovas Crespo just outside the offices of the Communist Party's Central Committee as he was heading to an APIC meeting. Casanovas required six stitches; vision in one eye was severely affected.

Academic publications and research may not conflict with government or party policy. On January 26, Leonardo Jose Rodriguez Perez, a researcher at the Center for Metallurgic Research, became the latest of several fired from their jobs after signing the "open letter from Cuban professionals to the second (1992) Ibero-American summit."

#### b. Freedom of Peaceful Assembly and Association

The Constitution does not provide for freedom of assembly or association, nor are these freedoms permitted. Any assembly of more than three persons, even in a private home, is punishable by up to 3 months in prison and a fine. Though not universally enforced, this is often used as a legal pretext to harass and imprison human rights advocates. Even activists who act respectfully towards authority are subject to continuous harassment and persecution. Organizers of "illicit or

unrecognized groups" may be sentenced to up to 9 months. The authorities have never approved a public meeting of a human rights group.

The Penal Code forbids "illegal or unrecognized groups." The Justice Ministry, in consultation with the Interior Ministry, decides whether to recognize organizations. Apart from "recognized" churches and a few carefully monitored groups such as the Masonic Order, small human rights groups represent the only associations outside the State and party. Authorities continued to ignore numerous applications for legal recognition by human rights groups, whose members were often jailed for "illicit association" or became the targets of reprisals. Human rights activists were fired from their jobs for such reasons as being "connected to counterrevolutionary groups" or being a "focal point for political deviation" with "ideas very contrary to those of our revolution."

Because of such restrictions, public demonstrations by opposition groups are extremely difficult to organize. Activists Juan Guarino and Paula Valiente were arrested on April 30 by state security after planning a May Day march outside a Havana church. The following day, 150-200 persons gathered for the march; when activists unfurled the Cuban flag, the police moved in and began beating people with blunt instruments. Several were arrested. Guarino and Valiente were convicted of "inciting public unrest" on May 18 and released on parole, an uncharacteristically lenient sentence. Since their release, however, both have been harassed by state security and kept under tight surveillance (see Section 2.d.).

#### c. Freedom of Religion

In recent years, the Government has made legal changes which eased somewhat the harsher aspects of its suppression of religious freedom. In 1991 it allowed religious adherents to join the Communist Party, while in 1992 it amended the Constitution to prohibit religious discrimination and remove references to "scientific materialism," i.e., atheism, as the basis for the Cuban State. Such actions were praised by the Protestant Ecumenical Council, but the Catholic Church stated its concern over the gap between the Government's rhetoric and actions. The Catholic Bishops issued a pastoral letter calling for national reconciliation and dialog. Although harshly critical of the letter, the Government did not directly retaliate against the Church.



Despite these changes, religious persecution continues. Members of the armed forces are prohibited from allowing anyone in their household to observe religious practices. Elderly relatives are exempted if their beliefs do not influence their spouses or children and are not "damaging to the revolution." The Government continued to use the Penal Code to persecute Jehovah's Witnesses and, to a lesser extent, Seventh-Day Adventists. Jehovah's Witnesses were often convicted of clandestine printing if a search of their home revealed religious materials or illicit association for having religious meetings. They have also been found guilty of contributing to the delinquency of a minor, of "not complying with duties related to respect and love of country," and of "abuse of the freedom of religion" when, out of religious conviction, they refuse to honor symbols of the Cuban State. Because the Government considers them "active religious enemies of the revolution," Jehovah's Witnesses and Adventists are watched and often harassed by the CDR's, who also maintain surveillance over "spiritualists who give consultations," in addition to such categories as "counterrevolutionary ex-convict" and "common criminal."

Church attendance has grown rapidly in recent years, despite government and party efforts to restrict and control church activities. Churches and other religious groups must register with the Government and be officially recognized. Authorized religious organizations may hold activities only at designated places of worship. Construction of new churches is prohibited, forcing many churches to meet in individuals' homes. Religious holidays were eliminated in 1961. No religious processions outside of church grounds are permitted, and churches are denied any access to mass media.

d. Freedom of Movement Within the Country, Foreign Travel, Emigration, and Repatriation

There are no legal restrictions on domestic travel, other than a restricted zone near the U.S. Naval Base at Guantanamo. Persons who are found to be HIV-positive are restricted to sanatorium communities and allowed to leave those communities only on highly restricted conditions. The Government now allows persons over 20 years of age to apply for permission to travel abroad. The vast majority of persons who qualify for immigrant visas or refugee status are allowed to leave; however, the Government continues to delay or deny exit permits in certain cases, often without explanation. These often include professionals who have tried to leave and who have

since been banned from working in their occupational field. Others are refused permission because the Government considers their cases sensitive. Dissident scientist Rolando Roque Malherbe, for example, had been refused an exit visa since 1990 and had been unable to attend conferences abroad. The Government finally permitted Roque to leave in December for a teaching position in Spain. President Castro's daughter, Alina Fernandez, slipped out of the country in disguise, after being refused an exit visa for years. The Government also has coerced some people, mostly activists, into leaving the country. Paula Valiente, head of Mothers for Dignity, was constantly harassed by state security officials to emigrate. Threats were made that her 17-year-old son would be imprisoned on trumped-up charges. To avoid that, Valiente left Cuba with her son in November.

The Government also permitted hundreds of former political prisoners to emigrate, including several prominent activists who had previously been denied exit visas. Most notable was Mario Chanes de Armas, a former Castro comrade, who was allowed to emigrate in July. Chanes was released in 1991 after serving a 30-year prison sentence; he had been the longest serving political prisoner in the Western Hemisphere. Nydia Cartaya, wife of Joaquin Movrino Perez, an ex-army officer who defected in the mid-1980's, was also granted an exit visa after having been denied one since 1985. Activist Jose Luis Pujol, who had originally applied in 1986, was allowed to depart. Activists Elizardo Sanchez Santacruz and Rolando Prats were granted exit visas to make extensive trips abroad during the summer and were allowed to return to Cuba, even though Sanchez is out on bond pending trial on charges of contempt for resisting a beating by police in December 1992.

The Government continues to use aggressive, often violent, means to prevent citizens from emigrating without its permission. For example, on July 1, border guards in Cojimar opened fire on a boat carrying at least 15 unarmed Cubans who were trying to flee to the United States. Three were killed and at least 10 injured. Guards and police reportedly refused to assist those wounded in the water or allow others to do so. According to numerous accounts, this led to rioting by several hundred inhabitants. In October border guards killed Luis Quevedo Remolino after he tried to leave in a raft. Though the Government stated that he had been shot trying to depart illegally, Quevedo's family and friends assert he was beaten to death. Quevedo's cousins, who were involved in the escape attempt, were also beaten, though not as seriously. The incident led several thousand people to march in a funeral

procession on October 14 in Regla near Havana; Quevedo's family reportedly diverted the hearse to the police station and removed the body from the coffin, to show that it was covered with deep bruises and had no bullet wounds. Despite the dangers involved, a record 3,656 Cubans made it to the United States in rafts. It is not known how many perished en route.

In five incidents witnessed by U.S. military personnel in late June, border guards used hand grenades and rifle fire against unarmed swimmers trying to escape to the U.S. Naval Base at Guantanamo in southeast Cuba. In response to U.S. protests over the use of excessive force, the Government denied the reports, calling them "slanderous." Over 30 Cubans are known to have died while attempting to seek asylum at the Base, either shot by Cuban soldiers or killed by Cuban mines, while 821 made it safely.

There is no right of repatriation. Exit permits for temporary travel specify that the person must return within 30 days, although extensions are available. Cubans who live abroad must apply for permission to return for visits. A quota of 10,000 visits per year by those who left between 1959 and 1980, as well as a general ban on the return of those who left after 1980, were greatly liberalized in August.

### Section 3 Respect for Political Rights: The Right of Citizens to Change Their Government

Cubans have no legal right to change their government or to advocate a change. The Constitution states that the only political organization allowed is the Communist Party. A small group of leaders select members of its highest governing bodies--the Politburo and Central Committee.

In February the Government permitted direct elections to the national legislature for the first time since it was created in 1976. Before nomination, however, every candidate had to be screened by a "candidacy commission" composed of members of party-controlled "mass organizations." Only one candidate per seat was allowed; voters could either vote "yes" or leave the ballot blank; there was no space even to check "no." These procedures were designed to ensure that only those who follow the government line would be on the ballot. Formation of political parties, campaigning, and the making of campaign promises was forbidden.

Leadership positions in Castro's Government have been dominated by white males since its inception; there are very few women or minorities in positions with policy responsibility in the Party or the Government. There are 3 women on the 25-member Politburo; the country's first female provincial party secretary was not chosen until 1993. Though blacks and mulattoes make up over half the population, they comprise only 4 of the 25 Politburo members and only 15 percent of over 200 members of the Central Committee.

The Government has ignored calls for democratic reform and labeled activists who proposed them "worms" and traitors working to undermine it. Any change judged not compatible with the revolution is rejected, as are proposals by Cubans who seek nonviolent political change or open debate about the political system. The Government retaliates against those who have peacefully sought political change.

#### Section 4 Governmental Attitude Regarding International and Nongovernmental Investigation of Alleged Violations of Human Rights

No domestic or international human rights group is recognized by the Government or permitted to function legally. As noted above, domestic human rights monitors are subject to intense intimidation and repression. In violation of its own statutes, the Government refuses to consider applications for legal recognition submitted by human rights groups. The main domestic human rights monitoring groups are the Cuban Human Rights Committee, the Cuban Pro-Human Rights Party, the National Council for Civil Rights, and the Cuban Commission for Human Rights and National Reconciliation. In addition, the Cuban Democratic Convergence, the Cuban Coalition, and the Civic Democratic Alliance are umbrella organizations including a number of smaller human rights groups.

The Government has steadfastly rejected international human rights criticism. In 1991 Cuba's U.N. Representative stated it would not recognize the UNHRC mandate on Cuba and would not cooperate with its Special Rapporteur, even though Cuba is a UNHRC member. In March, after the UNHRC passed a resolution condemning human rights violations in Cuba by the largest margin ever, Cuban Ambassador Jose Perez Novoa said the resolution was the result of a "political vendetta" and maintained that "there are no large-scale and flagrant human rights violations in Cuba." Cuba continues to ignore repeated requests by the UNHRC's Special Rapporteur to visit Cuba to meet officials and citizens.

## Section 5 Discrimination Based on Race, Sex, Religion, Disability, Language, or Social Status

Cuba is a multiracial society with a majority of black and mixed racial ancestry. The Constitution forbids discrimination based on race, sex, or national origin, although evidence suggests that racial and sexual discrimination occurs.

### Women

The Family Code states that women and men have equal rights and responsibilities regarding marriage, divorce, raising children, maintaining the home, and pursuing a career. The Maternity Law provides 18 weeks of maternity leave and grants working women preferential access to goods and services. About 40 percent of all women work. They are well represented in the professions, although few are in positions with policy responsibility.

Information from human rights groups and other sources indicates that domestic violence and sexual assaults occur, but no statistics are available. Violent crime is rarely reported in the press and, due to cultural traditions, victims of mistreatment are reluctant to press charges. However, the law establishes strict penalties for rape, and it appears to be enforced. Prostitution has increased greatly in the last few years, especially around tourist areas.

### Children

The Constitution states that the Government will protect "family, maternity, and matrimony." It also states that children, legitimate or not, have the same rights under the law and notes the duties of parents to protect them. Education is free and is based on the ideology of Marx and Jose Marti, and state organizations and schools are charged with the "integral formation of childhood and youth."

### National/Racial/Ethnic Minorities

Information about racial discrimination is not readily available. Many blacks have benefited from the social changes of the revolution. Nevertheless, there have been numerous instances of police harassment against blacks, including black foreigners and diplomats who were mistaken for being Cuban. Many black activists report being singled out for harassment. Officials have told them during interrogations that they are "ungrateful" for not appreciating what the revolution did for them and insulted them with racial epithets.

## People with Disabilities

There have been few known cases of discrimination based on disability. There are laws to provide for the disabled, but no laws mandating accessibility.

### Section 6 Worker Rights

#### a. The Right of Association

The Constitution gives priority to state or collective needs over individual choices regarding free association or provision of employment. Decisions and choices of workers are subordinate to the "demands of the economy and society." The law does not permit strikes, nor are any known to have occurred in 1993. Established labor organizations are not trade unions in any real sense and do not act as a voice for worker rights, including the right to strike. Labor is organized under the control of the State and party through one umbrella group, the Confederation of Cuban Workers (CTC).

Although a constitutional amendment removed reference to the CTC and its Secretary General's participation in the Council of Ministers, the CTC's union monopoly is reflected in the explicit reference to it that remains in the Labor Code. The CTC serves primarily as a state instrument to enforce political and labor discipline, to encourage productivity and extended hours of "voluntary" labor, to hold down labor costs, and to conserve raw materials. However, some CTC organizations have served as debating forums for a narrow range of labor issues, such as safety or working conditions.

Despite Cuban disclaimers in international forums, independent unions are explicitly prohibited. In 1992 the International Labor Organization (ILO) concluded that independent unions "do not appear to exist" and ruled that Cuba violated ILO norms on freedom of association and the right to organize. In May the ILO Governing Body rejected the arguments of the Justice Ministry for failing to reply to the General Union of Cuban Workers' (UGTC) request for registration and legal recognition and requested the Government to make an immediate pronouncement on registration.

Those who attempt to engage in union activities face government persecution and harassment. In February state security officials again arrested Rafael Gutierrez Santos, president of the fledgling independent trade union USTC, and detained him

without making formal charges. He was released in August, pending trial. In February police raided the home of independent unionist Juan Guarino during a meeting of the National Council of Independent Unions. After searching the house for 7 hours, police confiscated union materials and newspapers and then arrested eight union members, telling them they would be "crushed like cockroaches" if they continued their union activities. They were released several hours later. In March police arrested UGTC executive member Roberto Trobajo and detained him for a week due to his union activities.

b. The Right to Organize and Bargain Collectively

Collective bargaining does not exist. The State Committee for Work and Social Security sets wages and salaries for the state sector. Because the CTC is a government instrument, antiunion discrimination is only relevant as it applies to government repression of attempts to form independent unions. There are no known export processing zones in Cuba.

The Government in September relegalized self-employment, which had been abolished in 1968, by allowing people to apply for licenses to work in over 100 different occupations, from hairdresser to muleteer. However, the regulations exclude university graduates, employees in sectors determined to be government priorities, or any state employee whose work is ruled necessary. They also exclude those who do not show proper "labor discipline" (a category which includes dissidents), among others. Furthermore, permission to work outside the state sector can be revoked if the State decides the worker's services are again needed.

c. Prohibition of Forced or Compulsory Labor

Neither the Constitution nor the Labor Code prohibit forced labor. The Government maintains "correctional centers" where people are sent for crimes such as illegal departure. They are forced to work on farms or building sites, usually with no pay and inadequate food. Internees who do not cooperate are often imprisoned.

Special groups of workers, known as "microbrigades," on loan from other jobs, are employed on special building projects. They have increased importance in the Government's efforts to complete tourist and other facilities that have priority attention. Workers who refuse to volunteer for these often risk discrimination or loss of their jobs. Microbrigade

workers, however, are reportedly rewarded with priority listing for apartments, a strong incentive for such work.

The ILO's Committee of Experts criticized Cuba for violating ILO Convention 29 (Forced Labor) based on allegations in a report by the International Confederation of Free Trade Unions (ICFTU) that "voluntary labor is, in practice, forced labor under the terms of the Convention, since refusal to do such labor results in the loss of certain rights, benefits, and privileges." In response, the State Labor Committee in January repealed a 1980 resolution, thereby eliminating merits and demerits from workers' labor records. In June the ILO conference committee expressed hope that this marked the first step toward complete elimination of any form of coercion involved in voluntary labor.

#### d. Minimum Age for Employment of Children

The legal minimum working age is 17. The Labor Code exempts 15- and 16-year-olds to let them obtain training or fill labor shortages. However, students over age 11 are expected to devote 30-45 days of their summer holiday to farm work up to 8 hours per day. "Voluntary labor" by student work brigades is still used extensively in the farming sector.

#### e. Acceptable Conditions of Work

The minimum wage is supplemented by free medical care and education and subsidized housing and food. Even with these subsidies, however, a worker must earn far more than the average wage to support a family. The minimum wage is less than \$200 (200 pesos) per month (which is about \$3 at the black market rate). Moreover, most basic necessities, like food, medicine, clothing, and cooking gas, are rationed and in very short supply, if available at all. This has worsened dramatically in the past 3 years.

The standard workweek is 44 hours, with shorter workdays in hazardous occupations such as mining. To save energy, the Government reduced workdays to 5 hours in many institutions. Worker safety and pollution control provisions are usually inadequate. Effective control and enforcement mechanisms to ensure worker safety are lacking. Industrial accidents apparently are frequent.



Chairman RANGEL. But we would not be damaging or hurting these people, if we published it, would we? Is the State Department—

Mr. SKOL. Not these people. These are people who have been jailed specifically because they have gone public to protest the human rights treatment that they have received.

Chairman RANGEL. We could move the debate forward, if the State Department would say: For those of you who are so naive to believe that the human rights of Cubans are not being violated, why don't you take a look at these people, they have been in jail for x number of years, and ask those people in Cuba what they intend to do about either releasing them or explaining why they are detained. Every time somebody is arrested and they have family in the United States, we should know who they are, so that people can really point out where we want to go, instead of just saying that we have made up our mind that there is nothing that can be done.

Because we do not know really, even now as we talk, what could possibly happen, if the regime collapsed and we did not know what would replace it.

Mr. Kopetski.

Mr. KOPETSKI. Thank you, Mr. Chairman.

Mr. Skol, I view the embargo as a means to an end, and not as an end in itself. The feeling I get with some of the previous witnesses is that the embargo is just that, an end in itself and, regardless of the arguments, people want it to continue.

Could you draw the distinction for me between our various policies. In Eastern Europe, change came from within that country, not because it was shut down, but because it was opened up even a smidgen, and then the door widened and communism fell. In China, where our policy, though bumpy, to say the least, is one, as Mr. Lord portrays it, of comprehensive engagement, the goal is more change, more change in terms of human rights. Yet, in terms of Cuba, the policy is to shut it down, to close it out. Why the distinction between success in Eastern Europe, a plan of operation going on now with our foreign policy in China, and yet in Cuba we have a totally different policy? Why this distinction?

Mr. SKOL. Mr. Kopetski, it is because the country situations are different and the legal situation is different in each country.

If there were political responses from Cuba to either the Cuban Democracy Act or the existing embargo, or to the repeated calls of the U.N. Human Rights Commission, and so many others for change in Cuba, we could here be debating those responses. We would be asking "Well, isn't this enough? Mr. Secretary, they have done this, isn't that enough?" But there is nothing to debate about how far Cuba has gone in the political areas, the key areas of democracy, of human rights, of opening up society. That is the point, nothing has happened, there is nothing to debate.

In the case of other countries, one could debate, for example, what Vietnam did. One could reasonably reach different conclusions. But what Vietnam actually did with regard to the reasons for the imposition of the embargo, the issue of the missing in action—movement, clear movement—was sufficient for the President of the United States to make a decision.

With regard to China, the jury is still out. But the fact is that there has been movement, there has been change, there is a trend of change.

Mr. KOPETSKI. That is my point, not because we closed them off, but because we opened the door. In Eastern Europe, none of these kinds of negotiations or demands were going on with respect to Poland and Hungary and Czechoslovakia.

Mr. SKOL. The Vietnam situation, the change and the embargo—

Mr. KOPETSKI. I am not talking about Vietnam. I am asking you about Eastern Europe and China, where you have clear success.

Mr. SKOL. What happened in China and, what has happened in Eastern Europe, are results of a variety of factors of which the U.S. presence or nonpresence had relatively little to do.

In Cuba, we must consider the ability of the Cuban regime to survive. If I were part of a policy of the U.S. Government which consciously provided resources to a regime like that of Fidel Castro, and later I could be accused of having helped that regime survive, I think that I could be accused of bad policy, bad diplomacy and bad—

Mr. KOPETSKI. Well, you could make that argument about China today. By maintaining trade, by encouraging trade, we are encouraging that regime to survive. I do not buy that argument.

Let me ask you a final question—

Mr. SKOL. Congressman, if this were a hearing about China, you would have someone else before you, obviously, but there would be a debate about what is happening in China, about what movements have occurred, what do they mean for the U.S. interest, how do you balance the U.S. interests.

This is a debate about Cuba, and there is no one on this panel or anywhere else who can talk about any change, politically, democratically, or with regard to human rights that can be debated. We would be delighted, if something would happen next week, that we could have another hearing and say, Mr. Secretary, Fidel Castro has called for elections, or the Cuban regime has said anybody can leave Cuba, or the Cuban regime has dismantled its repressive apparatus, it has freed political prisoners, Mr. Secretary, is that enough for you? We would have a real debate. But there is no such thing that has happened there.

It would be bad diplomacy, bad negotiation and bad policy for us to say, all right, nothing has happened, therefore, we will change our policy and give you the wherewithal to continue this "nothing happening" well into the future. I think that would be irresponsible.

Mr. KOPETSKI. Well, if you look at what happened in Eastern Europe, the State Department, the CIA, the President of the United States, they were caught unaware. I mean this was dramatic and fast and almost overnight, with very little bloodshed. It happened from within, and it was a tidal wave once it got going.

What I am suggesting is that we are prohibiting that tidal wave from happening in Cuba because of the embargo.

Mr. SKOL. Of course, I take issue with that. I believe we are doing the opposite. I believe we are at the very least not providing the conditions that would assume that change would not take

place. If there were a tidal wave tomorrow and peaceful democratic change occurred in Cuba, the administration would be the first to applaud it and seek ways to support it.

Mr. KOPETSKI. Thank you, Mr. Chairman.

Chairman RANGEL. Mr. Hancock.

Mr. HANCOCK. Thank you, Mr. Chairman.

I have some questions which do not specifically relate to this bill, but do relate to our underlying goal of freedom and democracy in Cuba which I think is where we are heading or wanting to head.

The provision of the Cuban Democracy Act, which I supported in 1992, permitted the establishment of telecommunications services between the United States and Cuba. This provision makes sense to me in that providing lines of communication between residents of the two countries will give us a much better understanding of the conditions in Cuba, and communication in general will, in my opinion, help move Cuba closer to democratization.

With this in mind, I was somewhat disturbed to learn the State Department has recently rejected proposals of telecommunications interests who have been negotiated to provide service between Cuba and the United States. While I understand every effort must be made to prevent the flow of excessive hard currency to the Castro government, there must be some common ground that can be reached so these telecommunications services could be offered between the two countries.

Specifically, can you tell me where that common ground might be, a higher accounting rate, a lower surcharge, or some combination of the two?

Mr. SKOL. Let me explain for those who may not know as much as you do about what is going on. The administration very much supports and has encouraged that part of the Cuban Democracy Act which calls for the establishment of much better direct telecommunications, telephone and other kinds of service between Cuba and the United States.

At the same time, the Cuban Democracy Act directs that this take place without providing excess profits to the Cuban regime. So we are faced with the problem, the opportunity, of not giving excess cash to the Cuban regime, but at the same time establishing telecommunications which would result in the passage of some resources to the Cuban regime.

So you are absolutely right, there must be a balance. We understand that, and toward that end, guidelines were published, working up by the administration on how to do this, guidelines on a fair balance between resources that are going to the Cuban Government and our interest in establishing these telecommunications.

The contracts to which you refer have not come to us formally for acceptance or rejection. That will come in due time. But when we were told by companies that a certain surcharge was to be part of the contract with the Cuban regime, an alarm bell went off, and the decision was that the surcharge as presented in the package represented an excess profit to the Cuban regime. Considering surcharges and accounting rates around the world, that simply went beyond the guidelines and beyond the express direction in the Cuban Democracy Act.

Now, not being an expert in telecommunications, I cannot finish the answer to the question and tell you just exactly what would be the best compromise in this area. I can tell you that when the packages come in to the administration, they will be looked at with due regard to both of our interests, preventing excess profits on the one hand and establishing telecommunications on the other. We do want the communications to be established.

Mr. HANCOCK. And your position is that the excess profits per se would end up providing hard cash for the Castro government?

Mr. SKOL. Yes, and that is what we are specifically enjoined not to do in the Cuban Democracy Act.

Mr. HANCOCK. Yet, I understand the telecommunications industry says this is about the minimum for which we can do this.

Mr. SKOL. I might just point out that the specific surcharge that we have been presented is the highest in the world, with one exception.

Mr. HANCOCK. Thank you.

Chairman RANGEL. Congresswoman Ros-Lehtinen is not a member of this committee, but I certainly want her to know that she enjoys as a courtesy the opportunity to ask any questions that she may want to ask this panel or any other panel.

Ms. ROS-LEHTINEN. Mr. Chairman, thank you for the opportunity to participate in this.

Just a quick comment, that I agree with Mr. Skol's testimony toward the end when I came in, that there has been no noticeable letup whatsoever in the oppression of the free expression of ideas in the past 35 years, no letup on the crackdown on dissidents, no letup in the constant repression of all freedoms in Cuba.

I voted several times against the granting of most-favored-nation status to China, and will proudly do so again in just the coming weeks. I hope we have the opportunity to express our thoughts on this important issue once again. I support the Haitian embargo. I was against the lifting of the embargo on Vietnam, and wrote to President Clinton several times in very clear terms urging him to do so.

I agree with you that, at least in other countries, not in Haiti, but in China and Vietnam, as strongly as I feel about them, I at least acknowledge that those on the other side with whom I so very strongly oppose, at least they have some sort of argument, they have some sort of cover, they have some sort of room for debate, as you call it.

But Castro makes it so very hard for those who call for the lifting of the embargo in Cuba, because he is so absolutely inflexible, that he does not even play the pretend game. He does not even bother to spin it. I just think that it makes it so uncomfortable for those who want to continually apologize and to somehow seek cover, when he does not even bother to do so.

I thank you for your testimony and I look forward to continuing to work with the Clinton administration, as we work on this important issue of the embargo.

Thank you as always, Mr. Chairman.

Chairman RANGEL. Thank you.

Let me thank you publicly for trying to explain this to me, this question of U.S. business trying to enter into a contract with this

Communist government, which we have no objection to, except when the profit appears to be too much going toward the survival of the Communists. But we will go for any fair contract, where the profit in our opinion is not too much for Castro. I did not get all of this in Business 101, but this clears up the question I was trying to ask earlier.

Since the whole idea in response to this question is to make certain that we do not get enough money into Castro's hands so that he could survive, even though there are things we have to do. With the North American Free Trade Agreement, in a sense we are now going into business with Mexico. Trade agreements with Mexico, Central and South America, increase their trade with the United States and increase their profit, and they are now going into unilateral agreements and bilateral agreements with Cuba. They get benefits from us and then this money goes to Castro, and this again helps Castro survive, does it not? Would that be a reason to vote against NAFTA?

Mr. SKOL. I am glad you asked it that way. It would not in my opinion be a reason to vote against NAFTA. The fact is that, as you described it, the benefit to the Castro regime would very likely be absolutely minimal.

Most important, the rules of origin that govern free trade agreements such as the NAFTA and any future trade agreement are such that the possibility is nil that Cuban goods, let us say, would enter Mexico and enter the United States, or that deals between Mexico and the United States or Mexico and the United States and Canada would result in profit for Cuba. We believe that the safeguards inherent in the NAFTA instruments are sufficient to prevent that from happening, and it is the intention of the administration to prevent that from happening, and the Government of Mexico certainly understands that.

Chairman RANGEL. Well, we do not have any sanctions, if Mexico wants to do business with Cuba, right? Mexico can do business with Cuba, without any problems from us, right?

Mr. SKOL. We would prefer that no country on earth trade with Cuba—

Chairman RANGEL. I understand that.

Mr. SKOL [continuing]. But we have no authority to tell Mexico not to trade with Cuba.

Chairman RANGEL. How about with the Caribbean Basin Initiative, do we have authority to tell Caribbean countries in the area that we do business with not to trade with Cuba?

Mr. SKOL. Well, the Caribbean Basin Initiative does not include Cuba.

Chairman RANGEL. No, no. I know.

Mr. SKOL. It is specific to certain countries and it will not include Cuba.

Chairman RANGEL. The Caribbean Basin Initiative means we do not do business with Cuba. I am having a problem with my question. My question is that we have a trade agreement with the Caribbean countries. Can these Caribbean countries have trade with Cuba?

Mr. SKOL. The essential issue, and it is the issue as outlined in law, is subsidized trade. In other words, if the trade between a cer-

tain country and Cuba is subsidized, if it is in effect hidden assistance—the way the Soviet purchase of sugar for so many years from Cuba was a thin front covering vast assistance—that we would object to.

Chairman RANGEL. So there is no—

Mr. SKOL. Although we do not like it, we cannot—

Chairman RANGEL. There should be no sanction against any country that we have a trade agreement with in the Caribbean, they can do business with Cuba and receive no sanctions from the United States?

Mr. SKOL. The administration is not proposing any extension of the sanctions along those lines.

Chairman RANGEL. I thought there were existing sanctions to countries that we have treaties with, if they in fact do business with Cuba. Do you mean it is safe for me to tell our friends in the Caribbean that this is our problem with Cuba, but you can do what you want?

Mr. SKOL. You would be doing your friends in the Caribbean a favor, if you would point out to them that should they include Cuba, under present circumstances, in a free trade agreement created within the Caribbean, then that free trade agreement, that regional block will not be eligible for any kind of free trade or other special privileges from the United States.

Mr. NEWCOMB. For this debate, Mr. Chairman, I should also point out that goods of Cuban origin incorporated into products manufactured in those countries would not be permitted entry into the United States under the Trading With the Enemy Act.

Chairman RANGEL. Some people do believe that, and while we have this unilateral embargo, that some of our friends do not have it, they even think so little of our friendship that they condemn us in the Organization of American States and the United Nations, and they are in there investing in Cuba, while we have this embargo.

When Castro falls and democracy is there, I do not know whether there will be any opportunity for investment, but I thought we could really go down both of the paths at the same time, open the doors, insist on human rights and push for democracy. I am certain that one of the most eloquent people in support of that policy will be you, once President Clinton sees it that way. [Laughter.]

Mr. SKOL. Thank you, Mr. Chairman.

Chairman RANGEL. Thank you very much.

Now we have a panel: Rev. Jesse Jackson, president and founder of the Rainbow Coalition. He recently visited with President Castro and provided a way for his daughter to leave Cuba. He is a humanitarian known around the world.

And certainly internationally known, John McLaughlin, one time a high official in previous administrations, an old friend, someone who is internationally known, as I said, and he is the executive producer of the McLaughlin Group.

On this same panel, even though all of the members of the panel will not be able to stay at the same time, we will have Jorge Mas Canosa, the president of the Cuban National Foundation, a person whose conviction about Cuba is well known. He is a fighter for freedom and liberty in Cuba, who agreed to share his views with this

panel. And Professor Andrew Zimbalist, from Smith College, in Northampton, Mass.

Because the previous panels have taken more time, Reverend Jackson is going to start off, and Mr. McLaughlin will follow. Let me thank the entire panel for your patience. We thought that the previous panels would have moved a lot faster than they have. But we are very anxious to hear your testimony, and because of the spiritual nature of the relationship that Reverend Jackson has to an authority much higher than I have in this Congress, I yield to the reverend to share his views with us.

#### **STATEMENT OF REV. JESSE L. JACKSON, PRESIDENT AND FOUNDER, NATIONAL RAINBOW COALITION**

Reverend JACKSON. Thank you, Mr. Chairman, and distinguished members for hearing this particular appeal, and member panelists.

This is one of the critical issues of our time in our hemisphere. I make very clear my concern, as I appeal for engagement for human rights, we reunite Cuban families, that we have essentially three options. One is military, which represents the failure of diplomacy. One is disengagement, which is a withdrawal from diplomacy. The other is to engage and try to make an impact.

My observation while there a second time was a significant number of Cubans who want to get out, but have been held up by the U.S. screening process, in a real way of keeping them locked in.

I am further convinced, Mr. Chairman, democratic forces toe-toe with dictatorial forces can prevail, if they are not afraid to engage. I am here to speak in favor of lifting the U.S. embargo against Cuba, in support of Congressman Rangel's H.R. 2229.

Over this past Christmas, along with members of my family, I spent 5 days in the country of Cuba, on the invitation of the Ecumenical Ministers Council of Cuba. I preached sermons in two churches, one in the Baptist church on Christmas Eve, and one an Episcopalian service on Christmas morning. I spent time walking the streets of Cuba and talking with the people there, a number of Cuban Government officials, including Fidel Castro, and had the opportunity to observe the Cuban Parliament in session.

I last visited Cuba in 1984, and our relations with that island nation were imprisoned in the grim ice of the cold war. In each instance, I sought to renegotiate the freedom of people trapped in political circumstances in Cuba. I was successful in 1984, and again successful this past Christmas. That great global contest has now passed away, the cold war. This past Christmas week, I returned to a Cuba still suffering from a costly, cruel, systematic U.S. siege of embargo and blockade. Rather than using our power to further democracy and freedom in Cuba, the U.S. Government is using its superior power, size and resources to starve the Cuban people into submission. I saw firsthand the bitter fruit of U.S. policy, the children of Cuba, who had no lights on Christmas Eve and no presents on Christmas morning, farmers plowing their fields pulled by oxen, tractors without parts. These are the real victims of U.S. policy, civilians who lack food and medicine and basic necessities, because the United States continues to fight a war that is over.

The objectives of a moral humanitarian foreign policy toward Cuba must be threefold: One, our foreign policy must seek to har-

monize relations among nations and pursue humanitarian aims; two, we must protect our national security; and, three, we must seek to reunify families. Our outdated policy toward Cuba accomplishes none of these and harms our own Nation economically. It is a relic of the cold war that demands to be changed.

The justification for the embargo, which was first imposed in the missile crisis, has shifted through the years. Originally it was to get the Soviet missiles out of Cuba. That happened. Then it was to force out the Soviets. The Soviets are long gone. It was to force the Cubans to withdraw from intervention in Latin America. They are long withdrawn. It was to force them out of Angola, when in fact the intervention was primarily responsible for repelling apartheid South Africa's aggressions, when no one else would. They are gone from there, too.

The cold war is over. Our justifications are gone, but the embargo remains. In fact, the U.S. embargo has been reinforced and tightened by the Torricelli amendment.

The leaders of the Cuban Government are well aware of these shifting goalposts, these constantly changing demands. This awareness is leading to some unease and cynicism. Yet, President Castro and others assured me that they would welcome the opening of diplomatic relations with the United States. The barrier is essentially U.S. policy.

Currently, the embargo is supposed to compel political reform within Cuba. But the embargo and its recent reinforcement by the Torricelli amendment could in fact lead to tragic and violent consequences.

Behind the scorched-earth approach to reform in Cuba is a hope among some rightist elements of the Cuban-American community to inherit the ruins after an apocalypse there. We simply cannot allow the policy of the United States to become captured by such ambitions.

If the aim of U.S. policy is to hasten economic collapse in Cuba in the hopes of overthrowing Castro, we would in fact pay dearly if our policy were to succeed. If violence were to break out in Cuba, thousands of Cuban-Americans would rent boats and sail for Cuba, to save their relatives or to settle old scores. If the violence spread, the United States would be flooded with refugees that we would legally be mandated to accept, and morally so. Ultimately, the blood would be convulsions within Cuba and counterstampedes of refugees and profiteers between Havana and Miami.

The truth is, no one should suppose that the last 35 years of the Cuban experience is only Fidel-deep. For although the embargo does appear to be hurting the people of Cuba, it does not seem to be weakening the Government politically. The decades have formed a generation of Cubans—through almost universal schooling, through universal health care, through doctors and teachers dispatched to desperate reaches of the world, through military missions against the likes of South Africa, through long moral purpose and conditionings—that will not easily be separated from that experience.

So the embargo is a policy that does not work, that has not worked for 30 years, and that would lead to tragedy and bloodshed if it were to work in the manner intended. Rather than pursue



such a costly, irrational course, the United States must find a better way.

The United States trades with China, with nations in the Middle East, with dictatorships and authoritarian regimes, no matter their repressive systems. The thinking is that free trade will ultimately stimulate more political and social freedoms. The United States has lifted its embargo against Vietnam, with the hope that this measure will lay the basis for the future cooperation on issues of mutual concern. But with Cuba, our approach seems to take on aspects of a vendetta.

In fact, the embargo hurts us, as well. Other nations avail themselves of Cuba's immense economic potential through trade. Mexico, Canada and Europe have embarked on joint ventures in cement, nickel, and oil exploration. Cuba trades with most of the U.S. trading partners—China, Japan, Great Britain, Russia, the Caribbean—as a matter of fact, with two-thirds of the NAFTA partnership, Mexico and Canada. While I was in Cuba, I drank a Coca-Cola that Germany had imported from France to ship to Cuba—a Coke that could have come directly from Miami or Atlanta.

In response to economic difficulties, the Cuban Government has moved toward a mixed economy. While in Cuba, I walked through Old Havana and saw the open market, where the people sold arts and crafts and souvenirs. This is what most people identify, when they think of "economic reform" in Cuba. But this is nowhere near the magnitude of the reforms that are taking place. Deep and profound changes are in fact occurring in Cuba, as they struggle to keep up with a changing world.

I had the opportunity to engage in detailed economic discussions with the Cuban Minister of Finance—I wish he could come here and testify, as well—and discovered that Cuba now has over 130 international agreements for marketing, financing, technological development, and allows for international ownerships ranging from 50 to 100 percent. They are pursuing joint ventures and private ownership, and searching for capital investors. Three hundred thousand workers, 8 percent of the work force, are self-employed, with another 100,000 in cooperative agricultural ventures.

Our own self-imposed isolation is costing our economy an estimated \$2 to \$6 billion a year in lost opportunities—in tourism, in banking and credit card transactions, in biomedical and pharmaceutical partnerships with Cuba's first-rate system of medicine, in agribusiness, in communications. Trade with Cuba could be creating badly needed jobs in the U.S. economy. Trade with Cuba would allow us to take advantage of Cuba's technological advances in agricultural pest control, as well as medical measures to reduce cholesterol and treat cancer.

Moreover, with the embargo, we are prosecuting a war in which we find ourselves with dwindling allies. The United Nations has most recently condemned the embargo and the Torricelli amendment by a vote of 66 to 4, with 57 abstentions.

As it happens, economic and political evolution is slowly and cautiously proceeding in Cuba. There have already been some expansions of political freedoms. In my 4 hours of private discussions with Mr. Castro, I made appeals for further relaxations on human rights and openings for popular participation in the political proc-

ess and in the press. He responded with a genuine, if weary and tentative, democratic readiness. He also quickly agreed to allow his granddaughter to join her mother, just fled from Cuba, in the United States. This scene could be repeated a thousandfold, with the reunions of families separated for years.

In the cases of China, Mexico and the nations of the Middle East, we view the expansion of trade as a vehicle to promote political reform. Free trade is seen as our most potent weapon on behalf of freedom.

In the case of Cuba, it is clear to me that the continuous economic war that we wage against that Government, combined with the constant threats by rightist Cuban-Americans, serve to create a bunker mentality, to erect barriers to openness and change. Human rights activists within Cuba are calling for a reduction of tensions with the United States as the best means to create a climate in which positive change can take place. If our policy is intended to promote human rights and political freedom, we must shift our approach and open up the dialog.

Last, a hope for reconciliation: The underlying justification throughout the past three decades has been the need for the United States to win the cold war. The cold war is over, but the policy remains. Our national security interests are not threatened by Cuba, and our foreign policy cannot continue on this irrational course.

The people of Cuba are suffering from the irrational policy of our Nation. With its Soviet patron gone and the U.S. embargo, the Cuban economy is in deep crisis. Oil is in short supply. Factors cannot run. Buses and cars are replaced by bikes. Tractors are replaced by oxen. Food and medicine are scarce. Children above 5 lack access to milk. Unprecedented epidemics are sweeping Cuba, because of a drop in nutrition.

In Cuba, I spoke with the people who endure these conditions, who wonder why the U.S. policy denies food, medicine, even baby formula to innocent human beings. In our conversations, these people did not express their thanks to the U.S. Government for the embargo. They did not tell me stories of freedom that they enjoyed thanks to U.S. policy. Instead, they told me stories of watching their children going without. They expressed their fears about the future. They asked me why the United States pursues a policy that hurts the Cuban people. And, above all, they expressed the hope that some day in the future there might be a breaking down of barriers and a moral U.S. foreign policy.

Our two countries, Mr. Chairman, have arrived at a moment of opportunity and promise. If reconciliation can begin between Israel and the PLO, between white and black South Africans, even now between England and Northern Ireland, surely the United States can begin to explore rapprochement with Cuba. We must not allow personal or domestic politics to block sound foreign policy.

The Scriptures admonish us, and should advise our better nature at this moment, that to whom more is given, more is required. In perpetuating the present harshness of our policy toward Cuba, the only victory awaiting us is vengeance over wisdom. It is long past the time for a change in policy. Let us pursue a more moral course.

Thank you.

Chairman RANGEL. Thank you, Reverend Jackson.

Now the subcommittee would like to hear from John McLaughlin.

**STATEMENT OF JOHN McLAUGHLIN, EXECUTIVE PRODUCER,  
THE McLAUGHLIN GROUP**

Mr. McLAUGHLIN. Chairman Rangel and distinguished committee members, thank you for inviting me here today.

My approach to Cuba is that of a journalist. Over the years, I have done a number of TV and radio programs on Cuba with many scholars, dissident Cubans, and other journalists. For these programs and for written pieces, I have done research on Cuba. But I am not a specialist. Last year, I did 5 days of onsite reporting in Cuba. My opinions are solely my own. I have no business or financial interest in Cuba, nor am I beholden in any way to any constituents or special interests.

I visited Cuba without notifying the Castro government. I talked with Cuban citizens of various walks of life, foreign nationals, U.S. officials, but with no Cuban officials. I also spoke with Cuban clergy. Here are my impressions.

First, the scene: In many ways, Havana reminds one of a dilapidated 1950s movie set frozen in time, an elegant grand dame of a city, but ramshackle and falling down. Good cheer is still alive in Cuba, but so is desperation. Food is far from plentiful. Even sugar, Cuba's national staple, is rationed. Young children and street urchins claw at tourists like myself, begging for Chiclets, for pens, for cigarettes. Pockets of squalor befoul every city block. Yet, neither starvation nor malnutrition was evident to me, in the sense of kwashiorkor or morasma.

No. 2, the economy: Cuba's \$20 billion GNP is down by a staggering 25 percent, as you know, \$5 billion due to the cutoff of former Soviet subsidies. Tourism and investment, Castro says, will eventually take up the slack, a prediction that inhabitants largely believe, given Cuba's magnificent and almost endless beach coastlines, with their multiplying foreign-owned five-star and four-star resort hotels, one of which I saw at close range, and the increasing volume of international dealmaking. Castro has made Cuba hospitable to tourism. Besides Havana, Canadians fly their jumbo jets right onto runways, into resort areas themselves, like Caya Largo, an island off the southern coast of the island of Cuba. These runways are spread all over Cuba, as I personally witnessed. Besides Canadians, Italians, Germans, Mexicans, Chileans, Argentineans, Brazilians and others come in droves for Cuban vacations. Castro has also made Cuba hospitable to international investment, albeit modest. Spain, Italy, Japan, Brazil, Mexico, Canada, the Netherlands, Jamaica are all involved in joint ventures with Cuba, and not only in the luxury hotel business. I talked with Cuban and other civilians involved.

But take Israel as an example. On November 24, 1992, the U.N. General Assembly voted 58 to 3 to condemn the U.S. embargo of Cuba as called for in the U.S.-Cuban Democracy Act, namely the Torricelli bill. The United States, Romania and Israel were the three who voted against the condemnation. Today, ironically, Israel

has a joint venture with Cuba called GBM, a company that has invested \$22 million to grow and market Cuban grapefruit.

This tourism and these foreign investments, plus the projected \$600 million this year in U.S. currency that will be brought into Cuba by Cuban exiles visiting Cuba, plus contributions from Cubans overseas, gives many inhabitants the perception and the belief that things are getting better and will continue to get better.

The economy is in fact improving slightly, due to the above factors, and Castro's economic reforms, the legalization of dollar currency—this has meant a lot—self-employment, revamping the State farm system, and—expected to come he says—the cutting of subsidies to State industry and agriculture, and income taxation and labor reform.

Three, the police state: Each of Havana's neighborhoods has its own security officer and informer, as described in Havana to me. Some 250,000 military and civilian security personnel are spread throughout the island, a number comparable in size to Brazil, even though Brazil has 150 million people, whereas Cuba has 11 million. The number of political prisoners in jail is estimated at 200, I gather, and if you include those who have attempted to escape from Cuba, that number swells to 3,000, but no one knows for sure.

Four, Castro: People grouse about Castro, even on the street. Yet, I estimate that 25 percent of the population are still hardcore Fidelistas, and well over 50 percent regard Castro still as the embodiment of Cuban nationalism, and they do in the final analysis revere him. He gave them, after all, they say, health care, education, an improved diet and racial equality—the social package. Castro's military gets special treatment and are materially better off, so they appear solid. The 68-year-old Castro himself looks to me to be in excellent health. Like Quadhaffi, he moves a lot, he has no published schedule, and he travels in an armor-plated car.

Even that minority of Cubans who detest Castro also detest and/or distrust the Miami Cubans. In the post-Castro era, they wonder whether they will find themselves out of the frying pan and into the fire. These inhabitants of Cuba loathe Miami Cubans, because Miami Cubans fled, they lived well, and now they may try to dispossess Cuban inhabitants of their homes. I have many friends who are Miami Cubans. These do not reflect my sentiments. I am recalling to you what I picked up from my conversations with civilian Cubans in Cuba. Also, they blame the Miami Cubans for perpetuating the U.S. embargo, and they actively fear the reimposition of pre-Castro racial and economic discrimination.

Five, the U.S. embargo: Now over 30 years old, the U.S. embargo has practically no impact on Cuba, in the sense that Cuba has learned to live without us. The Torricelli amendments tighten the screws on the embargo somewhat, but they have minimal active negative consequence. The Russian deprivation is what is felt. Torricelli in fact, I believe, has done more to help Castro. It has refueled and reinvigorated his anti-American political rhetoric which serves to rouse the spirit of Cuban nationalism, reinforcing Castro's authority and Castro's power. It is still a classic David and Goliath situation.

Also, unfortunately, the Torricelli rigors dominate the headlines and the coverage of Cuba in newspapers in Rio, Buenos Aires, Bo-

gota, Lima and elsewhere in Latin America, driving off the front page Castro's human rights violations and his abuses, and activating the old Latin, "Yankee Go Home" sentiment. This helps Castro make us the problem, not himself.

Visitors to Cuba from western nations and this hemisphere ridicule the embargo. One Argentinean lawyer said to me, as I was having ice cream in Havana's famous huge multilevel ice cream parlor Coppellia, "You Americans are as dictatorial as Castro. You make it a criminal action for Americans to visit Cuba." We then launched into a discussion on how to square basic Western jurisprudence—to say nothing of the U.S. Constitution—with the U.S. curtailment of movement of U.S. citizens by the U.S. Government, when there is ostensibly no reasonable warrant to do so. In defending the United States, for patriotic reasons, I lost the argument with the young lawyer.

Six, should the U.S. embargo be lifted: The answer to that question I think is self-evident. First, neither Cuba nor Castro is a threat to the United States—no military threat, no security threat, no economic threat to the United States. Quite the contrary, Castro has shown some limited cooperation: First, Cuba has agreed to accept the forced repatriation of up to 1,148 Cuban prisoners being held in U.S. Federal prisons; second, Havana handed over to the DEA cocaine traffickers who had escaped from American helicopters and sped into Cuban waters; third, Castro has given up Cuba's claim that the U.S. embargo has cost Cuba \$40 billion over the last three decades; and fourth, Castro is no longer financing or arming Communist revolutions around the world, as in Angola.

Second, instead of helping rid Cuba of Castro, the embargo props him up. It refuels his political rhetoric. He can transfer blame for Cuba's economy to the United States, instead of where that blame belongs, squarely on himself.

Third, the embargo keeps Americans out and, thus, inhibits the kind of intercommunication and personal interaction that would create its own force for change, helping dispel the suspicions of inhabitant Cubans, for example, that their Miami brothers would fail to respect their interests when the Miamians do return to their native land.

Fourth, the rationale for lifting the embargo on trade with Vietnam was that foreign countries are the chief beneficiaries of the U.S. embargo. If that rationale is good for Vietnam, why not for Cuba? The embargo denies the United States of a commercial market of 11 million consumers, as Reverend Jackson has pointed out, that other nations are now exploiting.

Fifth, U.S. trade and tourism would help reduce the intensity and the extent of human pain and suffering of Cuba's 11 million innocent civilians.

Sixth, U.S. politics: President Clinton, like his predecessors, wants Florida's electoral college vote. He sees Cuban-Americans as a monolithic, hardcore, proembargo, voter block which can deliver Florida. Partisan politics is no basis for foreign policy, of course, and to utilize it as such, without regard for other factors, is reprehensible. But even politically, the Florida vote assessment is behind the times. The so-called monolithic Cuban lobby is disintegrating. Cuban moderates are everywhere in Florida and in the

United States, and would be more visible, were there no fear of ostracization. A secret ballot would certainly prove that, in my judgment. Second, within 3 years of lifting the embargo, \$6.5 billion in trade will move through Florida, as has been noted by others, and can be reaffirmed by the distinguished panelist to my left. Each billion in trade creates 20,000 jobs. This trade would enrich primarily Florida, carrying with it rich political dividends for Mr. Clinton.

Seventh: U.S. foreign policy toward Cuba is in a state of drift, and that drift is not in our national interest. If Castro's health were to fail, or what now seems unlikely but is a possibility, if the military were to stage a coup, Castro, as the CIA believes—and you know better than I do, you members of this panel—can be expected to use whatever force necessary to hold onto power, “even at the risk of a bloodbath.” That instability could cause 20,000 to 80,000 Cubans to flee to the United States, says the CIA. A hard landing in Cuba would be far worse than what we are seeing in Haiti. The United States should focus on an orderly transition to a post-Castro Cuba, a soft landing, and help arrange for that. The United States is not doing this.

Let the free market and free movement of people remove Castro. U.S. nationals touring the island and U.S. trade have the potential, as I have noted, to ease him out in an orderly fashion, permitting concurrently the resolution and orderly settlement of claims and counterclaims on the corporate and individual levels, plus the democratic transfer of power, no takeover, thus avoiding a Haiti on our doorstep, and indeed worse than Haiti.

The belief that the U.S. embargo will bring Castro to his knees by starving the population into popular revolt is nowhere supported by my onsite reporting and my ongoing information.

To recapitulate: First, Castro's security forces are immense; second, 25 percent of Cubans are hardcore Fidelistas, and 50 percent today regard Castro as the embodiment of Cuban nationalism; third, fear of the return of Miami Cubans is everywhere in Cuba, thus retarding any popular revolt, lest they think they go from bad to worse; fourth, Castro's military is well cared for, and their idea of a revolt is a flight to Miami; and fifth, economic conditions in Cuba are in fact bettering, due to foreign investment, tourism and the legalized dollar, and that furthermore removes any possibility of a popular revolt.

My conclusion, the end of Castro is nowhere in sight. So why not use Castro? Use him to bring about an orderly transition to a peaceful, rejuvenated, friendly Cuba, which, if it comes about, will, ipso facto, remove Castro from power.

I support Chairman Rangel's bill, and I note that it does not reward Cuba MFN status, as we have awarded it and probably will correctly reaffirm it for the repressive People's Republic of China. Nor does it in any way limit the power in the Chairman's bill on the President to reimpose the embargo. In sum, the embargo should be lifted, first on tourism, then as Cuban reforms continue on trade.

Castro's last laugh may well be this: Without me, Castro, there will be no orderly transition. Our laugh and our lesson will be, with an orderly transition, there will be no Castro.

I commend the Chairman on his bill and on calling these hearings, and I thank you for the opportunity to give this testimony.

I would only add, as you know, Mr. Chairman, that I am under a TV production deadline for the renowned program "The McLaughlin Group," so I must deprive myself of the brilliant proceedings after these prepared remarks.

Thank you.

Chairman RANGEL. Thank you.

I knew of your program before it became renowned, and I want you to know that I appreciate the fact that you took time to share your views with this panel.

Mr. McLAUGHLIN. I am delighted to have been here, and I thank you again, Mr. Chairman.

Chairman RANGEL. The Chair now recognizes Jorge Mas Canosa.

#### STATEMENT OF JORGE MAS CANOSA, CHAIRMAN, CUBAN AMERICAN NATIONAL FOUNDATION

Mr. MAS. Good afternoon, Mr. Chairman and distinguished members of the committee. I am grateful for the opportunity to testify before the subcommittee.

I have some remarks prepared here, but since I think this hearing is not only a test on diversity of ideas and opinions, and I think this has threatened the democratic spirit of our Nation and everyone in attendance. It is always a test on the patience of everyone here in this room, and specifically myself. Therefore, I will off the cuff offer some remarks here.

Chairman RANGEL. By unanimous consent, the statement that is written will be received in the record, in addition to the remarks that you care to make now.

Mr. CANOSA. I am grateful, Mr. Chairman.

No. 1, I have heard with tremendous patience all this testimony here from people who would like, and very renowned leaders, to have the embargo lifted. Those people are advocating an end to the embargo of the Cuban Government.

I have not heard from any one of them an end to the killing, to the suffering of the Cuban people, to the release of political prisoners, an end to the thousands who have been drowning on a daily basis in the Gulf of Mexico, trying to leave the island on anything that floats. I have heard the gentleman to my left saying that he provided services to both churches in Havana recently. I have not heard the gentleman to my left ever providing the service of offering a Mass for those who are in prison in Cuba, thousands and thousands of them.

It is important, Mr. Chairman, because those who have been advocating the end of the embargo of Cuba this morning and this afternoon, they have never expressed publicly, at least no one that I have heard, lifting the embargo of South Africa when it was in place, lifting the embargo of Haiti, North Korea, Libya, Iraq.

My question is what is the difference between the dictator in Haiti, Cedras, and Fidel Castro? What is the difference between him and Saddam Hussein? Saddam Hussein claimed that he was going to wage the mother of all battles. And we call Castro the father of all dictators.

And those who have any doubt, I will invite them to go to the steps of the Capitol this afternoon, and they will see there the names of 9,000 Cubans killed by Castro. Their names are there written by the hands of their friends and relatives and families who are living in the United States. Castro is the worst killer that any people living in the Western Hemisphere have ever suffered.

So it is fine to discuss the merits or lack of merits of the embargo. But, let us talk about the criminal nature of Fidel Castro. Let us talk about the Cuban Democracy Act that your bill is trying to repeal. Everybody talks about the Cuban Democracy Act and the strengthening of the embargo. But nobody mentions that the Cuban Democracy Act, which has the overwhelming support not only of Cubans in Miami and Cuban-Americans, but also the Cubans in the island, beginning with the Afro-Cuban leaders in the democratic opposition in the island, the Angela Herreras and Caridad Acunas of Cuba, real black people who have been suffering at the hands of Fidel Castro.

Nobody mentions that those people support the Cuban Democracy Act, because the Cuban Democracy Act calls for humanitarian assistance to the Cuban people. And what is preventing the Cuban people from getting that humanitarian assistance under the Cuban Democracy Act? He has only one name and his name is Fidel Castro. He has a law that is well known by the 80-20 rule that any humanitarian assistance that could go to Cuba, 80 percent has to go into his hands, and 20 percent to the recipient. That is preventing great quantities of humanitarian assistance going to Cuba under the Cuban Democracy Act.

One point that has been missed constantly is that while the Cubans in Miami are accused of being responsible for killing the Cuban people and for starving the Cuban people, nobody mentions that Cuban-Americans are sending every year \$400 million in humanitarian assistance, consisting of food and medicine, more assistance and more food and more humanitarian assistance than Castro has ever provided to the Cuban people.

And you hear testimony here today trying to blame the Cuban-Americans for starving of the Cuban people, trying for us to pay a price because we succeed in this country. And if there is an American dream and an American dream alive today in the United States, it is the Cuban-American community, with the least amount of criminals, the least amount of criminality index of any group in the history of the United States.

Yes, we have succeeded and we have gotten into the American system. But we have not forgotten our brothers and sisters back in Cuba, and that is why we are here testifying today, and we are very grateful to you and to this country and to this system, because it provides this diversity of opinion and allows us to talk clearly and loudly about the suffering of the Cuban people.

I would like those people to answer me, why every time something is wrong in Cuba or someone is killed or someone is starved to death, they immediately try to blame the United States and the American people, the most generous people on the face of the earth.

I came to this country when I was 18 years old. I had absolutely nothing. I came from a poor or low-middle class in Cuba. I was a stevedore, I was a milkman, I washed a lot of dishes at the hotels



in Miami Beach. And just this last week, I came to own a public company in the United States. Do you know what you call that, Mr. Chairman? Not only hard work, it is not the merits of the Cuban-American community, it is a tribute to this country, a great tribute to this country, the most generous people on the face of the earth and the best system that ever mankind has conceived.

And I have heard testimony here saying that we Cuban-Americans are guilty for the killing and the starving in Cuba. Let me assure everyone in this room and to you, Mr. Chairman, that Castro has been the largest recipient, the recipient of the largest assistance ever received by any nation or by any government. During the last 30 years, Castro received more help than all the nations of Western Europe and Japan after the Second World War under the Marshall plan. And if anyone is in doubt, there is the money, the words, the agreements of the Soviet Union who provided Cuba \$6, \$7 and \$8 billion a year for 30 years.

Now we must ask what has happened to that tremendous amount of money, even bigger than the Marshall plan? Where is the money? Where is the infrastructure? Where are the factories in Cuba? Where are the gold reserves? What has happened to that assistance?

I have the answer. The answer was given to me by the head of the KGB 1½ years ago in Moscow. He looked at my eyes and he said the worst repressive system that humankind has ever known is in Cuba, and that general told me that he helped to organize and to establish that repressive system in Cuba. He said it is the best organized, the best financed and most of the resources of the Cuban Government goes into that repressive system.

I know where the money is that came from the Soviet Union. It is in Angola, where 10,000 Cubans lost their lives, where Cuba did not have any vital interests to defend. It is all over Latin America. It was in Central America.

And here we are talking about providing Castro with more resources. The Cuban people have been under a ration book for the last 33 or 34 years. While Castro was the recipient of the largest assistance ever in the history of mankind or between the history of two nations, the Cuban people were under a ration book, and the execution wall was working and over 1 million Cubans went to jail in Cuba.

Mr. SHAW. I am sorry, Mr. Mas, we have got about 3½ minutes to make a vote. Mr. Chairman, I suggest we might want to break here for about 5 or 10 minutes and come right back and let the witness continue.

Chairman RANGEL. I was very reluctant to do this, so that my absence would not be misinterpreted as a lack of respect for the remarks that you are making.

Mr. MAS. I understand, Mr. Chairman. The exercise of democracy is very important. Go and vote.

Chairman RANGEL. We will go vote and we will return.

[Recess.]

Chairman RANGEL. We will resume our hearing.

Mr. Mas Canosa, someone said you were just about to make up your mind which way you were going on this issue.

Mr. MAS. Mr. Chairman, thank you very much for allowing me to resume my testimony.

I would like to say this: I have to speak on behalf of my community, the Cuban-American community. For the few or for the many that I represent, as chairman of the Cuban American National Foundation, I think that to express in derogatory terms opinions about the Cuban-American community is uncalled for. It is not only a hardworking community, but it is a community that in 30 years has established over 64,000 small businesses, which produce three times the GNP of Cuba.

Also, reference has been made to the Cuban lobby. Mr. Chairman, all we have done is to play by the rules. Here we are. When I was in school here, I was encouraged to get into the system, to get into the American system, and this is precisely what we have done.

Now I hear remarks today about the political action committees of the Cuban-Americans and the Cuban American Foundation blaming us for what is going on in Cuba.

What is wrong in Cuba is Fidel Castro. The person who is responsible for all the miseries that are going on inside Cuba is Fidel Castro, not the Cuban-Americans, who came up here because of the persecution of Fidel Castro. And they talk about the Cuban lobby, but no one talks about the Castro lobby, which is here and is well organized, and they want to blame the Cuban-Americans, because the Cuban-Americans hold foreign policy of the United States hostage. That is not the case.

But I will ask, would we like to have U.S. foreign policy on Cuba held by Castro? I would prefer 1 million times that American citizens—and that is what we are, American citizens—to have an input and influence on the formulation of U.S. policy toward Cuba. We are no less than anyone around this room, and we are no less than the Jewish community or the Irish community or the black community, or any community who has many legitimate interests in this country.

So I could tell the gentleman who spoke about the Cuban lobby that the Cuban lobby is in good health, strong and growing, and will be stronger and stronger every day. And those who are trying to blame the Cuban-American community for the shortcomings of the Cuban people and the economic problems, I am going to say two words here, boniato and malanga, and those Cubans who are here know what boniato and malanga are.

It is a typical Cuban potato that doesn't need anything from America to be grown in Cuba. And what has happened that the Cuban people cannot eat malanga and boniato for the last 25 years? The answer is the failed policies of Fidel Castro, who is interested only in three things: No. 1, himself; No. 2, himself; and, No. 3, himself, and that he has used that huge assistance from the Soviet Union to consolidate his power. When everybody is introducing democratic reforms, he is digging in his heels and saying that "socialism or death" is the only option and alternative for the Cuban people.

Let me say this, Mr. Chairman, and I will finish with this. This Cuban-American community that is so heavily criticized and the many references that have been made here by our fellow American

citizens that we are—and I am speaking on behalf of the Cuban American National Foundation—the first and only organization who has said that once Cuba is free, there should be no space for any kind of revenge, that properties should not be returned to the former owners, specifically homes. That is in writing, and it has been in writing for years.

And it is my own expression and the expression of every single reliable responsible Cuban. Cubans are not planning to go back to Cuba to continue the dictatorship of the enslaved Cuban people. If we ever go back to Cuba, it is to show in Cuba precisely what we have done here and to try to transfer there some of the values, the democratic values of this Nation.

If you ask me what is the greatest aspiration of any Cuban exile, my answer is that we would like to provide the Cubans in the island the same opportunities that this great country has provided us. That is what we want for Cuba.

Mr. Chairman, you asked the question of several members here what we would like, where all of us would like the embargo to lead. I would like the embargo to lead to democratic reforms in Cuba, into a democratic system, respect for human rights, a constitutional respect for the same rights that we have in this country. And I would join with you and with the gentleman to my left to request the lifting of the embargo, if Castro tomorrow called for free democratic elections. And we can have elections in Cuba, elections as you and I know free elections, and then the embargo could be lifted.

But if the embargo is good for Haiti and for North Korea and for Iraq and for Libya, and it is based not only on political implications, the political implications of the embargo is morally principled, it should be good for Cuba, also. That is why we are for the embargo, because every single penny and every single assistance that goes to Cuba goes into the hands of Fidel Castro himself and he uses that for his aggrandizement and also to keep his dictatorship in place. That is why we are for the embargo, because it is depriving Castro of essential resources to keep his dictatorship.

Those Pastors for Peace, they provided some assistance to the Cuban Government in their last trip. Do you know where it ended up? That assistance ended up in those shops that Castro has set up in Cuba, not for the Cuban people, but for you or for me or for the tourists or for those who have dollars who can go to Cuba and afford that type of merchandise. And those bottles of aspirin that the Pastors for Peace took down to Cuba were sold to tourists in Cuba. They never reached the Cuban people. And the Catholic church can testify to that fact, also. And Caritas.

Those are the realities, Mr. Chairman, that are going on in Cuba today, and that is why we Cuban-Americans and all democratic opposition groups in Cuba support the embargo, and I urge you to support the embargo and I urge you to understand the suffering of the Cuban people.

Thank you.

[The prepared statement follows:]

**STATEMENT OF JORGE MAS CANOSA  
CHAIRMAN  
THE CUBAN AMERICAN NATIONAL FOUNDATION**

Mr. Chairman, distinguished members of the House Ways and Means Committee, I would like to thank you for the opportunity to be here today to speak on the issue of U.S. relations with Cuba.

I represent the Cuban American National Foundation, the largest Cuban exile organization in the world, with 54,000 members and offices and delegations in more than twenty cities worldwide.

It has been seventeen months since the House of Representatives overwhelmingly approved the Cuban Democracy Act by a vote of 276-135, a 70% margin. That legislation introduced a strategy whereby we sought, number one, to diminish Fidel Castro's ability to establish trading ties with U.S. companies abroad following the collapse of the Soviet Union; and, number two, to increase telephone communications with the island, as well as making it easier for humanitarian assistance to reach the Cuban people.

We have been successful on both counts. Trade between U.S. subsidiaries and Cuba has dropped from \$718 million in 1991 to \$1.6 million last year. New telecommunications deals are imminent, while the amount of humanitarian aid shipped to Cuba since adoption of the CDA has topped \$8.5 million (and that doesn't even include the thousands of care packages sent every day from the Cuban American community in Miami to relatives in Cuba).

Indeed, I believe there is no better affirmation as to the effectiveness of U.S. policy towards Cuba than the fact that the unilateral lifting of the U.S. embargo has become the Number One foreign policy priority of the Castro regime.

Yet, curiously, we have assembled here today not to extol our successes but to debate whether or not we should reverse U.S. policy towards the longest-reigning dictatorship in the Western Hemisphere. And that begs a question, has anything else occurred in the past year and a half to justify such an about-face in policy?

Let me emphasize that in the midst of Cuba's profound national crisis -- an economy virtually bankrupt, a society fast unravelling, and a political system totally incapable of responding to the widespread shortages and growing discontent -- Castro remains unrepentant and offers the Cuban people no hope for the future.

Has there been any improvement in Cuba's human rights situation? Any political reform? Absolutely not. The United Nations Human Rights Commission just last week condemned the human rights situation in Cuba for the sixth consecutive year. Those who defended Cuba, Mr. Chairman, included such terrorist nations as Iran, Libya, Syria, and the Sudan.

Fidel Castro continues to denigrate our notions of self-determination and democratic pluralism and continues trying to convince anyone who will listen that Cuba's one-party state is actually the most democratic in the world. I have met with dozens of leaders and politicians worldwide who have met with Castro to tell him he needs to democratize and they tell me in private that all they get is Fidel Castro lecturing them, again, on how Cuba is the most democratic nation in the world.

Has Castro instituted any meaningful economic reforms, reforms which would allow Cuban citizens to better their plummeting standard of living? No. Has the regime allowed for any private enterprise of the type that outside economic contact could possibly influence? Again, the answer is no.

Mr. Chairman, those questions are necessary because we saw in the recent decision to lift the embargo of Vietnam that such an action is the result of a serious, drawn-out process -- a process whereby conditions are emplaced and conditions met by the embargoed party. Lifting embargoes are not snap decisions, nor are embargoes lifted unilaterally -- without achieving one's policy goals. If they were, they would hardly be treated as a serious policy instrument by the other side.

As for the current situation in Cuba, the pressure is working. The lack of fundamental reforms notwithstanding, Castro has made small concessions to try and head off mounting domestic discontent. In the past few months, we have seen Castro grudgingly relinquish some of his absolute control of the Cuban economy. While the steps taken so far are limited, reversible, and only attempts to catch up with Cuba's skyrocketing underground economy -- they are nevertheless steps Castro would never have taken unless he was pressured to do so.

Also after so many months of saying there would be "no concessions to capitalism" Fidel Castro recently was forced to decriminalize the possession of U.S. dollars on the island -- the currency of his historical enemy, the Yankee, which had rendered his pesos worthless in the underground economy -- and to authorize some limited self-employment.

Indeed, the only thing sinking faster on the island than the economy is Castro's credibility. After steadfastly resisting change, denigrating capitalism, and incessantly invoking his "Socialism or Death" slogan to justify hardships and sacrifices, Castro must now explain to the Cuban people why capitalist measures are needed to "save" the Revolution.

While the current crisis in Cuba is of Castro's own making, U.S. policy is a critical component in shaping the conditions in which Fidel Castro finds himself. In short, the pressure is working and it is forcing Castro down a road he would never have taken otherwise. Castro's decision to legalize the dollar and risk the political costs is certainly a measure of the abysmal state of the Cuban economy and of the failure of various limited efforts to improve conditions. It also suggests that increasingly desperate efforts to buy time for the beleaguered regime may be forthcoming, initiatives which may set into motion a chain of events that Castro cannot control. Sounds familiar, doesn't it? The Eastern Europe experience. Fidel Castro's worst nightmare.

That is why I cannot understand why a vocal minority continues to call for the lifting of the U.S. embargo. If we were to remove the pressure brought by the embargo, what incentive would Castro have to continue making changes? Once the embargo is removed, it can never be reinstated. What options will we be left with should no positive change in Cuba materialize?

Nevertheless, a spate of activists and commentators have come up with a rationale for reversing U.S. policy. I would like to briefly respond to their main arguments.

**Reason #1: The U.S. embargo is hurting the people of Cuba.**

Mr. Chairman, you have been an eloquent and forceful defender of the embargoes against South Africa and Haiti. You have rejected the allegations that those embargoes would only cause further suffering of those peoples. You placed the blame for the state of affairs in those countries right where it belonged -- on those respective regimes. Cuba is no different.

The Cuban people are not suffering because of the U.S. economic embargo. The Cuban people are suffering because Fidel Castro continues to deny them individual political and economic freedom because those freedoms mean autonomy from state control and autonomy from state control means the state cannot exact reprisals if you refuse to conform. And without that climate of fear -- fear of losing one's job when the state is the sole employer, fear of your children being expelled from the state's schools -- Fidel Castro cannot retain power.

**Reason #2: Castro can blame the U.S. embargo for his own failures.**

The Cuban people are painfully aware that the reason Cuban shelves are barren of even the most elementary food staples native to the island is not the U.S. embargo, but the system -- state control of the economy, over all civic organizations, repression. It simply does not work. It is counterproductive to human nature.

Castro's anti-embargo rhetoric is aimed more at U.S. newsrooms, academia, and certain policy circles. It is his attempt to manipulate the American political system. He wants to generate an anti-embargo movement at no cost to him to achieve his goal of the unilateral lifting of the U.S. embargo.

Those who believe depriving Castro of someone to blame for Cuba's problems will moderate his rhetoric -- to say nothing of his actions -- underestimate Castro's resourcefulness and survival skills. Dictators with a pathological need for enemies will always manage to find them. Thirty years ago, to justify Cuba's total break from the United States, Castro told the Cuban people the reason for all Cuba's ills was its relationship with the United States. Now, he tells them the cause of all Cuba's ills is the lack of a relationship with the United States.

Moreover, we reject out of hand any assertion that Castro uses U.S. policy to justify his siege mentality on the island, just as you would reject, Mr. Chairman, any attempts to absolve Haitian generals of responsibility for the crisis in Haiti today. Castro doesn't need a reason to crack down on the Cuban people. He doesn't need a reason to do anything. And where he draws his strength is not from foreign specters but from a security apparatus that KGB officials have said is more effective than anything Russia has ever known.

**Reason #3: We must negotiate our differences with Castro.**

Mr. Chairman, you have argued in the Haiti situation that refusing to sit down with people responsible for tens of thousands of murders is a matter of principle.\* Likewise, we oppose negotiating Cuba's freedom with Fidel Castro and his brother.

(\*MacNeil-Lehrer NewsHour, December 29, 1993)

Those who believe by "engaging" Fidel Castro we can influence his actions are being willfully ignorant of his personality. This is someone who believes himself to be a man of History on a messianic mission to who knows where. You do not influence or moderate a man like Castro -- this is a man absolutely intolerant of dissent -- it's either his way or the *paredon*, the wall. Moreover, Castro after thirty years of sustained anti-Americanism is not now going to sit down with U.S. diplomats, say it was all a misunderstanding, and begin to invoke Jeffersonian principles of democracy in Cuba.

**Reason #4: Cuba is no longer a security threat.**

This is irrelevant. South Africa was not a security threat to the United States. Nor is Haiti. Yet, Mr. Chairman, you have called for stronger sanctions against that island than we do for Cuba - including a military invasion. We see the U.S. embargo as the primary non-violent policy option for influencing change in Cuba. It serves as the major disincentive for the continuation of the Castro regime. It presents an alternative to the Cuban people, as in what the Cuban people can have instead of Castro is normal diplomatic and economic relations with the U.S.

And if we want to be historically accurate, the embargo was not instituted against Cuba because it was determined to be a security threat. It was emplaced because of the massive expropriation of U.S. property by the nascent Castro regime, claims which today remain outstanding and which Cuba has never seriously addressed. Their response has been to put forth a counterclaim of \$40 billion in losses due to the embargo.

Can you imagine Saddam Hussein in Iraq or General Cedras in Haiti demanding compensation for U.S. economic sanctions against those countries?!

**Reason #5: The embargo is costing U.S. businesses \$2 billion in lost exports a year.**

Any self-respecting businessman looking to invest or expand their business into any foreign country looks to see if the situation meets certain, basic criteria. They include: Is there accountability on the part of the government? Is there an independent legal system to protect my investment? Is there a rational tax system, a sound currency? The banking system, is it stable? What about communications, infrastructure, including reliability of electric power and transportation?

Mr. Chairman, if there is anyone in this room who can demonstrate to me that the current situation in Cuba meets any of these criterion, I would certainly like to hear about it. Indeed, for businessmen, it shouldn't be any surprise to see that Cuba ranked dead last in a recent country-risk report by Euromoney magazine, 169th, behind Somalia, Iraq, and Cambodia.

**Reason #6: U.S. trade and travel will lead to political reform in Cuba.**

This is based the fallacious assumption that Western travel undermined communism in the former East Bloc. The sober reality is that communism was undermined by the systemic failure of command economies and the unwillingness of the West to provide endless financial bailouts. Whatever role Western travel played was secondary to be sure. Let us recall that the highpoint of U.S. travel and trade with the former Soviet Union was 1979 -- the year Red Army tanks rolled

into Afghanistan.

More recently, China's continued persecution of dissidents -- even right up to the day before the Secretary of State's visit to Beijing -- demonstrates the inefficacy of the argument that more trade and travel will improve a given political situation.

An inherent and equally dubious assumption is that Cubans need to mix with Americans to understand they are not free and that their system does not work. The average Cuban citizen is well aware of these facts and doesn't need to watch American tourists enjoying themselves at enclave tourist resorts to figure these points out.

**Reason #7: We lifted the embargo against Vietnam, why not Cuba?**

Beyond the fact that the U.S. embargoes against the two countries were applied against communist regimes, there are few other similarities in the two cases, particularly regarding the implications of renewed trade ties for U.S. companies.

No country has a "right" to the benefits of normal diplomatic and economic relations with the United States. Any country expects some positive reciprocal benefits from relations with another country. President Clinton cited Vietnamese cooperation in attaining "the fullest possible accounting" of U.S. MIAs as the only factor in a decision to lift the Vietnam embargo.

What is Cuba offering the United States? Nothing. In a recent interview with the state's *Radio Rebelde* network, Cuban Foreign Minister Roberto Robaina emphatically stated that Cuba was not prepared to meet any conditions for the embargo's removal, such as progress in respect for human rights and political and economic liberalization.

"This [the lifting of the embargo] is separate from any conditions set for Cuba," he said. "It is not a question of conditions for Cuba. The blockade [embargo] is unfair, independently of whatever Cuba decides to do or not to do."

Also in stark contrast to Vietnam, which is experiencing rapid economic growth and has established significant commercial ties with its natural trading partners in Europe, Japan, and other countries, Cuba's GNP has shrunk nearly 70 percent since 1989. Thus, pressures on Havana to accept significant reform have increased substantially.

Cuba lags far behind Vietnam in establishing the necessary conditions for economic development and successful U.S. corporate involvement. While Vietnam still denies basic political and human rights to its citizens, some limited economic reforms permit individual commercial activity. In Cuba, even limited reforms such as allowing self-employment in a selected number of trades prohibit those individuals from hiring employees or obtaining supplies from non-government sources.

Finally, there is the factor of U.S. public support. According to a recent Gallup-CNN-USA Today poll, 66 percent of Americans favor retention of the U.S. embargo against the Castro regime. By contrast, 58% favor the lifting of the Vietnam embargo. A July 1993 poll of Cuban Americans in South Florida, conducted by Florida International University, found 87 percent supporting even



stronger economic measures against Havana.

Before I conclude, I just want to emphasize that Cuba is free to trade with any country in the world. For Castro, ending the U.S. embargo does not mean Cuba will be free to sell and buy products from the U.S. His first goal is to gain access to U.S. credits. In other words, he wants the U.S. taxpayer to subsidize his inefficient system without having to institute meaningful -- and destabilizing -- reforms. During the Cold War, Russia granted Castro more assistance than the United States provided to all countries in Europe and Japan under the Marshall Plan after World War II. Where did all that money go? Certainly not to build a viable socio-economic system. It went to solidify Castro in power. And any future assistance will as well.

Castro's second goal is to draw U.S. tourists to Cuba's segregated tourist zones in order to acquire U.S. currency, again without any change in the status quo.

As always, Castro wants something without giving up anything.

I think it is important to recognize that the height of our leverage, our influence, over Fidel Castro is the embargo. It is the only language that Castro understands. Our position is clear: respect the human rights of the Cuban people -- including the right to self-determination -- and then you can enjoy the benefits of diplomatic and economic relations with the United States. This message is not only for the Castro, but those around him, and the Cuban people. The next step is in their hands.

In conclusion, Mr. Chairman, I would like to quote the U.S. adviser to Haitian President Jean-Bertrand Aristide, who appeared with you some weeks ago on the MacNeil-Lehrer NewsHour. He said, "We believe at this point the Haitian army is convinced their going to win. They think that in the end the international community seeing these reports...of children starving in their country will say well, it's not worth it, let's lift the embargo...let's give up, let's let the army win.... The issue is whether the international community will let them get away with what they're doing. They're raping a country. They've taken it hostage."

What message would we sending those Haitian generals if we were to summarily lift the U.S. embargo of Cuba without achieving our goals?

We must stay the course, Mr. Chairman. To remove the critical element of the embargo or begin some sort of engagement process with Castro will only offer him a respite and delay his day of reckoning. Thankfully, the Clinton Administration has rejected in no uncertain terms Castro's siren song. We ask you join us, Mr. Chairman, and part of the overwhelming bipartisan support behind current U.S. policy, so that the aspirations of the Cuban people for freedom and democracy can be realized.

Thank you very much.

Chairman RANGEL. Thank you for your testimony.

Professor Zimbalist, would you share your views with us, please?

**STATEMENT OF ANDREW ZIMBALIST, PROFESSOR OF ECONOMICS, SMITH COLLEGE, NORTHAMPTON, MASS.**

Mr. ZIMBALIST. Mr. Chairman, I am an academic. I am not a politician, so I am going to lower the decibel level a little bit.

I would like to begin by commending you for introducing this bill and calling these important hearings. U.S. policy toward Cuba violates provisions of GATT, the U.S. General Assembly Declaration on Principles of International Law, and the U.N. General Assembly Charter of Economic Rights. It thereby reduces the U.S. moral standing in the community of nations. It bolsters Mr. Castro's legitimacy as a Nationalist leader and serves to justify more repressive policies by his government. It diminishes Cuba's exposure to U.S. citizens, their ideas and culture, as well as to U.S. companies and their ideas and culture, and thereby slows Cuba's transition to a mixed economic system and a more open political system. It increases the chances that change will come through prolonged and destructive violence, rather than through dialog and peace. An explosion in Cuba will not only decimate the country's population, but it will devastate further the infrastructure and provoke a refugee problem many times the size of what is experienced in South Florida today from Cuba and Haiti combined. Finally, the U.S. embargo is shutting out U.S. business from billions of dollars of attractive investment and trade opportunities that are increasingly being exploited by companies from Canada, Europe, Asia, the Middle East and Latin America.

One of the major rationales for the tightening of the U.S. embargo through the 1992 Cuban Democracy Act was that the Cuban economy was teetering on the brink of total collapse and that, with a further nudge, the economy would grind to a halt and the Castro government would come down with it. The Cuban economy did indeed plummet from 1990 through 1993, falling by perhaps 60 percent. The economy, however, has hit bottom and is likely to even grow a bit in 1994. The Cuban Democracy Act will not bring down the Cuban economy, but some 90 percent of the Cuban imports it prohibits were in foodstuffs and medicines. It assaults the health of Cuban children and the Cuban people, the people we say we are concerned about when we push for improvements in human rights and democracy in Cuba.

Let me add that we have heard testimony from people in the State Department and others that the Cuban Democracy Act has enabled humanitarian aid shipments to go from \$1 million to \$9 million over the last couple of years in Cuba. Mr. Chairman, that is trivial, relative to \$360 million that was traded in foodstuffs and medicines by U.S. subsidiaries that are now prohibited.

I have participated in several business conferences for U.S. companies interested in the Cuban market. I have been contacted by dozens of companies, big and small, anxious to invest in Cuba, where there are billions of dollars of attractive investment opportunities in agriculture, biotechnology, petroleum, nickel, manufacturing and tourism. Cuba has a highly educated, well-disciplined and low-wage labor force. It has hundreds of miles of beautiful natural

beaches. It has rich endowments of certain minerals and cultivatable land. It has state-of-the-art laboratories in biotechnology and is at the cutting edge of scientific research in other fields. It has the largest market in the Caribbean or Central America, and is conveniently located for warehousing and export processing activities related to Latin America. Today, capital from around the world is taking advantage of these opportunities, while U.S. businesses are being shut out of profitable commercial and investment projects in its own backyard.

The embargo has failed for 34 years to bring about the changes we say that we seek in Cuba. The embargo is counterproductive and wrong from a humanistic, a legal, a political and an economic point of view. It is the quintessence of failed foreign policy. According to a poll published last month by the Miami Herald, only a minority of the Cuban-American community in Miami supports the embargo policy.

Some say that we should lift the policy piece by piece. But a policy that has nothing to commend it in the first place should simply be repudiated. A gradual dismantlement of the policy, moreover, would only accelerate investment in Cuba from other countries, anticipating the opening of the U.S. market. This would further limit the options for U.S. business. We would have more constructive leverage in Cuba through opening trade and then negotiating over MFN status, the sugar quota, economic aid, the Guantanamo Base and asset compensation.

Political inertia and interest group politics in Washington are legendary. There is little political capital to be made by spearheading a change in U.S.-Cuban policy. Only the most courageous politicians are willing to speak out and do what is right for the Cuban people and for the United States. Mr. Chairman, the cold war is over. I applaud your initiative in introducing this bill.

Thank you.

[The article referred to follows:]

[An attachment is being retained in the committee files.]



Chairman RANGEL. Mr. Mas Canosa, they have your name here Mr. Mas. Is that the way—

Mr. MAS. It is acceptable, Mr. Chairman, yes.

Chairman RANGEL. Mr. Mas, with all of the political problems that we have in Cuba and the things that we would like to see as relates to democracy before we can establish normalization, it would appear to me—and I want your opinion—that the human rights violations would be the most important thing for us to tackle.

Because if we could be certain that those people who wanted to speak out for democracy have the ability to be heard without fear of being arrested, then this could generate the type of activity that could cause parties to be formed and elections to be held.

So unless you have that, to talk about elections as you did, that is down the line. But you agree that if we concentrated on the human rights violations and the ability of people to speak their minds, that this would be something that we could center on?

Mr. MAS. I think that it is very important, and I am glad that you bring the point up, because, in addition to trade, we get to talk about human rights.

Chairman RANGEL. Let me make it clear, I never talk about trade without talking about human rights. So if what I am saying underscores it, good. My point, though, is rather than just say we want elections which puts the question of the embargo further down the line, if we can talk about human rights as something that we have to concentrate on, in a sense that is almost like saying these people are smart enough to know what they want, and if we are satisfied that they have the ability to speak out, then whether their determination is the same with what we would want, that is their business. Would you not agree?

Mr. MAS. Yes.

Chairman RANGEL. Good. Now, our State Department has secret talks with the people in Cuba.

Mr. MAS. Who? [Mr. Mas could not hear the question.]

Chairman RANGEL. Our State Department, the people that you just saw, we call them the State Department, the diplomats. We do not have an official diplomatic relationship with Cuba. You know that.

Mr. MAS. Yes, we do, Mr. Chairman. We have an interest section in Havana. We do not have full diplomatic relations with Cuba, but there is recognition.

Chairman RANGEL. That was the point I was trying to make, that they do have political communication between the United States and the Government of Cuba. You know that, don't you?

Mr. MAS. Yes, at a very low level, yes, they do.

Chairman RANGEL. But they will not share with us, that is our State Department, specifically what demands we should be making collectively on Cuba. In other words, you hear there are 600 prisoners, 1,000, 2,000. I guess you would believe there are many, many more than that. But it would help us if we would know the names of these people. And I would assume, since you work so closely with the people in Cuba and you have people here that you know that have families in Cuba, it should not be that difficult for us to get the names of those people that are incarcerated, right?

Mr. MAS. You mean people whose human rights are being violated?

Chairman RANGEL. Yes, sir.

Mr. MAS. Yes, we have got them by the thousands.

Chairman RANGEL. The names?

Mr. MAS. Yes, we do.

Chairman RANGEL. And do you have any idea where they are in Cuba?

Mr. MAS. Yes, I have the names of the 9,000 people whose names are on our Cuban human rights quilt out there in front of the Capitol. I would be more than glad to provide them to you, 9,000 names right here.

Chairman RANGEL. Now, have those 9,000 names ever been given to the U.S. Government and asked them to try to get an accounting as to where they are from our special interest section in Cuba?

Mr. MAS. Would you repeat the question, Mr. Chairman?

Chairman RANGEL. Have you ever asked our Government here to try to find out where those Cubans are in Cuba, where those political prisoners are?

Mr. MAS. Yes, but I think that Castro attempts to confuse public opinion, probably including you and me on many occasions, by not admitting that there are political prisoners in Cuba.

Chairman RANGEL. Well, can't we prove that he is lying? He is never going to admit it. What can you do, if you could do it, to prove that he is a liar and that those prisoners are there?

Mr. MAS. Well, we have the testimony of their relatives in Miami, and that is why we reached the number in the thousands of political prisoners in Cuba. It is as simple as that.

Chairman RANGEL. I am going to work with the Congresswoman here, because I think you know clearly what I am trying to do. When we were dealing with Vietnam—

Mr. MAS. I would be more than glad, Mr. Chairman, if you ever travel to Cuba, to provide you with a list of thousands of people.

Chairman RANGEL. Please, Mr. Mas, I do not travel to Cuba. And if I did go to Cuba, I would not know where to go to find the prisoners, so let us get that straight.

Ms. ROS-LEHTINEN. Mr. Chairman, I commend you for your interest in this and—

Mr. MAS. We would provide you with assistance to make certain you could find them.

Ms. ROS-LEHTINEN [continuing]. And I look forward to working with you to try and get that information on the Cuban political prisoners in Cuba. I think that is very worthwhile.

Chairman RANGEL. The State Department said that Vietnam is different from Cuba, because there they were not concerned with free elections and dictators and torture. They were only concerned with dead American bodies.

I am trying to find out whether we can say we are concerned with Cuban patriots that may be in jail. So when we get the names of these people, maybe then we can get the State Department to help us to find out where they are. And since you know who they are, you share that with my friend here and we will have a list of them and ask the Cuban special interest section to—

Mr. MAS. We will be more than glad to provide a list to you, Mr. Chairman.

Chairman RANGEL. Now, do you have any idea what rôle, if any, you or your organization will or should play, once Castro collapses? Have you any designs as to how you would want to form the new government?

Mr. MAS. No, Mr. Chairman, because we are probably the only Cuban organization in exile which has not turned into a political party and which does not have any political ambitions in a post-Castro Cuba, but, rather, probably just wish to make a contribution in the rebuilding of the island.

Chairman RANGEL. Very good. Now, in watching and observing what has occurred in the last few decades in Cuba, have you identified anyone of leadership ability that your foundation could support from afar, if and when Castro collapses?

Mr. MAS. Mr. Chairman, Fidel Castro is a dictator just like Mussolini and Hitler were and Stalin was. Those big dictators in history never allow a second man to come aboard, because that could be a threat to them.

Chairman RANGEL. No, no, I am just—

Mr. MAS. Castro has made special preparations to make certain there is no leadership in Cuba, much less coming from the opposition.

Chairman RANGEL. I understand. I want to move a little more swiftly. What you are saying is that there is no person that you know who could replace the leader, because he has suppressed them; you have no designs, you do not have any political designs on a new Cuba without Castro.

Now, what happens if Castro just collapses and there is nobody there? What would you recommend we do? Suppose someone—

Mr. MAS. Mr. Chairman, following the Cuban Democracy Act, which is very, very specific about that, we hear a lot about the Cuban Democracy Act and the embargo aspects of it. But there is a humanitarian clause there and also a transition clause in the Cuban Democracy Act, and what it says is the following: Once Castro is out, the dictatorship is out and there is a transition government in Cuba, the U.S. Government should provide all kinds of humanitarian assistance—

Chairman RANGEL. Mr. Mas, I did not say a dictatorship would be out, I said Castro. Is it not possible that he may have a general worse than he is that could take him out?

Mr. MAS. Let us put it this way: If whatever transition program or whatever reform in Cuba guarantees that that transition government is going to call for elections within 1 year, the Cuban Democracy Act provides for humanitarian assistance consisting of medicine and food to the Cuban people.

Chairman RANGEL. Our State Department has no plans at all, if Castro collapsed. You heard them say that. You do not have any plans at all if Castro collapses.

Mr. MAS. That should not surprise you. You are a leader in this Nation. We have no plans whatsoever for around the world.

Chairman RANGEL. Let me say this—

Mr. MAS. You have been surprised by every single major crisis around the world, so Cuba is not an exception.

Chairman RANGEL. Mr. Mas, you are so visible that I am trying to give you the opportunity to reject some of these unfair allegations which I know you have read and seen. It would be wrong for me not to give you this opportunity. There are some people that have said that you do plan to be a—

Mr. MAS. You are a very generous man, Mr. Chairman, and I am grateful for that.

Chairman RANGEL. Well, I will give you reason to be more grateful. [Laughter.]

It has been said that you indeed have made investments in countries that do not enjoy democracies and do not have free elections, and mentioned was the People's Republic of China.

Mr. MAS. That report is absolutely false, Mr. Chairman. It is not the only false report about the foundation and myself. I have never invested. I do not have any plan to invest. I do not have any business in any country that has a Communist regime, and I will not have any investment or make any deal in any nation that has a Communist regime still in power. So that is clear.

Chairman RANGEL. Well, you may be even more grateful to me, then. It also has been said that, in addition to your lobbying activity—and I would join with you in criticizing anyone that would want to restrict an organization's ability to lobby for their political posture—that your group indeed has been intimidating, threatening and at times has used your great wealth to hurt people economically that disagreed with your political position. So I would want you for the record to—

Mr. MAS. Mr. Chairman, that is just hearsay and false defamatory attacks on our organization. There is not one single evidence, there is not one single specific thing that could be shown to prove that the foundation or anyone in the foundation has ever threatened anyone or has hurt anyone.

Chairman RANGEL. Mr. Mas, let me advise you, as a friend, that if someone made this accusation against me, I would not say there is no evidence to it. I would say that is not right, and that is what you probably meant. You did not mean that no one could prove that you have done it. You meant you have not done it, right?

Mr. MAS. Mr. Chairman, I think that I have a hearing problem, because I do not hear you well. My English is very poor, so if you would go straight to the point, I will be more than glad to answer. [Mr. Mas could not hear the question.]

Chairman RANGEL. When I said that people have said of you that you have gone far beyond lobbying and that you have threatened people and that you have hurt people economically, and that you intimidate people, you say there is no evidence of it. I said I would think that you meant that you have not done those things, not that there was no evidence to prove it.

Mr. MAS. Not only have I never done that, but there is not one single evidence, in spite of whatever you have been informed or what you might have read, and those are facts. The facts are there.

Chairman RANGEL. All right.

Reverend Jackson, when you visited Cuba, were you concerned at all with the human rights of the Cubans that were living there?

Reverend JACKSON. Indeed that is why I went to Cuba.



Chairman RANGEL. Could you share with us what your observations were as relates to the question of human rights?

Reverend JACKSON. When I went to Cuba in 1984, I had heard about many political prisoners and I took several lists with me from Amnesty International and made an appeal for some of the most visible ones of them. I was able to make an appeal after several days of deliberations to bring 38 Cuban-Americans and Americans out of Cuba, because of that interest.

When I went back just this past Christmas, one concern was about Mr. Castro's granddaughter being reunited with her mother who had come here by that time. So we raised the human rights concern each time that we went to Cuba.

It is clear that under the kind of seige mentality that exists, as a state of war readiness, in the sense that with each passing day, with the economic war, there are plans to undermine and overthrow the government. The impact seen so far of the Torricelli amendment is to make conditions more inhumane and more intolerable. I believe that the present state of affairs has created such a seige mentality, that it has perhaps worsened the freedom of movement within the country.

Chairman RANGEL. Mr. Kopetski.

Mr. KOPETSKI. Thank you, Mr. Chairman.

Mr. Mas, I wanted to present my point of view in terms of a statement you made, and maybe I did not hear it right. You said that if the embargo was good enough for Libya, Iraq or other countries, then it ought to be good enough for Cuba. In my mind, that is not the question at all. The question is, is the embargo the correct means to achieve the results of ridding the Cuban people of a totalitarian system? That is really the purpose of the Chairman's legislation. What he is saying, and I agree with him, is that the embargo is not the proper means. Perhaps it is even delaying the inevitable.

One thing that I did appreciate you raising was the issue of "revenge." I am from the other coast of our Nation, and I have been somewhat stunned, clearly surprised at the various references in today's hearings to racism. It seems, if I understand, it is racism within the heritages of the Cuban people, which, as somebody from Oregon, is all new to me.

As a nation and a world, citizens are struggling with what is going on in the former Yugoslavia. We are just now witnessing revenge and racism that has been gone on for thousands of years there. I just hope you are right to say, when the day comes and the Cubans are free, that none of that would happen in that lovely country to those great people.

Mr. MAS. I have the same expectation.

Mr. KOPETSKI. Reverend Jackson, I was struck by your testimony. I am sorry that I could not hear all of it. One of my concerns, when the United States engages in harsh foreign policy actions such as an embargo, is not so much the effect on the adult population, but the effect on the children's minds and attitudes toward America. What is your feeling about this, as you described this as a state of seige? As regards the children living in Cuba, how might this affect their attitude toward the United States in the long term?

Reverend JACKSON. Well, they believe that they are now driving plows with oxen, rather than tractors, because of the United States. They believe that medicine, foodstuffs, humanitarian aid they would get, they cannot get because of the United States. They believe that the trade they could engage in to make the economy grow again is prevented by the United States. So we have become in some sense, as Mr. McLaughlin said, we have become the liar. It strengthens Castro to be the David, us against them.

To be certain, with the resources cut, the adult political leaders there, like the political leaders here, survive fairly well. The Cubans of some means have survived like Cuban-Americans and other Americans do here. Castro does rather well on the seige, just as our President does.

Who is hurting, however, are the children in this situation. I see the use of a boycott as a means or a method, not as a principle unto itself, and here this particular method is not working. It seems to me that we have three options relative to Castro. I am neither a fan of a Batista-style democracy nor of communism as a godless ideology, so much so that one of our first long debates had to do about church and state. I in fact took him to church for the first time in 27 years. After I heard his side of the story, I wanted him to come to church and hear my side of the story. So I am no fan of that form of government.

We only have three options. One is to militarily engage Castro. To do that will unleash a bloodbath that will affect many people who will die unnecessarily. The second is to disengage and wait and just protest. While we wait, children die. While we disengage, we have little influence. People are hurting.

The third option is to engage, and I am convinced that democracy can defeat any dictatorial force standing toe-to-toe, that the quickest way to change the context of that regime is to be fresh air, to open it up, trade. Cuban-Americans have an unlimited access to Cuba. Other Americans having unlimited access to Cuba would change the options of Cubans probably irreversibly.

Mr. KOPETSKI. Going back to the children, if they believe that their economic plight is due to the U.S. policy, do you think this is going to have a lasting impression on their attitudes toward the United States, as they become adults and hopefully leaders of that country?

Reverend JACKSON. We will. We made the mistake, it seems to me, of thinking the Cuban revolution is only Castro-deep, that if Castro were to leave today, that tomorrow either Americans from here could go there and set up some kind of government, or there would be within that country some kind of immediate convulsion of some support for us as a nation.

There is a line of succession. They have a point of reference. They have an ideology. They have a point of view. They may be clearer on their Cuban-ness than we are on our American-ness, for example. So the change there over 35 years is more than one person deep. They feel rather good about the fact that Mandela came to Cuba while on his first tour, because clearly their presence in Angola stopped South Africa and thwarted right-wing forces in this country. So they feel good about the role they played there, and so do the South Africans, because new South Africa is in part made

possible by actions in this country and Cuba and Angola. No doubt about it, they would have taken Kabenda. They would have driven the democratic forces in the ground in Angola, had they not been there.

So they feel good about that, and Angolans feel good about it, and South Africans feel good about it. And now the United States feels good about it, too, because we are now on that side of history. So they do not have any sense of an inferiority complex about the roles they played in trying to fight certain forces in the world.

My concern is how do we, with minimum bloodshed, reunite Cuban and Cuban-American families, how do we change the options for people who live there. Well, I am convinced that massive trade, investment and free access by Cuban-Americans would change the options substantially.

Mr. KOPETSKI. Thank you very much. It is very constructive.

Chairman RANGEL. Congresswoman, I yield.

Ms. ROS-LEHTINEN. Thank you very much, Mr. Chairman.

A few years ago, I heard Dr. Jeane Kirkpatrick speak very eloquently of what she calls the "blame America first crowd," and it is a movement to blame U.S. policy for the failures which are brought on by corrupt regimes which oppress their people.

This strategy says why blame these horrid regimes, instead, let's excuse the violations of human rights by saying, for example, in the case of Cuba, of course, freedom of expression is not respected in Cuba, because, after all, U.S. ball bearings cannot be sold to Castro, and, of course, dissidents' heads are cracked and no one can assemble as a group, because U.S.-made spare parts for cars cannot be sold to Castro, and, of course, Castro controls all aspects of a Cuban's life, because U.S. elevators cannot be shipped to Castro.

It does not make any sense. It is a philosophy that says that Castro is a cruel and inhumane dictator, because we do not send him soap, and he is really a soft and cuddly teddy bear, he is what one of my daughters really loves, a Care Bear, a Castro bear, and it is the mean United States which bullies him to being an assassin. I do not understand that philosophy.

Castro is responsible for his own actions. That is a lesson that I try to teach my 8-year-old daughter, and I do not know why we cannot apply that to other governments.

Reverend Jackson, I just have one quick question for you. All of us know that you understand the plight of the oppressed people here and abroad more than anyone else. You have traveled to every corner of the globe and speak very eloquently of the plight of the oppressed. You have a very powerful message. Surely, you recognize more than anyone else, as a man of the cloth, that Castro does suppress the practice of religion in Cuba.

You say that you went to church services in Cuba, and I think that you do the cause of religious freedom great harm. In that same sentence where you say you went to church services in Cuba, you do not also acknowledge what every human rights organization in the world has acknowledged about the practice of religion in Cuba, is that it is suppressed and it is repressed.

I know that sometimes I get used and I recognize when I am being used, and sometimes we do that to further a certain cause, as uncomfortable as it makes us. Surely you must have felt when

you were there in those churches in Cuba that it is not really representative of what is going on in the island. Surely you know what Castro has done to the Jewish faith. My mother is Jewish. My grandfather was very active in the Sephardic movement in Cuba, helped build most of the temples in Havana. It is practically non-existent. People are driven out of churches. They are suppressed and repressed.

As such an acknowledged worldwide leader, I think that your voice, any time that you mention "I went to church in Cuba," just a few statements about whether religion is really where the people are free to practice their religion in Cuba, it could make such a powerful statement to try to get others involved in the expression, the free expression of their faith.

Just 2 months ago, we had people like Paula Valiente who came over here very active in trying to get the religious movement going, and they were suppressed at every moment. So just to hear your comment and to plead with you to please make that argument the next time that you have an opportunity to talk about religious services that you attended in Cuba.

Reverend JACKSON. Well, do not assume that I am not intelligent enough to know what I am doing and trying to do. Do not assume that Castro cannot be used. I do not have the fear of him you do. I do not think he can outthink me. Because when I took him to church, I was trying to make another kind of statement. The church was a place to go, not a building to burn down.

I was trying to make another kind of statement. I challenged him to look at the godless ideology against a living faith. He eventually wrote a book about it. I thought that engaging him in dialog about religion and its value to people, why it was valuable to me, I thought that was important. I wanted to go to the churches there to say to religious leaders that they were not alone in their fears and their concerns.

And I knew of many of the repressive forces operating around them, but my sermons were not censored. I said everything I chose to say about the negative impact of godless ideologies and why I affirm freedom of religion and press and trade and human rights for the record. No, my sermons were not censored, so I thought making the statement in the church was important in that context.

Furthermore, I cried out for a nation that somehow did not engage and ought to engage in opening up food passage for people, ours and theirs and theirs and ours, and that was the second point.

I want to make this clear again, that we are not hurting Castro, if that is the object. Castro is strong and looking strong politically. He is 68 years old and looks like he is 50. He is in good shape physically. He is not pushing a plow and an oxen. He is not missing meals. He seems to be doing just fine.

The people we really want to help are not doing so well. The question becomes how do we engage in a process that can open up their life options, how can we engage in a process to give people there an appreciation for their lives, to see capital come in, to see businesses come in, what it would be like for them to be able to have unrestricted access to their relatives in America and Americans here access there. That was my approach and that is my concern.

I grew up under some Batistas in this country, some of whom are still operating in the Congress, and I would not want to go from them to Castro. I seek a higher freedom. But in the context of this situation, we have an opportunity, I feel, to more engagement, more trade, more talks to bring in fresh and new opportunities for the people there who need it the most.

Ms. ROS-LEHTINEN. Thank you.

Chairman RANGEL. Mr. Shaw.

Mr. SHAW. Very briefly, Reverend Jackson, I would like to touch on one subject. You have mentioned South Africa in your remarks. You certainly have been through many decades now as a recognized leader of human rights, through the civil rights movement and other matters. You, as I recall, were also very outspoken with respect to the boycott and the sanctions that were put on South Africa.

How do you come from that position to your position of opening up Cuba? It appears inconsistent. I would appreciate it if you could clear that up for me.

Reverend JACKSON. You know, we had a dual policy with South Africa. One was we maintained full diplomatic ties with South Africa, on the one hand, and for a short period we engaged in economic sanctions against South Africa. It was a combination of a worldwide boycott, and our engagement with them, overtly and covertly, plus internal struggles by the majority population.

It was some combination, therefore, of the majority revolt within the country which is maybe the biggest factor of it all, and our sanctions plus diplomacy, those three things made it happen. It was not just one thing that made it happen.

I would assume that one way to get more popular political action within Cuba is through engagement. Say, for example, if there were 300,000 or 400,000 of us from America, Cuban-Americans, African-Americans and we were there, and of course we carry with us our press. We carry with us our business, our capital. Those Cubans within the country would feel freer to protest, freer to stand up. As long as Castro has them unto himself, no lights and no presence, he has them unto himself.

Think about the way our President would operate without a press and without presence. Now, I am convinced that press and presence is a big factor in change. So I think the best thing you could ever do to one you want to remove is to lead him unto himself. No press challenge, no people challenge, no business, just let him have the people until he dies. So now we are trapped with a wait-until-he-dies policy. He is looking real strong to me.

Mr. SHAW. I am still having problems drawing the parallel there. Do you think we ought to be working for worldwide sanctions on Cuba to expedite his—

Reverend JACKSON. No, I do not.

Mr. SHAW. Do you think we ought to create the same type of pressure we had on South Africa?

Reverend JACKSON. The world would not join us. They do not make the same case. I mean we lost the last vote 88 to 4. The world does not view Cuba in that way. We are about to isolate ourselves.

Mr. SHAW. I have been watching Cuba from afar. I was there in 1960 for just a short time, just as people were starting to talk about the problems down there. Also, I have been to South Africa. Whereas, the oppressive attitude of apartheid was evident in some ways, I do not think South Africa had anywhere near the political prisoners or anything that even comes close to being as oppressive a regime as Castro has in Cuba.

Reverend JACKSON. Mr. Shaw, this comes in many forms. Nineteen-sixty was the year I went to jail in this country trying to use a library. That was the year that students began a sit-in trying to use restaurants. It was 3 years before Dr. King gave his "I Have a Dream" speech in Washington, at which time in this country, we who came to Washington that day, we could not use a single public toilet.

We could not use a single hotel, motel, park or library. We had to relieve our bodies outdoors behind cars and trucks and trees in our own country 3 years after you had been to Cuba. It was 4 years before we got a public accommodations bill to end legal apartheid here. It was 5 years before we had the right to vote.

A lot has changed since then, and so the question becomes how does one facilitate change. There is no one tactic. Maybe we can do several things simultaneously to bring about this change.

I sensed South Africa was a combination of an internal revolt. Mandela out-suffered his oppressor. The will of the people to fight back, the combination of boycotts and diplomacy, all three works.

We seem to be disengaging from diplomacy. Diplomacy is a big factor in change. Also, our presence has a way of giving people security. There is complaint about Jews and progressive whites coming south to help us. I am glad that they came, because their presence brought with them assurance to us who were on the occupation. So a combination of internal revolt, allies, plus diplomacy.

So why can't we engage in a multilevel approach on Cuba? Why are we set to keep using something that is not working? We are making him stronger. We are not feeding children this way in Cuba. We are not helping people, the masses in Cuba this way. In a political sense, we are making Castro stronger.

There are plenty of countries with our own country of how you attack a leader and make him the object of all strategies. You said to rally his forces together. I am not convinced that is a wise tactic.

Mr. SHAW. Thank you.

Chairman RANGEL. Professor, let me thank you. Reverend Jackson, you brought your international expertise. And Mr. Mas, I assume that you spoke not only for yourself today, but also for the foundation.

Mr. MAS. Yes, I did, Mr. Chairman.

Chairman RANGEL. And the expression as relates to the embargo is the official position of the foundation?

Mr. MAS. Yes, sir, it is.

Chairman RANGEL. And no one can tell me that they are in the foundation and they disagree, your vote was taken and this is the official view. I mean are there people in the foundation that want to get rid of Castro, but may not agree with you and hold—

Mr. MAS. In the foundation, we have the same thing that we have here, a divergence of opinions. But we take positions and our position is the one that I expressed this afternoon.

Chairman RANGEL. And in the Cuban-American community business and otherwise, there is a difference of opinion where they all may want freedom and liberty, but they may disagree with you as relates to the embargo?

Mr. MAS. Yes, sir.

Chairman RANGEL. And the people who disagree in the United States, it is with the presumption of debate and liberty and exchange of ideas, would not be labeled as being not lovers of Cuba or puppets of Castro or soft on communism or—

Mr. MAS. Mr. Chairman, because precisely the foundation owes its existence to that principle. Our community was a very violent community in the late 1970s, and we founded the Cuban American National Foundation to bring into the community a very reasonable dialog and agenda to do things as we have done here in Congress for the last 10 or 12 years.

I was one that was targeted for assassination in my own community, and I credit the Cuban American National Foundation for putting an end to the senseless bombings that for 2 or 3 years really—

Chairman RANGEL. So you would agree that other people could disagree with you and love Cuba just as much and love democracy just as much?

Mr. MAS. Absolutely.

Chairman RANGEL. And it is just an honest—

Mr. MAS. I think that there is a legitimate difference of opinion, and we welcome them, and I would like to say that I am certain that the Cuban people long for the same thing that we have done here this afternoon, divergence of opinion, opinions that could be expressed freely.

Chairman RANGEL. Exactly.

Mr. MAS. As I have said, I do not believe that trade will ever promote human rights. Romania for 20 years has had MFN status, and Ceausescu stayed there as long as the most-favored-nation status was given to Romania. The same thing with the United States and the Soviet Union. Nineteen-seventy-nine was the high point of trade between the United States and Russia or the Soviet Union, not only exchange of tourists, but also trade with the Soviet Union, and that was the year that the Soviet Union invaded Afghanistan.

It was Jimmy Carter who opened up the interest section in Havana, the same year that Castro invaded Angola. So tell me on how many occasions in history has trade really promoted human rights? You may have some exceptions, but the rule is that trade does not promote human rights.

Chairman RANGEL. Reverend Jackson.

Reverend JACKSON. For the record, Cuba did not invade Angola. They were invited to Angola by the forces that beat the Portuguese, and we are now on the side of those who invited him into Angola, who are now widely credited with stopping South Africa from expanding and capturing all of Angola as an ally with Swembe to overtake Kabenda. That is what happened there.

But let me say this to you: This has been a good session, as far as I am concerned. I have met a new friend, we are going to have a followup meeting in the spirit of democracy, and that is a major step in the right direction. The second thing is, and I do not know why I forgot about—

Mr. MAS. Do not write another column until you and I talk. You made a savage attack on me, without knowing me or ever meeting me.

Chairman RANGEL. All of that is over, no more attacks on anybody. This is it. This is the beginning.

Mr. MAS. But you just did it when you came out of Cuba.

Chairman RANGEL. We will be taking pictures here—

Mr. MAS. Mr. Chairman, you mentioned a little while ago about the intimidation—

Chairman RANGEL. Do not start attacking me. I am the peacemaker now. I am out of this.

Mr. MAS. Just let me finish this. We have created this foundation precisely to put an end to the intimidation, the rumors and the disinformation that the Cuban Government is promoting in this country against Cuban exiles. I hate for persons like Reverend Jackson to be a victim of this disinformation as I think you have also been in the past. So I hope you will not in the future.

Mr. ZIMBALIST. While Mr. Jackson and Mr. Mas are getting mushy over there, I would like to point out that when President Carter in the late 1970s initiated a dialog with Castro and came to establish the U.S. Interest Section, that several thousand political prisoners were released.

Chairman RANGEL. Well, that is the high note and—

Reverend JACKSON. I hope this fits in there somewhere, is they are about to get that island wired with 20,000 telephones, it could very well be 500,000 calls a year between the United States and Cuba.

Chairman RANGEL. With very limited profit to go to Castro, I heard that.

Reverend JACKSON. The biggest issue, if you think about 500,000 calls, whatever Castro might get, you cannot compare it with Cuban and Cuban-American families having free access to each other. That is a factor. I think that the vital medical breakthroughs there in terms of some tropical diseases and cancers we will know more about.

When I think about the joint venture they have with Mexico as opposed to cement and Canada with nickel, that there are tremendous trade opportunities. I cannot imagine Castro as we know his politics to be surviving in an onslaught of democracy and free trade. If we really believe in democracy and believe in free trade, let's test it. If we can test it in China with a billion people, try testing it 90 miles from Miami, where we could come back home at night if it did not work.

Thank you very much.

Chairman RANGEL. Thank you all. I thank the panel.

Mr. MAS. Let me end on this note, Mr. Chairman. If removing the embargo would destabilize Castro as the reverend claims, why is it that the No. 1 priority of the Cuban Government, Fidel Castro himself and all the Castro lobbyists here this afternoon, is the re-



removal of the embargo? If the removal of the embargo is going to hurt him, why has he made that his No. 1 foreign policy interest?

Chairman RANGEL. And you know that is his No. 1 foreign policy interest?

Mr. MAS. Absolutely.

Chairman RANGEL. Thank you.

Mr. MAS. Thank you very much, Mr. Chairman and members of the committee. We appreciate the opportunity to express our views.

Chairman RANGEL. If an extension of these hearings will help, we will keep doing it.

Chairman RANGEL. We will hear from our next panel: Cambio Cubano, from Miami, and, of course, Eloy Menoyo, the president, and he will have with him my friend Rafael Huguet, director of Special Affairs. Then we will hear from Marcelino Miyares, president of the Cuban Committee for Democracy, out of New York; and Alicia Torres, the executive director of the Cuban American Committee; and David Cibrian, Esq., Jenkens & Gilchrist, from San Antonio.

Ms. Torres is here. How are you? It is good to see you again.

Ms. TORRES. Good to see you, Mr. Chairman.

Chairman RANGEL. Let me ask those who are leaving to try to leave as quietly as possible, so that we may resume the hearing. Have the discussion in the hallway, and then we can continue taking testimony.

Eloy, welcome, and Rafael.

Ms. TORRES. Mr. Chairman, Mr. Huguet had to go back to Miami, so we have another translator.

Chairman RANGEL. Very good. Welcome, Mr. Cibrian, from Jenkens & Gilchrist, in San Antonio; Alicia Torres, Mr. Gutierrez, and Mr. Miyares. Let's start with my friend Mr. Menoyo.

Where is your interpreter? Would you state your name for the interpreter?

Ms. HIDALGO. Giselda Hidalgo.

Chairman RANGEL. Thank you very much.

Mr. Gutierrez.

**STATEMENT OF ELOY GUTTIEREZ MENOYO, PRESIDENT, CAMBIO CUBANO, MIAMI, FLA.; ACCOMPANIED BY RAFAEL HUGUET, DIRECTOR, SPECIAL AFFAIRS**

Mr. GUTTIEREZ. [Interpretation.] The Cuban exile for more than three decades has been listening to talks about war and violence and about violence and war. They have not done anything more than demonstrate their incapacity to go ahead with war or violence. To those, we ask to please be capable of doing peace. The lure of Cuban democracy was promoted by a group who says they represent the Cuban exile, a group of heretics and minorities.

The Cuban democratic law was utilized and signed by political domestic politics in answer to the interests of the Cuban people. We are going to analyze it. The Cuban democratic law says that it is looking for specific solutions. One of the parts says that Fidel Castro's stubbornness could conduce to a generalized suffering of the Cuban people. That is a political reference.

On the other hand, it says it could remove Castro's stubbornness to a confrontation of both sides. My question is this: The Cuban

democratic law, like it is, is to find a peaceful solution. It is very defined what it wants, it is to pass the cause to the Government of Cuba, to the cause of the suffering of the Cubans of 11 million people.

I would like to say that the break will be a civil war or a confrontation or American intervention, will take only a catastrophic situation for the Cuban people, but also for the American Government. For this reason, the position of Cambio Cubano is this:

Honorable Members of Congress, Cambio Cubano is an organization of Cubans in Cuba and outside of Cuba that seeks Cuba's democratization by peaceful means. In order to foster such change in Cuba, we believe that U.S. policy toward Cuba must also change now.

We agree with both U.N. General Assembly resolutions on Cuba. One calls on the Cuban Government to respect human rights fully, while the other calls on the U.S. Government to cancel the sanctions on Cuba included in the so-called Cuban Democracy Act.

We ask the Cuban Government to adopt bold changes. We recognize that the Cuban Government has taken modest, but constructive steps toward an economic opening. These are, however, grossly insufficient. At a minimum, now the Cuban Government should grant (1) general amnesty to all political prisoners, (2) freedom for all Cubans to enter and leave the country; and (3) freedom of expression and association for everyone, whether in the opposition or within the Communist Party.

The Cuban Government should comply at once with its international obligations to provide an unrestricted respect for human rights. Soon thereafter, it should permit the wider expression of political pluralism, foster further economic openings, and finally hold free and fair elections with the presence of U.N. observers.

We ask the U.S. Government to adopt bold changes in its policy toward Cuba. We recognize that the U.S. Government has taken modest, but constructive steps to facilitate international communications with Cuba. These do not suffice, however, to facilitate Cuba's political and economic opening.

At a minimum, now the U.S. Government should: (1) permit, rather than restrict, donations and sales of food, medicine and other basic necessities, so that ordinary Cubans do not fall ill or go hungry, many being already very close to starvation; (2) lift all barriers to free communications between Cuba and the outside world, including lifting all restrictions on travel to Cuba, in order to nurture free access to international information and idea; and (3) cancel any attempts to subordinate Cuba's sovereignty to the whims of politicians in the United States, cancel as well the extraterritorial provisions of the Cuban Democracy Act that meddle in the affairs of other countries, and that punish ordinary Cubans by making it costlier for them to obtain food, while anticipating an imminent holocaust.

Summarizing, Cambio Cubano seeks to end the isolation of the Cuban people, spurred by not one, but two embargoes, the punitive sanctions imposed on Cuba by the U.S.-Cuban Democracy Act, and the auto-embargo imposed by the Cuban Government on human rights in Cuba. The Cuban people must decide on their own destiny in a free and democratic society.

Thank you.

Chairman RANGEL. Thank you, Mr. Gutierrez.

Welcome, Mr. Miyares. It is good to see you again.

**STATEMENT OF MARCELINO MIYARES, PRESIDENT, CUBAN COMMITTEE FOR DEMOCRACY, NEW YORK, N.Y.**

Mr. MIYARES. Thank you, Mr. Chairman.

I would like to thank Congressman Charles Rangel and members of the Select Revenue Measures and Trade Subcommittees for having invited me to present in this forum the views of the Cuban Committee for Democracy.

Our organization is not yet 1 year old, but is growing very fast and is filling a vacuum. We speak for the more than 50 percent of the Cuban-Americans who refuse to accept that the price that our country has to pay for freedom is to blow up in flames. We believe that the majority of Cubans on the island will find a peaceful way to democracy, if we in this country give them reason to believe that their hope is reasonable. We have achieved success in American society, and are ready to offer a helping hand, not a tight fist, to our brothers on the island. Our message to them is we are one nation, and together we have to work for a peaceful transition to democracy.

The Cuban Committee for Democracy is formed by academics, professionals and businesspersons that believe that in a post-cold war world, reaching the 21st century, there is no room for any form of interference in the internal affairs of sovereign nations. We Cubans—and we are here because we are Cubans—fought a 30-year war in the 19th century for our independence. We Cubans on the island, as well as in exile, are proud and extremely jealous of our sovereignty. This is the main reason why the Cuban Committee for Democracy agrees with the spirit and a large section of the letter of H.R. 2229, your proposal.

We believe that the embargo is a longstanding policy that has failed. When it was first imposed over 30 years ago, it might have appeared to fulfill a purpose within the context of the cold war. The Cuban regime was then becoming an active part of a worldwide strategy to spread the Marxist-Leninist bloc that would encircle and strangle the United States.

The North Atlantic Treaty Organization, an institution that was the bulwark of the policy of containment, never adopted an embargo against the Soviet Union. After 40 years of competition, the torn-down Berlin Wall and the dissolved Soviet Union are unquestionable proof that a policy of inclusion is superior to one of exclusion. This seems to be a self-evident strategic truth, and we believe in that.

The current U.S. policy of isolation toward Cuba has been challenged and questioned by national, as well as international, public opinion, by the Latin American Parliament, the Latin American Presidents in their III Summit (III Cumbre) in Salvador de Bahia in 1993, the European Parliament, by international figures such as Nobel Peace Prize recipient Oscar Arias, by the United Nations, by influential dissidents within Cuba, by the Cuban Council of Catholic Bishops and by such significant exile political organizations as the Cuban Democratic Platform, Cambio Cubano, the Christian

Democratic Party, the Coordinadora Social Democrata, Union Liberal, et cetera, et cetera, and by the Hispanic community in the United States. This is very important, the Hispanic community in the United States is against the embargo.

So we have to raise the question: Who is for the embargo? Very few, very few people in the world, in the United States, almost a self-evident truth.

Now, our Cuban Committee for Democracy position on U.S. policy toward Cuba, I would like to quote, because I am representing my own committee, the Cuban Committee for Democracy, our statement approved by a majority and by democratic vote of all our members, and I quote:

"U.S. policy toward Cuba should be based on mutual respect for the sovereignty and security of each country. It should seek a political opening and peaceful democratic transition in Cuba.

"We do not believe that the present policy is satisfactorily addressing these concerns. We respectfully oppose punitive economic measures by the United States and other countries toward Cuba (such as the Cuban Democracy Act of 1992), since such measures worsen the living conditions of the Cuban people, without affecting the community leadership. On the contrary, because sections of the Cuban Democracy Act are an affront to Cuban national sovereignty, the Cuban Government has used it as a credible pretext for continuing its authoritarian policies. Like many other Cuban-Americans, CCD members have confronted the issue of the U.S. economic embargo against Cuba."

Our position is as follows:

First, we cannot possibly condone the embargo on grounds of history, ethics and Cuban sovereignty. Second, while the current economic disaster is primarily the responsibility of the Cuban Government and not of the embargo, we cannot support policies that, however, indirectly contribute to the misery of the Cuban people. We urge the U.S. Government to rescind unilaterally all legislation affecting trade in food and medicines and their delivery to Cuba. Third, we are unequivocally committed to the genuine democratization and responsible economic liberalization in Cuba. We believe that the current course of U.S.-Cuban relations is not bringing about progress toward these goals, nor that it is likely to do so. We believe that a policy of constructive engagement will more rapidly bring democracy and economic recovery to the Cuban people than the present policy of isolation. We, therefore, urge the Government of the United States and Cuban Governments to open a process of genuine negotiation, with the aim of lifting the embargo and promoting a democratic transition on the island.

And I add that the most important is not really that the United States and the Cuban Government might reach any type of arrangement. The most important thing is that lifting the embargo, and then we Cubans here and in Cuba can start a process of national reconciliation, which is what is going to really bring Cuba to a peaceful transition to democracy.

We Cubans are the ones who have to solve the problem, not the American Government. I have to put that very clear on record. It is not inviting, but I want to stress that point.

In my prepared written statement that you have, Mr. Chairman, for the sake of the time is late, I want to be as short as possible. I just state the position on U.S.-Cuban relations, the most significant and prominent dissident persons in Cuba are against the embargo. That is a fact and they are there. They are the ones who have to say what they believe or not, not those of us here.

A very important point in the Cuban political process was the position of the Cuban bishops, that for many years they were silent. For the first time, last year, September 1993, the Cuban bishops stated very clearly their position, and I have it here in front of me, against the embargo. I am not going to read it, because it is too late.

Prominent figures like Oscar Arias, a Nobel Peace Prize winner, who came here to Washington, D.C., in order to support us, our Cuban Committee for Democracy, and we are a participating lobby. Finally, there is not only one lobby. There has been one lobby in Washington, and now there are at least two lobbies in Washington, generating opposition to the Government of Cuba. We also appeal to U.S. foreign policy.

I am going to quote just a short paragraph from President Arias. He said:

"In this respect, the United States should realize that the economic blockade against Cuba has been counterproductive, from both a political and human point of view. After more than 30 years of this embargo, we have seen now the damage done to the Cuban people has hurt, but has not brought down the regime of Fidel Castro. On the contrary, it has served as a scapegoat for many of the regime's weaknesses. The elimination of this form of political pressure will make the Cuban Government fully responsible for the current problems faced by the country, hunger, rampant poverty, pollution, and growing disparities in economic opportunities. At the same time, it will prevent the further deterioration of education, health and social services."

Definitely, he is very much against the embargo and in favor of a peaceful resolution for the Cuban problem, which is what everybody wants. We want to resolve it in peace. We do not want any more war. He wants a fight, he wants war. We do not want war. We know what war is. You know what war is, Mr. Chairman.

Finally, very interesting, the position of Hispanics from very recent research conducted all over the United States in 10 major Hispanic-American markets, conducted by Strategic Research Corporation nationwide, shows that 39.7 percent, 40 percent of Hispanics in the United States are against the embargo, 20 percent in favor—only 23 percent, and each one of them or many of them votes, not the illegals, of course, the ones who are citizens, they vote.

In Miami, 40 percent of Hispanics are against the embargo, 36 percent in favor, but 40 percent, a majority of Hispanics against, 23 percent undecided. Even in Miami, Mr. Chairman, a city where 60 percent of the Hispanic-speaking population is Cuban, a city with 35 years of cold war brainwashing rhetoric, 40 percent oppose the embargo. This is a trend. It is changing fast, and we are going to make it change faster. That is our role, our mission of the Cuban Committee for Democracy.

For all these reasons, the Cuban Committee for Democracy fully supports the general trend of H.R. 2229. But any bill has to be realistic if it wants to be accepted and adopted. We maintain that, at a minimum, a more limited focus would strengthen the bill and substantially increase its prospects for passing. We want your bill to pass.

We believe that the people of the United States are ready to accept the lifting of the embargo in the areas of food and medicines. That I think is feasible. So repugnant to the American tradition is the embargo in this area, that even the Cuban Democracy Act went out of its way to create mechanisms within the law itself to limit its scope. Thus, lifting of the embargo on food and medicine would put Congress in line with the most basic humane principles of this country. Such an embargo was never imposed even on Iraq, after Saddam Hussein seized Kuwait in August 1990.

In addition, we see no point in maintaining any legal restrictions on communications with the island with telephone, fax or other media. Our Cuban Committee for Democracy maintains that the greater the opening of the island to the outside and the greater the freedom of exchange of ideas, the faster the conditions will work for a democratic transition. For these reasons, we support the lifting of any and all restrictions in the field of communications.

By lifting the embargo on food and medicines, Congress would signal to the administration, to the whole Cuban-American community, to the Cuban people on the island and to the world at large that the United States does not see the Cuban people as an enemy and may be willing to reconsider its approach to relations with Cuba.

It would be a statement that the United States does not see the Cuban people as an enemy and, most importantly, that the United States respects Cuba's sovereignty. Mr. Chairman, that is very important for us Cubans. We want you to respect our sovereignty. There is a long history of not respect, because we are small.

The Cuban Committee for Democracy has adopted as its main objective the creation of an atmosphere that fosters understanding and negotiation between the United States and Cuba. We do not think that the U.S. embargo is the only obstacle in this road. The intransigence of some elements within the Cuban Government is also a problem, and we have to be addressing that. Let the U.S. Congress take one small step, unambiguously stating its intention to proceed further down the road of understanding and negotiations.

If the committee sees fit to accept our strategic suggestions, H.R. 2229 will then be in agreement with the expressed wishes of most Cuban exiles, dissident organizations inside Cuba, and the suggestions of the Cuban Catholic bishops.

Abolish the embargo on food and medicines and commit Congress to consider further steps toward gradually lifting the remaining parts in response to Cuban progress toward respect for human rights and a peaceful transition to democracy. This will be a powerful enough signal to the Cuban people that the United States is ready to break the deadlock that maintains the present situation. Such a signal will encourage the hopes of those inside Cuba who are eager to adopt the path of reform.

This forceful message will be underwritten by all those Cuban-Americans who love their country of origin and admire the strong institutions of their country of adoption. This new approach to a different Cuban policy on the part of the United States will tell the whole world that the United States is firmly in favor of a democratic Cuba joining the democracies of the Western Hemisphere.

The Cuban Committee for Democracy will be proud to support such a bill unambiguously. We thank you, Mr. Chairman, for your initiative, and we hope that it will succeed. We will do everything in our power to help you to reach your goal.

Thank you.

[The prepared statement follows:]

**STATEMENT OF MARCELINO MIYARES  
PRESIDENT  
CUBAN COMMITTEE FOR DEMOCRACY**

I want to thank Congressman Charles Rangel and members of the Select Revenue Measures and Trade Subcommittees for having invited me to bring to this forum the voice of the Cuban Committee for Democracy. Our organization is not yet a year old, but is growing very fast and is filling a vacuum: we speak for the more than 50% of the Cuban Americans who refuse to accept that the price that our country has to pay for freedom is to blow up in flames. We believe that the majority of Cubans on the island will find a peaceful way to democracy if we in this country give them reason to believe that their hope is reasonable. We have achieved success in the American society, and are ready to offer a helping hand, not a tight fist, to our brothers on the island. Our message to them is: WE ARE ONE NATION and together we have to work for a peaceful transition to democracy.

The Cuban Committee for Democracy is formed by academics, professionals and business persons that believe that in a post cold war world, reaching the 21st century, there is no room for any form of interference in the internal affairs of sovereign nations. We Cubans fought a thirty year war in the 19th Century for our independence. We Cubans on the island as well as in exile are proud and extremely jealous of our sovereignty. This is the main reason why the Cuban Committee for Democracy agrees with the spirit and a large section of the letter of H.R. 2229. We believe that the embargo is a long-standing policy that has failed. When it was first imposed over thirty years ago, it may have appeared to fulfill a purpose within the context of the Cold War. The Cuban regime was then becoming an active part of a worldwide strategy to spread the Marxist-Leninist bloc that would encircle and strangle the United States.

The North Atlantic Treaty Organization, an institution that was the bulwark of the policy of containment, never adopted an embargo. After forty years of competition, the torn down Berlin Wall and the dissolved Soviet Union are unquestionable proof that a policy of inclusion is superior to one of exclusion. This seems to be a self evident strategic truth.

The current US policy of isolation towards Cuba has been challenged and questioned by national as well as international public opinion; by the Latin American Parliament, the Latin American Presidents in their III Summit (III Cumbre) in Salvador de Bahia in 1993; the European Parliament ; by international figures such as Nobel Peace prize recipient Oscar Arias; by the United Nations; by influential dissidents within Cuba; by the Cuban council of Catholic Bishops and by such significant exile political organizations as the Cuban Democratic Platform, Cambio Cubano, The Christian Democratic Party the Coordinadora Social Democrata, Union Liberal, etc., etc. and by the Hispanic Community in the U.S.

**CCD POSITION ON US POLICY TOWARD CUBA**

I would like to quote the Cuban Committee for Democracy's Statement on US policy towards Cuba:

*"United States policy toward Cuba should be based on mutual respect for the sovereignty and security of each country. It should seek a political opening and peaceful democratic transition in Cuba.*

*We do not believe that the present policy is satisfactorily addressing these concerns. We specifically oppose punitive economic measures by the United States and other countries towards Cuba (such as the Cuba Democracy Act of 1992) since such measures worsen the living conditions of the Cuban People without affecting the community leadership. On the contrary, because sections of the Cuban Democracy*



*Act are an affront to Cuban national sovereignty, the Cuban government has used it as a credible pretext for continuing its authoritarian policies. Like many other Cuban-Americans, CCD members have confronted the issue of the US economic embargo against Cuba. We have tried to balance two concerns.*

*First, we cannot possibly condone the embargo on grounds of history, ethics, and Cuban sovereignty. Second, while the economic disaster currently visiting Cuba is primarily the responsibility of the present government and not of the embargo, we cannot support policies that, however indirectly, contribute to the misery of the Cuban people. We urge the United States government to rescind unilaterally all legislation affecting trade in food and medicines and their delivery to Cuba." Third, we are unequivocally committed to the genuine democratization and responsible economic liberalization in Cuba. We believe that the present course of US - Cuba relations is not bringing about progress toward these goals nor that it is likely to do so. In contrast, we believe that a policy of constructive engagement will more rapidly bring democracy and economic recover to the Cuban people than the present policy of isolation. We therefore urge the United States and Cuban governments to open a process of genuine negotiations in order to facilitate the goals of lifting the embargo and a democratic transition in Cuba.*

#### DISSIDENTS POSITION ON US-CUBA RELATIONS

In the summer of 1991 several dissident leaders in Havana came together in an effort called Pro-Peaceful Change in Cuba. Yndamiro Restano, President of the Harmony Movement (MAR), and Elizardo Sánchez Santa Cruz, President of the Cuban Commission of Human Rights and National Reconciliation among others, addressed their proposals to the governments of Cuba and the United States..

They requested that the two governments cooperate to create a climate conducive to a meeting of Cuban government representatives, representatives of human rights and political organizations on the island and in exile. Restano and Sanchez saw this as a first step toward a national dialogue publicized by the national and international media. Topics of discussion would be the Cuban economy, the organization of a multiparty system, and a transitional period leading to a constitutional assembly and free elections.

The critical state of the complex Cuban internal situation has been captured and described by a joint statement of the Cuban Catholic Bishops issued on September 8, 1993.

#### CUBAN BISHOP'S POSITION

*"It is up to us Cubans, inside Cuba, to solve our problems among ourselves... Things are not going well, this is a topic that comes up in the streets... Official speeches, radio or television appearances, articles in the press vaguely hint at the situation, but the worsening process is quickly spreading and the only solution that is being proposed is resisting without a way to catch a glimpse of how long that resistance will last.*

*In the economic order, elemental material needs are at the point of extreme gravity... We know that several factors have had some bearing upon this increasingly worsening economic situation. Among them, the very fact that our country is an island; the transformation of the commercial*

*relations with those countries that used to be socialist: those commercial relations used to depend on an ideological foundation, but now rest upon a strictly economic basis; mistakes that were made inside the country in the administrative and economic activity; and the North American embargo, reinforced now by the Cuban Democracy Act"...*

## OSCAR ARIAS POSITION

The Cuban Committee for Democracy invited President Arias to its Washington, D.C. debut on December 3, 1993. In the closing remarks of our symposium on Cuba-US relations, Mr. Arias said:

*"Likewise, in the search for a peaceful transition to democracy in Cuba, it is indispensable that outside nations abandon their intransigent positions and allow the Cubans to direct their own destiny. Only Cubans can decide the future political and economic agenda of their country.*

*Certainly the international community, and especially the Latin American nations, have a great interest in the peaceful transition toward a more prosperous and pluralistic society in Cuba. However, this interest cannot override the sovereign will of the people. Multi-lateral action is often necessary to insure and, in some cases, demand respect for human rights and basic principles of international coexistence. No government has the right to unilaterally intervene in another state or undertake acts of military or economic coercion against it, which have not been democratically sanctioned.*

*In this respect, the United States should realize that the economic blockade against Cuba has been counterproductive from both a political and human point of view. After more than thirty years of this embargo, we have seen how the damage done to the Cuban people has hurt but has not brought down the regime of Fidel Castro. On the contrary, it has served as a scapegoat for many of the regimes weaknesses. The elimination of this form of political pressure will make the Cuban Government fully responsible for the current problems faced by the country: hunger, rampant poverty, pollution, and growing disparities in economic opportunities. At the same time it will prevent the further deterioration of education, health and social services.*

*The United States must recognize the injustice if abandoning a society to misery for political ends. After Such a significant step towards improved relations between the countries of the hemisphere as the recent approval of NAFTA, there is no justification for prolonging this futile attack against social welfare and freedom. WE must seek to end the isolation of Cuba by encouraging the current process of economic liberation. This, in turn will stimulate the normalization of relations between countries as well as countrymen, and the opening of spaces for dialogue.*

*The people of the United States must be made aware of the great contradictions that still pervade US trade policies: one of which is the treatment of Cuba in contrast to that given to the Peoples Republic of China. It isn't easy to understand why Washington rewards China with its most Favored Nation Status, to the extent that China now has \$23 billion trade surplus with the US, while it punishes the Cuban people with the economic embargo."*

## POSITION OF HISPANICS IN THE U.S.

A survey conducted by Strategic Research Corporation in 10 major Hispanic populated cities in the US shows that :

Nationwide:

- 39.7% of Hispanics are against the embargo; 23.1% in favor and 37.2% undecided.

In Miami:

- 40% of Hispanics are against the embargo, 36.4% in favor and 23.6% undecided.

Even in Miami, a city with a vast majority of Cubans, a city with 35 years of cold war brainwashing rhetoric, 40% of hispanics oppose the embargo.

For all these reasons the Cuban Committee for Democracy fully supports the general trend of H.R. 2229. But any bill has to be realistic if it wants to be accepted and adopted. With all due regard to the proponents of this legislation, we are afraid that, taken as it is, it cannot be considered but as a prescription for failure. In the current mood of Congress, any softening of US policy toward Cuba might be interpreted as a foolish and unwarranted concession. We maintain, however, that a more limited focus would strengthen the bill and increase substantially its prospects for passing. We believe, for instance, that the people of the United States are ready to accept the lifting of the embargo in the areas of food and medicines. So repugnant to the American tradition is the embargo in this area, that even the Cuban Democracy Act went out of its way to create mechanisms within the law itself to limit its scope. This limited step would put Congress in line with the most basic humane principles of this country. An embargo on food and medicine was not imposed even on Saddam Hussein after his seizure of Kuwait in August 1990.

By lifting the embargo on food and medicines, Congress would signal to the Administration, to the whole Cuban-American community, to the Cuban people on the island, and to the world at large, that the United States is ready to reconsider its approach to U.S. - Cuba relations. It would be a statement that the United States does not see the Cuban people as an enemy and most importantly, that the US respects Cuba's sovereignty.

The Cuban Committee for Democracy has adopted, as its main objective, to create an atmosphere that fosters understanding and negotiations between the United States and Cuba. We do not think that the U.S. embargo is the only obstacle on this road. The intransigence of some elements within the Cuban government is also a problem. Let the United States Congress take one small step, unambiguously stating its intention to proceed further down the road of understanding and negotiations.

If the Committee sees fit to accept our strategic suggestion, H.R. 2229 will then be in agreement with the expressed wishes of most Cuban exiles, dissident organizations inside Cuba, and the suggestions of the Cuban Catholic Bishops.

Abolish the embargo on food and medicines and commit Congress to consider further steps toward abolishing it gradually in response to Cuban progress toward respect for human rights and toward a peaceful transition to democracy. This would be a powerful enough signal to the Cuban people that the United States is ready to break the deadlock that maintains the present situation. Such a signal will encourage the hopes of those inside Cuba who are eager to adopt the path of reform.

This forceful message will be underwritten by all those Cuban Americans who love

their country of origin and admire the strong institutions of their country of adoption. This new approach to a different Cuban policy on the part of the United States will tell the whole world that the United States is firmly in favor of a democratic Cuba joining the democracies of the Western Hemisphere.

The Cuban Committee for Democracy will be proud to support such a bill unambiguously.

\* **Marcelino Miyares, Ph. D.** Co-Founder and President of the Cuban Committee for Democracy. Author of Models of Political Participation of Hispanic Americans, Arno Press, The New York Times, 1975 and The Role of Cuba in Soviet Strategy, Georgetown University, 1965. Film and TV Producer: Producer of AMIGOS (FRIENDS) a motion picture and co-producer of NOBODY LISTENED, a documentary on Human Rights in Cuba. Founder and owner of Times Square Studios and Broadcasting Center, New York. Ph.D. in Political Science and International Relations, Northwestern University and Doctorate in Law Villanova University. Co-founder of the Christian Democratic Party of Cuba (PDC); General Secretary PDC; co-founder of the Cuban Democratic Platform, 1990. Veteran, Bay of Pigs Invasion, 1961 and prisoner of war 1961- 1962.

Chairman RANGEL. Thank you.

I yield as the Chair here. I am going to vote. Please do not leave, because I have some questions on how you want the legislation perfected.

Mr. KOPETSKI [presiding]. Mr. Torres, welcome. Your entire testimony will be made a part of the record, and if you could summarize it in 5 minutes, it would be appreciated.

**STATEMENT OF ALICIA M. TORRES, EXECUTIVE DIRECTOR,  
CUBAN AMERICAN COMMITTEE RESEARCH AND EDUCATION  
FUND**

Ms. TORRES. Thank you.

On behalf of the Cuban American Committee Research and Education Fund, I would like to thank Chairman Rangel and the other subcommittee members for this opportunity.

Unlike the other Cuban-Americans who have testified here today, I was 1 year old when Fidel Castro came to power. By 1961, my parents had joined many hundreds of professionals determined to leave Cuba. We left behind aunts, uncles, cousins and grandparents.

I went to high school in Miami and later attended college in Texas and earned a Ph.D. in international communications. As a child, I remember that my godmother in Cuba would correct my Spanish mistakes in my letters to her and mail them back to me. I used to wait months for those letters. Almost 30 years later, things have not changed much. We still do not have direct mail service between both countries.

The State Department has just rejected the U.S. phone company's contract to provide telecommunications services between both countries. U.S. regulations reduce the amount of family remittances last year from \$500 to \$300. The embargo on food and medicines makes these products less readily available for our relatives.

Cuba has historically been responsible for limitations on personal contact. Although just recently they have begun to allow Cuban-Americans to travel back to visit relatives at a rate of approximately 1,000 per week compared to only 200 a week a few months ago.

I met my relatives I have learned to love through photographs in 1978, when I returned to Cuba for the first time to participate in a Carter administration initiative commonly referred to as a dialog. These were a series of conversations between the Cuban Government and the Cuban-American community which led to procedures for family reunification and the release of political prisoners. Several of the participants in the dialog formed the Cuban American Committee to educate both governments on the needs of the community. We represent more of the second generation perspective, considering ourselves immigrants, rather than exiles.

In 1978, we presented the State Department with 10,000 Cuban-Americans in support of lifting the embargo. I do not want to repeat a lot of the polls that have already been cited here, but I do want to say, in addition, the Florida International University poll that was recently done has found diversity among Cuban-Americans, but also found consistently higher support for moderate policies among the younger generations in the Cuban-American

community. The generations that have grown up here are more in tune with the rest of the country in supporting negotiations, rather than confrontation with Cuba.

Today, more than ever, in view of the severe economic crisis in Cuba, concern for the well being of family and friends has heightened the need to reconsider U.S. embargo policies. As the social fabric of Cuban society changes, U.S. policy is not prepared to deal with new challenges. The Rangel bill offers for a new approach in this post-cold war era, a more humane foreign policy for Cuban and Cuban-American families, the major victims of the hostility.

Current policy found in the Cuban Democracy Act passed by only two votes on a suspended calendar last year. The Chairman was correct when he was asking this question earlier. The Cuban American Committee participated in the process of writing and debate of the numerous drafts of the CDA.

Our concerns about the embargo of medicines, food and telephone communications were reflected in the earlier drafts of the bill. But the drafters of the bill attempted to combine these carrots for the Cuban people with sticks for the Cuban Government. As the bill worked its way through the legislative process, both the carrots and the sticks were watered down. The mandatory nature of the carrots in the bill were removed, leaving their implementation up to the executive branch. Also, we found that the mandatory sticks intended for the Cuban Government that remained in the bill impacted on the well being of the Cuban people.

Let us briefly examine some of the stated goals of the CDA. Goal No. 1: It should be the policy of the United States to seek a peaceful transition to democracy.

Will a stricter embargo lead to a peaceful transition to democracy? I think that many of us here have already heard plenty of arguments that it will lead to violence and civil war in Cuba.

Are we prepared to deal with the humanitarian consequences? We are already experiencing significant problems with the increase in boatpeople from 467 in 1990 to 2,549 in 1992. Carried to its logical consequences, violence in Cuba would lead to some Cuban exile organizations becoming involved in gunrunning and commando raids in Cuba. This is already happening. Cuban exile terrorist acts are not only being conducted offshore of the United States.

Last fall, one of the exile terrorist groups based in Miami, Alpha 66, made public their threats of violence against U.S. citizens who legally travel to Cuba. Just a few weeks ago, this same organization sent out threatening letters to Cubans and to North Americans. I believe that even some members of the government have received this letter, and I would like to submit it for the record.

Mr. KOPETSKI. Without objection, it will be made part of the record.

[The letter referred to follows:]

CUBA RESEARCH  
**ALPHA 66**  
 P.O. BOX 420657  
 Miami, Pa. 33142



Ha llegado la hora de las decisiones para el enfrentamiento final. La Asamblea Nacional en Campaña, Celebrada el los días 27 y 28 de Marzo de 1993, adoptó acuerdos concretos a fin de lograr, en el menor tiempo posible, la victoria definitiva que lleve la tan anhelada libertad y democracia a nuestra sufrida Patria.

Una organización como Alpha 66 que tiene racimos de mártires y héroes, toma siempre decisiones concretas y las cumple. Eso ha creado mística de la liberación y la confianza del pueblo.

En esta importante y trascendente reunión hemos reafirmado la tesis de la organización, ratificado los principios ideológicos y se han adoptado acuerdos para la liberación de Cuba.

Uno de los acuerdos históricos fue hacer un llamado a todas las personalidades extranjeras, turistas o industriales que visitan Cuba para que dejen de hacerlo antes de Noviembre 27 de 1993 ya que ellos no solo otorgan reconocimiento al régimen totalitarista cubano sino, lo mas grave, oxigena la economía cubana lo que retardara la caída del tirano, sumando mas dolor y pena a nuestro pueblo.

Conscientes de que somos los abanderados del valor y al tenacidad, Proclamemos hoy, que todas aquellas personas que visiten Cuba, dialoguen o apoyen directa o indirectamente al desgobierno que oprime a nuestro pueblo, independientemente de su nacionalidad y naturaleza, será declarado objetivo militar y sufrirá las consecuencias dentro o fuera de Cuba. Nuestros Comandos estan listos para cumplir las gloriosas misiones que exige la Patria. Como se dijo en la Asamblea Nacional: ¡Estamos en Campaña! Estamos en campaña heroica y decisiva. No pararemos hasta lograr la victoria.

Aquellos que osen ignorar nuestro nuevo llamamiento temblaran de miedo ante la violencia de nuestras acciones. No establoceremos distinciones innecesarias e injustificadas.

Es bocharnoso y aberrante presenciar como mandatarios y personalidades de gobierno, miembros de Congresos y Parlamentos elegidos en un sistema democrático, funcionarios y empleados de institutos, organizaciones, etc., intelectuales, científicos, periodistas y hasta religiosos la han hecho y la estan haciendo el juego al Castrato.


La organizacion comprende el alto precio que tiene que pagar para lograr el objetivo central. No vamos a parar nada y sufriremos las consecuencias.

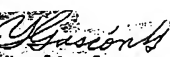
En la etapa denominada "Punto Final" del Plan Máximo Gómez, Alpha 66 asume con todo su poder, de su larga historia y de su ascendencia en el pueblo ese honroso titulo de vanguardia de la Libertad de Cuba. Reiteramos nuevamente que: "Vale mas Fracasas por tratar de Triunfar, que dejar de Triunfar por temor a Fracasas".

Que nadie se llave a engaños, recientemente la Corte Federal de Cayo H uso reconoció la beligerancia y el derecho del pueblo cubano en el exilio a luchar por la libertad de Cuba, con su sentencia absolutoria a los 9 Alphistas que habian sido condenados injustamente cuando salian para una DE las miles de acciones militares que se realizan contra el régimen de la isla y que continuaremos hasta la caída definitiva de Fidel Castro y su camarilla.

Nos mantendremos en la vanguardia por la libertad.

  
 Andrés Nazario Sargen  
 Sec. General

  
 Diego Medina MD.  
 Sec. de Prensa

  
 Hugo Gascon Congora  
 Sec. de Finanzas

*Translation - Spanish*

The time for the decisions for the final confrontation has come. The National Assembly in in the field, held March 27 and 28, 1993, adopted specific agreements in order to achieve, in the shortest time possible, the definitive victory that will bring the so deeply desired freedom and democracy to our long-suffering Homeland.

An organization such as Alpha 66, which has many martyrs and heroes, always makes specific decisions and carries them out. That has created a mystic of liberation and the trust of the people.

At this important and momentous meeting we have reaffirmed the thesis of organization, ratified the ideological principles, and agreements for the liberation of Cuba have been adopted.

One of the historic agreements was to call upon all foreign persons, tourists or industrialists, who visit Cuba to stop doing so before November 27, 1993, since that not only grants recognition to the Cuban totalitarian regime, but also, the most serious, gives fresh air to the Cuban economy, which will delay the fall of the tyrant, adding more grief and pain to our people.

Aware that we are the champions of bravery and tenacity, we proclaim today, that all persons who visit Cuba, dialogue or directly or indirectly support the misgovernment that is oppressing our people, regardless of their nationality and nature, shall be declared a military target and shall suffer the consequences inside or outside of Cuba. Our commandos are ready to carry out the glorious missions that the Homeland requires. As was said at the National Assembly: We are in the field. We are in a heroic and decisive campaign. We will not stop until achieving victory.

Those who dare to ignore our new appeal will shake in fear with regard to the violence of our actions. We will not establish unnecessary or unjustified subtle distinctions.

It is humiliating and ridiculous to witness how government persons and leaders, members of Congresses and Parliaments elected in a democratic system, officials and employees of institutes, organizations, etc., intellectuals, scientists, journalists and even people of the church have played and are playing into the Castro regime's hands.

The organization understands the high price that it has to pay for achieving the central objective. We will not stop at all and we will suffer the consequences.

In the phase called "Final Stage" of the Maximo Gomez Plan, Alpha 66 takes up, with all its power of its long history and its ascendancy in the people, that honorable title of vanguard of the freedom of Cuba. We again reiterate that "It is better to fail through trying to emerge victorious than to fail to emerge victorious through of fear of failing."

Let nobody say he was not warned. Recently the Federal Court of Cayo Hueso recognized the belligerency and the right of the Cuban people in exile to fight for the freedom of Cuba, with its dismissal of the 9 Alpha members who had been unjustly arrested when they were leaving for one of the thousands of military actions that are being carried out against the regime of the island and that we will continue until the definitive fall of Fidel Castro and his clique.

We will remain in the vanguard for freedom.

[Signed]

Andrés Nazario Sargen, Sec. General

Diego Medina, MD, Press Sec.

Hugo Gascón Góngora, Sec. of Finances



Ms. TORRES. I just want to briefly quote a few of the threats that were made in this letter:

"Today we proclaim that all of those persons that visit Cuba, participate in a dialog with the Government, irrelevant of their nationality or the nature of intentions of their actions, will be declared a military objective and will suffer the consequences inside or outside of Cuba. Our comandos are prepared to fulfill the glorious mission that the fatherland demands of us. Those of you that ignore our call will tremble with fear before the violence of our actions. It is embarrassing to see how Members of Congress, intellectuals, scientists, journalists and even religious persons are playing Castro's game. We will not stop. In this stage that we refer to as our final point, we reiterate that it is better to fail attempting to triumph, than to not triumph for fear of failure."

How can we possibly stand for these activities to take place in the United States directed at our own citizens and political leaders?

Are we prepared to deal with an increase in these types of activities, if violence breaks out in Cuba? Who will stop the boats coming and going across the Florida Straits? We can say that the Cuban Democracy Act is not meeting its stated goal of peaceful transition.

Goal No. 2, the careful application of sanctions directed at the Castro government and support for the Cuban people: Can sanctions be applied to the Castro government, without hurting the Cuban people? We do not think so. The Cuban people are clearly hurting, as we have seen, and the situation is quite critical.

All cannot be blamed on the tightening of the embargo through the CDA. Some mandatory sticks in the CDA are without a doubt making it more difficult and expensive for the Cubans to obtain food, medicines and essential goods.

There were two mandatory sticks aimed at the Cuban Government. The first was a provision that barred ships that dock in Cuba from docking on U.S. shores. And the second ended U.S. subsidiary trade with Cuba. Ninety percent of what U.S. subsidiaries sold to Cuba prior to the passage of the CDA was medicines and food, according to the Treasury Department statistics. It can hardly be argued that making it more difficult to provide essential goods and services to the population hurts the government and not the people.

What about the so-called carrots in the CDA? The first drafts of the bill provided for the lifting of the embargo of medicines. The final version, in effect, only provided for continued donations. Unlike what has been said earlier today, donations of medicine to Cuba were permitted before the passage of the CDA. According to the Trade Data Division of the Census Bureau, there were less than \$500,000 worth of donations last year to Cuba, compared to more than \$500 million worth of sales of medicine and food to Cuba through U.S. subsidiaries before the passage of the CDA.

Goal No. 3, increased communications: Also contrary to what was said earlier this morning, the implementation of the telecommunications provision was left up to the executive branch. It was not regulated in the actual CDA, and I do not have the bill here in front of me, but I think it is important to revisit it. The amount of payment was left up to the executive branch, and the executive

branch provided a letter, the State Department provided a letter to the FCC that put a limit on the accounting rate of \$1.20 per minute that the telephone companies could pay to Cuba. There were no limitations put on the surcharge for collect phone calls.

The Berman amendment to the CDA excluded from the civil penalties people who travel to Cuba for religious, human rights or educational reasons from the civil penalties. The interpretation of the colloquy was to have resulted in special regulations liberalizing current restrictions on travel for these reasons. The executive branch interagency review process that followed, however, resulted in the State Department's recommendations to the National Security Council that Cuba should be excluded from the new regulations that will allow travel for these reasons to all of the other embargoed countries. We have yet to see how the NSC will respond. Perhaps the only way for the administration to salvage this goal of the CDA, which is to provide support for the Cuban people, is by allowing for the sale of medicine and food, the approval of U.S. phone company contracts with the Cuban phone company, and travel liberalization.

Goal No. 4, to maintain sanctions on the Castro regime, so long as it continues to refuse to move toward democratization. Does the tightened embargo promote democratization and human rights? Not according to the leading human rights activists inside Cuba.

Every year, Cuban-Americans hear the prediction next year Castro will fall. It is clear that there is a sector of our community that has hopes of returning to Cuba to rule over the island. Many fear that a peaceful transition in Cuba would leave them out of the picture, since changes are occurring with the younger generations living in Cuba, and not with those that left Cuba 30 years ago. Therefore, some in our community rather opt for violence.

U.S. policy toward Cuba is not only the jurisdiction of the ultra-conservative sectors of the Cuban-American community. We could help forge a new future by eliminating special U.S. broadcasts to Cuba. No one even argues that TV Marti signals can be seen in Cuba.

Frankly, Congress should launch an overdue investigation into Cuban exile terrorism. Let us not forget that in 1979, when the Carter administration sought to engage Cuba, more bombs exploded in Miami than in Belfast, Ireland. Two of the participants of the dialog were assassinated, and no one has yet to be indicted. Airlines that carried U.S. tourists to Cuba received bomb threats even on other domestic routes.

Next month, there will be another meeting in Cuba between the Cuban Government and the Cuban-American community. We cannot afford to continue to allow terrorism in our own yard.

I want to thank the committee chairman and the members for this opportunity to testify before you today. It may result in bomb threats and threats of violence from those in our community who have never learned the value of freedom of speech and wish to silence other opinions. In assuring that the various voices are heard in Congress, you have upheld our valued constitutional rights.

Thank you.

[The prepared statement follows:]

**STATEMENT OF ALICIA M. TORRES, PH.D.  
EXECUTIVE DIRECTOR  
CUBAN AMERICAN COMMITTEE, RESEARCH AND EDUCATION FUND**

**INTRODUCTION:**

On behalf of the Cuban American Committee Research and Education Fund, I would like to thank Chairman Rangel and Chairman Gibbons for the opportunity to testify here before you on U.S. policy towards Cuba and H.R. 2229.

Diversity of opinion on U.S. policy towards Cuba among Cuban Americans is not new. It has been evident since the late 1970's when over 120 of us participated in series of conversations with the Cuban government held under the auspices of the Carter Administration to discuss family reunification and the release of political prisoners. As a graduate student in Latin American studies working on a doctorate in International communications policy, I was the youngest participant of the so called "Dialogue" of 1978.

Some of the participants of the "Dialogue" formed the Cuban American Committee Research and Education Fund to educate both U.S. and Cuban government officials on the needs of Cuban Americans and the impact of their policies on our community. We represent more a second generation perspective, consider ourselves "immigrants" rather than "exiles". In 1979 we presented the State Department a list of 10,000 Cuban Americans supportive of lifting of the embargo of Cuba.

Today, more that ever, in view of the severe economic crisis in Cuba, concern for the well being of family and friends has heightened the need to reconsider U.S. embargo policies as well as Cuba's need to reconsider its policy of strict control over the populations contact with their relatives outside of Cuba. U.S. embargo provisions prohibit the sale of medicines and foods, and hinder the ability to maintain contact with our relatives as telephone communications and direct mail services are as of yet not existent. U.S. embargo policies also limit family assistance-- the legal amount was reduced from \$500/ quarter to \$300/quarter.

Cuba has initiated policy shifts in almost all areas as it moves towards a mixed economy, but also in the area of relations with the Cuban community. They have liberalized family travel and lifted ceilings on the amount of money that Cuban American can spend in Cuba. For the past few years, the Cuban government granted only approximately 10,000 family visit visas per year-- as of a few months ago this number has dramatically increased to about 1000 per week. The Cuban community will certainly play a new role in relation to Cuba with these new policies.

The most recent Florida International University (FIU) public opinion poll of Cuban Americans in Dade county has once again found diversity. The respondents were divided in almost equal parts in support of a dialogue with the Cuban government (43%). There is

even greater support for resolving issues that impact directly on our relatives (77% support family reunification; 52% telephone communication; 40% support for unrestricted travel; 50% favor excluding medicines from the embargo).

Support for more moderate policies is consistently higher among the younger generations-- the FIU poll found almost four times more support for the lifting of the embargo among the younger generations than among the older than 45 year old generations, for example (40% compared to 11%). The generations that have grown up here, are more in tune with the rest of the country in supporting negotiations rather than confrontation with Cuba.

As the social fabric of Cuban society changes as the country begins to adapt to the loss of its major trade partners for the second time in thirty years-- the resulting severe economic crisis is leading to increasingly difficult to control illegal migration to the U.S. Current U.S. policy is not prepared to deal with the new challenges of the rapidly changing situation in Cuba. The Rangel bill offers us the opportunity for a new approach in this post Cold War era.

#### CURRENT POLICY:

We commend Congressman Rangel for the introduction of his bill and the opportunity for congressman to become better educated on the implication of the U.S. embargo on Cuba. In the fall of 1991 the House of Representatives passed by two votes on a suspended calendar the Cuban Democracy Act (CDA). The CDA was signed into law by President Bush in October 1991. Since the bill was voted on a suspended calendar, there was little opportunity for members of Congress who were not on the Foreign Affairs Committee to examine and debate the implications of this controversial bill. This hearing and future debate on the Rangel bill clearly offer new opportunities for a closer examination of our policy.

The Cuban American Committee Research and Education Fund participated in the process of writing and debate of the CDA's numerous drafts last year. We testified in the Senate Foreign Relations and the House Ways and Means Committees. We initially worked with Congressman Torricelli's staff, expressed our concerns about the embargo of medicines, foods telephone communications and direct mail service. Our concerns were reflected in the earlier drafts of the bill in what became known as the "carrots" in the bill. But, the drafters of the bill attempted to combine these "carrots" for the Cuban people with "sticks" for the Cuban government.

As the bill worked its way through the legislative process both the carrots and the sticks were watered down. The mandatory nature of the carrots in the bill were removed-- leaving their implementation up to the Executive Branch. We are still waiting for

the administration to make some final decisions on the carrots aspects of the legislation. Also, we found that the mandatory "sticks" intended for the Cuban government that remained in the bill impacted on the well being of the Cuban people (those people originally intended to have received carrots).

Let us examine the stated goals of the CDA.

**GOAL I:** "It should be the policy of the United States to seek a peaceful transition to democracy and a resumption of economic growth in Cuba."

**QUESTION:** Will a stricter embargo lead to a peaceful transition to democracy? No. The implicit goal of a policy of "pressure" is to "wreak havoc" on the population so that the "Cuban patriots rise up" in civil protest and armed conflict, to use the words of the author of the legislation.

Carried to its logical outcome, the "pressure cooker" theory of strangling a country's economy so as to create massive discontent could only lead to conflict and perhaps civil war in Cuba. Are we prepared to deal with the consequences of this situation? We are already experiencing significant problems with the increase in boat people 467 in 1990; 2,203 in 1991; 2,549 in 1992; and already 1,476 through August of this year.

Carried to its logical consequences, violence in Cuba would lead to some Cuban exile organizations becoming involved in gun running and commando raids in Cuba from our Florida shores. This is already happening: the March 1993 attack against an oil tanker from Cyprus off the coast of Cuba and last year's attack against a new Spanish tourist hotel in Varadero Cuba.

Cuban exile terrorist act are not only off U.S. shores. Last fall, one of the exile terrorist groups based in Miami, Alpha 66 made public their threats of violence against U.S. citizens who legally travel to Cuba. They threatened to kidnap U.S. citizens who stayed in Cuban hotels starting on November 27th, for ransom as reported in the New York Times article dated November 6, 1993. Just a few weeks ago, this same organization sent out threatening letters to Cuban Americans and North Americans-- the letter threatens those that travel to Cuba legally, even members of Congress.

" Today we proclaim that all of those persons that visit Cuba, participate in a dialogue with, or support directly or indirectly that government that oppress our country, irrelevant of their nationality or the nature or intentions of their actions, will be declared a military objective and will suffer the consequences inside our outside of Cuba. Our commandos are prepares to fulfill the glorious mission that

the fatherland demands of us.... Those of you that ignore our call will tremble with fear before the violence of our actions... It is embarrassing to see how political personalities, members of Congress ... intellectuals, scientists, journalists and even religious persons are playing Castro's game... we will not stop and we will pay the consequences... In this stage that we refer to as our "Final Point" ...we reiterate that it is better to fail attempting to triumph than to not triumph for fear of failure..."

We would not stand for terrorists such as the ones that blew up the World Trade Center in New York to operate freely from the territories of our closest neighbor, Canada, for example-- how can we possibly stand for these activities to take place in the U.S. and even directed at our own citizens and political leaders?

Are we prepared to deal with an increase in these types of activities if violence breaks out in Cuba? Who will stop the boats coming and going across the Florida Straits? If indeed any of these initial signs of discontent and violence we are already seeing in Cuba and among the Cuban American community is due to the "sticks" provisions of the CDA-- we can say that the CDA is not meeting its stated goal of a "peaceful transition."

GOAL II: "The careful application of sanctions directed at the Castro government and support for the Cuban people."

QUESTION: Can sanctions be applied to the Castro government without hurting the Cuban people? Absolutely not. The Cuban people are clearly hurting. The situation is critical:

In February 1993 UNICEF reported that 50% of the babies between 6-12 months and 35% of pregnant women were suffering from anemia;

In mid 1993 the mortality rate in nursing homes was two times higher than the year before;

There are only milk rations available for children up to the age of 5 years old-- milk productivity fell 55% 1992 compared to 1989;

The drastic drop in nutrition has given rise to a number of diseases that Cuba either never knew before or had not seen in many years-- the Epidemic of optic neuritis this year has afflicted over 45,000 Cubans, for example.

Agricultural production has been severely reduced due to the lack of fertilizers and fodder imports;

Shortages of soap, detergents and chlorine and electrical power to purify water facilitates the spread of disease;

The American Public Health Association recent fact finding delegation to Cuba found that the lack of eye glasses has already begun to affect school children's ability to learn;

Medicines of all kinds and medical supplies are scarce-- its hard to find some one in the Cuban community who has not heard first hand horror stories about their relatives and hospitals and the lack of medicines.

All can not be blamed on the tightening of the embargo through the CDA, but the mandatory sticks in the CDA are without a doubt making it more difficult and expensive for the Cubans to obtain foods, medicines and essential goods.

There were two mandatory sticks aimed at the Cuban government in the CDA. The first is the provision barring ships that have docked in Cuba to dock in U.S. ports for 6 months. Since most of what Cuba imports either through foreign currency purchases or barter agreements is fuel, foods, medicines and essential raw materials, it can hardly be argued that making it more difficult to provide essential goods and services to the population hurts the government and not the people.

The prime example of how the "sticks" hurt the Cuban people is the end of U.S. subsidiary trade with Cuba, the second mandatory stick in the CDA. According to Treasury Department figures, prior to the CDA, 90% of what U.S. subsidiaries sold to Cuba was medicines and foods-- this was almost five times the amount than the previous year. In 1991 Cuba turned to U.S. subsidiaries in an attempt to substitute imports from the former socialist countries. They clearly put priority on buying medicines and foods. It can hardly be argued that shutting off the new supply route of medicines and foods hurts the Cuban government and not the Cuban people. Rather it allows the government to distract attention from its failed policies and put the blame on the U.S. embargo. Those of you who understand the idiosyncracies of Cuban culture know that Cuban nationalism has deep historical roots and should not be taken lightly.

What about the so called "carrots" in the CDA for the Cuban people?

Medicines: The first drafts of the bill provided for the lifting of the embargo of medicines, the final version only provided for continued donations and Congressman Torricelli threw a monkey wrench on the sale of medicines requiring on-site U.S. supervision of the distribution of the medicines.

Although humanitarian donations have increased in the past year, the Cuban people do not attribute this to the CDA since donations were permitted even prior to the passage of the bill. Furthermore, donations can not possibly substitute the loss in

trade in medicines and foods caused by the sticks provision of the bill. According to the Trade Data Division of the Census Bureau, there has only been \$12,723 donations of food this year (through August 31) and \$359,333 worth of donations of medicines. This does not compare to more than 500 million dollars worth of sales of medicines and foods to Cuba through U.S. subsidiaries.

Increased communications and contact: The implementation of this was left up to the Executive Branch. We have yet to see the outcome of the Executive Branch's interpretation of this congressional mandate. U.S. phone companies have reached an agreement with the Cuban phone company and have petitioned the FCC for final approval. The State Departments' comment last week on this did not look very promising questioning the collect call surcharge, agreed to by both parties. In the mean time, Cuban Americans can not "reach out and touch" their family members, not even to find out about sick or dying relatives.

The Berman amendment to the CDA excluded from civil penalties people who travel to Cuba for religious, human rights, or educational reasons from civil penalties; the interpretation of the colloquy was to have resulted in special regulations liberalizing current restrictions on travel for these reasons, thus increasing contact with the Cuban people. An Executive Branch interagency review process was set up last summer to examine U.S. embargoes' infringement on U.S. citizen's right to travel; however, last month this resulted in the State Department's recommendation to the National Security Council (NSC) that Cuba should be excluded from new regulations allowing travel for these reasons to embargoed countries. We have yet to see how the NSC will respond. Allowing for the sale of medicines and foods, the approval of the U.S. phone companies' contracts with the Cuban phone company and travel liberalization may be the only way left for the Administration to salvage one of the goals of the CDA -- to provide support for the Cuban people.

GOAL III: "To seek the cooperation of other democratic countries in this policy"

QUESTION: Do our allies support the mandatory tightening of the embargo found in the CDA? Clearly not. For the second time since the passage of the CDA, the U.S. was embarrassed by an overwhelming U.N. vote in favor of Cuba in condemning the U.S. embargo. Only Albania, Israel and Paraguay voted with the U.S. (88 to 4; with 57 abstentions-- a tacit rejection of our policy). The New York Times editorial stated "the CDA meant to isolate the Castro regime has embarrassingly isolated the United States." The Canadian and British governments issued blocking orders to prevent U.S. subsidiaries in each country from following orders from the U.S. parent corporations to discontinue trade with Cuba. It is our understanding that there are several documented cases before the



Canadian government of violations of Canadian law due to CDA provisions.

The U.S. stands alone. Over 85 nations have trade relations with Cuba, and most of our allies have chosen to engage Cuba by providing training for Cubans in market management skills to assist in Cuba's transition towards a market economy, investing in Cuba, providing humanitarian assistance, and maintaining open doors of communications, among other things. This third goal of CDA has clearly failed.

**GOAL IV:** "To maintain sanctions on the Castro regime so long as it continues to refuse to move toward democratization and greater respect for human rights."

**QUESTION:** Does a tightened embargo promote democratization and human rights? Cuba is not Haiti or South Africa where the internal leaders of the resistance and the international community support the embargoes of their countries. Leading human rights activists inside Cuba who have chosen to stay in Cuba to struggle for political change such as Elisardo Sanchez, Gustavo Arcos and Rolando Prats-- all of whom have served time in Cuban prisons have appealed to the U.S. to ease tensions and lift the embargo so that they could have more political space inside Cuba to effectively organize a peaceful transition to democracy.

U.S. supporters of a tightened embargo point to statements from recently arrived boat people who support maintaining U.S. policy. Of course, someone wishing to be granted refugee status could not be expected to request asylum in the U.S. while at the same time criticizing U.S. policies. What kind of response do you think they would give if you asked them, off the record, whether they felt that we should continue to make it more difficult for their relatives they left behind to have access to food and medical care; or for their children to have the proper nutrition causing diseases Cubans have not ever seen in their life time?

All can not be blamed on the U.S. embargo, but we certainly do not need to make things worse especially when our current policy and the CDA has clearly failed in its stated goal to promoted democratization.

**VIOLENCE IN THE CUBAN AMERICAN COMMUNITY:**

Every year Cuban Americans hear the prediction "next year Castro will fall." It is clear that there is a sector of the Cuban American community that has hopes and aspirations of returning to Cuba to rule over the island. Many fear that a peaceful transition in Cuba would leave them out of the picture since it would most likely occur with the younger generations living on the island and not with those that left over 30 years ago. Therefore, some in our

community rather opt for violence and run the risk of winning all or nothing rather than compromising.

Some Cuban Americans who have fled Cuban totalitarian regimes have not learned the values of free speech and First Amendment Rights in the United States. The FIU poll found that about half of the respondents older than 45 years felt that not all of the views on how to deal with the Castro regime should be heard and that permits should be denied to hold public demonstrations to organizations that favor relations with Cuba. The same percentage of respondents support an armed uprising in Cuba. In contrast around 80% of those under 25 year old favored all views being heard and the granting of licenses for public demonstrations.

These objectives and extreme views are not representative of the entire community as the FIU poll has once again found, and they certainly are not the objectives and views of the rest of the U.S. population-- polls of the general U.S. public have consistently found greater public support for negotiations rather than confrontation in the case of Cuba.

Throughout the years, Cuban Americans who have publicly favored improved relations with Cuba have paid dearly-- receiving bomb threats, loosing their jobs; and even their lives. Extreme Cuban exile violence is on the rise once again, as last year's "America's Watch" report documented. Cuban Americans supporting normalization of relations have been beaten in public places in Miami this year. Our government's lack of investigation of those who attempt to abridge First Amendment Rights could be construed by these groups as a green light to proceed.

#### TOWARDS A NEW POLICY:

We did not embargo Eastern Europe or the Soviet Union. We just lifted the embargo of Vietnam. We opt for engaging China, not isolating and embargoing it, to encourage improvements in their human rights record. Unlike Cuban Americans, immigrants from former socialist countries to the U.S. have not been subjected to restrictions that inhibit maintaining relations and assisting relatives and loved ones. We need a more humane foreign policy. Humanitarian issues should not be used as cards in foreign policy by either government.

The truth is that changes are occurring very fast in Cuban society-- capitalism is returning to Cuba and younger generations are entering into positions of power as older generation government figures are retiring. Political changes are slow, but are also coming. The question is do we want to develop policies that help a peaceful reinsertion of Cuba in our hemisphere, or policies that seek a violent transition. Through a policy of engagement, we could help empower this new generation of leaders in Cuba and pave the way so that the older generations could peacefully retire, rather

than violently "fall."

Only through a policy of engagement in the economic and political transition can we assure that U.S. policy is prepared to confront the new challenges and prepared to curb some of the menacing growing problems such as uncontrolled boat people etc. The Rangel bill is clearly a step in this direction. As we move towards a free trade hemisphere-- how can we possibly justify the contradictory policy of embargoing the largest Caribbean country.

U.S. policy towards Cuba is not only the jurisdiction of ultra-conservative sectors of the Cuban American community. U.S. policy towards Cuba affects many other constituents, including the increasing numbers of Cuban American who, despite the threats, are joining with other constituency groups in supporting an easing of tensions and the lifting of the embargo. We should begin by truly providing carrots for the Cuban people by lifting of the embargo of foods and medicines. Why shouldn't our rice farmers and chicken producers be allowed to sell to Cuba?

Our vision is not one of cornering the government, but rather assisting in its generational, economic and political transition. We could help forge a new future by eliminating special U.S. broadcasts into Cuba-- no one even argues that T.V. Marti signals are successfully jammed and not seen. Rather, we should use the funds to train economic specialists, open our newsrooms to visiting Cuban journalists, share in co-productions with Cuban broadcast producers; open the halls of Congress to invited Cuban members of the unempowered Cuban legislature so that they can see first hand how our democratic system functions.

We should encourage U.S. travel and contact in Cuba. NSC should lift travel restrictions for educational, human rights and religious reasons-- how could we possibly lift them for travel to other countries, but not to Cuba? U.S. students, academics, church people and cultural performers should be allowed to freely travel to Cuba to break the isolation that the younger generations in Cuba have grown up under.

We should begin to identify the bilateral issues that could begin to be negotiated. Now that Cuba is moving towards a market economy, we should push for negotiations of the claims that U.S. corporations have against Cuba for expropriated properties.

We should do all we can to assist in family reunification. Humanitarian issues should not be used as cards in foreign policy. We would not have to be dealing with the use and abuse of humanitarian issues if there were more normal relations between both governments. Instead we have telephone companies that have sprung up charging inordinate amounts of money to call a sick or dying relative. We have companies charging incredibly high prices to send gift packages to our relatives through third countries

since we do not have direct mail service, we have extremists on both sides of the Florida Straits using humanitarian issues as moves in their chess game with each other. We look forward to the day when these issues separating our families are resolved.

Finally, Congress should launch an overdue investigation into Cuban exile terrorism. As the older, belligerent sectors of our community feel they are being left out of the transition in Cuba, it is to be expected that violence will increase. Let us not forget that in 1979, when the Carter Administration sought to engage Cuba-- more bombs exploded in Miami than in Belfast Ireland; two of the participants of the Dialogue were assassinated and no one has yet to be indicted. Airlines that carried U.S. tourists to Cuba received bomb threats even on other domestic routes. Next month, there will be another meeting in Cuba between some of the Cuban American community and the Cuban government-- we can not afford to continue to allow terrorism in our own yard.

Our current policy is sure to lead towards violence-- only hard liners on both sides of the Florida Straights will benefit from this scenario. Chaos and violence, however, do not benefit our relatives, U.S. interests or the prospects for a more democratic future.

**CLOSING REMARKS:**

In closing, I would like to read from one of Congressman Torricelli's recent op-ed about an embargo: "No embargo is air tight...What the embargo has accomplished is to impoverish further the hemisphere's poorest ...The embargo has done nothing to topple the regime...If we now deny them the fuel needed to operate their pumps, purify their water, and preserve what is left of basic hygiene, we are courting catastrophe. We invented a phrase for this in Vietnam: destroy the country in order to save it." (Miami Herald 6/25/93) He was referring to Haiti. Our current Cuba policy is leading us down this path of catastrophe. Let us not repeat the same mistake in Cuba.

I want to thank the Committee Chairmen and members for this opportunity. Testifying before you today may result in threats of violence from those in our community who have never learned the value of Freedom of Speech and First Amendment Rights and wish to silence our opinion. In assuring that the various voices are heard in Congress, you have upheld our valued Constitutional Rights.

Mr. KOPETSKI. Thank you very much for your testimony.

Mr. Cibrian, when the red light goes on, that means your 5 minutes are up.

**STATEMENT OF DAVID J. CIBRIAN, ESQ., JENKENS & GILCHRIST, SAN ANTONIO, TEX.**

Mr. CIBRIAN. Congressman, one of the topics upon which these subcommittees requested testimony was potential business opportunities for U.S. companies, and I would like to primarily focus my remarks on that issue.

I am an international corporate attorney with the Texas-based law firm of Jenkens & Gilchrist. I appreciate having the opportunity to come before you today to testify on behalf of clients and prospective clients of my firm, clients which I have counseled regarding the potential for business opportunities in Cuba and the current U.S. legal regime which prohibits the development of those opportunities, and also a growing list of business concerns which have approached me throughout the last several years with a tremendous desire to enter the emerging market which is Cuba.

However, I come before you today not just as a representative of significant U.S. and international business interests, but also as a Cuban-American, born as the son and grandson of Cuban exiles whose businesses were stolen from them by engineers of centralized economic planning, and who fled their birthland in 1961.

In Cuba, my father was an engineer by trade. In the United States, he began his struggle as a dishwasher, his mother a maid. Yet, with the fierce determination that has driven so many Cubans, my father and my family have come a long way from the days of washing dishes and cleaning rooms in a Miami Beach hotel room.

Today, he is a successful businessperson, the majority shareholder of a profitable and growing business. No one in this room or in this country would be more pleased to see the development of democracy in Cuba than my father, except perhaps my grandfather, who spent frightening nights in a Cuban jail for committing the unpardonable sin of owning his own thriving business, a business that was taken from him.

I would like to state unequivocally that we support any and all efforts that would encourage democracy in Cuba. However, that being said, I do not come before you to testify against the Free Trade With Cuba Act. I come before you today on behalf of my clients in full support of the act, because we firmly believe that democracy will not develop in Cuba until the embargo is repealed. We believe that any foreign policy that has been in vigor for 30-plus years and has not achieved its objective, in this case the return of democracy, is a failure.

Now, the views I express here today are not a result of mere textbook research and analysis. They are of practical real world experiences in Cuba and with Cubans. I have traveled to Cuba twice in the last 2 years, trips which are not common, given the U.S. travel restrictions that U.S. persons face. However—and let me be very clear on this point—each of my trips was completely legal and within the narrowly tailored and jealously guarded exemptions to those travel restrictions.

During my first trip, I traveled with a well-recognized U.S. venture capitalist and a U.S. real estate investor. My second trip was merely 1 month ago, when I traveled with a member of the board of directors of a large European corporation which was committed to doing business in Cuba before U.S. companies are permitted to do the same. Unfortunately, my firm will not be able to avail itself of the opportunity of assisting this European concern with whatever transactions they decide to pursue in Cuba, because the trade embargo does not permit me, as a U.S. lawyer, to assist even a non-U.S. company with its business in Cuba.

Such an interpretation deprives a multitude of U.S.-based service providers, such as bankers, accountants, consultants and lawyers from advising what in today's global marketplace is a growing list of international clients.

During both of these occasions, I had occasion to meet with representatives of Cuba's Foreign Investment Commission and its biotechnology, sugar, tourism and agribusiness industries. We discussed the increasing number of foreign investment projects, joint ventures and similar collaborations which Cuba has negotiated and is today operating with companies from throughout the world.

These representatives explained to us that in the tourism arena, for example, the Spanish have invested close to \$1 billion in new hotel development and management and the infrastructure related thereto. The Spaniards told us in no uncertain terms that the reason they were in Cuba today is because Americans were not, the reason that they were in Cuba today is because the American tourists would be in Cuba tomorrow. Time and time again, our conversations with foreign investors in Cuba led us to the same recurring theme: We are here because you Americans are not.

Yes, Cuba has a long way to go before it can be considered a member of the mainstream international community. Issues such as human rights and the reformation of the Cuban electoral process must be addressed, improved and sustained by the Cuban leadership, issues which this bill recognizes and requests that the President act upon.

We agree with the repeals and amendments to current U.S. laws which the bill mandates. However, I would like to make the following recommendations:

With regard to section 6, negotiations with Cuba, I believe, Mr. Chairman, that while it is noble to attempt to negotiate the settlement of outstanding property claims with Cuba, it is unrealistic. It is difficult to envision where Cuba will obtain the necessary financial resources to compensate the claimants at this point in time.

Additionally, the outright return of the property in question will create the same problems that were experienced in Eastern Europe in that region's transition. A policy of strict restitution is not feasible, and I do not believe that we should allow this issue to be a threshold issue or a litmus test as to whether this visionary and innovative bill will be adopted or rejected.

Additionally, this section should also give the executive branch more guidance as to what the Congress would consider to be acceptable results of such claims settlement and human rights negotiations.

Finally, I believe that the title of this legislation should perhaps be changed from the Free Trade With Cuba Act to the Trade For a Free Cuba Act. This change would send a strong message that only through trade and commerce with Cuba will freedom and democracy take hold.

In concluding, Mr. Chairman, I would like to thank you and the other members of the subcommittees for allowing us the opportunity to be heard today.

[The prepared statement follows:]

## STATEMENT OF DAVID J. CIBRIAN

**Jenkins & Gilchrist**

A PROFESSIONAL CORPORATION

Mr. Chairmen and Distinguished Members of both Subcommittees:

My name is David J. Cibrian, I am an international corporate attorney with the Texas-based law firm of Jenkins & Gilchrist. I appreciate having the opportunity to come before you today to testify on behalf of current and prospective clients of my firm; current clients which I have counselled regarding potential business opportunities in Cuba and the current U.S. legal regime which prohibits the development of those opportunities by U.S.-based companies, as well as a growing list of other business concerns which have approached me throughout the last several years with a tremendous desire to enter the emerging market which is Cuba. I am here on behalf of those constituents, who are your constituents.

I come before you today not just as an informed representative of these significant U.S. and international business concerns, but also as a Cuban-American, born as the son and grandson of Cuban exiles. Cuban exiles whose businesses were taken from them by the engineers of centralized economic planning and who fled their birthland in 1961.

In Cuba, my father was an engineer by trade. In the U.S. he began his struggle as a dishwasher, his mother a maid. Yet with the fierce determination that has driven so many Cuban exiles, my family has become an example of the U.S. success story. Today, my father, and through him my family, has come a long way from the days of washing dishes and cleaning rooms in a Miami-Beach hotel for almost no pay. Today, he is a successful business person, the majority shareholder of a profitable and growing business. No one in this room, or in this country, would be more pleased to see the development of free-market economic principles in Cuba than my father.

I would like to state, unequivocally, that we support all efforts that would encourage democracy and free-market economic principles in Cuba. However, that being said, I do not come before you to testify as many Cuban exiles and some Cuban-Americans would: against The Free Trade with Cuba Act. I come before you today, on behalf of my clients and other business interests, in full support of the Act, because we firmly believe that democracy and free-market economic principles will not develop in Cuba until the restrictions on trade, travel and telecommunications are repealed.

We believe that any foreign policy that has been in vigor for 32 years and has not achieved its objective, in this case the return of democracy to Cuba, is a failure.

**CUBA EXPERIENCES**

The views which I express here today, are not a result of mere textbook research and analysis, but of practical, real world experience in Cuba and with Cubans. I have travelled



to Cuba twice in the last two years. Trips which are not common and extremely difficult to organize given the U.S. travel restrictions to Cuba that we U.S. persons are subjected to. However, and let me be very clear on this point, each of my trips were completely legal and within the narrowly tailored and jealously guarded exemptions to the travel prohibitions that are memorialized in our Treasury Department's Cuban Assets Control Regulations.

My first trip was in December of 1991, when I travelled with a well-recognized U.S. based venture capitalist, and a U.S.-based real estate investor.

My second trip was merely a month ago, when I travelled with a member of the board of directors of a large European corporation which is committed to doing business in Cuba before U.S. companies are permitted to do the same. Unfortunately, my firm will not be able to avail itself of the rewarding business opportunity of assisting this European concern with the negotiation and consummation of whatever transactions they decide to pursue in Cuba because the Embargo does not permit me as a U.S. lawyer to assist even a non-US company with its business in Cuba because under the Treasury Department's interpretation of the Embargo, representing my client, and only my client, would result in indirect benefit to Cuba and Cuban nationals if the deal is consummated. Such an interpretation deprives a multitude of U.S.-based service providers such as bankers, accountants, consultants and lawyers from advising, what is in today's global marketplace, a growing list of international clients.

During both of these trips I had occasion to meet with, among others, representatives of Cuba's foreign investment commission, and its biotechnology, sugar, tourism, and agribusiness industries. We discussed at length the increasing number of foreign investment projects, joint ventures and similar collaborations which Cuba has negotiated and is today operating with companies from throughout the world. Enterprises from Germany, France, Italy, Canada, Spain and Brazil to name a few.

These representatives explained to us that in the tourism arena, for example, the Spanish have invested millions and millions of dollars in hotel construction, refurbishment and management and the tourism infrastructure related thereto. We toured these Spanish hotel developments in the resort area of Varadero beach with representatives of Cuba's tourism agency and the Spanish managers on site. The Spaniards told us in no uncertain terms that the reason that they are in Cuba today is because Americans are not. The reasons that they are in Cuba today is because the American tourist would be in Cuba tomorrow. Whether tomorrow is in the short-term or in the mid-term the Spanish were prepared to wait, because they would be up and operating well before the U.S. travel and leisure companies would be.

And, time and time again, our conversations with foreign investors in Cuba led us to the same recurring theme, "we are here because you Americans are not". Just like my European company of last month will be there, because we Americans are not.

The industries in which U.S. companies would have the greatest opportunities in Cuba, are in essence the industries which exist in Cuba. Agribusiness, tourism, pharmaceuticals, oil and gas exploration, telecommunications, consumer goods retailing, real estate development and so forth. The conservative estimate of U.S.-Cuba trade in the first year of normalized economic relations would be over \$3.0 billion.

In an era in which international protectionism gives way to the freer trade of the North American Free Trade Agreement, GATT accords, and European Unification, U.S. companies are barred from one of the world's most promising emerging markets.

But let us not be criticized for advocating the scuttling of U.S. foreign policy merely to advance the interests of U.S. corporate America. Let us sincerely engage in a dialogue that recognizes that significant, real world foreign policy arguments exist that persuade and prove that our current posture towards Cuba is antiquated and ineffectual.

Yes, Cuba has a long way to go before it can be considered a member of the "mainstream" international community. Issues such as human rights and the reformation of the Cuban electoral process must be addressed, improved and sustained by the Cuban leadership. This bill recognizes and requests the President to act upon these issues.

#### WHY IS THE EMBARGO INEFFECTIVE?

Increasing the economic and political isolation of Cuba has only caused the tremendous suffering of the people of Cuba. Democracy has not been restored. Clearly, and unfortunately, the tremendous and well funded efforts of our Cuban exile leaders against the lifting of the Embargo has not galvanized the international community into efforts comparable to those that were seen regarding South Africa. In the 32 years the Embargo has existed we have not seen any credible sign of democratic reforms in Cuba. During that time we have fallen more and more out of sync with the remainder of the international community. In fact, our latest revision to the Embargo regime, the adoption of The Cuban Democracy Act of 1992, was soundly criticized as a violation of international legal principles to the point of being denounced by United Nations General Assembly Resolution 47/19 of 1992 which passed by a vote of 59 to 3.

With each new year we hear the unprophetic views of Cuban special interest groups adamantly opposed to any dialogue or reapproachment with Cuba. The Cuban community's chicken-littles who predict "Cuba is falling," "Cuba is falling," have been wrong for all of those 32 years. Foreign policy by fortune teller mocks the harsh reality of this situation: The Embargo must be lifted to advance both U.S. policy and commercial interests.

Our Cuba policy is inconsistent with other U.S. foreign policy. We have recently seen the lifting of the Embargo with Vietnam, a country upon whose soil over 55,000 Americans lost their lives, yet we continue to refuse to try a new approach to the old problem which is Cuba. Additionally, China, as a documented major violator of human rights, and one of Cuba's most significant trade partners, is accorded Most Favored Nation trade status by the U.S. Yet, the Cuba-U.S. Trade Embargo stands.

## OBSERVATIONS AND RECOMMENDATIONS

As we have said, our Embargo is ineffective and has failed to achieve its primary, and perhaps, sole objective, which is the democratization of Cuba. This bill, The Free Trade with Cuba Act, reverses our failures and attempts to fashion a new policy towards achieving the same objective.

While we agree with the repeals and amendments to current U.S. laws which the bill mandates, we would make three recommendations.

### Section 6 Negotiations with Cuba

First, while it is noble to attempt to negotiate the settlement of outstanding property claims with Cuba, the practicalities of doing so are troublesome. It is difficult to envision how Cuba will be able to obtain the necessary financial resources to compensate the claimants. The outright return of the property in question will create the same problems that were experienced in Eastern Europe in that region's transition to more free-market oriented principles. In essence, the Cuban government today cannot afford to give up anything to right the expropriations of the past. I do not believe that this issue should be a threshold issue or litmus test as to whether this bill should be adopted or rejected.

Second, this section should attempt to give the Executive Branch more guidance as to what the acceptable results of such negotiations should be.

### Section 1 Short title

We believe the title of this legislation should be changed to read: The Trade for a Free Cuba Act, because it will be through trade and commerce with Cuba that freedom as we in the United States know it will take hold.

**CONCLUSION**

I appreciate the opportunity afforded to me today to represent the views of the U.S. and international business community with which I have worked regarding potential business opportunities in Cuba.

I applaud the important efforts of you Congressman Rangel, the other members of these subcommittees, and your staffs for the effort that is being devoted to this process.

As our Cuban patriot Jose Marti said, "To witness a crime in silence is the same as committing it yourself." We should all take comfort in knowing that key members of our Congress have begun to take steps to break the silence.

Chairman RANGEL. I thank all of the witnesses for their realistic approach to a very, very emotional and complex problem, and you, Mr. Miyares, for not letting us forget that the question of sovereignty and respect is something that you cannot legislate, it just has to be there.

I am pleased with the way the hearings are going, and I do believe that, more important, whether we restrict the goals in terms of trade or whether we change the title, that more and more what I am hearing is that we should not talk about trade, if people's lives and liberties are going to be held in hostage as a result of it.

One thing is clear, that there is a vast difference of opinion as to what is going on in Cuba now. You could never think in terms of free elections, if people cannot stand up and talk about it in Cuba. That is clear.

But because of the ties that many of you have, I am going to be in touch with you to see whether or not a task force can be put together. I do not think the gap is that wide between the people who are emotional on the other side and the people who truly believe that they ought to get in there and make a buck, but I do believe that we can present our case better. The hearings have proven that you do not have to be a Communist to remove these oppressive embargoes that we have done, and I think the general feeling is that we ought to do something now to try to perfect this.

This has been a very, very good panel, because it dealt with some realistic things. I particularly would like to take time to single out Mr. Guttierrez, who singly has brought a type of credibility, because of the sacrifices he has made, and because his commitment to liberty and democracy and love for Cuba have gone unchallenged and allowed those of us who have not made that type of commitment to be able to express ourselves by being associated with you. I want to thank you for your courage in doing this.

Let me make it clear that this is only the beginning, that over 30 years of the embargo is behind us, but I am convinced that, as the whole world sees how ridiculous the embargo is, our job is not to embarrass them, but to find a way that they can say they won and perhaps improve the quality of life for those people in Cuba. And that is the bottom line. That is what we are going to do.

Please help me in sticking together. Give me the benefit of your thoughts. We will get a good congressional group together that represents more than just this committee. Now I think we have at least made it legitimate for Members of Congress to meet with Cuban-Americans and talk about removing the embargo.

So I want to thank you very, very much. If there is anything that you would like to say that you have not had the opportunity to say, I hope you take advantage of this period. But I will be in touch with you, and I hope, Eloy, that you can set a meeting here in Washington or in New York where we can get a strategy to analyze where we have been with this hearing, you can share the testimony with other people and see how we can move the bill or the concepts of the bill.

I sincerely thank you on behalf of the Congress. Everyone who has been watching this or seeing this have complimented the quality of the witnesses more than me in bringing you together. Thank you very much.

Chairman RANGEL. The next panel, we have Carlson Companies, from Minnesota, T. Peter Blyth is here; Deborah Meehan, senior vice president of SH&E, from Massachusetts; Julie Feinsilver, a scholar, School of International Service, American University; Bernard Ebbers, president and CEO of LDDS Metromedia; and Randolph Lumb, vice president, Government Affairs, AT&T.

We will start off with T. Peter Blyth. You can read your testimony or you can add to it, whatever makes you feel comfortable.

**STATEMENT OF T. PETER BLYTH, EXECUTIVE VICE PRESIDENT OF DEVELOPMENT, CARLSON COMPANIES, INC., MINNEAPOLIS, MINN.**

Mr. BLYTH. Thank you, Mr. Chairman.

My name is Peter Blyth, and I am executive vice president of Carlson Companies. Carlson Companies is a privately held company based in Minneapolis. Our chairman and founder, Mr. Carlson, has developed the largest travel and hospitality group in the United States, with worldwide annual revenue in excess of \$11 billion in 1993.

Mr. Chairman, if I may, perhaps I will abbreviate the remarks and ask that my statement be included in the record.

Chairman RANGEL. Mr. Blyth, your entire statement will be made a part of the record.

Mr. BLYTH. Thank you very much, Mr. Chairman.

The Carlson business interests include the Carlson Hospitality Group, which is comprised of over 300 hotels in 30 countries and, in addition, represents 250 T.G.I. Friday's restaurants and 250 Country Kitchen restaurants. Our Carlson Travel Network has 1,600 travel agencies in North America. Our experience in travel and hospitality makes us keenly interested in the development and operation of hotels, restaurants and tourist oriented ground services in the Republic of Cuba.

The number of visitors to Cuba has increased from 289,000 in 1987 to 460,000 in 1992, with arrivals from Europe, Latin America and Canadian points of origin, in that order. By way of comparison, arrivals in the island of Bermuda in 1992 were 300,000, and 87 percent of those came from the United States. Net annual hard currency from tourism was estimated to be between \$100 million and \$300 million in Cuba, in comparison with nickel exports from that country which were \$220 million, and sugar exports between \$800 and \$900 million in 1992.

As presently structured, tourism is a minor industry which could really change, if Americans were permitted to vacation there today. There are 7,000 hotel rooms in the picturesque beachfront area of Varadero Beach, 80 miles east of Havana. However, experts rate only one-third of these hotel rooms as suitable for international travelers.

The Government of Cuba reportedly has plans for 30,000 hotel rooms, where 7,000 exist today. With an estimated cost of \$100,000 to build, finance and equipment each of these rooms, there is a potential of more than \$2 billion in hotel infrastructure in the Varadero Beach area alone. The telephone system is in dire need of modernization, and many of the centuries old buildings are in urgent need of repair.

Export goods from the United States are required to service and support the tourist industry on an ongoing basis.

The development of the tourist facilities described will require the application of technical, architectural and design services, construction know-how, building supplies, furniture, fixtures and equipment on a massive scale, all of these to be provided from the conveniently located, high quality and competitively priced sources in the United States. Our company's experience in developing hotels and restaurants throughout the world has shown that the quality, delivery and pricing of U.S. products and services are competitive with any in the global market.

This demand for goods, services and technology would be funded from sources outside of Cuba. Already, there are numerous individuals and groups who have sought the assistance and technical capacities of the Carlson Companies to assist them to invest in the tourism industry in the Republic of Cuba. Those activities are all on hold, but a change in the law contemplated in this bill would enable a renaissance of tourism to begin.

We have described tourism in the Republic of Cuba as an infant industry. However, the allure and proximity of the destination contribute to a pent-up demand for facilities and the accessibility of vacation amenities through the services of travel agents in the United States, who currently perform over 90 percent of the travel planning, tour packaging and booking functions for travelers to destinations outside the United States, wherein lies our intense interest in the passage of this bill from the Carlson Travel Network and the 1,600 company-owned, franchised or associate offices in North America.

Thank you very much.

[The prepared statement follows:]

**CARLSON COMPANIES, INC.****Radisson Hotels International, Inc.****Thomas Peter Blyth  
Executive Vice President - Development  
Minneapolis, MN 55459****H. R. 2229****To lift the trade embargo on Cuba and for other purposes****March 17, 1994**

CARLSON COMPANIES IS PRIVATELY HELD COMPANY BASED IN MINNEAPOLIS, MINNESOTA. OUR FOUNDER AND CHAIRMAN, CURT CARLSON, HAS DEVELOPED THE LARGEST TRAVEL AND HOSPITALITY GROUP IN THE UNITED STATES WITH WORLDWIDE ANNUAL REVENUE IN EXCESS OF \$11 BILLION IN 1993. MR. CARLSON'S BUSINESS INTERESIN INCLUDE THE CARLSON HOSPITALITY GROUP COMPRISED OF 300 HOTELS IN 30 COUNTRIES UNDER THE RADISSON, COLONY AND COUNTRY LODGING BY CARLSON BRAND NAMES, IN ADDITION TO 250 T. G. I. FRIDAY'S RESTAURANTS AND 250 COUNTRY KITCHEN RESTAURANTS. OUR CARLSON TRAVEL NETWORK WITH 1,600 TRAVEL AGENCIES IN NORTH AMERICA HAS RECENTLY ANNOUNCED A MERGER WITH WAGONLIT TRAVEL, A MAJOR EUROPEAN TRAVEL AGENCY WHICH WILL EXPAND OUR TRAVEL AGENCIES TO OVER 4,000 IN 125 COUNTRIES. OUR EXPERIENCE IN TRAVEL AND HOSPITALITY MAKES US KEENLY INTERESTED IN THE DEVELOPMENT AND OPERATION OF HOTELS, RESTAURANTS AND TOURIST ORIENTED GROUND SERVICES IN THE REPUBLIC OF CUBA.

THE NUMBER OF VISITORS TO CUBA INCREASED FROM 289,000 IN 1987 TO 460,000 IN 1992 WITH ARRIVALS FROM EUROPE, LATIN AMERICA AND CANADIAN POINTS OF ORIGIN, IN THAT ORDER. BY WAY OF COMPARISON, ARRIVALS IN THE ISLAND OF BERMUDA IN 1992 WERE 300,000 AND 87% CAME FROM THE UNITED STATES. NET ANNUAL HARD CURRENCY FROM TOURISM WAS ESTIMATED TO BE BETWEEN \$100 MILLION AND \$300 MILLION, IN COMPARISON, NICKEL EXPORTS FROM THE COUNTRY WERE \$220 MILLION AND SUGAR EXPORTS WERE BETWEEN \$800 MILLION AND \$900 MILLION. [FINANCIAL TIMES - DECEMBER 3, 1993]



AS PRESENTLY STRUCTURED, TOURISM IS A MINOR INDUSTRY WHICH WOULD CLEARLY CHANGE IF AMERICANS WERE PERMITTED TO VACATION THERE TODAY. THERE ARE 7,000 HOTEL ROOMS IN THE PICTURESQUE, BEACHFRONT AREA OF VARADERO, 80 MILES EAST OF HAVANA. HOWEVER, EXPERTS RATE ONLY ONE THIRD OF THESE HOTEL ROOMS AS SUITABLE FOR INTERNATIONAL TRAVELLERS. [TRAVEL INDUSTRY WORLD YEARBOOK - 1993/1994]

THE GOVERNMENT OF CUBA REPORTEDLY HAS PLANS FOR 30,000 HOTEL ROOMS WHERE 7,000 EXIST TODAY. AT AN ESTIMATED COST OF \$100,000 TO BUILD, FINANCE AND EQUIP THESE ROOMS, THERE IS A POTENTIAL OF MORE THAN \$2 BILLION IN HOTEL INFRASTRUCTURE IN THE VARADERO BEACH AREA ALONE. THE TELEPHONE SYSTEM IS IN DIRE NEED OF MODERNIZATION AND UNESCO ESTIMATES THAT 90% OF THE CENTURIES-OLD BUILDINGS ARE IN URGENT NEED OF REPAIR. SHOPPING FOR THE TOURIST IS LIMITED TO INTUR (GOVERNMENT) SHOPS. IF YOU WANDER OUTSIDE YOUR HOTEL, YOU WON'T BE ABLE TO FIND A BOTTLE OF SODA, LET ALONE A CONVENIENCE STORE. THIS IS A THIRD WORLD COUNTRY WITH LITTLE SENSE OF COMMODITY, LET ALONE RETAIL. IN FACT, THE NEWEST GUIDE BOOK IS FIVE YEARS OLD AND MEXICAN VISITORS GAMBLE ABOUT THE ABSENCE OF VACATION LITERATURE IN SPANISH. [TRAVEL WEEKLY - OCTOBER 1993]

EXPORT GOODS FROM THE UNITED STATES ARE REQUIRED TO SERVICE AND SUPPORT THE TOURIST ON AN ONGOING BASIS

THE DEVELOPMENT OF THE TOURIST FACILITIES DESCRIBED WILL REQUIRED THE APPLICATION OF TECHNICAL, ARCHITECTURAL AND DESIGN SERVICES, CONSTRUCTION KNOW-HOW, BUILDING SUPPLIES, FURNITURE, FIXTURES AND EQUIPMENT ON A MASSIVE SCALE. ALL THESE TO BE PROVIDED FROM THE CONVENIENTLY LOCATED, HIGH QUALITY AND COMPETITIVELY PRICED SOURCES IN THE UNITED STATES. OUR EXPERIENCE IN DEVELOPING HOTELS AND RESTAURANTS THROUGHOUT THE WORLD HAS SHOWN THAT THE QUALITY, DELIVERY AND PRICING OF UNITED STATES PRODUCTS AND SERVICES ARE COMPETING WITH ANY IN THE GLOBAL MARKET.

THIS DEMAND FOR GOODS, SERVICES AND TECHNOLOGY WOULD BE FUNDED FROM SOURCES OUTSIDE OF CUBA. THERE ARE ALREADY NUMEROUS INDIVIDUALS AND GROUPS WHO HAVE SOUGHT OUT THE ASSISTANCE AND TECHNICAL CAPACITIES OF CARLSON COMPANIES TO ASSIST THEM TO INVEST IN THE TOURISM INDUSTRY IN THE REPUBLIC OF CUBA. THOSE ACTIVITIES ARE ALL ON HOLD, BUT A CHANGE IN THE LAW CONTEMPLATED IN THIS BILL WOULD ENABLE A RENAISSANCE OF TOURISM TO BEGIN.

WE HAVE DESCRIBED TOURISM IN THE REPUBLIC OF CUBA AS AN INFANT INDUSTRY. HOWEVER, THE ALLURE AND PROXIMITY OF THE DESTINATION CONTRIBUTE TO A PENT-UP DEMAND FOR FACILITIES AND THE ACCESSIBILITY OF VACATION AMENITIES THROUGH THE SERVICES OF TRAVEL AGENTS IN THE UNITED STATES, WHO CURRENTLY PERFORM OVER 90% OF THE TRAVEL PLANNING, TOUR PACKAGING AND BOOKING FUNCTIONS FOR TRAVELERS TO DESTINATIONS OUTSIDE THE UNITED STATES WHEREIN LIES OUR INTENSE INTEREST IN THE PASSAGE OF THIS BILL FROM OUR CARLSON TRAVEL NETWORK AND THE 1,600 COMPANY OWNED AND FRANCHISED OR ASSOCIATE OFFICES IN NORTH AMERICA.

THANK YOU.

Chairman RANGEL. Thank you very much.  
Deborah Meehan, SH&E.

**STATEMENT OF DEBORAH T. MEEHAN, VICE PRESIDENT,  
SH&E, INC., WALTHAM, MASS.**

Ms. MEEHAN. Thank you, Mr. Chairman.

My name is Deborah Meehan. I am a senior vice president of SH&E, the largest aviation consultancy specializing in services to airports, airlines, aircraft and equipment manufacturers, governments, and the financial and legal communities.

The purpose of my testimony today is to provide perspective on the potential effects on the U.S. civil aviation industry of normalization of political, economic and commercial relations between the United States and the Republic of Cuba.

What could the normalization of relations between the United States and Cuba mean to U.S. aviation? We believe that if relations between these two countries were normalized, that the effects will be significant and far reaching. Normalization represents potentially millions of visitors to and from Cuba each year on U.S. airlines. It represents hundreds of millions of dollars spent by Cubans while visiting the United States. It represents the potential of billions of dollars for the purchase of new and placement aircraft. And it represents billions in tourism infrastructure development, increased cargo trade and increased spending by Cuban-Americans in the U.S. economy.

In the time available, I would like to focus on two areas which I believe will have the largest potential economic benefit to the United States, increases in U.S. airline passengers and the potential for sales of U.S. manufactured aircraft.

I think it would be helpful at the outset to provide some perspective on the current size of the U.S.-Cuban air passenger market. In the year ending October 1993, total air passengers between the United States and Cuba numbered slightly under 80,000 passengers. This represents only 0.7 percent of total passengers between the United States and international Caribbean points. In comparison to other U.S.-Caribbean air travel markets, the total annual Cuba volume is minimal. It is the equivalent of 5 days of passenger activity to and from Puerto Rico, or 17 days of passenger activity to and from Jamaica.

In recent months, there has been a slight relaxation in travel restrictions between the United States and Cuba, and the impact has been significant. Passenger traffic has doubled during this time-frame, and there are currently 10 weekly flights from the United States to Cuba. All are charter flights from Miami. While this growth has been significant, it is extremely modest. Compare 10 weekly flights to Cuba with 70 weekly scheduled flights which are operated between Miami and Puerto Rico alone.

The potential for air passenger demand between the United States and Cuba come from two principal sources, tourism and commercial/personal travel.

First, let us talk about the potential in tourism travel. Prior to the restrictions on travel to Cuba over 30 years ago, Cuba was the major Caribbean destination. Cuba attracted approximately 30 percent of all tourist arrivals to the Caribbean, and the majority of

these tourists were American. Currently, Cuba's share of Caribbean tourist arrivals is less than 4 percent of approximately 11.6 million visitors. U.S. visitors comprised only 2.6 percent of Cuba's tourist arrivals.

Tourists from the rest of the world have not been as hesitant to visit Cuba. In fact, travel from countries other than the United States has grown quite rapidly. From 1981 to 1991, tourists visiting Cuba grew at an average annual rate of approximately 18 percent, compared to 5 percent for the Caribbean as a whole. It is certainly reasonable to expect that if relations were normalized between Cuba and the United States, that tourism from the United States would grow rapidly.

Cuba is well positioned, both geographically and economically, to resume its position as a major force in the Caribbean travel market. The Government initiated an aggressive expansion of Cuba's tourism infrastructure, most notably an increase in international standard hotel room capacity, which grew from approximately 7,500 in 1988 to a current level of between 15,000 and 17,000 rooms.

As measured by current hotel room capacity, Cuba would rank ahead of the Bahamas and at approximately the same levels as Jamaica and the Dominican Republic, destinations which attracted between two and three times the number of visitor arrivals as Cuba. This development of hotel and resort capacity has been the result of joint venture efforts developed in concert with major Canadian and European hotel interests. Tourism infrastructure development would have considerable potential for U.S. business interests, if relations were normalized.

Cuba has a number of attractive features as a U.S. tourist destination. Given these features, plus an expanding hotel capacity, the potential of from 400,000 to 800,000 additional visitor arrivals is highly reasonable. If all of this increase were to come from residents of the United States, the U.S. share of total arrivals in Cuba would increase from under 3 percent to between 50 and 66 percent, a level comparable to other Caribbean destinations. In terms of tourism, SH&E estimates the potential to be between 800,000 and 1.6 million annual one-way passenger trips for airlines, both U.S. and Cuban.

Second, let us look at the potential for commercial/personal travel. This is a little more difficult to estimate than tourism demand. We know that Cuba is the largest Caribbean country in terms of population, with nearly 11 million inhabitants, and that it ranks second only to Puerto Rico in terms of gross domestic product among Caribbean economies. However, per capita income is only modest, at \$1,580, making it comparable to Jamaica and Costa Rica.

To some degree, this will limit the potential of personal travel from Cuba until the Cuban economy improves. The potential for personal travel derives in part from a strong connection between two countries. According to the 1990 census, Cuban-Americans were the third largest ethnic Hispanic group living in the United States, with a population of over 1 million persons, a large pool for potential air travel demand.

By making an analogy to Jamaica, it is possible to provide an order of magnitude estimate for Cuba. Cuba is approximately four and a half times greater than Jamaica in terms of both population and GDP. Per capita GDP levels are comparable between the two, and both have significant resident U.S. populations of national origin and descent. At the current time, nontourist air passengers between the United States and Jamaica are approximately 800,000 persons per year. If the rates of travel per GDP and population are comparable, Cuba could be expected to generate 3.6 million air passenger trips in commercial and personal travel.

Combining tourism and personal traffic, we estimate the potential annual demand for air travel between the United States and Cuba to be on the order of 5 million passengers. This compares to the current level of 80,000 passengers. What share will U.S. airlines carry? Comparable international Caribbean markets lead to the reasonable expectation that the U.S. airlines would carry about 70 percent of this or 3.5 million passengers, and that the Cuban flag carrier, Cubana, would carry 1.5 million.

Some of the 3.5 million passengers that U.S. airlines would carry would not be new to the industry, but would be tourists who otherwise would have flown to another destination. The experience of growth in travel to Cuba from Canada and Europe would indicate that the alternative designations most affected have been other Caribbean points and Mexico. Florida destinations have notably not been significantly affected, and we expect that this pattern would exist for the U.S. market, as well.

Chairman RANGEL. Ms. Meehan, we are going to have to ask you to try to summarize your testimony, so we can get some questions in.

Ms. MEEHAN. The third area that we looked at besides travel, which we estimated would generate about \$2 billion in new business between the United States and the Caribbean was the potential sale of U.S. manufactured aircraft. We estimated that between the aircraft needed to accommodate the new traffic, as well as being able to compete for replacement aircraft in the Cubana fleet, that this area would result in approximately 20 new aircraft available for U.S. companies to compete on. This would result in approximately \$600 million in new business between the United States and Cuba. Combined with the passenger related benefits, we estimate a total aviation related benefit of normalizing the relations between the United States and Cuba of approximately \$3 billion.

Thank you.

[The prepared statement and attachment follow:]

**TESTIMONY OF****DEBORAH T. MEEHAN**

**Vice President  
SH&E, Inc.**

My name is Deborah T. Meehan. I am a Vice President of SH&E, Inc., the largest aviation consultancy specializing in services to airports, airlines, aircraft and equipment manufacturers, governments, and the financial and legal communities. SH&E has extensive experience in the Caribbean market, including numerous assignments for Caribbean airlines, governments, and tourism authorities.

Personally, I am responsible for SH&E's airport practice, and am the Managing Officer of our office located in Waltham, Massachusetts. Since 1982, I have directed or participated in most of SH&E's domestic and international airport projects, including assignments for Boston, Philadelphia, Denver, Salt Lake City and Fort Myers. I have a Bachelor's Degree in Economics from the University of Massachusetts, and a Master's Degree in City and Regional Planning from Harvard University. I am a Past President of the Airports Consultants Council, an industry trade group representing more than 100 U.S. consulting firms.

The purpose of my testimony is to provide the Subcommittee on Trade of the Committee on Ways and Means of the United States House of Representatives with SH&E's perspective on the potential effects on the U.S. Civil Aviation Industry of a normalization of political, economic and commercial relations between the United States and the Republic of Cuba.

## **Introduction**

What could the normalization of relations between the United States and Cuba mean to U.S. aviation? We believe that if relations between these two countries are normalized that the effects will be significant and far-ranging. It represents potentially millions of visitors to and from Cuba each year carried on U.S. airlines. It represents hundreds of millions of dollars spent by Cubans while visiting the U.S.. It represents the potential of billions of dollars for the purchase of new and replacement aircraft. And it represents billions in tourism infrastructure development, increased cargo trade, and increased spending by Cuban-Americans in the U.S. economy.

In the time available, I would like to focus on several areas which I believe will have the largest potential economic benefit to the US: increases in U.S. airline passengers, and the potential for sales of U.S.-manufactured aircraft.

I think it would be helpful at the outset to provide some perspective on the current size of the U.S.-Cuba air passenger market. In the year ending October 1993, total air passengers between the United States and Cuba numbered slightly under 80,000 (U.S. Department of Transportation, Immigration and Naturalization Service data). This represents only 0.7% of total passengers between the U.S. and international Caribbean points. In comparison to other U.S.-Caribbean air travel markets, the total annual Cuba volume is minimal; the equivalent of five days of passenger activity to/from Puerto Rico, fifteen days to/from the Dominican Republic, and seventeen days to/from Jamaica.

In recent months there has been a slight relaxation in travel restrictions between the US and Cuba, and the impact has been significant. Passenger traffic has doubled during this time frame, and there are currently ten weekly flights from the US to Cuba (all are charter flights from Miami). While this growth has been significant, it is still extremely modest. Compare ten weekly flights to Cuba with over ten daily scheduled service flights which are operated from Miami alone to both Puerto Rico and Jamaica.

The potential for air passenger demand between the U.S. and Cuba comes from two principal sources: tourism (stay over visitor) demand from the U.S. to Cuba; and commercial/personal travel, a large element of which will be for the purpose of "visiting friends and relatives" (VFR travel).

## **Potential Tourism Travel**

Prior to the restrictions on travel to Cuba over thirty years ago, Cuba was the jewel of the Caribbean. Cuba attracted approximately 30% of all tourist arrivals to the Caribbean, and the majority of these tourists were American. However, in 1991 the latest full year for which data is available, Cuba's share of Caribbean tourist arrivals was

only 3.7%, 424,000 out of a total of approximately 11.6 million visitors. U.S. visitors comprised only 2.6% of Cuba's tourist arrivals.

Tourists from the rest of the world have not been as hesitant visitors to Cuba. As the climate for tourism in Cuba has warmed, travel from countries other than the United States has grown rapidly. From 1981 to 1991 tourists visiting Cuba grew at an average annual rate of approximately 18%, compared to approximately 5% for the Caribbean as a whole. The composition of Cuba's visitor market is as follows:

Europe	171,157
Canada	81,073
Latin America	115,053
Socialist Countries	25,610
United States	11,233
Other	<u>19,915</u>
<b>Total</b>	<b>424,125</b>

Canadians and Germans make up the largest visitor groups with 35% of the market in 1991. The European market has grown by over 12 times from 1981 to 1991; Latin America nearly ten times; and Canada four times. It is reasonable to expect that if relations were normalized between Cuba and the U.S. that tourism from the U.S. would grow rapidly.

Cuba is well positioned, both geographically and economically, to resume its position as a major force in the Caribbean travel market. Foreign visitor growth has been due in part to a conscious effort by the Cuban government to increase tourism. The government initiated an aggressive expansion of Cuba's tourism infrastructure; most notably an increase in "international standard" hotel room capacity which grew from approximately 7,500 in 1988 to a current level estimated in the range of 15,000 to 17,000 rooms. As measured by current hotel room capacity, Cuba would rank ahead of the Bahamas, and at approximately the same levels as Jamaica and the Dominican Republic; destinations which in 1991 attracted between two and three times the number of visitor arrivals as Cuba. This development of hotel and resort capacity has been the result of joint venture efforts developed in concert with major Canadian and European hotel interests. Tourism infrastructure development would have considerable potential for U.S. business interests if relations were normalized.

Cuba has a number of attractive features as a U.S. tourist destination; close proximity to the U.S., significant beach frontage, and the potential for inexpensive vacation packages. Given these factors, plus an expanding hotel capacity, the potential of from 400,000 to 800,000 additional visitor arrivals is highly reasonable. If all of this increase were to come from residents of the United States, the U.S. share of total arrivals

in Cuba would increase from under 3% to between 50% and 66%. This too is reasonable given the U.S.-resident share of such nearby destinations as the Bahamas (85%), the Cayman Islands (80%) and Jamaica (65%).

In terms of Civil Aviation, SH&E estimates that tourism represents the potential of between 800,000 and 1.6 million annual one-way passenger trips to the airlines (both U.S. and Cuban).

### **Potential Commercial/Personal Travel**

The potential of commercial and personal travel demand is much more difficult to quantify than tourism demand. We know that Cuba is the largest Caribbean country in terms of population with nearly 11 million inhabitants, and that it ranks second only to Puerto Rico in terms of Gross Domestic Product (US \$17 billion) among Caribbean economies. However, per capita income is only modest at \$1,580, making it comparable to Jamaica and Costa Rica. To some degree this will limit the potential of personal travel from Cuba until the Cuban economy improves. The potential for personal travel derives, in part, from a strong connection between the two countries. According to the 1990 Census, Cuban-Americans were the third largest ethnic Hispanic group living in the U.S., with a population of over 1 million persons: a large pool for potential air travel demand.

By making an analogy to Jamaica it is possible to provide an order-of-magnitude estimate for Cuba. Cuba is approximately 4.5 times greater than Jamaica in terms of both population and GDP. Per capita GDP levels are comparable between the two, and both have significant resident U.S. populations of national origin and descent. At the current time, non-tourist air passengers between the U.S. and Jamaica are approximately 800,000 per year. If the rates of travel per GDP and population are comparable, Cuba could be expected to generate approximately 3.6 million annual air passenger trips.

### **Potential Total Air Travel**

In sum, we estimate the potential annual demand for air travel between the United States and Cuba as approximately 4.4 million to 5.2 million passengers on all airlines (both U.S. and Cuban).

For the purposes of estimating U.S. airline participation I am assuming an annual volume of 5 million passengers. Comparable international Caribbean markets lead to the reasonable expectation that U.S. airlines would carry 70% of this total (or 3.5 million passengers) and that the Cuban flag airline, Cubana, would carry 1.5 million.

Some of the 3.5 million passengers will not be new passengers to the industry, but would be tourists who otherwise would have flown to another destination. The



experience of the growth in travel to Cuba from Canada and Europe would indicate that the alternative destinations most affected have been other Caribbean points and Mexico. Florida destinations have notably not been significantly affected, and we expect that this pattern would exist for the U.S. market as well.

We would estimate that approximately 500,000 passengers would be "shifted" to Cuba from other destinations, representing a potential net gain to the U.S. airlines of 3 million annual passengers.

SH&E estimates that the direct and indirect economic benefit to U.S. airlines, U.S. businesses, and the U.S. tourism industry associated with new passenger flows could approach \$1 billion dollars annually. This figure does not include money spent by Cuban-Americans to buy goods to bring to Cuba.

### **Potential U.S. Airlines and Routes**

Prior to their cessation in 1962, scheduled airline operations between the United States and Cuba were governed by a Bilateral Agreement which dated from 1953. In this agreement, six specific routes were allowed for U.S. airlines:

1. Miami - Havana
2. Tampa/St Petersburg - Havana
3. New York/Washington - Havana
4. Houston/New Orleans - Havana
5. West Palm Beach/Ft. Lauderdale - Havana
6. Miami - Camaguey

At the present time, these authorities (while dormant) are held by United Airlines, Continental Airlines and Delta Air Lines. The U.S. Department of Transportation has indicated that if normalized relations permit the resumption of scheduled services, authorities will be governed (at least initially) by the 1953 Agreement, but that carrier selection proceedings will be undertaken to determine the airline(s) to be designated for each route.

In our judgment there will be competitive applications for each of these routes by the major U.S. airlines. Miami services most likely would be heavily contested by a number of airlines; New York/Washington by American, Continental, and United; Tampa/St. Petersburg by USAir and Northwest; and Houston/New Orleans by Continental and Delta.

In the longer term, it is likely that the United States would negotiate a new "Open Skies" agreement with Cuba similar to those which now exist with most Caribbean

countries. In this event expanded services from U.S. points not currently named would be possible from such mega-hubs as Atlanta (for Delta) and Charlotte (for USAir).

Regardless of the specific form which the bilateral agreement between the U.S. and Cuba may take, we believe that market forces will dictate strong roles for airline service from Miami, Tampa/St. Petersburg, and New York/Newark. Florida is the home to 65% of all Cuban-Americans. The historic commercial relationships of Miami and Tampa with Cuba, combined with their natural geographic position as gateways, will most likely result in substantial traffic flows through these cities. New York and New Jersey account for an additional 15% of Cuban-Americans. New York has historically been among the largest generators of tourists to the Caribbean market. These factors, together with an increase in trade between the two countries would, in our opinion, support direct competitive service from New York and/or Newark.

### **Potential Sales of U.S. Manufactured Aircraft**

The estimated 4.5 million new passengers in U.S.-Cuba services (3.0 million U.S./1.5 million Cubana) would require the airlines to provide nearly 7 million new seats per year (assuming a 65% load factor). Based on our estimates of these services by U.S. gateway market, and further assuming a 150-seat capacity aircraft, these services would require the operation of approximately 20 aircraft (13 US/7 CU)

Beyond the potential sale of aircraft to accommodate new passenger demand, normalization of relations would allow U.S. aircraft manufacturers to compete for the replacement of aircraft currently in the fleet of Cubana Airlines. This fleet consists of generally older Soviet-manufactured aircraft which are acknowledged to be inefficient and increasingly difficult to maintain.

Based on current prices of U.S. manufactured aircraft types, the potential value of new aircraft is estimated to be approximately \$US 600 million, and that of replacement aircraft to be between \$1.1 billion and \$1.4 billion, for a total value of between \$US1.7 billion and \$US 2 billion.

### **Conclusion**

I certainly recognize that a decision to normalize relations between the United States and Cuba involves a range of economic and political considerations. Any such decision should not be driven by its likely impacts on any single industry. However, in reaching a determination regarding U.S. relations with Cuba, it is important that the economic implications of this decision be understood. The purpose of my testimony is to provide perspective on the potential impact on the U.S. aviation industry.

# Appendix

## Cuba has the Largest Population of Any Caribbean Country

### Population (In Millions)

Rank	Country	Population
1	Cuba	10.84
2	Guatemala	9.78
3	Dominican Republic	7.52
4	Haiti	6.43
5	Honduras	5.09
6	Nicaragua	3.88
7	Puerto Rico	3.77
9	Costa Rica	3.19
10	Panama	2.53
11	Jamaica	2.51
12	Bahamas	0.26

Source: The World Factbook 1992, Central Intelligence Agency

## Cuba has the 2nd Largest Economy in the Caribbean

### Gross Domestic Product (In Billions)

Rank	Country	GDP
1	Puerto Rico	\$21.6
2	<b>Cuba</b>	<b>\$17.0</b>
3	Guatemala	\$11.7
4	Haiti	\$7.7
5	Dominican Republic	\$7.0
6	Costa Rica	\$5.9
7	Honduras	\$5.2
9	Panama	\$5.0
10	Jamaica	\$3.6
11	Bahamas	\$2.5
12	Nicaragua	\$1.6

Source: The World Factbook 1992, Central Intelligence Agency

## However, Per Capita Income is Modest

### Per Capita Income

Rank	Country	Per Capita Income
1	Bahamas	\$9,900
2	Puerto Rico	\$6,600
3	Panama	\$2,040
4	Costa Rica	\$1,900
5	<b>Cuba</b>	<b>\$1,580</b>
6	Jamaica	\$1,400
7	Guatemala	\$1,260
9	Honduras	\$1,050
10	Dominican Republic	\$950
11	Haiti	\$440
12	Nicaragua	\$425

Source: The World Factbook 1992, Central Intelligence Agency

### **Cuban-Americans are the 3rd Largest Group in the U.S. with Hispanic Origin**

<b>Country of Origin</b>	<b>Population</b>	<b>Share of Total</b>
Mexico	13,516,908	60.5%
Puerto Rico	2,727,784	12.2%
<b>Cuba</b>	<b>1,043,932</b>	<b>4.7%</b>
Other	5,065,435	25.1%
Total US with Hispanic Origin	22,354,059	100.0%

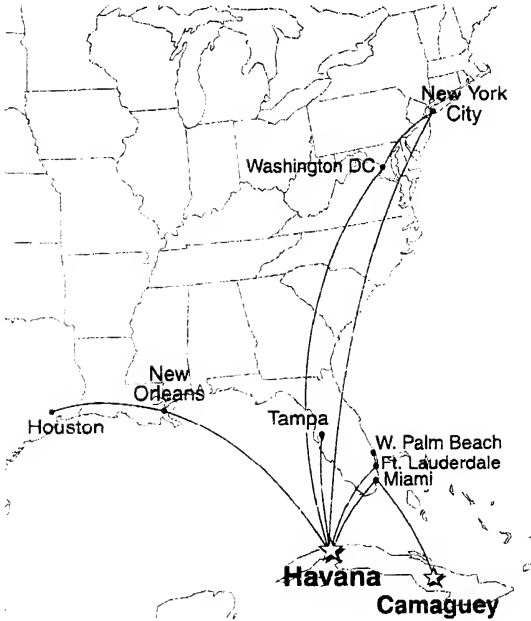
Source: 1990 US Census

## Comparison of Current Service from the U.S. to Selected Caribbean Basin Countries

Country	Origin	Weekly Flights
<b>Costa Rica</b>	Miami	55
	Dallas/Ft. Worth	7
	Houston	7
	Tampa	4
	New York JFK	3
	Orlando	2
	<b>Total</b>	<b>78</b>
<b>Jamaica</b>	Miami	90
	New York JFK	28
	Atlanta	11
	Baltimore	7
	Tampa	7
	Newark	4
	Indianapolis	2
	Orlando	2
<b>Total</b>	<b>78</b>	
<b>Puerto Rico</b>	New York JFK	93
	Miami	91
	Newark	43
	Chicago	35
	Atlanta	34
	Philadelphia	28
	Orlando	26
	Boston	23
	Raleigh, Durham	14
	Dallas/Ft. Worth	14
	Detroit	9
	Baltimore	8
	Charlotte	7
	Nashville	7
	Washington Dulles	7
	Hartford	7
Tampa	7	
St. Louis	2	
<b>Total</b>	<b>455</b>	

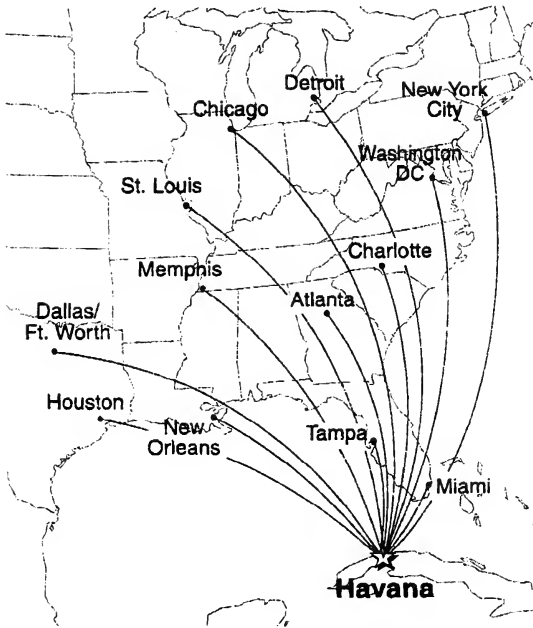
Source: ABC Worldwide Guide Schedule Tapes, February 1994

### Potential U.S.-Cuba Air Service Routes Under Existing Bilateral Agreements





**This would be Expanded Substantially If an  
"Open Skies" Agreement were Negotiated**



Chairman RANGEL. Thank you.  
Dr. Feinsilver.

**STATEMENT OF JULIE M. FEINSILVER, VISITING SCHOLAR,  
SCHOOL OF INTERNATIONAL SERVICE, AMERICAN  
UNIVERSITY, AND SENIOR RESEARCH FELLOW, COUNCIL ON  
HEMISPHERIC AFFAIRS**

Ms. FEINSILVER. Thank you, Mr. Chairman, for the opportunity to testify before you today in support of H.R. 2229, the Free Trade With Cuba Act. I have testimony I would like to read, and I would also like to provide written testimony for the record.

Chairman RANGEL. Without objection.

Ms. FEINSILVER. Also for the record, I would like to state that I have studied the Cuban biomedical sector for 15 years and have been a consultant for the pharmaceutical industry. I have been asked to discuss business opportunities for pharmaceuticals, although my favorite work is my book "Healing the Masses: Cuban Health Politics at Home and Abroad." If at any time today or in the future you would like to discuss the Cuban health care system, please give me a call.

Chairman RANGEL. Let us make a deal already, because I am working with the Catholic church on that, and we have been rather successful with the U.S. pharmaceutical companies in getting medicines in there. That is a big issue, so I hope that our staff will be in touch with you, so that you could share your views with us.

Ms. FEINSILVER. And I would like to state at this moment that I had an idea that we should establish a health bridge for reconciliation between Cuba and the United States. Health should not be a political weapon.

Chairman RANGEL. I would like to work with you on that, doctor.

Ms. FEINSILVER. The embargo against Cuba should be repealed, for a variety of reasons, most of which will be discussed in greater detail by other distinguished panelists. At this time, suffice it to say that it has failed to achieve the goals of U.S. foreign policy over the past three decades.

More important for U.S. interests, the embargo has had the unintended consequence of forcing the Cubans to innovate, particularly in science and technology, and this has led to their development of the largest and most highly sophisticated biomedical, pharmaceutical and biotechnology research and development and production facilities in the Third World. These facilities are valued at upwards of \$10 billion.

Cuban researchers have developed over 160 medical-pharmaceutical biotechnology products. Most U.S. biotechnology companies have only a couple of products, at best. The Cubans have also developed an array of diagnostic and laboratory equipment based on microelectronics. Among Cuba's potentially most competitive products are recombinant hepatitis B vaccine—also produced by major pharmaceuticals here—meningitis B vaccine, recombinant streptokinase, recombinant epidermal growth factor, SUMA diagnostic equipment, monoclonal antibodies, and recombinant interferons.

I have brought a box, which is somewhat crushed, of a new Cuban drug in which there is considerable interest in the United

States and in other countries. The pharmaceutical companies in this country, as well as elsewhere, are interested, as well as tourists who go to Havana and buy this on the street. It is called PPG. It is polycosanol, a cholesterol-lowering drug with the reputed side effect of enhancing sexual function, particularly in the somewhat dysfunctional.

Most of these products are of comparable quality to U.S. products. This, Mr. Chairman, is PPG. Unfortunately, this box was loaned to me empty. I thought it might be of interest to the committee. [Laughter.]

Most of these products that the Cubans have produced are of comparable quality to U.S. products. The Cubans have purchased top-quality laboratory and production equipment primarily from German, Swiss, Italian and Japanese firms. Cuban scientists are very well trained, both in Cuba and in postgraduate studies in Europe, Canada, and even a few have studied in the United States. And the Cuban Government has adopted the most rigorous international quality control standards and good manufacturing practices.

Had we not enacted the embargo, Cuba's scientific development would probably not have been much different from other similar developing countries. Instead, they have developed a research scale up and production capacity in the biomedical and pharmaceutical field that exceeds that of many developed countries and rivals that of the largest U.S. pharmaceutical manufacturers.

At a time when the Clinton administration is embarked upon a jobs summit, and is making high technology a high priority, I would like to stress this opportunity to create high-technology jobs in the United States and in Cuba, and allow both countries' scientists to work together for the benefit of humankind.

As documented in my recent book, "Healing the Masses: Cuban Health Politics at Home and Abroad," Cuba's extraordinary biomedical and biotechnology achievements are widely known and recognized in Latin American medical circles. As a result, the Cubans have been able to sell their biomedical products, their technical expertise, and their health services in many countries in the Americas, the Commonwealth of Independent States, the Middle East, and China. European, particularly French and British pharmaceutical and biotechnology companies, as well as Canadian and Japanese companies are looking at Cuba for investments in this sector. Swiss, Spanish, and Brazilian companies, among others, have marketing agreements to distribute Cuban products elsewhere. Furthermore, the Chinese and Cubans have signed agreements for joint production and distribution of medical products. Both countries have huge production capacities that threaten the interests of the U.S. pharmaceutical industry.

With increasing economic integration and free trade in the hemisphere, the Latin American countries are predicted to be areas of fast economic growth and their potential pharmaceutical purchases are projected to reach \$30 billion by the year 2000.

Why should the U.S. pharmaceutical industry, which has about 30 percent of the Latin American pharmaceutical market, face a vastly decreased market share because of potentially extremely tough competition from strategic alliances the Cubans are negotiat-

ing both upstream and downstream? According to CIA statistics, sector-related imports of chemicals for 1992, a year of economic crisis, totalled \$150 million, down from \$530 million in 1989. So you can see there is potential for both imports and exports.

Clearly, Mr. Chairman, the embargo has failed to achieve its goals and is an anachronism in the post-cold war era. It also imperils the markets of the U.S. pharmaceutical industry. The continuation of the embargo and the Cuban Democracy Act put Cuba's extraordinary contribution to human health at risk.

Now is the time to take advantage of Cuba's scientific development and allow our industry to compete on an equal basis with foreign competition.

Thank you, Mr. Chairman.

[The prepared statement follows:]

## STATEMENT OF JULIE M. FEINSILVER, PH.D.

Thank you, Mr. Chairman, for the opportunity to testify before you today in support of H.R. 2229, the Free Trade with Cuba Act. I have a testimony I would like to read and I would also like to provide written testimony for the record.

Introduction

The embargo against Cuba should be repealed for a variety of reasons, most of which will be discussed in greater detail by other distinguished panelists. At this time, suffice it to say that it has failed to achieve the goals of U.S. foreign policy over the past three decades.

Cuba's Biotechnology and Pharmaceutical Development

More important for U.S. interests, the embargo has had the unintended consequence of forcing the Cubans to innovate, particularly in science and technology, and this has led to their development of the largest and most highly sophisticated biomedical, pharmaceutical, and biotechnology research and development and production facilities in the Third World. These facilities are valued at upward of \$10 billion.<sup>1</sup>

Cuban researchers have developed over 160 medical-pharmaceutical biotechnology products (most U.S. biotechnology companies have only a couple of products at best). They have also developed an array of diagnostic and laboratory equipment based on microelectronics. Among Cuba's potentially most competitive products are recombinant Hepatitis B vaccine (also produced by Smith-Kline and Merck), meningitis B vaccine, recombinant streptokinase, recombinant epidermal growth factor,

SUNA diagnostic equipment, monoclonal antibodies, recombinant interferons, and finally, PPG (polycosanol, an cholesterol-lowering drug with the reputed side effect of enhancing sexual function, particularly in the somewhat dysfunctional).

Most of these products are of comparable quality to U.S. products. The Cubans have purchased top quality laboratory and production equipment primarily from German, Swiss, Italian, and Japanese firms. Cuban scientists are very well trained, both in Cuba and in post-doctoral studies in Europe, Canada, and even in the United States. And the Cuban government has adopted the most rigorous international quality control standards and good manufacturing practices (GMP).

Had we not enacted the embargo, Cuba's scientific development would probably not have been much different from other similar developing countries. Instead they have developed a research, scale-up, and production capacity in the biomedical and pharmaceutical field that exceeds that of many developed countries and rivals that of the largest U.S. pharmaceutical manufacturers.

#### Economic Impact on the U.S.

At a time when the Clinton administration is embarked upon a Jobs Summit, and is making high technology a high priority, I would like to stress this opportunity to create high technology jobs in the U.S. and in Cuba, and allow both countries' scientists to work together for the benefit of humankind.

As documented in my recent book, Healing the Masses: Cuban

Health Politics At Home and Abroad, Cuba's biomedical and biotechnology achievements are widely known and recognized in Latin American medical circles. As a result, the Cubans have been able to sell their biomedical products, their technical expertise, and their health services in many countries in the Americas, the Commonwealth of Independent States, the Middle East, and China. European, particularly French and British pharmaceutical and biotechnology companies, as well as Canadian and Japanese companies are looking at Cuba for investments in this sector. Swiss, Spanish, and Brazilian companies, among others, have marketing agreements to distribute Cuban products elsewhere. Furthermore, the Chinese and Cubans have signed agreements for joint production and distribution of medical products. Both countries have huge production capacities that threaten the interests of the U.S. pharmaceutical industry.

With increasing economic integration and free trade in the hemisphere, the Latin American countries are predicted to be areas of fast economic growth and their potential pharmaceutical purchases are projected to reach \$30 billion by the year 2000. Why should the U.S. pharmaceutical industry, which has about 30 percent of the Latin American pharmaceutical market, face a vastly decreased market share because of potentially extremely tough competition from strategic alliances the Cubans are negotiating both up and downstream? (According to CIA statistics, sector-related imports of chemicals for 1992, a year of economic crisis, totalled \$150 million, down from \$530 million in 1989.<sup>2</sup>)

Clearly, Mr. Chairman, the embargo has failed to achieve its goals and is an anachronism in the post-cold war era. It also imperils the markets of the U.S. pharmaceutical industry. The continuation of the embargo and the Cuban Democracy Act put Cuba's extraordinary contribution to human health at risk. Now is the time to take advantage of Cuba's scientific development and allow our industry to compete on an equal basis with foreign competition.

1. For detailed discussions of the development of Cuban biotechnology and biomedical products, see Julie M. Feinsilver, Healing the Masses: Cuban Health Politics at Home and Abroad (Berkeley, CA: University of California Press, 1993), chapter 5; Julie M. Feinsilver, "Cuban Biotechnology: A First World Approach to Development," in Jorge Pérez-López (ed.), Cuba at a Crossroads: Politics and Economics After the Fourth Party Congress (Gainesville, FL: University of Florida Press, 1994 forthcoming); and Julie M. Feinsilver, "Can Biotechnology Save the Revolution?" NACLA Report on the Americas Vol. XXVI, No. 5 (May 1993):7-10.

2. Central Intelligence Agency, Cuba: Handbook of Trade Statistics (U). CIA, July 1993, table 5, p. 11.



Mr. KOPETSKI. Thank you, doctor.

I want to note that you are with my alma mater, and I am sure that the School of International Service is in great hands, as the students there have a great opportunity to learn from you.

Ms. FEINSILVER. Thank you.

Mr. KOPETSKI. I appreciate your ontime summary, as well.

Mr. Ebbers, we would like to hear from you now.

**STATEMENT OF BERNARD J. EBBERS, PRESIDENT AND CHIEF EXECUTIVE OFFICER, LDDS METROMEDIA, JACKSON, MISS.**

Mr. EBBERS. Good afternoon, Mr. Kopetski and Mr. Chairman.

In one of my several visits to Cuba, we were furnished with some PPG and, as reported, it did have a significant stimulus to several of our sex lives. [Laughter.]

But I am here today as president and chief executive officer of LDDS Metromedia Communications. As you probably know, LDDS Metromedia and WilTel have entered into telecommunications agreements with Cuba pursuant to the authority and impetus provided by the Cuban Democracy Act.

Today's hearing is the first opportunity for Congress to visit the results of the telecommunications provisions of the act adopted in 1992. I can report to you that, whatever the views on other aspects of the CDA, the telecommunications provisions are a success. In line with the provisions of the act, we and other companies have achieved agreements with EMTELCUBA, the Cuban telecommunications entity, to expand and improve service between the two countries. Our company is proud to have a hand in enabling Cuban-Americans to reach family members and friends in Cuba. The public support for these agreements has been immense and gratifying. LDDS' switchboard has been flooded with calls expressing appreciation. I personally took a call from a New Jersey citizen who tearfully related how he could not afford to call his loved ones in Cuba through the only means available—the unauthorized and expensive services through Canada. "Thank God for you," he said. There have been many similar calls, but it is the CDA telecommunications policy enacted by this Congress that deserves the credit. Our company can only hope that the Government agencies charged with implementing the act will now carry out this enlightened policy by approving the new arrangements.

As I am sure the drafters of the CDA expected, these agreements were not achieved easily. In the case of LDDS, which was the first company to reach agreement, the negotiations took more than 1½ years. The Cuban administration initially would not agree to terms and arrangements it viewed as entirely and unilaterally dictated by our Government. Moreover, it appeared that Cuba would respond only if it was satisfied that it had engaged in a business negotiation reflecting international norms and that the terms of any traffic agreement were in accordance with standard international practice. LDDS recognized, however, that the guidelines would permit telecommunications arrangements that are consistent with international practice. As the State Department told the House Subcommittee on Western Hemisphere Affairs last year, "It is our experience that proposals which are not consistent with international practice will not be accepted by Cuba; such proposals would there-

fore not lead to improved telecommunications." This statement of reality was also LDDS' experience in its extensive negotiations with the Cuban administration.

In the course of negotiations, and after consultation with the State Department and the support of the State Department and the preclearance of the State Department—in opposition to the State Department testimony this morning—collect-call surcharge became part of the proposed terms. Such a surcharge is in accord with standard international practice and, LDDS believes, is consistent with the State Department guidelines. The surcharge, which is now part of U.S. carrier operations with at least 67 countries, compensates the carrier originating collect calls for their operator services, just as each of us pays higher charges for collect calls domestically. Indeed, AT&T was allowed to employ such a surcharge with Vietnam, when telecommunications were authorized during the Vietnam embargo. The collect-call surcharge is specifically recommended by the International Telecommunications Union, the world body established by treaty to which the United States is a signatory, which governs international telecommunications. The FCC has never rejected a collect-call surcharge. After the surcharge was discussed, the Cuban administration no longer referred to its demands for a higher accounting rate than the \$1.20 specified in the guidelines and for return of the embargoed settlements from the old AT&T service. In December 1993, the Cuban administration finally agreed to terms which included the collect-call surcharge.

LDDS is convinced that the Cuban administration agreed to the surcharge, not so much because it might provide some additional revenues to cover the cost of collect calls, but because it allowed the Cubans to satisfy themselves that they had engaged in a more standard international telecommunications negotiation. LDDS estimates that the surcharge could provide EMTELCUBA with an additional \$16.5 million for the circuits the Cubans will connect under these agreements. That is 16.5 million gross dollars, not profit dollars.

In Mr. Torricelli's testimony this morning, he stated: "We recognized that would mean increased foreign exchange for Cuba. We decided to take the gamble. It is worth giving him the money, if every Cuban-American calls every night to talk about political change in the quality of life in Cuba."

It is obvious that any amount of these revenues that might exceed Cuba's costs of providing collect calls would hardly make a dent in Cuba's current severe economic situation. It should also be noted that, over time, the higher cost of surcharged collect calls will lead consumers in both countries to favor regular, direct-dial calling at lower rates, thereby diminishing the amount of revenues the surcharge might generate.

The purpose of the CDA is to "seek a peaceful transition to democracy and resumption of economic growth in Cuba through careful application of sanctions directed at the Castro government and support for the Cuban people." Under the act, our Departments of State and Treasury have the obligation "to ensure that the activities permitted under [the act] are carried out for the purpose set forth in [the act] and not for purposes of the accumulation by the

Cuban Government of excessive amounts of U.S. currency or the accumulation of excessive profits by any person or entity." There can be no question that the collect-call surcharge, which is a standard international telecommunications practice, and which was a key element that led to our tentative agreements to improve telecommunications, helps fulfill the statutory purpose and is a proper element of agreement under the act. If anything, the only excessive amounts at stake here are those that Cuban-Americans are currently forced to pay to call Cuba, if they can get through at all. In any event, to alleviate any concern about excessive amounts going to Cuba, the required FCC and Treasury Department licenses should be subject to future review of the effect of the surcharge to assure that the arrangements are not abused. In fact, the guidelines already call for a review of the telecommunications policy after 1 year.

We are mindful of concerns that EMTELCUBA could manipulate the traffic flow in order to permit only collect calls or limit call length to require placement of additional calls. Surely, the Cubans understand that they would not be accorded the benefit of standard international practice, if they themselves violate it.

I looked initially at the Cuban international communications market as a business opportunity. While LDDS is a national company, we have a particular presence and interest in the Cuban-American community in Florida. LDDS estimates that the market for international communications alone will mean more than a half billion dollars to the American carriers over the next 5 years. There are also substantial potential opportunities to participate in the further development of Cuba's telecommunications infrastructure, which could bring very significant revenues to both the equipment and services sectors of our Nation. I am concerned that, because the guidelines do not permit such investment currently, the opportunities may be lost to competitors from other nations. Indeed, the goal of the act to allow improved telecommunications to Cuba will not be met, unless Cuba improves its ability to make and receive those calls. I wish to emphasize, however, that I have come to appreciate that there is much more at stake here than mere business opportunities. Our company is proud to work with our Government to advance the telecommunications goals of the CDA, and we are mindful of the key role we play in fostering the free exchange of ideas between the people of our country and Cuba and helping our fellow citizens communicate with their friends and loved ones.

As the calls LDDS has received indicate, our customers will be grateful for your help in assuring that the responsible Government agencies carefully consider both the proposed terms and the circumstances that led to the development of those terms. Certainly, there should be no rush to judgment about this matter, which is so critical to our foreign policy goals and to our citizens who have been cut off from family members for so long.

The Cuban administration will take the significant political risks of improving communications with the United States, if they believe that the procedures and terms employed reflect international norms. We are convinced that if the responsible agencies in our Government proceed with careful deliberation, they will authorize the three companies to finalize our agreements, so that the important public policy goals of the act may be realized.

Thank you.

[The prepared statement follows:]

STATEMENT OF BERNARD J. EBBERS  
PRESIDENT AND CEO, LDDS METROMEDIA

My name is Bernard J. Ebbers. I am the President and Chief Executive Officer of LDDS Metromedia. As you probably know, LDDS, MCI and WilTel have entered into telecommunications agreements with Cuba pursuant to the authority and impetus provided by the Cuban Democracy Act.

Today's hearing is the first opportunity for Congress to visit the results of the telecommunications provisions of the Act adopted in 1992. I can report to you that, whatever the views on other aspects of the CDA, the telecommunications provisions are a success. In line with the provisions of the Act, we and the other companies have achieved agreements with EMTELCUBA, the Cuban telecommunications entity, to expand and improve service between the two countries. Our Company is proud to have a hand in enabling Cuban-Americans to reach family members and friends in Cuba. The public support for these agreements has been immense and gratifying. LDDS' switchboard has been flooded with calls expressing appreciation. I personally took a call from a New Jersey citizen who tearfully related how he could not afford to call his loved ones in Cuba through the only means available -- the unauthorized and expensive services through Canada. "Thank God for you," he said. There have been many similar calls, but it is the CDA telecommunications policy enacted by this Congress that deserves the credit. Our Company can only hope that the government agencies charged with implementing the Act will now carry out this enlightened policy by approving the new arrangements.

As I am sure the drafters of the CDA expected, these agreements were not achieved easily. In the case of LDDS, which was the first company to reach agreement, the negotiations took more than a year-and-a-half. The Cuban administration initially would not agree to terms and arrangements it viewed as entirely and unilaterally dictated by our government. Moreover, it appeared that Cuba would respond only if it was satisfied that it had engaged in a business negotiation reflecting international norms and that the terms of any traffic agreement were in accordance with standard international practice. LDDS recognized, however, that the Guidelines would permit telecommunications arrangements that are consistent with international practice. As the State Department told the House Subcommittee on Western Hemisphere Affairs last year, "It is our experience that proposals which are not consistent with international practice will not be accepted by Cuba; such proposals would therefore not lead to improved telecommunications." This statement of reality was also LDDS' experience in its extensive negotiations with the Cuban administration.

In the course of negotiations, and after consultation with the State Department, a normal collect-call surcharge became part of the proposed terms. Such a surcharge is in accord with standard international practice and, LDDS believes, is consistent with the State Department Guidelines. The surcharge, which is now part of U.S. carrier operations with at least 67 countries, compensates the carrier originating collect calls for their operator services, just as each of us pays higher charges for collect calls domestically. Indeed, AT&T was allowed to employ such a surcharge with Vietnam when telecommunications were authorized during the Vietnam embargo. The collect-call surcharge is specifically recommended by the International Telecommunication Union, the world body established by treaty to which the U.S. is a signatory, which governs international telecommunications. The FCC has never rejected a collect-call surcharge. After the surcharge was discussed, the Cuban administration no longer referred to its demands for a higher accounting rate than the \$1.20 specified in the Guidelines and for return of the embargoed settlements from the old AT&T service. In December 1993, the Cuban administration finally agreed to terms which included the collect-call surcharge.

LDDS is convinced that the Cuban administration agreed to the surcharge, not so much because it might provide some additional revenues to cover the cost of collect calls, but because it allowed the Cubans to satisfy themselves that they had engaged in a more standard international telecommunications

negotiation. LDDS estimates that the surcharge could provide EMTELCUBA with an additional \$16.5 million for the circuits the Cubans will connect under these agreements. It is obvious that any amount of these revenues that might exceed Cuba's costs of providing collect calls would hardly make a dent in Cuba's current severe economic situation. It should also be noted that, over time, the higher cost of surcharged collect calls will lead consumers in both countries to favor regular, direct-dial calling at lower rates, thereby diminishing the amount of revenues the surcharge might generate.

The purpose of the CDA is to "seek a peaceful transition to democracy and resumption of economic growth in Cuba through careful application of sanctions directed at the Castro government and support for the Cuban people." Under the Act, our Departments of State and Treasury have the obligation "to ensure that the activities permitted under [the Act] are carried out for the purpose set forth in [the Act] and not for purposes of the accumulation by the Cuban Government of excessive amounts of United States currency or the accumulation of excessive profits by any person or entity." There can be no question that the collect-call surcharge, which is a standard international telecommunications practice, and which was a key element that led to our tentative agreements to improve telecommunications, helps fulfill the statutory purpose and is a proper element of agreement under the Act. If anything, the only excessive amounts at stake here are those that Cuban-Americans are currently forced to pay to call Cuba, if they can get through at all. In any event, to alleviate any concern about excessive amounts going to Cuba, the required FCC and Treasury Department licenses should be subject to future review of the effect of the surcharge to assure that the arrangements are not abused. In fact, the Guidelines already call for a review of the telecommunications policy after one year.

We are mindful of concerns that EMTELCUBA could manipulate the traffic flow in order to permit only collect calls or limit call length to require placement of additional calls. Surely the Cubans understand that they would not be accorded the benefit of standard international practice, if they themselves violate it. We believe our government has the tools to prevent any such abuse from occurring by conditioning the required FCC and Treasury authorizations to allow termination of the surcharge should any such problems develop.

I looked initially at the Cuban international communications market as a business opportunity. While LDDS is a national company, we have a particular presence and interest in the Cuban-American community in Florida. LDDS estimates that the market for international communications alone will mean more than a half-billion dollars to the American carriers over the next five years. There are also substantial potential opportunities to participate in the further development of Cuba's telecommunications infrastructure which could bring very significant revenues to both the equipment and services sectors of our nation's economy. I am concerned that, because the Guidelines do not permit such investment currently, the opportunities may be lost to our competitors from other nations. Indeed, the goal of the Act to allow improved telecommunications to Cuba will not be met unless Cuba improves its ability to make and receive those calls. I wish to emphasize, however, that I have come to appreciate that there is much more at stake here than mere business opportunities. Our Company is proud to work with our government to advance the telecommunications goals of the CDA; and we are mindful of the key role we play in fostering the free exchange of ideas between the people of our country and Cuba and helping our fellow citizens communicate with their friends and loved ones.

As the calls LDDS has received indicate, our customers will be grateful for your help in assuring that the responsible government agencies carefully consider both the proposed terms and the circumstances that led to the development of those terms. Certainly there should be no rush to judgment about this matter, which is so critical to our foreign policy goals and to our citizens who have been cut off from family members for so long. The Cuban administration will take the significant political risks of improving communications with the U.S. if they believe that the procedures and terms employed reflect international norms. We are convinced, that if the responsible agencies in our government proceed with careful deliberation, they will authorize the three companies to finalize our agreements so that the important public policy goals of the Act may be realized.

Mr. KOPETSKI. Thank you very much for your testimony.  
Mr. Lumb.

**STATEMENT OF RANDOLPH C. LUMB, VICE PRESIDENT,  
GOVERNMENT AFFAIRS, AT&T**

Mr. LUMB. Thank you, Mr. Chairman and members of the committee.

My name is Randolph Lumb, and I am vice president of Government Affairs for AT&T. I appreciate the opportunity to be invited to be with you today and give AT&T's comments before this committee on these important hearings.

While AT&T's appearance today is not to comment on H.R. 2229, because the company has not taken a position on that legislation, we do appear before you to discuss our 70 years of business experience in providing voice communications between the United States and Cuba.

We face today a challenge in communications between the United States and Cuba. There are millions of people in both countries that want to stay in touch with their families, their relatives and their friends. The need is enormous, but the facilities to accomplish these needs are very limited.

For example, in 1991, there were 60 million calls attempted from the United States to Cuba, but only 500,000 of those attempts were actually completed. This year, that attempt ratio has dwindled to less than 100,000. As things stand now, people trying to call are waiting too long and are paying way too much.

Over the years, AT&T has made several attempts to try to improve those call completion ratios. The most recent was in January of this year, when we met with the Cuban Ministry of Communications to try to find ways to improve call volumes and service quality. AT&T offered to establish direct-dial service with Cuba for the first time since international service was offered between our two countries in 1921. But the Cuban officials have said that direct-dial service would generate more calls than they could handle by their outdated communications infrastructure.

In previous meetings, we have discussed the possibility of trying to increase the capacity between the two countries, and we have recommended that we activate undersea cables linking our two countries. In 1989, a cable linking coastal Florida with Cuba was installed, but it sits idle at the present time.

AT&T now completes all its calls from the United States to Cuba via Italy. This situation has existed since 1992, when Hurricane Andrew destroyed the obsolete over-the-horizon radio-telephone transmitters located in Florida City, Fla. To complicate matters further, the Cuban Government last July told AT&T that it was reducing call volumes from the United States from 20,000 minutes per day to 20,000 minutes per month. The result is that, since last August, customers wishing to make a call to Cuba have to call AT&T for an appointment.

The situation between our two countries is very asymmetrical, and the business opportunities are extremely unpredictable. The United States is a virtual superhighway of modern telecommunications technology, and we connect with a Cuban infrastructure that has not kept pace. According to the World Telecom Databook

in 1992, Cuba has approximately 3 telephones per 100 people, as compared to 56 per 100 in the United States.

These statistics would lead a marketing analyst to conclude that there are great market opportunities in Cuba for the sale of modern telecommunications equipment. However, there is little evidence that the Government of Cuba has purchased or even plans to purchase sufficient modern telecommunications equipment which is available today from sources that are not subject to the U.S. embargo. This indicates that the future market opportunities in Cuba are very difficult to predict and have to be done with quite a bit of care.

Mr. Chairman, I appreciate the opportunity to share our experience with you, and look forward to answering any questions that you may have.

[The prepared statement follows:]



**Statement of**  
**Randolph C. Lumb**  
**Vice President – Government Affairs**  
**AT&T**

Mr. Chairman and members of the Subcommittee, my name is Randolph C. Lumb. I am Vice President-Government Affairs for AT&T. I appreciate the opportunity to discuss AT&T's interest in Cuba spanning 70 years, and our continuing commitment to provide international communications service between the United States and Cuba to permit the Cuban-American community to communicate with their loved ones in Cuba, consistent with U.S. government policy. AT&T has no position on H.R. 2229, The Free Trade With Cuba Act.

It is clear that increased communications improve the flow of information between countries. Recent changes in U.S. government policy toward Cuba provide sufficient latitude to increase communications with Cuba, sufficient to accomplish this objective. We face -- today -- a challenge in communications between the United States and Cuba. Millions of people in both countries want to stay in touch with families, relatives and friends. The need is enormous. Based on 1991 statistics, over 60 million attempts were made to reach the operator to place calls to Cuba. But only 500,000 calls were actually completed. Today, the completions are approximately 100,000 calls. Given the community of interest that exists between so many Cuban Americans and their loved ones in Cuba, we hope more progress can be made in enhancing communications services between the two countries.

AT&T is vigorously committed to that goal. As things stand now, people trying to call are subject to long delays. In some cases, consumers wishing to call Cuba have to resort to companies known as resellers, offering services through Canada, charging customers excessive prices.

The service situation is atypical of anything that AT&T encounters anywhere else in the world in serving more than 240 countries and areas. But more important, the service quality with Cuba currently is below levels that customers demand and expect of AT&T. So we are trying to change that. AT&T in the past also has discussed with

Cuban officials our interest in activating an undersea cable linking the two countries. The cable has sat idle on the ocean bottom between coastal Florida and Cuba since 1989. If the Cuban government would agree to turn up the cable, it would provide 143 two-way communications channels between the two countries.

In January AT&T met with officials of the Cuban Ministry of Communications in Havana to try to reestablish direct service via the existing cable and satellite facilities. In addition, AT&T offered to establish direct dial service for the first time. But Cuban communications officials said at that time that direct-dial service would generate more calls than could be handled by the outdated communications infrastructure in their country.

AT&T now completes calls to Cuba via a third country -- Italy. The situation has existed since 1992 when Hurricane Andrew destroyed AT&T's over-the-horizon radio facilities in Florida. When the hurricane struck, AT&T immediately arranged to relay calls through the United Kingdom, Canada, Spain and Italy. But shortly thereafter Cuba restricted calls from the United States through Italy. Those calls via Italy compete for circuits with other calls going from Europe to Cuba. That, in turn, creates delays in completing U.S.-to-Cuba calls.

To complicate matters further, the Cuban government last July told AT&T it was reducing incoming calls from the United States from 20,000 minutes per day to 20,000 per month. The result is that since last August customers must make an appointment with AT&T to call Cuba.

The situation is a very asymmetrical one. The United States is a superhighway of modern telecommunications technology and services which connects with a Cuban infrastructure that has not kept pace. According to World Telecom Databook--1992 Cuba has approximately three telephones per 100 people compared to 56 per 100 in the U.S. These statistics could lead one to conclude that significant opportunity for equipment sales are present. However, there is little evidence that the Government of Cuba has purchased or plans to purchase sufficient modern telecommunications technology which is available today from corporations not subject to the U.S. embargo or is planning any such improvement. This indicates that the market opportunities for Cuba are very difficult to predict.

Mr. Chairman, I appreciate the opportunity to share AT&T's experience with the committee and will be pleased to respond to questions.

Mr. KOPETSKI. Thank you very much for your somewhat startling testimony.

Do you have any information on the telephone systems from Cuba to Europe, for example, the status of that system and what the Cuban plans are?

Mr. LUMB. I do not have the information with me. There are circuits. For example, since there are no communications circuits between the United States and Cuba directly, we are completing all of our calls in what is called a transit mode between the United States to Italy and Italy to Cuba.

Now, at the time the hurricane occurred in 1992, those calls were also being routed through the United Kingdom and other countries. So there is access from other European countries to Cuba to complete the calls. But the Cubans are the ones that isolated that transit traffic down to Italy alone.

Mr. KOPETSKI. What I am curious about is whether, if we look at it from the trade and business sense, this might be a tactic by the Cuban Government, on the one hand retaliating for the embargo, and on the other hand facilitating business development with European competitors. Of course, the information highway is a vital segment of any kind of business communication.

Mr. Ebbers.

Mr. EBBERS. I can address a little bit of that. I do know that, as a result of my several visits there this last year, they do have much more open communication with Europe and the countries abroad than they do with the United States, and part of that they have expressed very clearly is their desire to have an agreement with companies in the United States, but it must be a normal international agreement that is the result of good business negotiation. They have felt that up until now they have not been able to have that.

I do know also that they have well advanced plans to privatize up to 49 percent of their telecommunications business there, just as several companies in Mexico and several Central American companies have. So they are taking steps to address the infrastructure needs that they have.

Mr. KOPETSKI. Mr. Lumb, if AT&T were permitted to establish the type of service and equipment between the United States and Cuba that the potential market could support, do you have any idea what the value of such an investment would be?

Mr. LUMB. At this time, the 60 million call attempts are still a valid number. I could provide the committee with that kind of information. I do not have it off the top of my head right now. There are facilities, as I mentioned in my testimony, in place today ready to be turned on. If it could be connected to the infrastructure on the Cuban end of the undersea cable it would at the present time provide over ten times increase in present call capability between the United States and Cuba; and that is already in place and ready to go.

The principal issue here is completing the call once you get in the country. I think as Mr. Ebbers mentioned a moment ago, the infrastructure there needs modernization, and getting the information to the border is one issue and getting the call completed to the

customer is really a responsibility right now within the Cuban Communications Ministry.

Mr. KOPETSKI. Refresh my memory. We were down in Mexico City. Is it an AT&T switching facility? Is that in Mexico City? It was literally modernized overnight, from roughly a 1938 system, from six floors to half a floor.

Mr. LUMB. TELMEX is the monopoly provider for communications services in Mexico, but it is being privatized and it is becoming a commercial entity, and Mexico plans to have competition in telecommunications much like we have in the United States today. AT&T provides telecommunications technology to TELMEX, switching systems, transmission systems, and we compete with ALCATEL and Erickson in that marketplace.

Mr. KOPETSKI. And who would be our competitors in Cuba in terms of other nations?

Mr. LUMB. Principally the most recent purchases from Cuba have come from France, from ALCATEL.

Mr. KOPETSKI. And they have engaged in those kinds of purchases from our French friends?

Mr. EBBERS. To answer the question, the costing that we have done for the redeployment of the infrastructure needs is a little over half a billion dollars as the first-step venture, which a company like AT&T could well provide.

Mr. KOPETSKI. Or the French?

Mr. EBBERS. If something is not done, it is the French.

Mr. KOPETSKI. It will be the French, if nothing is done.

Mr. LUMB. I think it is important to note that it could be the French today, and it is not the French. So there is something today that is precluding this kind of investment to take place.

Mr. KOPETSKI. It is either a capital or political decision, is that what you are alluding to?

Mr. LUMB. Yes, it is not technology. They have access to technology from French companies, German companies, Japanese companies, Canadian companies that are not subject to the U.S. embargo.

Mr. KOPETSKI. Dr. Feinsilver, in your testimony you complimented the quality of Cuba's biotechnology, research and development and production facilities, and you said it was one of the best in the Third World. How does it compare in terms of the industrialized world?

Ms. FEINSILVER. Actually, it is pretty comparable to the industrialized world, as well. Cuba has facilities that are state-of-the-art level in terms of quality of instrumentation, they have very well trained scientists, and their production capacity is larger than many of the largest U.S. pharmaceutical companies.

Mr. KOPETSKI. Where are their scientists trained?

Ms. FEINSILVER. They are trained both in Cuba and in Western Europe, as well as Canada, and there are a few who have been trained here in the United States, because they happen to have been born in the United States to Cuban parents and had gone back after the revolution.

Mr. KOPETSKI. The Pharmaceutical Manufacturers Association recently donated \$2.5 million in medicine for shipment to Cuba. Since the Cubans are obviously purchasing some medicines,

wouldn't it be more productive and profitable, if the U.S. pharmaceutical companies could sell the products?

Ms. FEINSILVER. Absolutely, there is no question about that. Recently, Johnson & Johnson's subsidiary in Belgium, Ortho Diagnostics, did get a license from Treasury to make some sales to Cuba, but it is the only one so far, and certainly it would have been better for U.S. industry if it could have sold to Cuba.

Mr. KOPETSKI. The Cubans have a choice in where they purchase those kinds of medicines, is that correct?

Ms. FEINSILVER. Yes, they do. The problem is that they have to pay very high freight charges in order to get the medicines from Europe or from Japan to the island, and because of the Cuban Democracy Act and the embargo and pressures by some people in Congress on other countries, they have had to pay very high prices. So oftentimes they might pay twice the price or at least 40 percent more for an essential medicine that they need as a result of this embargo.

Mr. KOPETSKI. They are forced because of political pressure by politicians to go to another country to get their medicines, and these are medicines that go to children?

Ms. FEINSILVER. Yes, absolutely, to children, to the elderly, the infirm. The Cuban Government has an extraordinary health care system and it has universal coverage, and they really do have universal coverage. And in spite of the embargo and in spite of the Cuban Democracy Act, and in spite of the collapse of the Soviet Union and their allies in Eastern Europe, Cuba had an infant mortality rate last year of 9.4 per 1,000 live births. I am not quite sure what the U.S. rate is this year, but I think last year it was 8.5 per 1,000. The Cuban Government has made children a priority above all, and that is why, in spite of economic collapse, they were able to achieve a rate that is probably about a third of Washington's rate.

Mr. KOPETSKI. That is a pretty damning statement of American politicians, isn't it?

Ms. FEINSILVER. It is, unfortunately. It is a crime that we use health as a political weapon, and we make it difficult for the Cubans to get the medicines they need. Even when there is a crisis and we do finally allow some medicines in that they either do not produce or cannot buy elsewhere, they often come very late, apart from the Cubans having to pay a lot more money for those particular items. It would be much better for U.S. business and for the Cuban people, if they were able to buy directly, without any restrictions. They could certainly buy more U.S. products, and the Cuban people would benefit much more and more quickly.

Mr. KOPETSKI. We have an emerging biotech world in Oregon, and my friends in that industry say that we are not doing enough, the Government, in terms of research dollars. But the Government is going into space and other worthwhile research areas. Is this a moneymaker for the Cubans, the biotech that they are doing?

Ms. FEINSILVER. Actually, it is. They started the biotech industry as an outgrowth of their commitment to health care in general, and they used it for import substitution, but then for export. And they are making a lot of money, not as much as they would like, of

course, because they are hampered by restrictions and political pressures placed on potential customers by the U.S. Government.

I have been told by the director of the largest biotech center—and there is a whole series of biotechnology centers, lots of campuses, very large facilities—I was told by the director of the largest one that they are self-financing.

Mr. KOPETSKI. Excellent testimony, and I truly appreciate it very much.

Ms. FEINSILVER. Thank you.

Mr. KOPETSKI. Ms. Meehan and Mr. Blyth, we have some studies that we have done. A lot of us are involved in trade issues with respect to China, an area which has obviously heated up considerably this past week, and we are going to be facing some decisions later this spring.

One of the studies shows that were we to deny MFN status to China, the Chinese Government, economy, and businesses would go through about a 16- to 24-month period of adjustment of the loss of trade and markets, but it would take less than 2 years to recover, because they would move to other countries to do business and do it vigorously. Airbus, for example, instead of Boeing.

In looking at this embargo, how far away do you think we are to other countries coming in and grabbing the business, grabbing the business relationships, such that, in essence, the embargo will not have any effect?

Ms. MEEHAN. In the industry that I spoke of, aviation, it is already clear that other countries take advantage or participate in trade and travel with Cuba, where we do not. Europe and Canada continue to trade and travel with Cuba, and they continue to have investments in the hotel industry, et cetera, and they sell their aircraft to Cuba, where our airlines and our aircraft manufacturers are essentially precluded from doing that.

Mr. KOPETSKI. Mr. Blyth, any thoughts on this?

Mr. BLYTH. I would agree with that comment. In the hotel and resort industry, Spain for one has made major investments and has some very elaborate facilities on the island. But it is fair to say that the number of tourists that can be drawn from Europe is dwarfed by the potential from the United States. Right now, European and Canadian and Mexican investments are substantial and, of course, there is no U.S. investment at this time.

Mr. KOPETSKI. So, down the road, the good news is Americans will get to spend their tourist dollars in Cuba, hopefully after the totalitarian regime falls, and the bad news is, because of the embargo policy, we lost the opportunity to make some money through joint ventures?

Mr. BLYTH. That is the way we see it, Mr. Chairman.

Ms. MEEHAN. I think it goes beyond that. The U.S. airlines obviously would benefit from being able to participate in the carriage of traffic. SH&E estimates the market would be on the order of 5 million passengers requiring 20 aircraft, so that is a substantial business loss that the U.S. airlines and the U.S. aircraft manufacturers suffer.

Mr. KOPETSKI. Mr. Payne has joined our marathon today, and I think he has some questions, as well.

**STATEMENT OF HON. DONALD M. PAYNE, A REPRESENTATIVE  
IN CONGRESS FROM THE STATE OF NEW JERSEY**

Mr. PAYNE. Just to answer the question of Dr. Feinsilver about the infant mortality rate in this country, it is about 8 to 9 percent. But in urban areas, areas like mine, the infant mortality rate is about 18 deaths in 1,000 live births, and in some hospitals it is as high as the low 20s.

I just had a question regarding their medical educational system. Are you familiar with the educational system just in general? Do they have a strong feeding system? And what is their literacy rate in Cuba, if you know?

Ms. FEINSILVER. The literacy rate is 96 percent, and it has been for decades, and they have universal free education through postgraduate work. In the past, when they had a little more money in Cuba, if they could not provide the proper training incountry at the highest postgraduate level, they would send people to Western Europe, as well as to the Eastern European countries and the Soviet Union.

Mr. PAYNE. And they have, as you indicated, an adequate supply of physicians?

Ms. FEINSILVER. I do not remember exactly how many they have now. It is over 50,000 for a population of about 10.8 million. I think it may work out to be around 1 physician for every 200 people. They have an extraordinary production of physicians, but I would like to suggest it is not the number that is important, it is the distribution. They have a program to put a doctor on every block, so every city block, every rural community, no matter how distant from a city, has a doctor and nurse.

Mr. PAYNE. We consider 1 doctor for every 3,500 people, and it has to go above that to be considered underserved. And there are areas in our country, as you know, that have 1 doctor per 18,000, 20,000, 22,000 or 25,000 people. I was just interested in their educational system primarily and some of the successes that they have had.

Finally, on the tourist and trade industry, do you feel there is still a great potential for investment by U.S. corporations in hotel and the industry? Could you think of what the potential might be?

Mr. MEEHAN. As I have stated, the potential benefits associated with normalization of aviation relations is on the order of \$3 billion in FAA's new aircraft investment in Cuba and Cuban spending within the U.S. economy.

Mr. PAYNE. Thank you, Mr. Chairman.

Mr. KOPETSKI. The Chairman I believe has some questions for some of you, and if it is possible that you could just sit right there and listen to the brilliant statement Mr. Payne would like to submit for the record. We will print the entire statement as a part of the record, but if you would like to provide a summary, I think Mr. Rangel will return by that point.

Mr. PAYNE. Thank you very much, Mr. Chairman.

Let me first of all extend my sincere congratulations to the committee, Mr. Rangel, and for you for holding this important hearing, and especially the efforts you have undertaken to hear from so many viewpoints. It is indeed a marathon, both pro and con, on the proposed Free Trade With Cuba Act.

Mr. Rangel is a champion of freedom and the democratic way of life. I share with Mr. Rangel and the committee the same love for freedom, and I consider it a privilege to be one of the original cosponsors of H.R. 2758, and now the updated version, H.R. 2229.

As I understand your bill, by eliminating provisions in the antiquated Foreign Assistance Act of 1961 to restrict trade, the Trading With the Enemy Act and the Cuban Democracy Act, would again allow free trade and freedom to travel to Cuba by U.S. citizens. The same spirit of freedom was quickly extended to Germany and Japan after World War II. And later during the cold war, we had trade relations with the former Soviet Union, as well as cultural exchange programs starting as early as the mid-1950s.

Many authorities have held this progressive policy based upon principles of reciprocity as key elements in ending the cold war. Later, similar policies were applied to China, and now we are commencing the same with Vietnam. America is ridding itself of former punitive measures toward a more positive and human policy. Therefore, the answer is so why not Cuba?

For years, members of the Congressional Black Caucus have recommended eliminating the embargo on Cuba. Officially, during the transition period, to the Clinton administration, the Congressional Black Caucus presented its views on a number of issues. Along with Congressman Dellums, I met with the Clinton transition team for the National Security Council. Mr. Dellums represented the Defense Task Force and I represented the Foreign Affairs Task Force. We presented a written statement with the CBC views on these subjects, defense and foreign affairs, especially pointing out our opposition to the embargo and to work toward normalization of relations with Cuba.

While the Clinton administration response was not positive, we did tell them that we would continue to fight for a more positive policy. Many Americans do not realize that the majority of Cubans in Cuba are of African heritage, 60 percent of whom were born shortly after their revolution in the late 1950s. Perhaps this is because the Cuban-American population does not reflect that same diversity here in this country.

When Cuban troops supported the Government of Angola against unita, Americans could not understand why Cuba was in Africa, not knowing the blood ties between the Cuban and the African people. Also forgotten was the cooperative spirit of the Cuban Government to negotiate an end to the war and an honorable troop withdrawal from Angola. By withdrawing their troops, South Africa agreed to release claims to Southwest Africa now called Namibia. With apartheid South Africa supporting unita, the implications of this agreement rang harmonious notes in the hearts and the minds of African-Americans. In addition, that agreement caused the release of Nelson Mandela, the unbanning of the ANC and an agreement for nonracial democratic South Africa, where elections will be held on April 26-28 of this year.

While the Cuban Democracy Act was presented in 1992, both the late Congressman Ted Weiss and I opposed the underlying philosophies of this misnamed bill. Our feeling was that the long imposed U.S. embargo on Cuba had already made an impression upon the Cuban administration.



With the end of the cold war and the loss of their Eastern bloc trading partners, the point had already been made to rank and file Cubans that they must move to a free market economy. This was the wrong time to pass a bill that would tighten the embargo and provoke additional suffering among the Cuban people.

Rather than topple Mr. Castro, the bill would strengthen the resolve of the Cuban people to support Mr. Castro. Further, it convinced Cubans that again the United States had intervention interests. This was a time to win the hearts of the people——

Chairman RANGEL. I would suggest to my colleague whether or not he would consider entering his full statement in the record, because we have two votes and I want in the next 10 minutes to see whether we can get the next panel on, because we have another panel coming after this, and we have two votes on the floor. The people that are out there have been here since 10 o'clock and I just wanted to see whether we could possibly finish this evening.

Mr. PAYNE. I certainly will.

Chairman RANGEL. We appreciate that. The full statement will be included in the record.

[The prepared statement and attachment follows:]

**STATEMENT OF HON. DONALD M. PAYNE  
A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW JERSEY**

Mr. Chairman, I want to extend my sincere congratulations to you for holding this important hearing, and especially the effort you have undertaken to hear from so many viewpoints, both pro and con on the proposed Free Trade With Cuba Act. You are a champion of freedom and the democratic way of life. I share with you this same love for freedom and I consider it a privilege to be one of your original cosponsor of H. R. 2758 and now updated as H. R. 2229. As I understand your bill by eliminating provisions in the antiquated Foreign Assistance Act of 1961 to restrict trade, the Trading with the Enemy Act, and the Cuban Democracy Act would again allow free trade and freedom to travel to Cuba by United States citizens.

This same spirit of freedom was quickly extended to Germany and Japan after World War II, and later during the cold war we had trade relations with the former Soviet Union, as well as cultural exchange programs starting as early as the mid 1950s. Many authorities have hailed this progressive policy based upon principles of reciprocity as key elements in ending the cold war. Later, similar policies were applied to China, and now we are commencing the same with Vietnam. America is ridding itself of former punitive measures toward a more positive and humane policy. So, why not now Cuba?

For years members of the Congressional Black Caucus have recommended eliminating the embargo on Cuba. Officially, during the transition period to the Clinton Administration, the CBC presented its views on a number of issues. Along with Congressman Dellums, I met with the Clinton Transition Team for the National Security Council. Mr. Dellums representing the Defence Task Group and myself representing the Foreign Affairs Task Group.

We presented a written statement with the CBC views on these subjects -- defence and foreign affairs. Especially pointing out our opposition to the embargo, and to work toward normalizing relations with Cuba.

While the Clinton Administration response was not positive, we did tell them that we would continue to fight for a more positive policy.

Many Americans do not realize that the majority of Cubans in Cuba are of African heritage. Sixty percent of whom were born shortly before or after their revolution in the late 1950s. Perhaps this is because the Cuban American population does not reflect this same diversity.

When Cuba troops supported the Government of Angola against UNITA many Americans couldn't understand why Cuba was in Africa, not knowing the blood ties between the Cuban and African people.

Also forgotten was the cooperative spirit of the Cuban Government to negotiate an end to this war and their honorable troop withdrawal.

By withdrawing their troops, South Africa agreed to release claim to Southwest Africa now called Namibia. With Apartheid South Africa supporting UNITA, the implementation of this agreement rang harmonious notes in the hearts and minds of African Americans.

When the Cuban Democracy Act was presented in 1992, both the late Congressman Ted Weiss and I opposed the underlying philosophy of this mis-named bill.

Our feeling was that the long imposed US embargo on Cuba had already made an impression upon the Cuban Administration. With the end of the Cold War and the loss of their eastern block trading partners, the point had already been made to rank and file Cubans that they must move to a free market economy.

This was the wrong time to pass a bill that would tighten the embargo and provoke additional suffering among the Cuban people. Rather than topple Mr. Castro, this bill would strengthen the resolve of the Cuban people to support Mr. Castro.

Furthermore, it would convince Cubans that again the U. S. had intervention interests. This was a time to win the hearts of the people living in Cuba, and who wanted to be our friends in a post Castro Cuba. To do this we should have provided legislation for promoting educational exchanges, promoting dialogue on all levels, including government to government as well as citizen to citizen.

While Cuba has led the developing world in its medical service both to its own people, and in other developing countries, it now sorely needs medical and humanitarian assistance.

It is the moral thing to do for a neighbor, and will ensure a healthier Cuba, which some day will surely join the ranks of the free world.

Mr. Chairman, you may know I have been an active volunteer leader in the YMCA, formerly as the National President and later as a member of the Geneva based Executive Committee of the World Alliance of YMCAs.

In that capacity, the Secretary General of the World Alliance of YMCAs, Mr. John Casey felt it appropriate to copy me on a letter he recently sent to President Clinton regarding Cuba/USA relations.

Mr. Casey states "My position takes me to all areas of the world community in which I observe through grass-roots involvement both the positive as well as negative effects of U. S. foreign policy on the lives of common people. In that regard, I am particularly concerned about the US Administration's continuation of punitive and negative policies toward Cuba. In this post cold war era of new and fresh thinking, Cuba continues to stand out as an exception to which I can find little logic or rationale. When I view U. S. open dialogue and trade initiatives with other socialist States such as China and Vietnam, or similar relations with other undemocratic States such as Kuwait, Saudi Arabia, and now even Syria, I am concerned that the logic of continuing to punish Cuba is tarnishing the U. S. image internationally and unfairly preventing Cuba from the necessary transitional processes that it must undergo. Even more importantly, it is punishing the Cuban people. The international community is embarrassed, good friends such as Canada and Mexico, that they too will be viewed as part of the process of bringing pain to the Cuban people. The continued prevention of the free flow of food and medicines to Cuba runs contrary to all of U. S. foreign policy including Iraq.

Even the YMCA's small efforts in getting other Western national YMCA Movements to assist the important youth development programs of the Cuban YMCA, are frustrated by the boycott policy."

In another letter Mr. Casey points out that the World Alliance of YMCAs, a non USA entity has experienced the illegal blocking of their funds to underwrite travel to Cuba by non US citizens.

Mr. Casey makes many other pertinent points in his first letter which, with your permission Mr. Chairman, I would like to enter for the record.

Mr. Chairman, this is not the way I would like to see our country viewed around the world.

As you know we have received little, if any support in the United Nations for US policies towards Cuba.

Proponents of a no-change approach, still embracing stale concepts are standing at the crossroads. We can no longer conduct business as usual. We must remove these obstacles and move forward at home and abroad with a successful world economy, and Cuba is part of the world.

Thank you again Mr. Chairman for holding this important hearing and putting this issue back on the table.

Geneva, Switzerland  
February 24, 1994

The Honorable William J. Clinton  
President of the United States  
The White House  
1400 Pennsylvania Avenue  
Washington, D.C.  
U.S.A.

Dear Mr. President,

My purpose for writing is to express my concerns related to the continuing United States Government foreign policy position related to Cuba. I am a U.S. citizen who also serves as the Secretary General of the World Alliance of YMCAs which is located in Geneva, Switzerland. The World Alliance is the international coordinating body of the YMCA movements in 124 countries of the world, including the YMCA of Cuba.

My position takes me to all areas of our world community in which I observe through grass-roots involvement both the positive as well as negative effects of U.S. foreign policy on the lives of common people.

In that regard, I am particularly concerned about the Administration's continuation of punitive and negative policies toward Cuba. In this post cold war era of new and fresh thinking, Cuba continues to stand out as an exception to which I can find little logic or rationale. When I view U.S. open dialogue and trade initiatives with other socialist States such as China and Vietnam or similar relations with other undemocratic States such as Kuwait, Saudi Arabia, and now even Syria, I am concerned that the logic of continuing to punish Cuba is tarnishing the U.S. image internationally and unfairly preventing Cuba from the necessary transitional processes that it must undergo. Even more importantly, it is punishing the Cuban people.

While I am a strong believer in democracy as a direct expression of the will of the governed, my experiences around the world, particularly in Africa and Asia, show me that Western style democracy, particularly when the substantial majority are impoverished, does not meet the cultural, social and political needs of all. Each nation must strive to find its own best system of government and great social and economic injustices continue to prevail where Western styles democracies have been implemented - almost the entirety of Latin America. Cuba must be allowed to evolve its own workable concept of democracy and constructive processes of dialogue with the U.S. Government can greatly assist this matter.

While I recognize that there are domestic pressures from certain elements of the Cuban-American community to cause the downfall of Fidel Castro - the unfortunate Freedom for Cuba Act - I also recognize that the majority of Cubans in Cuba are of African descent and that the Congressional Black Caucus substantially supports the Rangel Bill to eliminate the embargo and to begin to engage the Cuban government in constructive dialogue on the many issues of concern to both sides. I believe that their thinking also deserves to be considered.

However, I do not write to you from a political perspective (I refer your advisers to the very clear thinking of Professor Wayne S. Smith of John Hopkins University), my concerns are of an ethical and humanitarian nature consistent with those of our YMCA Movement.

The people of Cuba are suffering unnecessarily as a result of the U.S. lead economic boycott on Cuba. The international community is embarrassed (good friends such as Canada and Mexico) that they too will be viewed as part of the process of bringing pain to the Cuban people. The continued prevention of the free flow of food and medicines to Cuba runs contrary to all of U.S. foreign policy - including Iraq. Even our small efforts in getting other Western national YMCA movements to assist the important youth development programs of the Cuba YMCA are frustrated by the boycott policy.

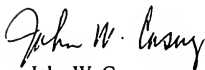
Lifting the boycott will not result in an economically revitalized Cuba - they, like so many other Central American and Caribbean countries have a limited ability to trade. It will, however, allow for the basic flow of essential life sustaining commodities to the Cuban people, open the door to dialogue with the Cuban government, and remove the United States from this very inconsistent and embarrassing position in the international community of nations.



I respectfully ask that you reconsider the policies related to Cuba and encourage constructive dialogue as you are doing in so many other areas of the world.

Thank you for your consideration of this important matter.

Sincerely,

  
John W. Casey

JWC:pm

cc. Senator Carol Mosely-Braun  
Senator Paul Simon  
Congressman Donald M. Payne ✓

Chairman RANGEL. I want to thank the panel and thank you, Mr. Kopetski, for the thoroughness of creating the record.

Dr. Feinsilver, the staff will be seeing you immediately after this session. I did not forget about your book. Thank you very much.

Ms. FEINSILVER. Thank you, Mr. Chairman.

Chairman RANGEL. Thank you very much.

We have the next panel to come: Dr. Jorge Dominguez, from Harvard; Carlos Molina, from the American Public Health Association; Kimberly Elliott, research associate, Institute for International Economics; Gillian Gunn, director, Cuba Project, Georgetown; and Irene Philippi, senior economist, Polyconomics.

Let me thank all of you for your patience. As you can see, the length of the testimony went far longer than we thought it would. All of your statements will be entered in the record. At some point I will have to leave to vote, but it will be 8 minutes from now. So your statements will be made a part of the record.

Let us start with Irene Philippi, who is with Polyconomics, a senior economist out of Morristown, because she was scheduled to go on much earlier. If you have to leave after your testimony, I would understand.

**STATEMENT OF IRENE PHILIPPI, SENIOR ECONOMIST,  
POLYCONOMICS, INC., MORRISTOWN, N.J.**

Ms. PHILIPPI. Thank you, Mr. Chairman. I also thank the members of the subcommittee.

I appreciate the opportunity to testify today at these hearings. I am senior Latin American economist for Polyconomics, Inc., an economic consulting firm based in Morristown, N.J.

Polyconomics has agreed to provide pro bono consulting services to assist the Cuban Government in developing a reform and transition strategy. I recently returned from Havana at the invitation of the Government, where I met with several senior Cuban officials.

At Polyconomics, our only objective is to identify a strategy that could lead to a resolution of the island's economic and political problems in a peaceful way. We are acting on the premise that the end of the cold war has opened opportunities to develop policy options with the potential to improve the lives of the Cuban people, while also enhancing U.S. interests in the area.

Based on my visit and our studies of the Cuban political economy, Polyconomics has arrived at some tentative conclusions about the economic opening now underway in Cuba. The bottom line, we believe, is that Cuba is now ready to participate in the global economy and is willing to undergo all the domestic changes necessary for this reemergence.

Representatives of the Cuban Foreign Ministry made clear to me that the Cuban Government is now ready and eager to negotiate without precondition all current barriers to the island's reintegration. They are prepared to discuss an all-encompassing agenda that would include property claims, immigration, human rights, democratization, sugar quotas, and so forth.

The United States should recognize, however, that the no preconditions concept must work both ways. In other words, we should not expect the Government to grant concessions before negotiations even start. In Cuba, this would be seen as submitting to pressure

from the powerful northern neighbor, a loss of sovereignty, and a political impossibility.

The collapse of East European communism in the late 1980s meant the loss of 80 percent of Cuba's foreign trade revenues. This precipitated an economic crisis and spurred the first economic reforms. The early reforms were designed to attract foreign investment only. Their common denominator was the need to increase hard currency revenues to the State, without giving up control of the economy. A bipolar economy developed. A dollar economy, rooted in the export-tourism sector, increasingly granted windfall benefits to top party and Armed Forces officials. In the other economy, the bulk of Cubans continued to struggle for survival, with scant hope or opportunity for improvement.

Since late last year, however, a second wave of reforms has been underway in Cuba. This second stage is focused on improving the efficiency of the domestic economy and finding ways of increasing production. The Government is determined to improve the supply side of the production equation. The changes in Cuba are purely economic on the surface, but, by their very nature, carry huge political implications. The need for economic incentives to ordinary citizens is being acknowledged, as well as the need for individual participation in the rewards and profits of labor.

The most ambitious reform has been carried out in the agricultural sector. Previously, 80 percent of total arable land was directly controlled by the State. Following the recent reform, 80 percent of the land is now held by cooperatives. Cooperatives are allowed use of the land to operate as proprietors, and participate in 50 percent of profits. In the months since this incentive policy was instituted last year, agricultural productivity has grown dramatically.

Economic debate now underway in Cuba is divided between those who support shock-therapy-type reform and another faction in favor of conversion based on the principles of incentive and entrepreneurship. The main spokesman for the second approach is Dr. Jose Luis Rodriguez Garcia, minister and president of the State Finance Committee. When we met, his comments reassured me that in due time domestic market participants will be permitted to operate in the advantageous climate now available only to international investors. Mr. Rodriguez also expressed his conviction about the need for a monetary reform that would make the peso convertible.

In making these points, Mr. Rodriguez Garcia said that the Cuban Government will encourage development of a new entrepreneurial sector that would for a significant period of time function side by side with the old system. This is an approach to economic reform based on the Chinese model.

As the Cuban economy becomes more open to foreign investment and increases its contact with the outside world, the Government realizes the need to improve its international image. Several efforts are underway to allow a modicum of participation by ordinary citizens in the political life of the country. The newest move toward democratization is the convening throughout the country of base parliaments—actually, they look very much like the meeting we are having today—where economic policy is discussed. I was invited to attend one of these meetings and found it to be an extremely candid assessment of the country's economic problems.

While I was there, for instance, one participant declared: "If we talk only about what is right in our society, without criticizing the problems, then we are really in trouble. If we accept equal compensation for individuals who work well and for those who don't, then we should question if socialism has a future, if socialism is dead." To my best knowledge, the person who made this statement went to his house without problems with security.

But despite the general dissatisfaction of ordinary Cubans with their desperate economic condition, the Castro government appears to retain the broad support of the people. The U.S. embargo gives the people a focus for their resentment, and allows Castro to be cast as the Cuban David fighting the American Goliath. With the collapse of Soviet communism, the effect of the embargo on Cuban economic life is unquestionably harmful.

Chairman RANGEL. I must go vote, and we will stand in recess for a few minutes. I will return as soon as I vote.

[Recess.]

Chairman RANGEL. The subcommittee will resume.

We have a series of votes, but I am determined that we will hear everyone's testimony. So I ask you to restrict your testimony to 5 minutes, and if you do stay and we are able to get by these votes, I will be glad to bring the committee back so that we can discuss.

Right now, to make certain that you do not waste a full day here, I am going to ask you to please limit your oral testimony to 5 minutes.

Ms. Philippi, could you complete your testimony, please?

Ms. PHILIPPI. With the collapse of Soviet communism, the effect of the embargo on Cuban economic life is unquestionably harmful. However, it is our assessment that it would be too simplistic to assume that the embargo alone is the cause of Cuba's present economic situation. But it is indisputably a prime source of Castro's continuing popular support. Any increase in the contact of the population with the outside world will accelerate changes, economic opening and political participation.

Mr. Chairman, if a peaceful resolution to these issues can be found, and the foundations of a market economy laid, we have no doubt that Cuba can become a 21st century success. The unquestionable entrepreneurial energy of the Cuban people and their highly qualified human capital represents a tremendous economic resource. We should help them use these talents to create a society where all Cubans can participate in economic opportunity with equal footing.

I just wanted to add that I was very impressed while I was visiting Havana on the level of openness, of people to express their concerns. And while everybody complained about the economic situation, none of the people with whom I spoke freely complained about the policies that Castro is having toward the United States because of the embargo.

Thank you very much.

[The prepared statement follows:]

STATEMENT OF IRENE PHILIPPI  
SENIOR ECONOMIST  
POLYCONOMICS, INC.

CUBA'S FIRST STEPS TOWARD REFORM<sup>1</sup>

"If we talk only about what is right in our society, without criticizing our problems, then we are really in trouble. If we accept equal compensation for individuals who work well and for those who don't, then we should question if socialism has a future, if socialism is dead..."

(Translated from a speech delivered by a participant at the first Base Parliamentary Assembly, the Hospital Enrique Cabrera, Havana, January 25, 1994.)

Political and economic life in Cuba is undergoing certain transformation. Pressed by the severing of its Soviet economic lifeline, the regime of Cuban President Fidel Castro has come to the recognition that it can no longer remain isolated from the global economy. At the same time, the winds of change have begun to unleash the initiative and energy of the Cuban people, with embryonic forms of market activity now emerging. The forces now at work in Cuba have created an opportunity for the island's reemergence that may be unprecedented since the Castro revolution nearly 35 years ago.

The initial wave of Cuban reforms in 1989 were brought on by an 80% decline in imports. Those reforms were designed to lure foreign capital and potential investment partners, focusing on incentives to foreigners, but offering nothing to the struggling domestic population. Last year, though, a second stage of reforms was initiated. These were meant to increase economic incentives to the overall population, to give individuals the opportunity to retain the rewards of their labor proportionate to their abilities, whether working as small entrepreneurs or in cooperatives. The Cuban government seems to have adopted the philosophy embraced by the Chinese government in the first stages of China's economic reforms. But for these reforms to continue advancing, major changes must occur in the structure of Cuban society. The pace of change will also accelerate with increased contact with the outside world. The Cuban people deserve the opportunity to evaluate alternatives for economic integration with the rest of the world.

At the invitation of Rep. Charles Rangel [D-NY], the member of the U.S. Congress most associated with attempts to diplomatically resolve Cuba's estrangement from its neighbors, Polyconomics, Inc. last year began discussions with representatives of the Castro government. After several meetings in New York and Washington, along with an exchange of ideas on conceptual approaches to the problem, we determined that a peaceful dipolomatic solution may indeed be possible, one that might satisfy virtually all interested parties. As long as a diplomatic strategy does not have to involve the punishment or humiliation of Castro, we believe one can be found. Polyconomics then agreed to provide *pro bono* consulting services to assist this transformation, to assure all parties that we would not have a commercial bias that would confuse any efforts to bring about an end to the U.S. embargo against Cuba -- which would, of course, have to be an integral part of any *modus vivendi*. The end of the cold war has opened opportunities to develop policy options with the potential to improve the lives of the Cuban people while enhancing U.S. interests. On behalf of Jude Wanniski, president of Polyconomics, I accepted an invitation extended by the Cuban government to visit the island in late January to meet with officials who are planning and implementing economic reforms. This report is a product of that visit, which has led to discussions about a prospective meeting in Havana between President Castro and Mr. Wanniski.

As a Latin American myself, I have witnessed societies undergoing acute social dislocation, such as Peru in the latter stages of President Alán García's regime. I saw the many faces of misery, and the violent desperation generated by the absence of hope in that population. I lived in Argentina during the violent decade of the 1970s, with its mushrooming social unrest. Knowing that Cuban GDP had collapsed by 23% during the last two years, I anticipated seeing a population buffeted by suffering and the consequences of economic hardship. What I found instead surprised me, and left me with a heightened respect for the Cuban people.

By no standard are the Cubans a broken population. Their joy of life permeates their everyday existence, dismal as that existence may seem to outside observers. A sense of mission is also apparent, as the Cubans cope with what they believe is a war declared against their tiny island by the most powerful nation on earth. After nearly 35 years of isolation, with no sources of information other than official channels, the Cubans believe that they are the last bastion of socialism; that the developing world looks upon Cuba as the only courageous opposition to the all-powerful United States which emerged victorious with the fall of the Soviet Union; and that no other nation has the power to oppose the U.S. The Cuban people have been led to believe that their hunger has been caused by the U.S. embargo, and that the embargo's purpose is to crush their sovereignty and their right to choose a leader and a political economy which happens to be at odds with the economic theories of its powerful neighbor. The trade embargo has made every Cuban a hero, as he wraps himself in the national flag, ready to stand up to the oppressors from abroad. This patriotic, nationalistic impulse in the face of an external threat produces strong support for government leaders, despite the suffering of the people.

Several times during my visit to Cuba I had the opportunity to speak freely with ordinary people. All criticized the economic situation bitterly. Some complained of government threats to incarcerate dissidents and Castro opponents in psychiatric wards. Some complained of the persecution of homosexuals, and others protested the lack of opportunity. But not one questioned Castro's scorn for the United States, because the embargo is viewed as an unjust measure imposed on Cuba by force.

<sup>1</sup> This testimony was first issued as a report to the clients of Polyconomics, Inc. on March 2, 1994.

It would be too simplistic to assume that the U.S. trade embargo, in place for more than three decades, has alone brought Cuba to its present economic misery. The centrally administered economy that destroys all incentive and smothers the enterprising spirit of the Cuban people must take most of the blame. Until 1989, though, this reality was hidden by the Soviet subsidies that financed a society operating without any concept of a market function. Once the external aid was removed, problems intrinsic to the economic system quickly emerged. To the Cuban people, though, their problems are the result of a war declared by a foreign power against the only way of life known to the majority of them. National pride, fear of the unknown, and resentment of the affluent Cuban exile community in Miami, have combined to keep these highly resourceful people hungry, but united.

When looking at Cuba, unfortunately, the exiles and U.S. policymakers see only its political facade. Human rights violations, the lack of freedom, the suppression of all opposition, past crimes, and the omnipresent figure of Fidel Castro, blind them to the existence of the Cuban people and their real-life problems. The Cuban exiles differ in this respect from the Chinese exile community. The relatives of mainland Chinese in Singapore, Hong Kong, and Taiwan have maintained close contact with China throughout the communist period, differentiating between their rejection of the Chinese political system and the common Chinese people. The exiled Cubans, however, have been unable to make the distinction.

Native Cubans look upon this attitude as a sign of indifference to their suffering. Resentment towards some organized exile groups in Miami and the fear of a return of a Batista-like regime also helps sustain Castro's government. The time is ripe to focus not on the omnipresent figure of Fidel Castro, but on the remarkably entrepreneurial, courteous and joyful Cuban people who have endured hardship without losing their sense of self.

At age 67, Castro remains comfortably aware that he has all the political time he needs to deal with his problems. Despite his powerful enemies, he leads a population that is not in revolt, and presides over increasing inflows of hard currency from Europe, Latin America and Canada. It is important to remember that Castro is a brilliant, pragmatic politician. He introduced socialist communism to Cuba through a series of measures almost a year before acknowledging the policy shift. By the time the socialist character of the revolution was officially defined in 1961, agrarian reform had been completed, property prices had been altered, expropriations had been concluded, and the country was functioning under a socialist economy.

The recent economic changes have not been accompanied by official proclamations, but Cuba's willingness to take its place in the global economy by undergoing domestic change can be read between the lines. It struck me, therefore, that this is not the time to exacerbate Castro's "bunker mentality" by pressuring him for negotiations that would require him to lose face. The time may be ripe, instead, to negotiate without preconditions, but with an all-encompassing agenda that would include issues such as immigration, property rights, human rights, democratization, sugar quotas, etc. It was made clear to me by members of the Cuban Foreign Ministry, with whom I met while in Havana, that the Cuban government is ready and eager to negotiate on all these issues.

## POLITICAL BACKDROP TO THE BASE PARLIAMENTS

The Cuban government is increasing efforts to allow a modicum of participation by ordinary citizens in the political life of the country. The elections of February 24, 1993 were a move in that direction. Cubans voted for candidates at their base level for positions in the National Assembly, which in turn elects the members of the State Council. President Castro campaigned equally for all candidates, without favoritism. Of course, there were no opposition candidates. Critics of Cuba's parliamentary system complain that no piece of legislation has ever been approved that did not originate in the executive branch. In other words, Fidel and Raul Castro's resolutions are religiously and exclusively ratified. The Cuban National Assembly convenes only twice annually, in June and December.

The newest move towards democratization, Cuban style, was the convening of Base Parliaments, or local collectives, where economic policy could be debated, with their findings presented to the National Assembly when it convenes in June. This shift towards greater popular participation may be a response to the overseas clamor for more democracy. In a sense, Cuban political freedoms have now reached a level that could be equated with the early *glasnost* era of Mikhail Gorbachev in the Soviet Union in 1989 or so. With the collapse of the Soviet state, the Cuban government needs participation from the international business community, and so may be more amenable to calls for democratization. On the other hand, the economic crisis and the reforms may be dividing the Communist Party. There are now party factions favoring IMF-style shock therapy, factions in favor of piece-meal reforms, and factions that want the minimum reforms necessary to keep the party and the Revolution afloat. The shock therapy faction had expected to emerge from the meeting of the December National Assembly with decrees for monetary, fiscal and state reform under their belt.

It was on this occasion that President Castro chose to issue statements against capitalism and its proponents. To many observers, this was a reply to a recent report on the Cuban economy by Spain's former Finance Minister, Carlos Solchaga. Mr. Solchaga had recommended an austerity package that would include, among other measures, shutting down deficit-producing public corporations, slashing price subsidies, drastic personnel reductions, widespread taxation to help close the budget deficit, and financing from the International Monetary Fund.

Castro's open criticism of capitalism froze this discussion, the session of the National Assembly ending in a stalemate. The decision was instead taken to convene base parliaments throughout the island, where ordinary people could come forward and give their opinion on any proposed economic measures. It is said that the executive branch made a special point of stating that since the ordinary people are the ones who would have to live with the results of any new measures, they should express their opinion and be educated on the possible effects of the measures.

Even now, while heading up a collapsing economy, President Castro is still a widely popular figure in Cuba. His ability to connect with his fellow countrymen is indisputable. By calling for popular parliaments, he bypassed the political establishment of his own party and made contact directly with the people. Undoubtedly, Castro expects the people to express reluctance toward economic change. He intuitively knows what I learned while attending a meeting of a base parliament, where the standard reaction was typical of a population faced with conversion from a command economy to a market-based system. The man on the street fears change and its possible negative consequences. The trademark of communism, its paternalistic protection of all members of society from the possibility of failure, is like a narcotic habit that is difficult to break. A fluid society that allows winners to reap the rewards of their success will also inevitably generate failures in pursuit of that success, a prospect which many find frightening.

Slowing down reforms only serves President Castro well if we assume that his sole aim is to maintain absolute control. The Polyconomics view is that reform should encompass a gradual bottom-up approach, enabling Cubans at the lowest rung of society to be among the first to realize the benefits of the market. The overriding economic goal should be to encourage individual initiative at the grassroots. Private economic entities should have equal legal standing with corporations now funded by government-favored foreign interests, and enjoying special privileges.

A quasi-privatization program should begin immediately. Such a process can be said to have already begun, with the emulation of the successful Chinese conversion of its farming communes to democratically run cooperatives. The process could be enhanced by relinquishing even more power over policy decisions at the co-ops from the center, which appears to us to be the real key to China's success in agriculture. Privatization of large enterprises should not be rushed. Shock therapy has not succeeded in Russia or eastern Europe, and there is no reason to believe that hurling Cuba into the "free market abyss" could be accomplished with better results. A new economy should be built parallel to the old, enabling the new to replace the old over time. Asset values should be permitted to reflect the declining political risk and improving business climate before these companies are sold. In this way, the people of Cuba will reap the value of Cuban properties, rather than seeing them squandered in hard currency sales to foreign speculators.

Political reform must also respect the Cubans' fears that a capitalist system will be synonymous with the installation of a corrupt, mercantilist regime run for the benefit of an exclusive oligarchy. Cuban fears of such an outcome are understandable since prior to Castro's revolution, the people knew of little else. One way to guard against such a possibility would be to institute an ongoing system of grassroots democracy by requiring national referenda on major statutory issues. In early drafts of conceptual political reforms we submitted to the Cuban government, we recommended the possibility of constitutional reforms that would eventually lead to a Swiss-type democracy, *one that would maximize the political power in the hands of ordinary Cubans and prevent the emergence after Castro of a new oligarchy.*

## THE AIM OF THE BASE PARLIAMENTS: REACHING ECONOMIC EFFICIENCY

### Health Industry Considerations

The auditorium of General Hospital Docente Enrique Cabrera, site of a base parliament session that I attended, was filled with nurses, doctors, journalists, general workers, secretaries and many others. At the podium, presiding over the assembly, were the hospital authorities, Cuban Minister of Health Julio Tejas, and General Secretary of the Central Labor Union Pedro Ross. Because this meeting was taking place in a hospital, it was divided into two parts: the first discussed ways of improving efficiency in health-related matters, and the second addressed the economic reform agenda.

At the meeting of the hospital collective, it seemed that speakers who read from prepared texts were often defensive, typically limiting themselves to justifying the quality of their own work in a manner bearing little relation to the topics at hand. As the four-hour meeting progressed, however, general participants expressed themselves spontaneously and candidly. The interventions of General Secretary Pedro Ross were directed towards focusing the discussion and bluntly describing the reality of Cuba's problems. He stated, for example, that to speak about economic efficiency and financial reorganization in the context of a hospital could not be done without describing the national emergency in health care: "We don't have medicines, we don't have linens for the hospital beds, we sometimes don't have electricity during surgery, or energy, or gas or oil, and we face extremely poor hygienic conditions because we lack soap and disinfectants."

Cuban women are magicians, Mr. Ross said, because they manage to feed their families with the little food available to them. Every Cuban receives a booklet of food coupons, but they do not last the entire month. The shortfall is made up either by black market food purchases, for those fortunate enough to own dollars, or by

eating in workers' community centers. The state subsidy to those centers amounts to three times what the worker pays for his meals there.

As people told me of their struggle to make ends meet, I recalled that all the suitcases of individuals arriving in Cuba appeared to be made of the same ultra-lightweight material, allowing visitors to carry the maximum provisions for their relatives in Havana. Half of the luggage on the plane that took me to Havana was seen through suitcases displaying a variety of medicines, from antibiotics to urgently-needed vitamins, to supplement the impoverished diet responsible for spreading blindness in the population. Most medicines are a luxury affordable only to Cubans with relatives in Miami or with connections in dollar-generating economic activities. Paper has become a scarce commodity. At this stage, a complete *glasnost* in Cuba would be meaningless, since paper shortages have put an end to newspapers.

One of the main topics of discussion at the hospital collective was the directive from President Castro that the population begin to develop a grasp of cost-benefit ratios. Thus it was agreed that the cost of every hospital procedure, and that of other goods and services, will be calculated and communicated to workers. The hope is that knowledge of costs will produce spontaneous savings.

While it is useful to develop a general awareness of cost-benefit ratios, this is an insufficient inducement for reducing costs. The costs of hospital procedures, for example, are most likely increased by hospital workers taking supplies, including furniture, home to their families -- a phenomenon I witnessed at my hotel. Costs are also driven up by absenteeism and short working hours. There simply is no incentive for increased productivity, as the reward is the same no matter the performance.

A member of the audience at the meeting said that the problem could be tackled by making salaries commensurate with hours actually worked. He explained that excessive costs arise in part from bloated payroll lists, with 50% more workers employed than are needed to get the job done because of the absenteeism of unmotivated people. It is not information, he said, that reduces costs; incentives are what move people to reduce costs.

## The Economics Debate

The second part of the plenary session began with spontaneous speeches by members of the audience. "We should confront what we have forgotten for such a long time: that we can not live off dreams;" or "The time has come to put aside what has proven not to work;" or "We should implement the necessary measures to shape up the public corporations in order to make them profitable... Everyone should receive according to what he or she produces... Rewards should be in proportion to productivity... We cannot accept the fact that it is we ourselves who are exploiting ourselves... Wages and compensation should be reduced if production falters..." These statements were all followed by applause.

Throughout the debate, it seemed that people's feelings wavered between having the courage to state a sound diagnosis of their economic problems, and the fear of losing the little they now have, since the rewards of change are unknown. The fear of uncertainty, the resistance to change, the longing for magical solutions from the omnipresent state, the incongruence between expectations and the means actively considered to achieve them, were sentiments that arose repeatedly during the meeting of the hospital collective.

In a command economy, wages, prices and capital allocation are dictated by a committee of experts who process information flows through state channels. In a market economy, these matters are determined by private market mechanisms that have evolved to process vastly greater information flows than could be managed by any committee. A transitional period from one to the other requires fine tuning and an approach tailor-made for the individual country. To reduce trauma during the transition, we should accept the idea that certain command mechanisms must remain in place until they can be supplanted by functioning market mechanisms. Vladimir Popov, Director of the Russian Academy of the National Economy recently noted that "many communist governments created the illusion of free social services, and unless such services have already deteriorated, public expectations about them may be high." In Cuba, the quality of public services has deteriorated considerably, but people's expectations are still high and make the process of adjustment to fundamental reforms slower.

The following topics were presented for discussion in this second stage of the debate: (1) monetary reform and the excess of liquidity in the hands of the people; (2) subsidies; (3) price-level controls; (4) taxation of wages and salaries; and (5) the "excessive" perceived income of informal-sector workers.

I had been informed by Cuban officials in early December that the government had accepted the idea that sound growth cannot occur without a stable currency. The immediate problem seemed to be the overabundance of pesos, and the inability of the authorities to induce the population to hold peso balances or peso bonds. I was told that the devaluationist option was discussed and rejected. We interpreted this to indicate that Cuban authorities understood that to maintain the value of the peso and its usefulness as a unit of account, a means of exchange, and a store of value, the peso must be convertible to the dollar under a fixed rate of exchange. We knew at the time that an IMF delegation had informally visited Cuba twice to offer advice to those in key economic posts. Our fear was that the IMF was prescribing its usual medicine: reduce the mass of Cuban pesos flooding the market, and tax the people into oblivion while devaluing the currency.



The advice of Polyconomics would be for peso transactions to be made attractive. This means increasing trust in the currency by standardizing the value of the peso against the dollar or another actively traded, liquid commodity (e.g., gold). In addition, we would recommend a significant reduction in tax and non-tax barriers to entrepreneurial activity.

To my surprise, I found during my January trip that monetary reform was still very much the talk of the day, but the debate had lost much of its purpose and direction. At times, monetary reform was presented to me as involving nothing more than a shedding of zeros in an economy that could no longer hide its inflation. Even though there are no price indexes, the rough measure of inflation is the monthly variation of the black market peso/dollar quotation. The official quotation stands at 1.35 pesos to the dollar, while the parallel market rate, at the time of my departure from Havana, was 90 pesos to the dollar. I was told the rate varies in the range of 10% a month. A monetary strategy would necessarily involve a steady strengthening of the peso in the parallel market as Cubans increased their confidence in their own currency.

Reform was also discussed as a way of confiscating liquidity from the public, without reference to a strong convertible currency. But more commonly, monetary reform was spoken of as a means of retrieving liquidity from the hands of the illegal operators in the economy. This was a reference to illegal operators known as *macetas* (flower pots), so-named because they hide their earnings inside flower pots. The term illegal applies both to informal operators and to individuals engaged in truly illegal activities involving theft, drugs and prostitution. Because of the present state of the Cuban economy, however, most informal economic activity is connected to some form of criminal behavior. One of the booming informal businesses in Havana today is the sale of plastic containers, which are produced with a home-made plastic pressing machine. The raw plastic is only available by stealing it from the government.

Finance Minister Rodríguez, whom I saw on the last day of my visit, is the only person I met who appeared to be steering monetary reform in the proper direction. He was also the only one to confess that the state distribution and marketing monopoly had been broken by the measures already introduced.

The participants at the hospital collective alluded to monetary reform only as a means of removing "excessive" profits from individuals who are becoming rich "without really working." The general feeling of the audience was one of bitterness towards the new emerging class of *macetas*, who have access to wealth that others do not. Why should there be sectors where one becomes rapidly wealthy and other sectors where one works for a lifetime and remains poor? Instead of discussing what could be done to improve the lot of the people in sectors where work does not pay off in substantial income, the audience vented its anger at the more fortunate Cubans with access to independent means for economic success. People in the audience even went to the extreme of saying that there should be no wealthy individuals; that progressive taxes should be applied to make all income uniform. In fact, this leveling mechanism is currently in place for individuals working in sectors generating hard currency.

Traditionally, not all members of Cuban society receive equal payment. Government officials, doctors, engineers and lawyers were the ones to reap financial benefits. When the emergency period began, the distribution of income tilted in favor of black market operators and farmers. Participants at the hospital collective expressed their anger at both groups. The entire aim of the revolution, they said, and the reason the Cuban people had risen up in arms was to defend their poorest fellow countrymen: the *campesinos* (peasants) exploited on the sugar plantations. Now farmers are becoming rich by selling their produce on the black market, "exploiting" the rest of the Cuban populace. The same was said of the self-employed, whose prices are unregulated. One member of the audience claimed that Free Country (farmers') Markets were eliminated by the authorities because they were leading to the unwarranted enrichment of intermediaries, who charged exorbitant prices without government controls. The same problem occurred in the Soviet Union, when a partial freeing of the markets in the absence of a strong currency led to hard-currency entrepreneurs buying up government commodities at controlled prices and selling them at high profits, when the commodities disappeared from the state stores. Someone else proposed the creation of "Free Controlled Country Markets," where reasonable, state-controlled prices would be charged and people could find food without waiting on long lines. This discussion made strikingly clear the difficulties that Cubans have in seeing the practical difficulties they will face in adjusting to market realities.

At the end of the meeting, the Secretary General of the Central Labor Union asked my opinion of the debate. After thanking him for the opportunity to share with the Cuban people their concerns and aspirations, I said that I readily perceived everyone's anger and concern regarding the operators in the informal economy. I said that I understood their desire to control these operators on the principle of fairness in the distribution of wealth. But I left them with one thought: given the unquestionable entrepreneurial talents of the Cuban people, and the island's highly qualified human capital, might it not be better to utilize the talents of all Cubans to produce a society where all could have the opportunity to acquire wealth? Is this not better than punishing those few who are achieving wealth today?

## THE TWO STAGES OF REFORM: SETTING THE RIGHT PRIORITIES

More than three decades after the Revolution, Castro and his followers continue to summon the ghost of the Batista regime when citing the "evils of capitalism." In the abstract, as an example of a typical Latin American mercantilist oligarchical system, the Batista government deserves much of this excoriation. Innovation via

entrepreneurial capitalism was stifled by suffocating regulations that ensured the preservation of the status quo. Entry into many trades and industries was blocked, rigidly stratifying society. Contracts with state-owned interests required close association with the government, while unconnected outsiders were shut out. Batista's regime exerted absolute control over the socioeconomic life of Cuba, with almost no possibility that those at the bottom could even aspire to reach a higher social stratum. For the most part, those penalized most were Cubans of darker skin, who have arguably fared much better under Castro.

Ordinary Cubans never had the opportunity to experience the benefits of grassroots, bottom-up capitalism, either under Spanish colonialists or the various 20th century regimes that preceded Batista. There was never a legal framework permitting all economic players to compete on an equal footing. The rewards of economic innovation were never allowed to permeate the social structure. Average people were never given the opportunity to develop their natural talents and creativity to their full extent, or to improve their standard of living without the omnipresent state setting strict limits.

The collapse of east European communism in the late 1980s halted much of the foreign aid to Cuba, which lost 80% of its foreign trade revenues. This began the economic crisis now called the "emergency period," and precipitated the need to reform Castro's economy. The early reforms had an external focus and were designed to attract foreign investors. Their common denominator was the need to increase hard currency revenues to the state without giving up control of the economy. A bipolar economy developed. Rooted in the export-tourism sector, one economy increasingly granted windfall benefits to top party and armed forces officials. Some benefits also accrued to the ordinary worker, in the form of tips from tourists or other forms of dollar income. The second economy is the one where the bulk of Cubans struggle for survival, with scant hope or opportunity for improvement.

The second stage of reform, however, is focused on improving the efficiency of the domestic economy and finding ways of increasing production. The government is determined to improve the supply side of the production equation. In this second stage, the need for incentives is being acknowledged, as well as the need for individual participation in the rewards and profits of his labor. This implies a redefinition of the relationships between the means of production, including the relationship between the land and the rights of citizens. As it was put to me by Dr. José Luís Rodríguez García, Minister and President of the State Finance Committee:

In due time we are not only going to give the domestic economic operators the same rights and advantages that international investors now have in Cuba (foreigners can have up to 100% property ownership rights), but the trend should be that national economic operators will have better conditions to conduct business than the foreigners have now.

It is this second wave of reforms that gives us hope for the future of the Cuban economy. The very nature of the reforms required to increase the domestic supply of goods and services are redefining the rights of Cubans. There is a steady movement towards the democratization of decision-making -- be it in production, trade, harvesting and agriculture -- away from the centralization of power that characterized the years before the island's crisis.

The changes in Cuba are purely economic on the surface, but by their very nature carry huge political implications. The reforms are a transition from a centralized to a market economy; from casuistic decision-making to the formulation of general rules; from income distribution to participation in profits; from non-risk guarantees to productivity rewards; from repression to base parliaments.

Two changes have opened the door to additional reforms: (1) the legalization of informal operators, and (2) the free, public circulation of U.S. dollars.

On June 29, 1993, Fidel Castro declared in a speech to the Cuban National Assembly that "there is no way we can control thousands of people who are in fact violating the law." President Castro may have been referring to the fact that no one lacked a festive meal the previous Christmas. A chain of informal entrepreneurs organized themselves to breed pigs on Havana's rooftops, selling the pork for holiday consumption. Or perhaps he was referring to the wave of young prostitutes who mob tourist sites in the hope of obtaining soap, shampoo, or even a meal. I was awakened every day in Havana by the crowing of roosters and the clucking of chickens. These fowl have invaded city apartments, a source of nourishment and profit for their owners. The grudging acceptance of the expanding informal economy, as a fast-growing sector capable of absorbing increased numbers of unemployed and underemployed, was demonstrated by the recent liberalization of 135 categories of self-employed occupations. Mr. Rodríguez García informed me that fully 46,000 people rushed to register as self-employed last September when it was announced they would be able to operate legally. By year's end the number had grown to 130,000, and official estimates project a self-employed labor force of at least 300,000 by the end of 1994.

The most ambitious reform was carried out in the agricultural sector. Previously, 80% of total arable land was in the state's hands, 12% was held by cooperatives, and only 8% was in the hands of small private farmers. Following the reform, 80% of the land is now held by cooperatives.

The reform follows the model used in Vietnam to transfer property from state control. Cooperatives are allowed use of the land to operate as proprietors, and participate in 50% of profits. The government

acknowledges that the same land which last year produced losses that had to be covered by state subsidies, this year showed a net profit. The 50% cut is still much too high for the government and we would recommend even better results with a 33% rate. The spectacular results, the government admits, were produced entirely by changes in incentives. Last year, the government spent 4.2 billion Cuban pesos to cover farm losses, of which 54% went to state-owned sugar farms. The official estimate is that the change in the factors of production (namely, the relationship between labor and land) may reduce this amount by 25% in 1994.

As a result of incentives in the agricultural sector, there is migration from cities to the country for the first time in many years. In practice, flexible labor markets and contracting conditions are already taking hold in the agriculture sector. As farms were transferred to cooperatives, the new "private" managers realized they had an excessive number of workers and many were dismissed. Workers laid off from farms undergoing reorganization by new cooperative owners are given the option of becoming self-employed, and thereby leaving the government payroll. For the first time, the state does not have the responsibility for the lifetime support of workers. The agriculture sector is pioneering reforms, as the government studies the least traumatic ways to transform other sectors, including services.

This fact was confirmed by Dr. Rodríguez García, who acknowledged that such wide-scale reform will not work if the peso it not kept stable, eventually becoming convertible. For Dr. Rodríguez, the monetary reform required for stability has to move concurrently with financial and fiscal reforms. Dr. Rodríguez said that fiscal reform will occur only *after* there is a widespread reorganization of compensation, allowing profit expectations and productivity rewards to be included as part of individual income. I took this to be his acknowledgement that a tax system on salaries in a socialist state means a *de facto* reduction in real wage levels, since a worker's compensation under socialism is limited to salaries, and only the state collects income from interest, profits and rents. The state keeps this income because it alone assumes risk, and thus already taxes corporate profits at a rate of 100%. Only when the state allows individuals to take risks, and hence participate in profit, can the state claim its share in the form of taxes.

### THE CUBAN SEARCH FOR NEW MARKETS

Cuba has been a member of the World Trade Center since 1981 and a participant in GATT, yet it maintains import trade barriers averaging 50%. When Cuba began actively to seek foreign investment, it granted a zero import tariff to corporations in sectors where foreign capital is invested (Law 50). Senior Cuban Commerce Department officials report that a future structural tariff reform will reduce import taxes across the board. I was also told that there is now active consideration of various export-promotion systems, such as allowing "temporary admission" at zero rates of taxation of those imports ultimately destined for foreign markets.

Private domestic enterprises are still forbidden to receive foreign capital. Instead, the Cuban authorities have encouraged creation of S.A. companies (*Sociedades Anónimas*), which are roughly analogous to incorporated businesses in the United States. Creation of an S.A. allows privately owned, domestic companies to operate in a market-oriented fashion with Cuban shareholders.

S.A. firms are allowed to: (1) hold foreign currency (even before it became legal for the general public to do so); (2) hire and fire employees without restrictions; (3) reassign employees within the company; and (4) reward labor according to performance. No other entities are permitted such a liberal legal framework.

Corporations operating in the sectors involved in foreign trade conduct labor negotiations through the *Empresa Empleadora* (Employment Company), a state agency. They are not allowed to contract labor directly, without state mediation. Each corporation has to negotiate salary levels in dollars with the *Empresa*. The *Empresa* in turn pays the workers in Cuban pesos. It is not unusual for the *Empresa* to negotiate a US\$10/hour rate with the corporation, with the worker actually receiving US\$1/hour. The difference goes to the state, thereby redistributing income to sectors unrelated to foreign trade and investment. This is one of the most regressive tax systems we have ever studied. In addition, corporations employing Cuban labor are subject to a 25% payroll tax to pay for social programs in health and education.

Until the 1980s, seventeen state-owned corporations controlled all foreign trade in Cuba, of which 80% was directed to and pre-contracted with the Soviet bloc, and 20% was transacted with market economies. The 1988-89 shock meant a dramatic reduction in import levels. While 1989 imports totaled US\$7 billion, by 1993 they stood at a mere US\$3.7 billion. The collapse of the Soviet bloc meant a shift to the Latin America economies as main trading partners, which now account for about 45% of Cuban foreign transactions. Canada has also greatly increased its importance as a trading partner in the last two years.

Cuba still relies heavily on sugar cane production as a revenue producer, though officials say that current cane production levels are 50% below potential. For obvious reasons, Cuban sugar does not trade on the New York commodities exchange, leaving it to be marketed through bilateral arrangements mainly with Russia, Ukraine and Canada. Due to the collapse of imports, sugar production has been stifled by fertilizer shortages and lack of fuel. Local television proudly shows oxen helping farmers harvest crops. It is difficult to grasp that a picture of a working woman walking behind an oxen and wearing only slippers could be broadcast as major news only ninety miles south of Florida.

Another principal export is nickel, produced at a lower cost than elsewhere because of Cuba's "open sky" deposits. However, production problems and lower international nickel prices have reduced exports from 36,000 tons in 1992 to 30,000 tons in 1993. Next in importance are citrus products, of which Cuba produced one million annual tons mainly for export to the former socialist bloc. To try and replace that lost market, Cuba has negotiated joint ventures with Chile, Israel and the United Kingdom, among others.

The lack of fuel is seen as Cuba's main bottleneck to economic recovery. Oil imports stood at 13 million tons in 1986, of which 98% came from the former Soviet Union. Imports in 1992 plummeted to 1.8 million tons. In 1993, fuel imports represented 40% of the value of total imports. Although Cuba's domestic oil production has been growing steadily, from 120,000 tons in 1960 to 1,100,000 tons in 1993, there are problems. Because Cuban oil is heavy, it wears out machinery and equipment faster, and its use causes environmental problems. Hence, this is one area where Cuba has sought more foreign assistance. The French company, Total, pioneered the joint exploitation of Cuban petroleum in 1990, and Cuba has now granted exploration and exploitation risk contracts to bidders of diverse origins at eleven different sites.

The loss of the east European market not only forced Cuba to diversify trade, but also to organize it more efficiently. This meant the introduction of self-financed marketing corporations functioning under market conditions. Cuban trade is now conducted through 220 companies. That number is growing, because corporations with private and public capital are allowed to import and export directly (Law 50, Art. 31 of foreign investment). The diversification in international trade was the result of amendments to the Constitution enacted in 1992. Foreign companies with offices in Cuba are obliged to register with the Chamber of Commerce. The number of such registries currently stands at 330, of which 60 are of Spanish origin, the rest primarily Italian, Canadian and French.

One of the main concerns of foreign companies transacting business in Cuba is the fact that the judicial system is controlled by the government, which is also the main partner in most businesses. This situation increases operating risks, and has caused problems for those investors who pioneered the mixed corporations in 1990. The S.A. companies were formed with the understanding that they would receive equal financing from both the private and public sector partners. While the foreign partner usually contributed his share in hard currency and capital equipment valued at competitive market prices, the Cuban partner's contribution was in the form of land, labor and construction materials valued at prices fixed by the Cuban government. The *Empresa Empleadora* would bid up the negotiated salaries to be paid by the foreign investor to levels well above equivalent salaries in other Caribbean economies; or the price tag on the land used for the joint project would be raised to rival the most expensive real estate in New York City. Foreign partners in this early stage complained about delays in the delivery of construction materials that kept projects idle for long periods and distorted cash flows.

As time went by, the Cuban government understood that credibility was its best asset in attracting foreign investors, and some of the new mixed companies were granted a guaranteed hard cash contribution by the state. The government has also created legal consulting firms to help ease foreign fears. Among the firms advising foreign investors are *Consultores Asociados (CONAS)*, *Balzanida Assoc.*, *Bufete Internacional* and *Consultorias Internacionales*. Any unresolved conflict of interests between partners in mixed corporations is now submitted to the Supreme Popular Court for Economic Affairs. Foreign investors will never really feel secure until the Cuban people themselves have assets that are protected by a legal system.

Social fairness in the granting of economic privileges -- an issue raised by the first phase of economic reform -- is particularly relevant when studying who the Cuban government is allowing to become large scale entrepreneurs. According to available information, many of the existing S.A. corporations are closely held by Communist party officers, particularly by top members of the Revolutionary Armed Forces (FAR). One example is *Gaviota, S.A.*, one of the more successful corporations operating in Havana. A high-income tourism agency, *Gaviota* is believed to be FAR-controlled. *Gaviota* also "rents" its base of operations from members of the FAR. *Union de Empresas Constructoras*, Cuba's principal and most active construction company, is also owned by the FAR. S.A. companies and state-owned corporations in areas such as oil, sugar and tourism all work together, and the S.A. firms are given priority over other bidders doing business with the public sector.

The second stage of economic reforms, though, promises a much more equitable scenario for all Cubans, although implementation may be slow.

### TRADING WITHIN THE EMBARGO

Being an island, Cuba's foreign trade relies dramatically on the overseas freight industry. The tightening of the embargo meant a major increase in shipping costs for Cuban products, because the new U.S. law forbids any ship servicing Cuban shores from docking at a U.S. port for six months after leaving Cuba.

Cubans also cite the embargo as the reason why it has been impossible to negotiate indemnification agreements with the Foreign Claims Joint Committee of the U.S. Treasury Department on U.S. property seized during the revolution. Cuban officials stated that all other countries with property claims have been

indemnified. They cited Belgium, Switzerland, Sweden, and Spain among the countries that have been satisfied with the indemnifications arranged by the Cuban government.<sup>2</sup>

Because of the U.S. embargo, Cuba is forbidden to transact international financial operations in U.S. dollars. Because most international trade prices are fixed in dollars, Cuba is forced to make a conversion to another currency, losing the spread between the selling and buying price of the currency for most of its international operations. It has been estimated that this alone costs Cuba approximately US\$40 million per year.

### REACHING OUT: TOURISM

Five years ago, after the idea of developing a tourist industry seized the imagination of the Cuban government, 700 hotel rooms were available. Today that number has grown to 7,000, and projects already planned will raise that figure to 25,000 during the coming 4-5 years.

Reforms in the tourism sector followed a similar pattern to the reforms in other economic sectors. The first model centralized all tourist operations within one state agency, CUBATUR. As tourism increased, and it became necessary to attract foreign partners interested in financing new ventures, redefining the rules for the industry became imperative. First came the decentralization of operations and decision-making. The need to produce revenue and compete in the international marketplace then led to a redefinition of labor relations, compensation levels, legal responsibilities and liberties. Lastly came the need to reform the Constitution to allow private foreign investors, or domestic "private" S.A. companies, to lease land and otherwise function according to market-based standards.

A number of new companies came to dominate the tourist trade, including INTUR, CUBATUR, CUBANACAN S.A., and Gaviota, S.A. Some of these are spinning off companies in related fields, including taxi and car rental services, tour services, medical assistance, restaurants, marinas, transportation, and many others.

CUBANACAN, S.A. pioneered the creation of mixed companies for the construction of hotels. CUBANACAN was created by a combination of foreign shareholders, private Cuban citizens, and public subscribers. It operates as a corporation and raises capital from foreign and domestic sources, by reinvesting its own capital, or by acquiring foreign partners. Cuban officials go out of their way to differentiate between the private nature of Cuba's semi-private tourist industry and the state-owned corporations, distancing themselves from the Cuban public sector and its poor credit rating.

Operators in Cuba's tourist industry have preferred to associate with partners who contribute not only capital, but expertise, since the industry caters mainly to sophisticated European, Canadian and Latin American tastes. Companies investing in tourism are granted a tax exemption for at least a break-even period of 4-5 years. Individual negotiations were carried out with each potential partner, and in some cases the exemption period is considerably longer. As the number of deals and operations grew, the government had to move away from arbitrary negotiations and is now seeking to standardize the tax incentives granted to all investors.

The incentives put in place to attract foreign capital include a flat 30% income tax, net of expenses, and deductions that apply only at the end of the grace period. All taxes are calculated in Cuban pesos, but are payable to the Cuban Treasury in dollars. Mixed corporations, including its officers, workers and partners, are exempt from personal income taxes, from taxes on gross income earned from private companies, and from any taxes on the sale of real estate, trading companies, or other corporations. In other words *there is no capital gains tax in Cuba*. This is only true, however, for the few privileged individuals and corporations allowed to operate in the "market-oriented" sector. The rest of the population is not allowed to earn capital gains, a condition that must be remedied in any reform process if ordinary Cubans are to have an opportunity to develop their potential.

Companies have complete freedom to transfer abroad any balance deriving from profits or dividends earned in Cuba. Leases and contracts are granted to foreigners for a 25-year period, renewable for another 25 years. The leasing cost is 10% of the value of the land as established by the Cuban government. Foreign investors are furnished with a leasing certificate that gives them legal rights to operate on the site. If the foreign partner is not interested in continuing operations when the lease expires, the Cuban partner buys him out at the spot value.

Tourism has been an operational success for Cuba, earning US\$700 million in gross income last year. This is a 25% increase from 1992 earnings, and a giant rise from the US\$106 million earned in 1986. Thirty-three percent of gross earnings remain on the island.

<sup>2</sup> Sources in the Spanish business community tell a different tale of betrayed trust in the settlement negotiations. They report that the Cuban government offered to repay creditors with exports of canned fruit which had already been sold to other parties for hard currency. The Cuban government then pledged payment from the production of a textile plant donated by another country. When this attempt also failed, the government of Spain took upon itself the indemnification of its countrymen and assumed the debt vis-a-vis the Cuban government.

## MONETARY NIGHTMARE

Polyconomics has long argued that before market mechanisms can take over in centrally planned economies, the currency must be stabilized at a fixed rate and made convertible. A bottom-up, fluid society cannot develop without banking mechanisms that allocate and redistribute resources in a currency of known and predictable value.

Dr. Rodríguez also assured me that the government places high priority on developing a banking system in Cuba capable of financing economic growth. He said that the commercial banks will be responsible for pre-financing export-oriented industries, and eventually will also finance the development of domestic companies.

I also visited Banco Nacional de Cuba, to meet with its vice president, Dr. Raul Amado Blanco, who spoke of a law under current consideration to introduce sweeping changes in the Cuban financial sector. The new law would transform the Banco Nacional into a true central bank, in sole charge of establishing monetary policy, defending the value of the peso and fixing the rate of exchange. The Banco Nacional would withdraw from commercial and development banking functions, which could then be assumed by local branches of international banks, domestic Cuban commercial banks, and joint venture banks. Finally, the financial reform would include the creation of legal standards for the national banking system.

These are worthy and necessary measures to help establish the conditions for a market-based system where property is controlled by private individuals rather than the state. However, the irreplaceable foundation of such a system is to establish public confidence in the domestic currency. One of the major concerns of Cuban monetary authorities is the inflationary potential of the 10 billion pesos now in public hands, an amount equivalent to 12-14 months of total salaries. I was informed that more than 50% of these funds are deposited at the Banco Nacional. In 1960, when the government put a new currency into circulation, only deposits held at the Banco Nacional were exchanged for the new currency. Cash not deposited at the bank, or hoarded at home, became worthless overnight. Fear of a repeat of such action is at least partially responsible for the low faith that people have in the future value of their money.

Restoring confidence in the currency, in addition to allowing for the efficient functioning of a market economy, is also critical to financing the conversion of the island's capital from government to private ownership. Both these objectives could be accomplished by a large issue of peso-denominated government bonds which would be structured to increase in value as they approached maturity. An increase in public debt would, by definition, transfer wealth from the state to the people, which has to be the primary objective of a transition to a market economy. As the economy recovers, the debt could be paid down by the government's sale of assets to ordinary people. Upon issuance of the debt, the government could define the peso's value as a specified weight of gold on maturity, say 10 years, thereby guaranteeing that the debt could not be extinguished by inflation.

The situation in Cuba today appears similar to that of Russia after the collapse of the Soviet regime, where the 600 billion rubles in public circulation at the time were deemed by conventional economic opinion to represent a potentially inflationary "overhang." Instead of protecting these ruble savings -- the only private capital of the Russian people in the command economy -- and allowing the Russians to use them as a down payment on the conversion to a market economy, the Russian government, egged on by its U.S. academic advisers and the IMF, vaporized their value in the frenzy of shock therapy madness which insisted upon immediate lifting of price controls and currency devaluation.

In China, by contrast, the phased reform program initiated fifteen years ago has always placed a high priority on not inflating away the currency's value. As a result, China's currency, the yuan, is only marginally less valuable today in an essentially free exchange market than when its value was unrealistically set at state-administered rates, and China is the world's fastest growing economy.

In a recent speech, Fidel Castro spoke admiringly of the Chinese experience, noting that even as society has radically changed, the people continue to have great affection for the memory of Mao Tse-Tung, and respect for his achievements. Clearly, the path blazed by China has strong appeal to the Cuban leadership. It is an avenue that may hold great promise for the Cuban people.

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Chairman RANGEL. Thank you for your patience with us.  
Dr. Dominguez.

**STATEMENT OF JORGE I. DOMINGUEZ, VISITING SENIOR FELLOW, INTER-AMERICAN DIALOGUE, WASHINGTON, D.C.; AND PROFESSOR OF GOVERNMENT, HARVARD UNIVERSITY, CAMBRIDGE, MASS.**

Mr. DOMINGUEZ. Thank you for the invitation to come here to meet today, and thank you also for your stamina.

I am really pleased to be able to discuss these issues with you. I have organized my testimony around two salient issues: Those where the U.S. policies in the very recent past have generated disputes with U.S. trading partners with regard to the Cuban question, and second, bilateral U.S. policies.

Current U.S. trade policy toward Cuba, in my judgment, is adverse in a number of important ways to U.S. interests and goals. They are counterproductive both for U.S. trade and also for the cause of Cuba's democratization. I mention a variety of these specifics in my written testimony at the top of the second page, but let me for the sake of brevity just summarize some of the main arguments.

Specifically, the prohibition of trade between U.S. subsidiaries based in third countries and Cuba undermines U.S. policy to create an open and consensual international trade regime. It also generates losses for U.S. firms, it injures the Cuban people, and it strengthens Fidel Castro's government.

Let me briefly indicate why I believe those four consequences occur. Section 1706(a) of the Cuban Democracy Act of 1992 constitutes an extraterritorial device. It threatens penalties on the parent U.S. firms whose subsidiaries in third countries trade with Cuba, seeking in effect to demand compliance from U.S. trading partners on matters of their own domestic jurisdiction. That provision, in effect, undermines U.S. efforts to elicit support from its own trading partners for the very international regime that the United States in every other instance has sought for so long to construct.

Second, the enforcement of these provisions between 1991 and 1993 reduced trade by U.S. subsidiaries in third countries from \$718 million to less than \$2 million, a significant loss to U.S. subsidiaries and to the U.S. parent firms.

Non-U.S. firms have, of course, replaced U.S. firms and their subsidiaries in trading with Cuba. They trade in the absence of U.S. competition. In fact, the U.S. trade embargo operates as a protectionist measure, except that the firms that the U.S. trade embargo protects cannot be based in the United States, nor be subsidiaries of U.S. firms.

Third, this measure hurts the Cuban people. How so? Because most of the subsidiary trade that had occurred had been in food. In effect, cutting off the trade between the U.S. subsidiaries and Cuba operates as a tax on Cuban food consumption, reducing the consumption of food among those who are most vulnerable, a tax that ordinary Cubans should not have to pay.

Also, fourth, because those exports were mainly in food, it made it easier for the Cuban Government to argue that it was the delib-

erate policy of the U.S. Government to starve the Cuban people. However unfair such characterizations of U.S. intentions or of the intentions of the drafters of the Cuban Democracy Act may be, the short-term political effect of the measure was indeed to make it easier for the Cuban Government to shore up its political support in time to ask Cubans in their national assembly elections of February 1993 one more time to support the regime.

In response to the enactment of the act, the United States has become also more isolated from governments whose assistance it should most seek in order to influence the course of events in Cuba. The United States has found its policies toward Cuba criticized roundly and overwhelmingly, both by the U.N. General Assembly and also by the U.N. Special Rapporteur on the situation in human rights in Cuba who went to some length to try to explain why the maintenance of those U.S. policies toward Cuba injure the circumstances of human rights in Cuba.

Turning specifically to the bilateral measures, the comments that I made on food generally with regard to U.S. subsidiaries apply as well, of course, to U.S. bilateral trade. The U.S. food embargo has always bolstered the Cuban Government's claim that the U.S. Government has committed an act of aggression against the Cuban people. More than any other provision, it has enabled the Cuban Government over the years to maintain political support.

Earlier in the hearings today, we heard a very reasonable question, how might one compare the sanctions on South Africa to the embargo on Cuba. The answer is very simple: There was no food embargo on South Africa. Indeed, food is characteristically exempt from most embargoes that anybody ever imposes. The food embargo—let those words stay in one's mind—is really unconscionable. So, too, it seems to me with regard to the case of medicine. Those measures should be changed.

A final point, a U.S. trade embargo in the area of goods and services with regard to communications has been not only costly to U.S. firms, but also counterproductive in political terms. In effect, the U.S. communications embargo has assisted the Castro government in censoring information to its own people. No aspect of U.S. policy toward Cuba is more wrong-headed, if indeed the goal is to foster Cuba's democratization.

The goal of the U.S. Government in the area of communications should be clear: To facilitate the free flow of information. No doubt, the Cuban Government would derive some economic benefit from such trade and services. But a government whose economy has dropped somewhere between 50 and 60 percent in the past 4 years would not be saved by the relatively modest income in these changes in U.S. policy.

To conclude, I believe that the trade embargo, by its very nature, can be lifted in steps, and it should be lifted only in steps because this also would permit to keep the remainder of the embargo as an instrument to bargain with the Cuban Government. Would Fidel Castro bargain? The answer I think is clear: He already has. He bargained over the settlement in South Africa. He bargained because he has reached compensation agreements with every government except that of the United States.



Indeed, in the last few months, Fidel Castro has been making decisions about economic policy changes with which he frankly, bluntly, and publicly disagrees. A leader who feels compelled to make some decisions that he dislikes may surely be ready at least to bargain over others.

The argument on behalf of just a partial lifting of the trade embargo is in no way intended to endorse the endless and passive continuation of the remainder. The embargo should be a tool, not an altar in front of which we kneel.

In other situations, the Clinton administration has said that it believes that freer trade fosters freer politics. After 34 years, Mr. Chairman, finally the time has come, it seems to me, to test this same hypothesis in Cuba, a policy that has lasted for so long with no useful results, but many losses. The time has come to change U.S. trade policy and other policies toward Cuba to better serve the goals of prosperity and democracy.

Thank you.

[The prepared statement follows:]

**U.S. House of Representatives**  
**Committee on Ways and Means**  
**Subcommittee on Trade**  
**and**  
**Select Revenue Measures Subcommittee**  
**Testimony**

**March 17, 1994**

by  
Jorge I. Domínguez  
Visiting Senior Fellow  
Inter-American Dialogue  
and  
Professor of Government  
Harvard University<sup>1</sup>

I am pleased to respond to the Committee's request for testimony concerning the U.S. trade embargo on Cuba. I have organized my presentation around two salient issues: 1) trade disputes that the United States has recently provoked in its relations with its major trading partners because of changes in U.S. trade policy toward Cuba; and 2) those U.S. trade policies toward Cuba that injure U.S. trade and reduce the likelihood of Cuba's democratization.

Current U.S. trade policy toward Cuba is riddled with measures that are adverse to U.S. interests and goals. All of the trade embargo on Cuba, by definition, reduces the likelihood of U.S. trade, but certain measures in the trade embargo policy have particularly negative effects. Specifically, the following U.S. policies are counterproductive both for U.S. trade policy and, more generally, for U.S. policy toward Cuba:

- 1) The penalties on U.S. firms whose subsidiaries based in third countries trade with Cuba;
- 2) The prohibition of U.S. food exports to Cuba;
- 3) The regulation of U.S. exports of medicine and medical equipment to Cuba under conditions that, in fact, prevent such exports;
- 4) The political and regulative constraints imposed on negotiations over telecommunications and direct mail;
- 5) The prohibition on the export of communications equipment;
- 6) The prohibition on commercial artistic, cultural, or academic exchanges (and the

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<sup>1</sup> I am solely responsible for this testimony. My views do not necessarily represent those of the Inter-American Dialogue. The Inter-American Dialogue's Cuba Task Force has issued its own report entitled Cuba in the Americas: Reciprocal Challenges. I am on a year's leave from Harvard University.

obstacles to such exchanges even on a non-commercial basis);

7) The barriers to travel by U.S. citizens to Cuba, even when such travel is limited to humanitarian, religious, human rights, or educational purposes.

### *Subsidiary Trade*

The prohibition of trade between U.S. subsidiaries based in third countries and Cuba undermines U.S. policy to create an open and consensual international trade regime, generates substantial losses to U.S. firms, injures the Cuban people, and strengthens Fidel Castro's government.

A central objective of U.S. trade policy ought to be to create an international trade environment to foster the growth of world trade in order to assist the growth of U.S. trade. To achieve such purposes, the U.S. government should eschew extraterritorial measures because they impede the creation and consolidation of an open international trade regime that enjoys broad support and because they invite retaliation by other countries.

Section 1706(a) of the so-called Cuban Democracy Act of 1992 constitutes such an extraterritorial measure. By threatening penalties on the parent U.S. firms whose subsidiaries based in third countries trade with Cuba, the U.S. government seeks to command compliance from its trading partners on matters of their own domestic jurisdiction. In effect, this legislation presumes that certain U.S. opinions with regard to Cuba should override U.S. interests in the consolidation of an open and consensual international trade regime. This provision undermines U.S. efforts to elicit support from its main trading partners for the very international regime that the United States has for so long sought to construct.

The European Union, and the governments of Canada, the Caribbean states, and most of Latin America have protested these U.S. measures. Even though these governments in practice have felt obliged to comply with U.S. trade policy toward Cuba, there should be no doubt that they resent these U.S. measures as high-handed, intrusive, and illegitimate.

This ill-advised policy is currently in effect, however. According to the U.S. Department of the Treasury, trade with Cuba conducted by U.S. subsidiaries in third countries peaked at \$718 million in 1991. Within a year of the enactment of the Cuban Democracy Act, that trade had fallen to \$1.6 million -- a significant loss to the subsidiaries and to the U.S. parent firms.

Non-U.S. firms have, of course, replaced U.S. firms and their subsidiaries in trading with Cuba. They trade in the absence of U.S. competition. Indeed, the U.S. trade embargo operates as a protectionist measure -- except that the firms that the U.S. trade embargo protects cannot be based in the United States or be subsidiaries of U.S. firms.

Trade between U.S. subsidiaries based in third countries and Cuba was authorized, on a limited and restricted basis, by the Ford administration which understood that U.S. economic and political relations with other countries were damaged by a policy that sought to forbid all such trade. The Cuban Democracy Act reversed that Ford administration decision. From 1975 to 1990, U.S. subsidiary trade with Cuba was modest, typically below \$300 million per year; it increased markedly only after the collapse of the Soviet Union. In the early 1990s, food commodities represented about 90 percent of U.S. subsidiary exports to Cuba.

Because such exports were commodities, Cuba could replace them relatively easily, though at a cost premium ranging perhaps between 10 and 20 percent. The Cuban Democracy Act works, therefore, as a tax on Cuban food consumption, that is, it reduces consumption of food particularly among the most vulnerable groups of the population -- a tax ordinary Cubans should not have to pay on humanitarian grounds.

Because such exports were food, it made it easier for the Cuban government to argue that

it was the deliberate policy of the U.S. government to starve the Cuban people. However unfair such characterization of U.S. intentions or of the intentions of the drafters of the Cuban Democracy Act might be, the short-term political effect of the Act's enactment in November 1992 helped the Cuban government politically at a difficult moment. The Cuban government's campaign during the February 1993 National Assembly elections featured these provisions of the Cuban Democracy Act as a principal reason why Cubans should, one more time, support the government to defend the homeland in the face of U.S. aggression. Cuban scholars have concluded that the government did, indeed, shore up its political support as a result.

In short, the prohibition on U.S. subsidiary trade with Cuba undermines the credibility of U.S. commitments to an open and consensual international trade regime and imposed costs on U.S. firms and on ordinary Cubans while it has strengthened the Cuban government.

### *International Responses*

In response to the enactment of the Cuban Democracy Act, the United States has become more isolated from those governments whose assistance it should most seek in order to influence the course of events in Cuba. The United States has found its policies toward Cuba criticized by both the United Nations General Assembly and the U.N. Special Rapporteur on the situation of human rights in Cuba.

For the first time since U.S. economic policies to punish Cuba were adopted in 1960, in November 1992 the United Nations General Assembly called upon the U.S. government to end its embargo on Cuba. The timing of the Assembly's action is directly connected to the enactment of the Cuban Democracy Act; the General Assembly acted "having learned of the recent promulgation of measures ... aimed at strengthening and extending the economic, commercial, and financial embargo against Cuba." The General Assembly urged the repeal of such measures. This resolution carried by 59 ayes, 3 nays (the United States, Israel, and Rumania), and 71 abstentions. In the Fall 1993, a similar resolution carried 88 to 4 (the United States, Israel, Paraguay, and Albania), with 57 abstentions.

Caribbean states had largely abstained in 1992 (though Barbados and Jamaica had voted yes); in 1993, the English-speaking Caribbean voted yes nearly unanimously. Between 1992 and 1993, Bolivia, Costa Rica, the Dominican Republic, Guatemala, Honduras, and Peru switched from abstention to yes. Paraguay switched from no to abstention. Brazil, Chile, Colombia, Ecuador, Haiti, Mexico, Uruguay, and Venezuela voted yes both times. France and Spain voted yes both years; in 1993, Belgium and Greece joined the yes vote, having abstained in 1992. Other European countries abstained. Canada voted yes in 1992 but abstained in 1993.

A political effect of the enactment of the Cuban Democracy Act has been to isolate the United States from those governments with which it ought to collaborate in its policies toward Cuba, that is, the governments that have the greatest stake in Cuba's present and future political and economic transitions. Above all, these are the countries that neighbor on Cuba and on the United States. U.S. policy has alienated them -- a self-defeating strategy.

The Special Rapporteur for Cuban issues appointed by the United Nations Commission on Human Rights has also pointed out the adverse effects of U.S. "enhanced" trade embargo policies on advancing U.S. goals of democratizing Cuba:

"A policy vis-a-vis Cuba based on economic sanctions and other measures designed to isolate the island constitute, in the opinion of the Special Rapporteur, at the present stage, the surest way of prolonging an untenable internal situation, as the only remedy that would be left for not capitulating to external pressure would be to continue desperate efforts to stay anchored in the past. International sanctions ... be they political or economic, are totally counterproductive if it is the

international community's intention to improve the human rights situation and, at the same time, to create conditions for a peaceful and gradual transition towards a genuinely pluralist and civil society."

### *Bilateral Trade Measures*

The prohibition of U.S. food exports to Cuba has always been problematic at best. Characteristically, international embargoes exempt food on humanitarian grounds. The U.S. embargo toward Cuba risks moral opprobrium precisely on the grounds that it is bound to injure the weak and the innocent.

The U.S. food embargo on Cuba has always bolstered the Cuban government's claim that the U.S. government has committed an act of aggression against the Cuban people. As a result, this provision perhaps more than any other has enabled the Cuban government over the years to maintain political support — presumably the exact opposite of the policy's intention.

The Cuban Democracy Act included provisions that seemed to permit the export of medicines and medical equipment to Cuba. The Act, however, requires on site inspection in Cuba by U.S. government personnel to ensure that medicines flow directly to individual consumers. The Cuban government has never agreed to such unilateral U.S. on-site inspections; indeed, Cuba nearly wrecked the settlement of the 1962 missile crisis precisely because it objected to U.S. on-site inspections.

The United States should permit the donation and sale of food and medicine to Cuba to signal clearly that it does not seek to injure the Cuban people. Such a change in policy would also provide some relief to Cubans from their current dire circumstances. It would also demonstrate that it is the Cuban government that bears most of the blame for the country's economic ills.

Finally, it would make no sense to authorize food commodity exports by subsidiaries of U.S. firms based in third countries while prohibiting such exports by firms based in the United States itself. A change in the food and medicine component of the U.S. trade embargo ought not to exclude U.S.-based firms from participation. The freeing of trade in food and medicine should enable U.S. firms to export directly or through their subsidiaries.

### *Communications*

The U.S. embargo on trade in goods and services in the area of communications has been costly to U.S. firms. It is also counterproductive in political terms. In effect, the U.S. communications embargo assists the Castro government in censoring information to its own people. No aspect U.S. policy toward Cuba is more wrong-headed.

U.S. trade and related communications policies toward Cuba ought to be similar to those pursued in the 1980s by the Reagan administration toward the communist countries. The Reagan administration understood that communist regimes should not be helped to deprive their people from knowledge of the world beyond their borders.

It ought to be possible for U.S. citizens to visit Cuba as they once visited communist Poland. It ought to be possible to telephone and send mail directly to Cuba as was once possible with regard to eastern European countries. There should be no bar to artistic, cultural, and educational exchanges, even those that have commercial purposes; in the 1980s, there had been such exchanges with the Soviet Union. There should be freedom to export communications equipment to Cuba, including machines that would permit links by fax and electronic mail. At Tiananmen Square in Beijing, and in Noriega's Panama, the fax machine demonstrated its power in helping citizens confront authoritarian states.

To its credit, the Cuban Democracy Act facilitates the improvement of telecommunications

and direct mail. To my knowledge, however, the U.S. government has been unwilling to sign a civil aviation agreement that would allow the mail to flow directly. In the area of telecommunications, the Cuban government has reached preliminary agreement with two U.S. firms to improve service between the two countries. The terms of the agreement, however, appear to exceed the criteria set by the U.S. government in the summer 1993.

The goal of the U.S. government in these matters should be clear: to facilitate the free flow of information. There is no doubt that the Cuban government would derive some economic benefit from such trade in services, but a government whose economy has dropped by over 50 percent in the past four years would not be saved by the relatively modest income that these changes in U.S. trade policy would generate.

### *Conclusions*

U.S. trade embargo policies toward Cuba are complex and multi-faceted. For that very reason, some aspects of the trade embargo can be lifted while others remain. The provisions of the trade embargo on Cuba listed at the beginning of this testimony should be repealed; trade in goods and services between the United States and Cuba should be allowed in all of those areas. Such trade will serve U.S. interests in constructing an open and consensual international trade regime, provide business opportunities to U.S. firms, and foster the prospects for democratization in Cuba. A change in U.S. policy that would allow such trade would make it more difficult for the Cuban government to rally political support or to block the free flow of information.

The Congress and the President should drop these items from the trade embargo, forthwith and unilaterally, because they best serve a wide array of U.S. trade and other goals, both in general and with regard to Cuba. Then, I would urge a pause to observe the effects of such policy changes in Cuba, and on U.S. relations with Cuba and with other countries. The remainder of the embargo can remain in place as an instrument to bargain with the Cuban government on bringing about other changes in Cuba.

Would Fidel Castro ever bargain? Yes. In the late 1980s, he bargained with South Africa and the United States to reach a settlement to the wars that had been raging in southern Africa. His government has reached agreements with every country except the United States to compensate for property expropriated in the early 1960s. In the early 1990s, and especially since 1993, Fidel Castro has been making decisions about economic policy changes with which he frankly, bluntly, and publicly disagrees. A leader who feels compelled to make some decisions that he dislikes may surely be ready at least to bargain over others.

This argument on behalf of just a partial lifting of the trade embargo is in no way intended to endorse the endless and passive continuation of the remainder of the embargo. The trade embargo should be seen as a tool, not an altar in front of which we kneel. The U.S. government should pursue a dynamic, activist policy to seek to foster changes in Cuba that would be accompanied with the lifting of other parts of the embargo. The goal of furthering U.S. trade and fostering democracy in Cuba should be compatible and should be advanced jointly.

In other situations, the Clinton administration has said that it believes that freer trade fosters freer politics. In the administration's view, Mexico is the clearest case, but the U.S. government thinks that the same effect may occur in the People's Republic of China and Vietnam. Now is the time to test the same hypothesis in Cuba. After 34 years of the same policy, with no useful results but many trade losses, the time has come to change course in U.S. trade and other policies toward Cuba to better serve the goals of prosperity and democracy.

Chairman RANGEL. Thank you, doctor.

Now we will hear from Carlos Molina, of the American Public Health Association.

**STATEMENT OF CARLOS W. MOLINA, DEAN OF HEALTH SCIENCES, YORK COLLEGE OF THE CITY UNIVERSITY OF NEW YORK, ON BEHALF OF THE AMERICAN PUBLIC HEALTH ASSOCIATION**

Mr. MOLINA. Mr. Chairman, committee members, the American Public Health Association appreciates this opportunity to speak in support of H.R. 2229. I am a member of the executive board of the American Public Health Association, and I am also a Cuban-American.

APHA, representing a combined national and State affiliate membership of 55,000 public health professionals and community leaders, has a long record of advocacy in support of improved health of people in the United States and around the world. In 1977, APHA adopted a resolution opposing the U.S. trade embargo on Cuba, calling for its immediate termination.

This past fall, at its 121st annual conference in San Francisco, APHA reinforced its position on the U.S. trade embargo, by passing the exchange of medical supplies, information and personnel with Cuba resolution, once again calling on the President and the Congress of the United States to end the embargo against Cuba and to increase opportunities for scientific and medical exchange with Cuba.

As discussed in the previous panel, Cuba has developed an exemplary national health care system which is available to its entire population free of charge. The communicable diseases so rampant in the rest of the developing world have been controlled and the disease profile has been replaced by chronic diseases such as cancer, heart disease and diabetes, like in industrialized nations.

Cuba has achieved near universal literacy and health as an integral part of education and social services. However, Mr. Chairman, those gains are in jeopardy. Two weeks ago, I returned from a 7-day visit to Cuba as part of the third APHA delegation in 3 years to travel there to learn more about the Cuban health infrastructure and to assess the continued impact of the U.S. embargo and the recently enacted Cuban Democracy Act of 1992.

The adverse effects on the lives of the Cuban people are quite visible. Of most concern to the public health delegation were the significant shortages of food, medicine and medical equipment. In the testimony that I have submitted to you, I have tried to quantify these findings.

For example, per capita protein and calorie availability declined 3 percent in 1989 and has continued to decline each year since. This is associated with the rise in the percentage of babies born with inadequate weight from 7.3 percent to 8.7 percent. Undernutrition was a major risk factor in the epidemic of optic neuropathy which attacked the country in 1993 and 1994.

Some essential medicines and suppliers are only produced in the United States, some like the only effective treatment for pediatric leukemia, x ray film for breast cancer detection, U.S.-made replacement parts for otherwise European-made respirators. Most medical

materials are produced in other countries, but cost an average of 30 percent more and require 50 to 400 percent greater shipping charges than would the same goods purchased in the United States.

The lack of materials for water systems has resulted for the first time in 30 years in a reversal of the trend toward utilization of household connections for potable water. Of greater concern are disruptions in supply and production in the chemical industry. These have left the country with a serious deficit in materials to treat water, resulting in a decline in the quality of water available.

Combined with fuel and parts shortages which reduce the country's ability to collect and dispose of solid waste, these threats are associated with a rise in both the incidence and death rate from acute diarrhea and other parasitic diseases. Nutritional factors, as well as crowding and deteriorating sanitation, may be responsible for a recent rise in tuberculosis cases, the first such rise to occur in decades.

Mr. Chairman, as you heard earlier, Cuba has made tremendous breakthroughs in biotechnology, as well as pharmaceutical development. The continued embargo prevents some of our own American people from assessing some of those available treatments, like the vaccine for meningitis.

In closing, Mr. Chairman, a vote for H.R. 2229 will not only be a humanitarian vote to ensure the well-being of the Cuban people, but it could also be a public health vote for Americans as well.

Thank you very much.

[The prepared statement and attachments follow:]



**STATEMENT OF CARLOS W. MOLINA  
DEAN OF HEALTH SCIENCES  
YORK COLLEGE OF THE CITY UNIVERSITY OF NEW YORK**

Mr. Chairman, Committee members, the American Public Health Association (APHA) appreciates this opportunity to speak in support of H.R. 2229, **TO LIFT THE TRADE EMBARGO ON CUBA, AND FOR OTHER PURPOSES**. I am Carlos Molina. I am the Dean of Health Sciences at York College of the City University of New York. I am an elected member of the Executive Board of APHA. I also represent the Public Health Association of New York City and I am a member of its board of directors. I am a Cuban-American and I reside in Congressman Torricelli's district.

APHA, representing a combined national and state affiliate membership of 55,000 public health professionals and community leaders, has a long record of advocacy in support of improved health of people in the United States and around the world. In 1977 APHA adopted a resolution opposing the U.S. trade embargo on Cuba, calling for its immediate termination. This resolution notes that "this unilateral blockade violates principles of international cooperation, blocks negotiations to resolve remaining differences between Cuba and the United States, and limits the access of the United States public to information about Cuba, including information on Cuba's accomplishments in public health." The resolution further notes that "the prohibition on medical supplies specifically violates long-standing principles of international relations and fundamental concerns for human rights, and represents an attempted attack on the health and well-being of an entire population." This resolution reflects APHA's concern that the health of the Cuban people not be held hostage to U.S. foreign policy considerations.

This past fall, at its 121st annual conference in San Francisco, APHA reinforced its position on the U.S. trade embargo by passing the **Exchange of Medical Supplies, Information, and Personnel with Cuba** resolution, in which it "urges the United Nations General Assembly to actively pursue an end to use of embargoes that jeopardize the public's health; urges the President and Congress of the United States to ensure that any embargo imposed does not interfere with the access of civilian populations to needed food and medical care; and urges the President and Congress of the United States specifically to end the embargo against Cuba and to increase opportunities for scientific and medical exchange with Cuba."

Considering the social conditions that existed 34 years ago, Cuba's accomplishments over the past three decades in health, in education, and its ability to eliminate poverty are indeed commendable. Cuba has developed an exemplary national health care system available to the entire population free of charge. The communicable diseases so rampant in the rest of the developing world have been controlled and the disease profile has been replaced by chronic diseases such as cancer, heart disease, and diabetes, like in industrialized countries (See figure 1). Cuba has trained thousands of highly skilled doctors and other trained health personnel, whose focus is on preventive medicine as well as health education and health promotion activities. One outcome of this emphasis on public health are an infant mortality rate and under-5 child mortality rate which rival those of industrialized countries. Another result of the preventive focus of the health system are declining hospital stays. Cuba has achieved near universal literacy, and health is an integral part of education and social services.

Given the natural disasters that have hit the island during the past decade, given the outbreaks of a number of complex epidemics (most recently, optic neuropathy), given three decades of the U.S. trade embargo, and given the dramatic decline in the economy since the dissolving of the Soviet Union, Cuba's ability to

date to maintain those gains in health are further evidence of a successful system of health care. However, those gains are in jeopardy. Two weeks ago I returned from a 7-day visit to Cuba as part of the third APHA delegation in three years to travel there to learn more about the Cuban health infrastructure and to assess the continued impact of the U.S. embargo and the recently enacted **Cuban Democracy Act of 1992**. The adverse effects on the lives of the Cuban people are quite visible. Of most concern to the public health delegation were the significant shortages of food, medicines, and medical equipment.

Since 1988, as a result of the loss of preferential trade relations with the former Soviet Union and its allies, imports and exports from Cuba have declined precipitously and the Gross Domestic Product may have plummeted by 40%. This has inevitably reduced resources available for health and medicine. Of greatest concern is the availability of foodstuffs to the population. About half of all proteins and calories intended for human consumption have been imported in the past; importation of foodstuffs has declined by about 50% in the last four years. Reduced imports and a shift toward lower quality protein products is a significant health threat. Per capita protein and calorie availability declined 3% in 1989 and have continued to decline in each year since. This is associated with a rise in the percentage of babies born with inadequate weights, from 7.3% to 8.7% (See figure 2). The percentage of women with inadequate weights when they become pregnant and with inadequate weight gains during pregnancy are also on the rise (See figure 3). Undernutrition was a major risk factor in the epidemic of optic neuropathy which attacked the country in 1993 and 1994.

A lack of materials for water systems has resulted, for the first time in thirty years, in a reversal of the trend toward universalization of household connections for potable water (See figure 4). Of greater concern are disruptions in supply and production in the chemical industry. These have left the country with a serious deficit in materials to treat water (see figure 5), resulting in a decline in the quality of water available. Combined with fuel and parts shortages which reduce the country's ability to collect and dispose of solid wastes, these threats are associated with a rise in both the incidence and death rate from acute diarrhea and other parasitic diseases (see figure 6). Nutritional factors as well as crowding and deteriorating sanitation may be responsible for a recent rise in Tuberculosis cases, the first such rise to occur in decades.

Many efforts are being made to minimize the impact of this situation on health. Health education and changes in hospital organization have been very successful in increasing the rate of exclusive breast feeding, from 63% in 1990 to 91% in 1993, thus minimizing the impact of the nutritional crisis on newborns. Reduced supplies of high quality foods are being prioritized to most vulnerable populations. Distribution of critical goods is facilitated by a rapid expansion in preschool enrollments during the 1990s.

These efforts, along with high educational levels, wide and easy access to primary and secondary health services, and a high continuing financial commitment (see figure 7) to provide medical services has thus far prevented these threats from resulting in a deterioration of the overall population's health. The number of physicians and hospital beds per capita continue to rise (see figure 8). Per capita outpatient visits are stable, and the rate of hospitalizations has declined mainly due to improved primary care. Indeed, if transportation were not critically short, it is believed that the number of hospitalizations would decline

further.

These factors, taken together, help to explain the apparently contradictory situation of rising infectious diseases and low birth weight, and continuing reduction of already low rates of infant, maternal (see figure 9), and total mortality. These benefits to the general population come at a cost which has been greatly exacerbated by the embargo in recent years.

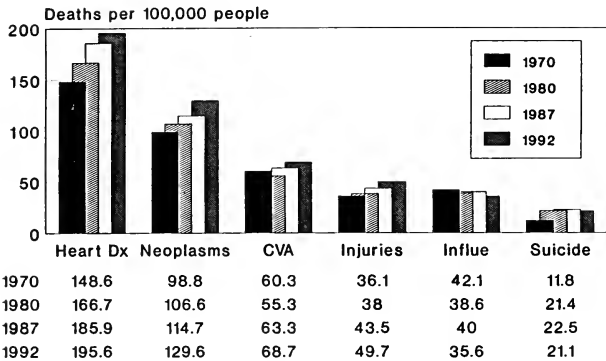
The ability of Cuba to import food, medicines, and medical supplies has been greatly reduced (see figure 10). Some essential medicines and supplies are only produced in the U.S. These used to be available from third countries at increased cost and with significant delays. Some, like the only effective treatment for a pediatric leukemia, X-ray film for breast cancer detection, U.S.-made replacement parts for otherwise European-made respirators, and medical books from a firm recently bought by a U.S. conglomerate, can no longer be purchased at all. Most medical materials are produced in other countries, but cost an average of 30% more and require 50% to 400% greater shipping charges than would the same goods purchased in the U.S.

Long supply lines and increased middlemen mean that some sensitive materials are inappropriate or useless by the time they arrive, including \$50,000 worth of reagents for prenatal testing of genetic diseases. In a move which goes beyond the Torricelli legislation, third countries have been convinced by the U.S. State Department to forego the sale of goods as basic as soap in order to preserve good trade relations with the much bigger U.S. market.

Cuban imports from U.S. subsidiaries prior to the implementation of the Torricelli legislation accounted for only a small portion of Cuban imports, but 75% of it was for foods and medicines destined for the direct relief of suffering and meeting of basic needs. U.S. embargo legislation against all other countries during the last two decades has included exemptions for such humanitarian purposes. It is ironic that the one country singled out for such a cruel embargo is one which has demonstrated an exemplary commitment to meeting basic human needs. The U.S. should not, and according to customary international law cannot, punish Cuban citizens in this way.

Figure 1

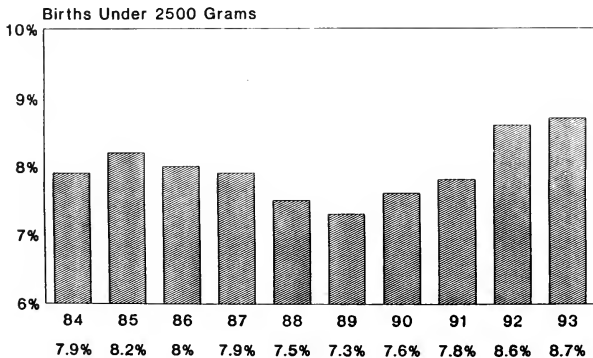
## Major Causes of Death 1970 - 1992



Source: Direc Nac Estad, MINSAP

Figure 2

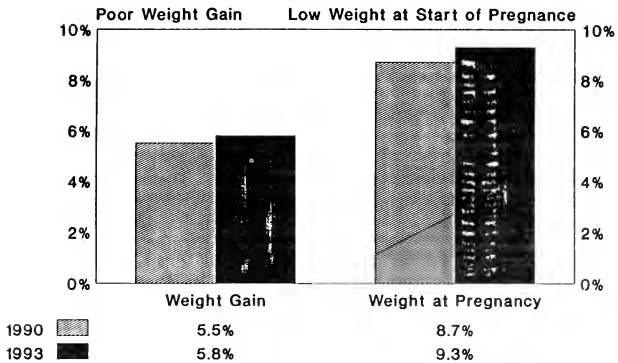
## Low Birth Weight 1984 - 1993



Source: Direc Nac Estad, MINSAP

Figure 3

## Weight Deficit in Pregnancy 1990 and 1993



Source: Direc Nac Estad, MINSAP

Figure 4

## Domestic Water Connections 1990 and 1993

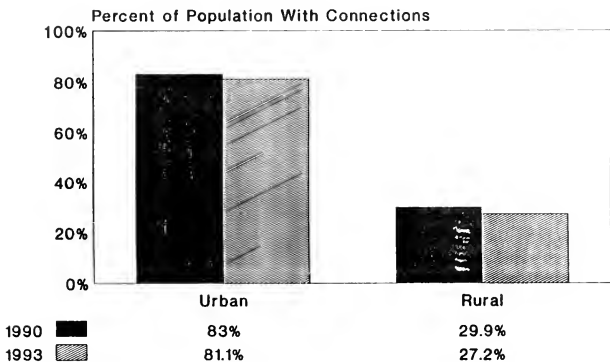
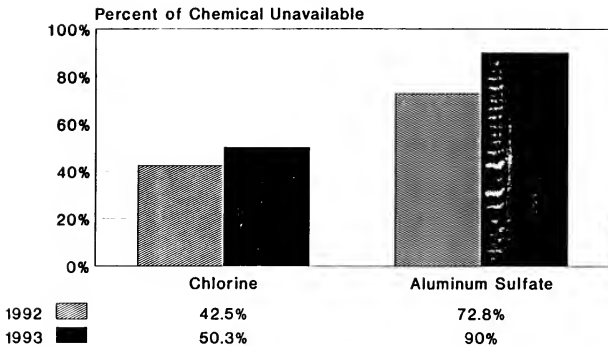


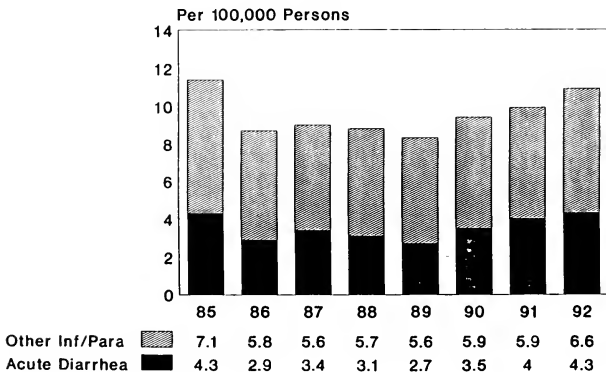
Figure 5

## Water Treatment Deficit 1992 and 1993



Source: Segunda Informe de Seguimiento y Evaluación

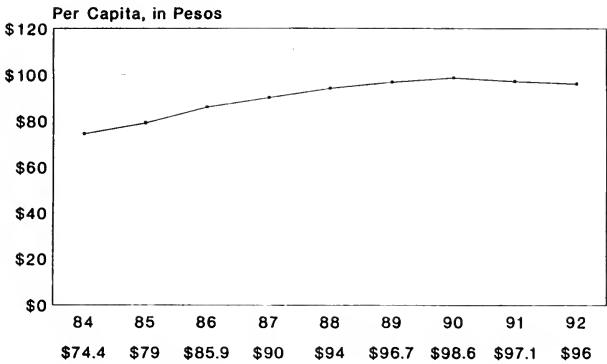
## Figure 6 Deaths From Infectious and Parasitic Diseases, 1985 - 1992



Source: Direc Nac Estad, MINSAP

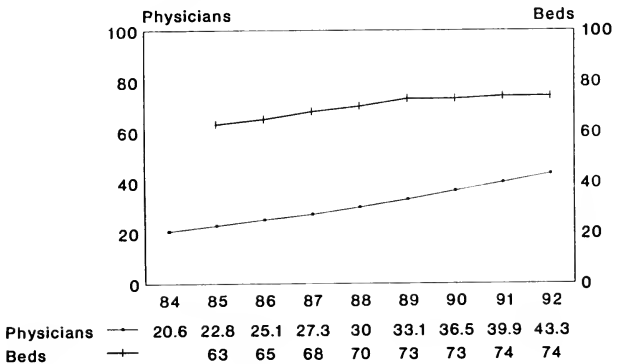
Figure 7

## Health Sector Spending 1984-1992



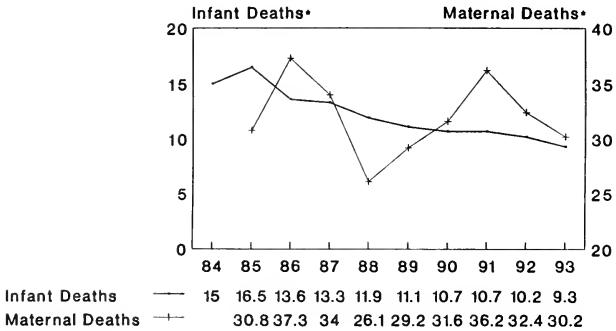
Source: Informe Anual, 1992, MINSAP

Figure 8  
Physicians and Hospitalizations  
Per 10,000 Population, 1984 - 1992



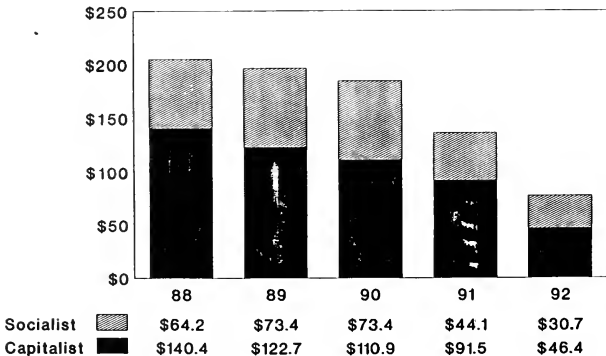
Source: Anuario Estadístico 1992, MINSAP

Figure 9  
**Infant and Maternal Mortality  
 1984 - 1993**



Infant Deaths per 1000 Births  
 Maternal Deaths per 100,000 Births  
 Source: Direc Nac Estad, MINSAP

Figure 10:  
**Medical Supplies Imported  
 in U.S. Millions, 1988-1992**



Source: 'Adverse Effects...', MINSAP, '93



Chairman RANGEL. Thank you.  
Ms. Elliott.

**STATEMENT OF KIMBERLY A. ELLIOTT, RESEARCH  
ASSOCIATE, INSTITUTE FOR INTERNATIONAL ECONOMICS**

Ms. ELLIOTT. Thank you very much, Mr. Chairman.

I am also speaking on behalf of my colleague, Gary Hufbauer, who could not be here today. Our statement focuses fairly narrowly on the potential value of U.S. exports to Cuba, should the embargo be lifted. For comparative purposes, I will also provide some estimates of potential U.S. exports to Vietnam.

The sanctions imposed against Cuba and, until recently, Vietnam, are among the most severe ever imposed by the United States outside of wartime. But in neither case have sanctions contributed noticeably to the achievement of U.S. foreign policy goals. Continuation of the Cuban sanctions puts U.S. firms at a disadvantage relative to their competitors based in other countries, for example, Canada, who do not face similar constraints.

There is also a foreign policy cost in the Cuban case. U.S. sanctions against Cuba are widely considered to be inconsistent with international law. Extension of these sanctions extraterritorially under the Cuban Democracy Act is particularly unpopular outside the United States.

Various estimates can be made about additional U.S. exports that would result if the sanctions were lifted. A wide range of possible outcomes may be contemplated, depending on the extent to which Cuba and Vietnam embrace the tenets of a market economy, the aggressiveness of U.S. companies in marketing goods and services, and many other variables.

With those caveats in mind, we list below some estimates of the possible U.S. export gains. Two points stand out: First, relative to the size of U.S. exports on a global basis, about \$600 billion of goods and services sold in 1993, the potential export gains are quite modest. Second, under any reasonable calculation, potential export gains to Cuba are much larger than potential export gains to Vietnam.

The first estimate is from our colleague at the Institute for International Economics, J. David Richardson. In his book, "Sizing Up U.S. Export Disincentives," he uses a gravity model to compare actual with predicted U.S. exports. With the lifting of the sanctions against Vietnam, his model suggests that U.S. exports might be just over \$10 million. For Cuba, the figure is \$180 million.

The second estimate is from our own book, "Economic Sanctions Reconsidered," written with our colleague Jeffrey Schott. It assumes that in the absence of sanctions, the U.S. share of OECD exports to the target country would be the same as the U.S. share of OECD exports to other non-OECD countries in the region.

These estimates do not take into account the total overall growth in the target country imports that could result from a general shift toward market oriented policies. Under these assumptions, U.S. exports to Vietnam might reach \$70 million. And if the embargo against Cuba were lifted, this method suggests U.S. exports would be over \$400 million.

Finally, the impact on U.S. exports may be estimated by making a rough comparison with U.S. exports to "normal" countries that are in the same geographic neighborhood as the target countries. In the case of Vietnam, we used Bangladesh, which has a similar level of per capita income and which is a similar distance from the United States. U.S. exports to Bangladesh are about \$2 per person. Since Vietnam's population is around 68 million, this method suggests U.S. exports to Vietnam might be as high as \$140 million.

For Cuba, we used an average for the Dominican Republic and Haiti prior to the sanctions against Haiti. U.S. exports to those countries averaged \$180 per person. With a population of 11 million persons, this calculation suggests that U.S. exports might approach \$2 billion, if the U.S. embargo were lifted.

Thank you, Mr. Chairman.

[The prepared statement follows:]

**STATEMENT OF GARY C. HUFBAUER AND KIMBERLY A. ELLIOTT  
INSTITUTE FOR INTERNATIONAL ECONOMICS**

Statement of Kimberly Elliott and Gary C. Hufbauer, Institute for International Economics

The United States has imposed severe economic sanctions against Cuba and Vietnam for many years. Most sanctions against Vietnam were recently lifted.

In neither case did sanctions contribute noticeably to the achievement of US foreign policy goals. However, sanctions were partly successful in convincing domestic political constituencies that the US government was paying attention to their concerns.<sup>1</sup>

In both cases, the potential costs of US sanctions were, for some period of time, substantially ameliorated by offsetting assistance from the former Soviet Union and, in the case of Vietnam, China.

Continuation of the Cuban sanctions may put US firms at a disadvantage, relative to their competitors based in other countries (e.g., Canada) who do not face similar constraints. There is also a political/foreign policy cost in the Cuban case: US sanctions against Cuba are widely considered to be inconsistent with international law.<sup>2</sup> Extension of these sanctions extraterritorially, under the Cuban Democracy Act, is particularly unpopular outside the United States.

Estimated Impact on US Exports

Various estimates can be made about additional US exports that would result if the sanctions were lifted. A wide range of possible outcomes can be envisaged, depending on the extent to which Cuba and Vietnam embrace the tenets of a market economy, the aggressiveness of US companies in marketing goods and services, and other variables. With that caveat in mind, we list below some estimates of the possible US export gains. Two points stand out. First, relative to the size of US exports on a global basis (about \$600 billion of goods and services sold in 1993) the potential export gains are modest. Second, under any reasonable calculation, potential export gains to Cuba are much larger than potential export gains to Vietnam.

(1) From J. David Richardson, Sizing Up US Export Disincentives, Institute for International Economics, Washington, DC, 1993, p. 97. Richardson uses a gravity model to compare actual with predicted US exports. If the sanctions are lifted, his model suggests the following effects:

Vietnam: \$13 million additional US exports.  
Cuba: \$180 million additional US exports.

(2) From Gary Clyde Hufbauer, Jeffrey J. Schott and Kimberly Ann Elliott, Economic Sanctions Reconsidered, Institute for International Economics, Washington, DC, 1990, p. 81. Hufbauer *et alia*, assume that, in the absence of sanctions, the US share of OECD exports to the target country would be the same as the US share of OECD exports to other non-OECD countries in the region. These estimates do not take into account the possible overall growth in the target country imports that could result from a general shift towards market-oriented policies. The results are:

Vietnam: \$69 million additional US exports.  
Cuba: \$432 million additional US exports.

<sup>1</sup> For further analysis, see Gary Clyde Hufbauer, Jeffrey J. Schott and Kimberly Ann Elliott Economic Sanctions Reconsidered, Institute for International Economics, Washington, DC, 1990.

<sup>2</sup> See Michael Krinsky and David Golove, editors, United States Economic Measures Against Cuba, Aletheia Press, Massachusetts, 1993, p. 2.

(3) Most optimistically, the impact on US exports may be estimated by making a rough comparison with US exports to "normal" countries that are in the some geographic neighborhood as the target countries.

In the case of Vietnam, it may be postulated that US exports to Vietnam, per person living in Vietnam, would be the same as US exports to Bangladesh per person. Bangladesh and Vietnam have similar levels of per capita income (under \$300 per year in both cases), and distance obstacles of all kinds are severe. The relevant trade export figure is roughly \$2 of US exports per person. The Vietnamese population is 68 million.

In the case of Cuba, it may be postulated that US exports per person to Cuba would be the same as US exports to the Dominican Republic and Haiti per person (prior to US sanctions of Haiti). The average per capita income for these two countries is about \$670, about the same as Cuba. For none of the Caribbean countries are distance obstacles severe. The relevant trade figure is roughly \$180 of US exports per person living in Dominican Republic and Haiti. Cuba has a population of 11 million persons. Based on these figures, the following export projections may be calculated.

Vietnam: \$136 million additional US exports.  
Cuba: \$1,980 million additional US exports.

Chairman RANGEL. Thank you.  
Ms. Gunn.

**STATEMENT OF GILLIAN GUNN, DIRECTOR, CUBA PROJECT,  
CENTER FOR LATIN AMERICAN STUDIES, GEORGETOWN  
UNIVERSITY, WASHINGTON, D.C.**

Ms. GUNN. Thank you, Mr. Chairman.

Much of my recent research has focused on the political and social impact of rising foreign capital investment in and trade with Cuba. My conclusions are based on observations taken during approximately 10 trips to Cuba since 1989, the most recent occurring in December 1993. I have found that the increased exposure to capitalist practices precipitated by the collapse of the Socialist world and the reorientation of Cuba's international economic linkages westward have begun to reshape both Cuba's economic structure and its political culture, eroding collectivist Socialist values and enhancing individualistic capitalist values.

The government of Fidel Castro is well aware of the subversive effect of these foreign economic linkages. But the loss of the subsidies from the former Soviet Union has given the authorities no choice but to continue to expand these trade and investment contacts. As outlined in a 1993 publication that I wrote, the Cuban regime has attempted to mitigate the political impact of these economic associations, largely by controlling the pool of workers from which the foreign firm is permitted to recruit labor. The Government's efforts initially were highly successful. However, as the level of capitalist contacts has gradually risen, the authorities' ability to manipulate the foreign firm's interactions with the Cuban people has been eroded.

One of the most striking results of the rising exposure to foreign firms is the Cuban population's altered perception of efficiency. I have several examples in my submitted testimony, and I will just provide one here.

At a joint venture hotel in the main beach resort constructed with Spanish and Cuban capital and managed by a Spanish firm, a striking increase in labor productivity was registered. In the State-run hotels, there is an average of one worker per room. At the joint venture, there is an average of 0.6 workers per room, a 40 percent improvement. Both workers and management are highly aware of the increased efficiency that accompany the introduction of capitalist management methods, and now ridicule their colleagues in the State-run hotels as dinosaurs. Incidentally, the Cuban workers also earn a higher salary as a result of this increased efficiency.

There are two ways to evaluate the impact of the foreign investment increase in efficiency. It is, of course, true that by enhancing efficiency, the foreign investments have increased the Cuban Government's revenues and, hence, its ability to remain in power. However, I argue that the second social political impact is far more important over the long term. A Cuban economist summarized this nicely in late 1992, when he said: "A year ago, when Cuban managers thought about how to become more competitive and efficient, they concentrated on improving Cuban Socialist models. Now they are looking almost exclusively to foreign market economy models.

It is capitalism through the back door. This model is being copied in the rest of the economy. It will have a pull effect."

The growing role of foreign capitalist enterprises in Cuba is also creating pressure for structural changes in the Cuban economy. The most obvious is the creation of the *Sociedades Anonimas*—in English, that is anonymous society companies. These arose because foreign firms were reluctant to enter joint ventures with traditional planned economy type enterprises. Therefore, Cuba established a new form of quasiprivate firm.

While the State technically owns the SA firm, its managers are given great autonomy which permits them to operate almost like capitalist companies. The managers of such firms are gradually adopting the mindset of their foreign colleagues, shifting the Cuban political culture. As these managers tend to be the best paid, they are becoming an elite class to which other Cubans aspire.

The involvement of foreign firms has also played a major role in encouraging the Cuban Government to legalize the holding of dollars by Cuban citizens. Foreign hotel managers pressured for their employees not only to be paid tips in hard currency, but to be allowed to legally retain that currency, rather than having to exchange it for virtually worthless Cuban pesos.

The foreign managers felt such an adjustment was necessary to stimulate their workers to provide good service. This pressure, combined with the fact that Cuban workers were violating the rules and retaining the currency anyway, contributed to the Cuban decision to legalize the holding of foreign currency in July 1993. This measure has radically altered Cuban society, creating a new group of informal sector entrepreneurs largely out of control of central State mechanism.

The last and most important impact of rising exposure to capitalist companies is evident in Cuba's rapidly shifting political culture. A Cuban economist at a recent conference with U.S. colleagues remarked: "If they"—meaning Cuba's leaders—"are willing to let foreigners make private investments in Cuba, why won't they let me, a Cuban, make private investment in my own country?" The hypocrisy of a government which proclaims itself Nationalist and yet gives greater privileges to foreigners than to its own citizens is altering the population's perception of the Castro government.

In conclusion, I do not agree that the U.S. embargo should be immediately lifted. As I have outlined in my recent publication last year, "Cuba in Transition: Options for U.S. Policy," I call for a gradual reciprocal strategy, rather than that proposed by Representative Rangel.

However, my research does indicate that increased involvement of capitalist firms in the Cuban economy, while temporarily increasing the Government's foreign exchange earnings, is having a profoundly subversive effect upon Cuba's economic structures and political culture. The more foreign investment and trade grows, the more difficult it will become for the Cuban Government to control this effect. While increased trade and investment might be a temporary lifesaver for the Cuban Government, it could easily turn into the metaphysical Trojan horse.

Thank you very much.

[The prepared statement follows:]

**U.S. House of Representatives****Committee on Ways and Means****Subcommittee on Trade****and****Select Revenue Measures Subcommittee****Testimony****March 17, 1994**

by

Gillian Gunn

Director, Georgetown University Cuba Project

Much of my recent research has focused on the political and social impact of rising foreign capitalist investment in and trade with Cuba. My conclusions are based on observations during approximately 10 trips to Cuba since 1989, the most recent taken in December 1993. I have found that the increased exposure to capitalist practices, precipitated by the collapse of the socialist world and the re-orientation of Cuba's international economic linkages Westward, have begun to reshape both Cuba's economic structure and its political culture, eroding collective, socialist values and enhancing individualistic, capitalist values.

The government of Fidel Castro is well aware of the subversive effect of these foreign economic linkages, but the loss of subsidies from the former Soviet Union has given the authorities no choice but to continue to expand these trade and investment contacts. As outlined in my 1993 publication, "The Sociological Impact of Rising Foreign Investment" (Georgetown University Cuba Briefing Paper, January 1993), the Cuban regime has attempted to mitigate the political impact of these economic associations, largely by controlling pool of workers from which the foreign firm is permitted to recruit labor. The government's efforts initially were highly successful. However, as the level of capitalist contacts has gradually risen, the authorities' ability to manipulate the foreign firms' interactions with the Cuban people has been eroded. In my judgement, increased trade with and investment from capitalist countries could push the level of exposure to market mechanisms over the threshold at which government regulations can moderate political impact. Such a development would not guarantee a peaceful transition to a democratic, market-oriented Cuba. But to the extent that the introduction of market mechanisms erodes central government economic control and introduces new political ideas into the body politic, increased capitalist trade and investment could help create conditions for such a transition.

As of November 30, 1993, 496 foreign firms were registered to operate in Cuba. In 1991 Cuban academics put the value of foreign investment at about \$500 million. The value has probably increased modestly since then.

One of the most striking results of rising exposure to foreign firms is the Cuban population's altered perception of efficiency. Two examples illustrate this.

First, at a joint venture hotel in Varadero, constructed with Spanish and Cuban capital and managed by a Spanish firm, a striking increase in labor productivity was registered. In the state-run hotels there is an average of 1 worker per room. At the

joint venture there is an average of 0.6 workers per room, a 40% improvement. Both workers and managers are highly aware of the increased efficiency that accompanied the introduction of capitalist management methods and now ridicule their colleagues in the state run hotels as dinosaurs.

Second, at a joint venture in the shipbuilding and repair industry, representing Cuban and Curacao investments, the increased efficiency is equally striking. Though staff was reduced by 4%, the joint venture achieved a 30% decrease in the period of time required for ship repairs. Consequently, the workers in the joint venture enterprise, which is run on classic market-style management principles, began to enjoy a considerably higher standard of living than their colleagues in the state sector.

There are two ways to evaluate these developments. It is, of course, true that by enhancing efficiency the foreign investments increased the Cuban government's revenues, and hence its ability to remain in power. However, I argue that the second, social-political impact is far more important over the long term. A Cuban economist summarized this nicely when he said in late 1992, "A year ago, when Cuban managers thought about how to become more competitive and efficient, they concentrated on improving Cuban, socialist models. Now they are looking almost exclusively to foreign, market economy models...It's capitalism through the back door...This model is being copied in the rest of the economy. It will have a pull effect."

The growing role of foreign capitalist enterprises in Cuba is also creating pressure for structural changes in the Cuban economy. The most obvious is the creation of the "Sociedad Anonima", or "Anonymous Society" companies. These arose because foreign firms were reluctant to enter joint ventures with traditional, planned economy-type enterprises. Therefore Cuba established a new form of quasi-private firm. While the state technically owns the S.A. firm, its managers are given great autonomy which permits them to operate almost like capitalist companies. The managers of such firms are gradually adopting the mind-set of their foreign colleagues, shifting the Cuban political culture. As these managers tend to be the best paid, they are becoming an elite class to which other Cubans aspire.

The involvement of foreign firms also played a major role in forcing the Cuban government to legalize the holding of dollars by Cuban citizens. Foreign hotel managers pressured for their employees to not only be paid tips in hard currency, but to be allowed to legally retain that currency rather than being forced to exchange it for virtually worthless Cuban pesos. The foreign managers felt such an adjustment was necessary to stimulate their workers to provide good service. This pressure, combined with the fact that Cuban workers were violating the rules and retaining the currency anyway, contributed to the Cuban decision to legalize the holding of foreign currency in July 1993. This measure has radically altered Cuban society, creating a new group of informal-sector entrepreneurs largely out of the control of the central state mechanism.

The last, and perhaps most important, impact of rising exposure to capitalist companies is evident in Cuba's rapidly shifting political culture. A Cuban economist at a recent conference with U.S. colleagues remarked, "If they [Cuba's leaders] are willing to let ... [foreigners] make private investments in Cuba...why won't they let me, a Cuban, make private investment in my own country?" The hypocrisy of a government which proclaims itself nationalist, and yet gives greater privileges to foreigners than to its own citizens is altering the population's perceptions of the Castro regime.

A recent controversy in the government dominated Confederation of Cuban Workers (CTC) also illustrates a shift in political



culture. When a Spanish firm recently took over the management of a Havana hotel, it imposed new, particularly strict worker discipline. A CTC representative complained on behalf of his unhappy colleagues, and was fired. The CTC protested, saying the foreign manager did not have the right to dismiss union leaders.

The controversy soon escalated, and a sector of the CTC proposed that strikes against joint ventures be legalized. The government countered that society had to accept foreign companies' demands or Cuba would not receive needed investment. The strike proponents countered that if strikes were successful, workers would receive higher salaries and would directly benefit. This anecdote illustrates a tendency noted by other Cuba watchers. The increased involvement of foreign firms has led Cuban state dominated organizations to shift their self perceived role. They now increasingly see themselves as defenders of their own members' interests, rather than instruments through which the government's decisions are implemented. If this process were to accelerate and expand, it could form the basis of a more normal, civil society.

The growth of foreign capitalist activities in Cuba, their vastly greater efficiency and the consequent rise in the living standards of Cubans employed by such enterprises has also had a subtle, hard-to-tabulate effect on Cuban culture. Put bluntly, however, profits are less likely than previously to be seen as ill gotten gains created by exploitation. They are increasingly seen as evidence of economic efficiency, and worthy of emulation, albeit with an accompanying concern that workers not be subjected to unduly rigid work rules. Language often reflects inner thoughts, and the fact that hotel workers in joint ventures are now dropping the socialist form of address, "Companero" (Comrade), succinctly summarizes the cultural shift accompanying rising foreign trade and investment in Cuba.

In conclusion, I do not argue that the U.S. embargo should be immediately lifted. As I have outlined in my publication Cuba in Transition: Options for U.S. Policy, I call for a more gradual, reciprocal strategy than that proposed by Representative Rangel. However, my research does indicate that increased involvement of capitalist firms in the Cuban economy, while temporarily increasing the government's foreign exchange earnings, is having a profoundly subversive effect upon Cuban economic structures and political culture. The more foreign investment and trade grows, the more difficult it will become for the Cuban government to control this effect. While increased trade and investment might be a temporary live-saver for the Cuban government, it could easily turn into the metaphorical Trojan horse.

Mr. KOPETSKI [presiding]. I want to thank the panel for their patience and perseverance and their testimony and sharing with us their insights on this important issue.

Ms. Gunn, I could not agree with you more in your costing paragraph in terms of this being a Trojan horse, in the short term. It will provide some relief. What happens is once that horse has arrived, you unlock the door of so many different ideas and ideals, and it will overrun that country in a very positive way in terms of human rights.

You know, this committee has struggled literally every day with the issue of China and most-favored-nation status. Some of us on the committee are exploring alternatives to using trade sanctions as a weapon for human rights. But then the question is begged, because we do have a commitment in this Nation to every citizen in the world achieving the rights that we enjoy under our Constitution.

You might take this back and think about it a little bit, and maybe even come up with some thoughts in writing. There may be a different forum and different process to use as either carrots or sticks, measures to advance the speed of achieving those human rights. Such things as conditioning World Bank loans to Cuba, based on significant progress in the human rights area, and the same with other kinds of developing banks in the Caribbean region.

Also, we have the International Monetary Fund and their various developmental programs, as well as the U.N. development program. Those might be more appropriate devices to further our common goals here.

Again, I want to thank you.

We have one more panel, and I would like to call them to the witness table. We have Roger Fontaine, diplomatic correspondent, Report From America, former senior staff for Latin America, National Security Council; Jose Sorzano, chairman, The Austin Group, Inc., former senior director for Latin America, National Security Council, Hon. Otto Reich, senior associate and vice chairman for Americas Program, Center for Strategic and International Studies, and also the former U.S. Ambassador to Venezuela; and, finally, Wayne Smith, senior fellow, Center for International Policy, director, Cuba Program, Johns Hopkins University, which is located in Baltimore, Md.

Apparently Mr. Reich had to leave, and we will have his statement placed in the record in its entirety, as will your statements, as well. We ask if you could summarize your statements, that would be a great contribution to our staff.

[The prepared statement of Mr. Reich follows:]

**TESTIMONY OF THE HONORABLE OTTO J. REICH  
BEFORE THE COMMITTEE ON WAYS AND MEANS  
TRADE WITH CUBA  
MARCH 17, 1994**

Thank you Mr. Chairman and distinguished members of this Committee for extending an invitation to me to address U.S.-Cuba policy and its role in fostering economic opportunity benefiting both countries.

There is no shortage of U.S. corporate interest in emerging markets offering new commercial opportunities. And Cuba is no exception. Recent economic reforms in, and U.S. access to, China and Vietnam have prompted some to speculate that U.S. trade policy toward those nations should be applied to Cuba.

I believe that using the "Vietnam model" as a guide for U.S.-Cuba policy to unilaterally lift the U.S. embargo against Cuba is a misguided and counterproductive approach to the development of a prosperous market-oriented and democratic Cuba. It is counterproductive not only because it would reward a government which denies fundamental economic, political and human rights to the Cuban people and repudiates its obligations under international law, but also because Cuba has failed to implement the economic reforms necessary for sustained commercial development -- even by the minimum standards recently established in Vietnam.

Most fundamentally, the question of how the Cuban Government treats its own people is important to international commerce and corporate decision-making. To engage in commercial activity in Cuba under current conditions presents several immediate and long-term risks in addition to the obvious moral concerns analogous to the earlier cases of South Africa and Haiti.

Last week's U.N. Human Rights Commission vote once again condemning Cuba for its human rights abuses is a timely reminder of the brutal nature of the current regime in Cuba. For the fourth consecutive year, Cuba received the highest condemnation which the UNHRC can give, a sanction previously reserved for such gross and consistent violators as Iraq, Iran, and Romania. Nevertheless, some will say that a "business as usual" attitude regarding trade with Cuba would not only be good U.S. policy but good business.

It is important to recognize, however, that such abuses indicate a broader pattern of government abuses which directly impact trade and investment activity.

The lack of basic labor rights in Cuba is a prominent example. The absence of protection for even the most basic workers' rights in Cuba ensures that prospective investors in Cuba cannot establish a sound, stable foundation for commercial operations on the island.

The International Labor Organization has cited Cuba for violations of ILO conventions (to which Cuba is a signatory) including: the use of forced labor (Convention No. 29 and 105);

denial of freedom of association and the right to organize (Convention No. 87); employment discrimination (Convention No. 111); and arrest of independent trade union members without a warrant, due process or grounds for conviction. The arrest of independent trade union movement leader Rafael Gutierrez last year marked the beginning of yet another crackdown against workers rights activists on the island.

Could an American firm, particularly a labor-intensive industry, ignore such unpleasant realities in Cuba to cut a quick deal with the Cuban Government without courting disaster? The answer is no and the reason is simple -- good corporate citizenship is good business for U.S. firms seeking long-term commercial success in Cuba.

Given Cuba's proximity and strong legacy of cultural and economic ties, U.S. firms have a special interest in building commercial relations on a solid foundation. That will require association with a prosperous market-oriented future rather than a painful and stagnant past.

Cuban citizens don't need to be reminded that tourist hotels reserving food and other scarce resources to foreign visitors are off-limits to them, or that, if they are lucky enough to land a job at one of these hotels, Cuban Government agencies pay them less than 500 pesos a month (five U.S. dollars) while splitting profits with foreign hotel owners. The corresponding atmosphere of resentment and economic instability ensures that companies in Cuba today jeopardize their long-term access to a democratic market-oriented Cuba.

Those who fear that U.S. companies need to get a "foot in the door" of the Cuban economy to avoid "losing out" to foreign competitors should note that door has been closed due to Cuba's reticence to economic reform. Cuba's economy is down for the count. The island nation's GNP has shrunk more than 50% since 1989. Cuba had only \$2.2 billion in foreign exchange revenues to use for the purchase imports last year compared to some \$8 billion in 1989. Euromoney's latest country risk guide now ranks Cuba below Somalia as the world's *worst* investment risk.

Prospective investors in Cuba should also note that joint venture deals offered by the Castro regime involve properties confiscated without compensation or due process from U.S. and international entities. The U.S. Government has officially warned any potential investor in these properties that they may be acquiring what amounts to stolen property.

U.S. claims alone total some \$5.6 billion (including 6% simple interest). By contrast, U.S. claims of \$230 million against Vietnam amount to less than Vietnamese assets frozen in the U.S.

Firms investing in joint ventures in Cuba involving confiscated properties face substantial legal and commercial risks. Major companies have successfully defended their property rights against Cuba in international courts.

And firms expecting reliable joint venture commitments are finding some rude surprises. Castro's confiscation of the successful Havana Cuba discotheque from Spanish joint venture partners and the recent suspension of hotel construction on Cuba's Isle of Pines by Gruexva, due to Cuba's failure to meet supply and infrastructure improvement commitments provide a preview of coming attraction for prospective investors as Cuba's economic crisis worsens.

The current regime in Cuba not only fails to provide the necessary conditions for long-term commercial success that exist in democratic, market-oriented transition regimes such as the Czech Republic, it also falls far short of even the minimal economic standards of China or Vietnam. We should not delude ourselves: China and Vietnam are repressive, one-party states, which are not examples to be emulated by countries desiring to promote economic and social development. Nevertheless, in a limited way they have at least provided an avenue for commercial development that offers to some a promise for long-term stability and economic success.

Cuba has failed to provide attractive long-term opportunities for international companies that are free to trade with them while suppressing the most basic freedoms necessary for domestic enterprises to grow.

When a democratic market-oriented Cuba opens the door to economic development and commercial opportunity, U.S. companies will be second to none in gaining access to market of 11 million people 90 miles from our shores eager to obtain familiar U.S.-brand goods and services.

Even if one were to cast aside political risk, human rights and labor concerns, several indispensable conditions must prevail for U.S. businesses and investors to prosper in any given commercial environment. Necessary conditions for a successful, long-term U.S. commercial re-engagement with Cuba also include:

\* Rule of Law, Contract Sanctity and Due Process. The current Constitution of the Republic of Cuba enables the state to monopolize foreign trade and impose extensive administrative controls on joint venture partners and workers. More fundamentally, the ability of actions by the Communist Party apparatus to supersede commercial and legal arrangements subjects foreign investors arbitrary actions and denies access to dispute resolution through an independent judicial process. In practice, the only mechanism for resolving contract disputes available to a foreign entity may be recourse to a Cuban forum accountable to the Cuban party and state.

\* Protection of Property Rights. Cuban laws prohibit private Cuban ownership and investment and provide no constitutional or statutory protection to foreign investors against expropriation without due process and compensation. The Cuban Constitution vests in the government complete control over ownership of all "fundamental means of production," (Article 14).

Respect for property rights is a particularly important factor in the case of Cuba because the confiscation of properties owned by U.S. companies and individuals worth nearly 2 billion (in 1962

dollars) was a primary factor in the decision to implement an embargo.

\* Secure Money and Capital Repatriation. Cuba subjects foreign investors to the prospects of severe financial exchange losses when converting investments into the domestic currency. Unlike Vietnam, for example, Cuba lacks equity commercial or foreign banks and legal provisions for a stock exchange are not established.

\* Independent Operation of Enterprises. Cuban as well as foreign enterprises on the island are denied freedom of contract with employees, customers and suppliers. Pursuant to Article 18 of the Constitution (as amended in July 1992) the Cuban Government has sole direction and control over all foreign trade activity. There are no wholly-owned foreign enterprises in Cuba and shares of joint venture entities are not freely transferable. All joint ventures require prior government approval and are subject to management control in the Cuban party.

\* Consistent and Uniformly-Applied Commercial Laws  
Before Castro, Cuban law provided equal protection to domestic and foreign investors to possess properties and engage in any form of industry and commerce. The current Cuban Government's tendency to implement sudden policy shifts, as well as ambiguous joint venture laws leaving foreign investors at the mercy of arbitrary government actions, discourage foreign investment and domestic enterprise.

New "Reforms." Much press attention has been paid to measures implemented last August by Cuba's Council of State which allow Cuban citizens to hold dollars and spend them, but effectively only in government-run stores (Decree Law 148) and to decriminalize self-employment for citizens in several non-professional trades (Decree Law 141).

Less public attention has been devoted to Cuba's recent reversal of these limited reforms. After listening to Fidel Castro rail against capitalism ("I abhor capitalism") at a December 28 meeting of the National Assembly, the rubber-stamp forum trimmed the list of permitted self-employment categories, banned the creation of private restaurants and forbid taxis to visit airports or hotels. Subsequent meetings to address reform measures have been canceled.

Cuba's Potential. The skyrocketing growth in many Asian nations is seen by many as a preview of coming attractions in Cuba. There is ample reason to believe that a market-oriented Cuba could rapidly become a leading economic performer in the Western Hemisphere providing rising living standards for Cuban citizens and boundless opportunities for domestic and international investors. One need only recall that pre-Castro Cuba was always in the top three in per capita GNP and socio-economic indicators in Latin America.

The unconditional removal of the U.S. embargo would do nothing to alter the fact that Cuban laws regarding labor, commerce and property rights preclude constructive trade relations. Such action would also lock in a U.S. negotiating strategy which offers to

jettison Havana's obligations before negotiations begin on property claim and other key concerns and to trust in the good faith of a regime with a richly deserved reputation for duplicity.

We can do much better. Certainly we in this country consider life, liberty, and the pursuit of happiness to be more important than market access. Especially since that market is going to be more open, larger and freer if we help the democratic forces than if we help the dictatorship du jour.

Thank you.

**STATEMENT OF ROGER W. FONTAINE, DIPLOMATIC CORRESPONDENT, REPORT FROM AMERICA, AND FORMER SENIOR STAFF FOR LATIN AMERICA, NATIONAL SECURITY COUNCIL**

Mr. FONTAINE. Thank you, Mr. Chairman.

Let me first thank you and Chairman Rangel for the opportunity to appear at this hearing, a hearing that is playing an important part in the growing debate over American policy toward Cuba. The debate is both timely and needed, if we are to avoid the mistakes of the past and if we are to assist Cuba's transition from tyranny to democracy.

I might add that change at best is not going to be easy, but we could in this country play a positive role, as long as we are clear about our purposes.

Let me begin by stating where I come from. I have long been an unapologetic supporter of the embargo and other measures which raise the costs to a regime whose penchant for troublemaking is well known. But that is the past. With the collapse of the Soviet bloc, Cuba in fact has lost its life support system. True, Fidel Castro's malign intentions toward this country really have not diminished, judging from his recent speeches in particular, but his capabilities for making mischief has been reduced to the vanishing point.

The question now becomes this: What is the best way, as we discussed before, to bring Cuba into the democratic, free market world with the minimum of trauma?

Some believe the embargo should stay in place until Castro is overthrown. But consider this: After the downfall of communism in Eastern Europe in 1989, I remember most analysts thinking that Castro would have 6 months or that Castro would be next. The optimists said that 6 months would be the timeframe, and the more cautious suggested 2 years. Yet, it has been more than 4 years since the death of Romania's Nicolae Ceausescu and 2 years since the disintegration of the Soviet Union. Obviously, Castro is still there, fully intending I think to remain in power, no matter what. And since the Cuban leader is now only 67 years old, in relatively good health, that could be for some time.

Therefore, I suggest a new approach. One of Castro's remaining power props is his insistence that the U.S. embargo is largely responsible for Cuba's economic difficulties. Castro also suggests that he alone stands between his people and the return of a revenge-minded Miami emigre community.

I think it is time now to deprive Castro of these convenient scapegoats. It is also time to take away his claim to victimhood. He alone should be stuck with the responsibility for economic failure and political repression.

We can do that by lifting the embargo and with it the repeal of the well intentioned, but counterproductive Cuban Democracy Act. We can do that by allowing Americans, including, of course, Cuban-Americans to travel freely to Cuba. We can do that by opening up communications, especially by expanding telephone service between Cuba and the United States.

It is true that by doing so, the regime will earn badly needed hard currency. But the amount gained will not save this decrepit



command economy—any more than the various Soviet stratagems to capture foreign exchange prevented that regime from its demise.

Raising the embargo I also believe should be unilateral. I see little reason for negotiating with Castro over a period of time on some kind of quid pro quo basis. Our various attempts in the past at dialog with the regime has yielded less than satisfactory results, and in many cases no results at all.

Ending the embargo should also be accompanied by a vigorous diplomatic effort aimed at our friends and allies. With Castro's last excuse gone, others will be free to press him publicly and privately to relinquish power. He, not we, must become the issue. The Latin Americans are especially important in this effort. After all, a democratic and stable Cuba is as much in their interest as it is ours.

Most of our Latin American friends have opposed the embargo for some time, and have hesitated to do more about Cuba, lest they appear as apologists for U.S. policy. That, too, could change overnight, if we prepared to seize the opportunity.

Finally, speaking of opportunities, lifting the embargo offers one more important possibility. The U.S. embargo has also placed Castro's growing domestic opposition on the defensive. Few can defend it, because Castro has long equated opposition to him with collusion with American imperialism, in other words, treason.

Once again, depriving Castro of that scapegoat gives his opponents much needed political room and lessens the chances that Cuba will become ever more polarized in the dying days of the regime.

Finally, maintaining the embargo does impose a cost, but the cost most heavily weighs on the Cuban people who, after 35 years of failed revolution, have surely suffered enough.

In addition, I do not think it is morally possible to make matters worse in the hope somehow, some day it will all get better. It is simply not acceptable to follow a strategy designed to make the lot of most Cubans so desperate that they will rise in blood revolt. That is not an option, if Cuba is somehow to escape its past.

I conclude with this observation: In looking more historically and over the long range, in fact, Cuba's history weighs very heavily against a better Cuban future, and I propose we not add to that burden.

Thank you very much, sir.

[The prepared statement follows:]

[An attachment to Mr. Fontaine's statement is being retained in the committee's files.]

**Testimony**  
*before the*  
**Select Revenue Measures and Trade Subcommittees**  
**Ways and Means Committee**  
**U.S. House of Representatives**

*by Roger W. Fontaine*  
March 17, 1994

Mr. Chairman, Members of the Committee, Ladies and Gentlemen,

Let me first thank you for the opportunity to appear at this hearing -- a hearing, I believe, that will play an important part in a growing debate over American policy toward Cuba.

That debate is both timely and needed if we are to avoid the mistakes of the past and if we are to assist Cuba's transition from tyranny to democracy.

At best, the change will not be easy. But we can play a positive role as long as we are clear about our purpose.

Let me begin by stating where I come from. I have long been an unapologetic supporter of the embargo and other measures which raised the cost to a regime whose penchant for trouble making world-wide was both impressive and appalling.

But that's the past. With the collapse of the Soviet bloc, Cuba lost its life support system. True, Fidel Castro's malign intentions toward this country have not diminished, but his mischief making capability has.

The question now becomes this: What is the best way to bring Cuba into the democratic, free market world with the minimum of trauma?

Some believe the embargo should stay in place until Castro is overthrown. But consider this. After the downfall of communism in Eastern Europe in 1989 most analysts thought Castro would be next. The optimists said no more than six months; the cautious suggested two years.

Yet, it's been more than four years since the death of Romania's Nicolae Ceausescu and two years since the disintegration of the Soviet Union. Obviously, Castro is still there, fully intending to remain in power no matter what. Since the Cuban leader is only 67 and in relatively good health that could be for some time.

We need, I suggest, a new approach.

One of Castro's remaining power props is his insistence that the U.S. embargo is largely responsible for Cuba's economic debacle. Castro also suggests that he alone stands between his people and the return of a revenge-minded Miami emigre community.

It's time to deprive Castro of these convenient scapegoats. It is also time to take away his claim to victimhood. He alone should be stuck with the responsibility for economic failure and political repression. He should no longer be made a martyr.

We can do that by lifting the embargo and with it the repeal of the well-intentioned, but counter-productive Cuba Democracy Act.

We can do that by allowing Americans including, of course, Cuban-Americans to freely travel to Cuba.

We can do that by opening up communications, especially by expanding telephone service between Cuba and the United States.

It is true that by doing so the regime will earn badly needed hard currency. But the amount gained will not save this decrepit command economy -- any more than the Soviet stratagems to capture foreign exchange prevented that regime from its well-earned demise.

Raising the embargo should also be unilateral. I see little reason for negotiating with Castro on some kind of quid pro quo basis. Our various attempts in the past at dialogue with the regime has yielded less than satisfactory results, or more precisely, no results at all.

Ending the embargo should also be accompanied by a vigorous diplomatic effort aimed at our friends and allies. With Castro's last excuse gone, others will be free to press him publicly and privately to relinquish power. He, not we, must become the issue. The Latin Americans are especially important in this effort. After all, a democratic and stable Cuba is as much in their interest as it is ours.

Most of our Latin American friends have opposed the embargo for some time, and have hesitated to do more about Cuba lest they appear as apologists for U.S. policy. That too could change overnight if we are prepared to seize the opportunity.

And speaking of opportunities, lifting the embargo offers one more important possibility.

The U.S. embargo has also placed Castro's growing domestic opposition on the defensive. Few can defend it because Castro has long equated opposition to him with collusion with American imperialism. In other words: treason.

Once again, depriving Castro of that scapegoat gives his opponents much needed political room and lessens the chances that Cuba will become ever more polarized in the dying days of the regime.

Finally, maintaining the embargo does impose a cost, but the cost most heavily weighs on the Cuban people who after 35 years of a failed revolution have surely suffered enough.

I don't think it is morally possible to make matters worse in the hope somehow, some day it will all get better. It's simply not acceptable to follow a strategy designed to make the lot of most Cubans so desperate that they will rise in bloody revolt.

That's not an option if Cuba is somehow to escape its past.

In fact, Cuba's history weighs very heavily against a better Cuban future. I propose we not add to that burden.

Thank you.

Mr. KOPETSKI. Thank you very much for your testimony.  
Mr. Sorzano.

**STATEMENT OF HON. JOSE S. SORZANO, CHAIRMAN, THE  
AUSTIN GROUP, INC., AND FORMER SENIOR DIRECTOR FOR  
LATIN AMERICA, NATIONAL SECURITY COUNCIL**

Mr. SORZANO. Thank you, Mr. Chairman.

I must confess that, having waited 6 hours for my opportunity to speak, I have toyed with the idea that I should take full opportunity of it. But given the fact that I also have dinner guests at my home in Virginia at 7:30, what I would like to do, with your permission, is just submit my testimony for the record—I think the staff has copies of it—and just summarize its key points now.

The key points are this: I am against the bill under consideration. I support the Cuban Democracy Act. I believe that the arguments that are made against the embargo can be classified under three general subheadings.

The first one is humanitarian. We have heard a lot of it today here. The argument is that the catastrophic conditions that we are witnessing in Cuba are made even worse by the American embargo and, consequently, out of concern for the suffering of the Cuban people, we should lift the embargo.

The fact is that the Cuban people today are suffering not because of the American embargo. Let me compare it to the situation with Haiti. In Haiti, we have a U.N. sanctioned embargo which is internationally concerted. The Haitians cannot buy oil and cannot engage in trade, because there is an international embargo.

But Cuba is different. The reason that the Cubans today do not have medicine, the reason today the Cubans do not have energy and they do not have as much foodstuff as the population needs is because the system is broke. They could buy from the Canadians, they could buy from the Japanese. Other countries besides the United States make medicine. And it is broke because Cuba has implemented a failed economic model which universally has led to the same economic consequence, bankruptcy.

It is also broke, as we have heard here today, because it has a military force that is way over the size of the island's population and its capacity to carry the weight. So I believe that, rather than changing the embargo, what needs to be changed is Fidel Castro's obstinate desire to pursue his dream of "socialismo o muerte." Once we change that, the rest of the conditions in Cuba will change.

The second set of arguments are related to the end of the cold war. The argument is the cold war has ended, the Soviet Union has imploded and, therefore, the embargo against Cuba is an anachronism that should be changed.

It is indeed true that Cuba today is weaker and is poorer than it was in 1989. Poorer and is weaker. But it is relatively unchanged. It is still a closed society, it is still heavily militarized, it still has the infrastructure for subversion intact. Castro has all his capabilities intact.

So if he cannot be doing what he used to do, it is not because he has changed his color, not because he does not have the means, it is simply because he lacks the resources to do so. To lift the embargo, without asking for a dismantling of some of those capabili-

ties, could be harmful to American interests in advance. It seems to me sheer folly.

Finally, I move to the argument of my colleague. We actually had the same official positions one after the other. And that is the argument that the market forces are the true fastest and surest way to get rid of Fidel Castro.

We have heard here today that the Foreign Minister of Cuba has said that the No. 1 priority of Havana is to have the embargo lifted. I would say that if I were to choose between the political judgment of Castro and his government about what is most convenient to him and the political judgment even of an esteemed analyst as Roger Fontaine here, I would place my bet on Fidel Castro and not on Roger.

Consequently, I believe where we are right now is probably the best position. You have pressure from above that prevents Castro from getting a life preserver, and you have what Dr. Gunn has mentioned before, you have this corrosive process from below that eventually is going to have the island become ungovernable by Castro.

Thank you very much.

[The prepared statement follows:]

## *Testimony of Ambassador José S. Sorzano*

### **Objectives of U.S. policy**

Despite a succession of electoral changes in the United States and massive international upheavals, the objectives of U.S. policy towards Cuba have remained remarkably stable.

These objectives are:

- The containment and isolation of Cuba until it adopts a foreign policy which does not threaten or destabilize its regional neighbors.
- The emergence of a stable democracy in Cuba respectful of the human rights of its citizens.
- The development of a prosperous economy capable of fulfilling the aspirations of the Cuban people and sustaining the democratic political process.

The preferred means towards these objectives have also remained relatively constant. Principal among these tools for isolating Fidel Castro has been the U.S. economic embargo imposed by President John F. Kennedy in the early Sixties. Over this period the embargo has had multiple functions. First, as U.S. retaliation for the unilateral confiscation of American assets in Cuba. Second, to raise the cost to the former Soviet Union for projecting its military power so close to U.S. shores. Third, to deprive the Cuban government of resources which could be used against American interests abroad. And, finally, to signal the profound rejection of our government for the type of dictatorial regime which has ruled Cuba with an iron hand for the past thirty five years.

As members of these Subcommittees know, in 1992 this long-standing U.S. economic embargo was strengthened by the Congressional enactment - supported by large majorities in both chambers - of the Cuban Democracy Act. As its name suggests, this legislation outlines the democratic and human rights objectives which guide U.S. policy towards Cuba, and makes the attainment of those goals the condition for the lifting of the embargo. Since its adoption, the Cuban Democracy Act has been repeatedly and explicitly supported, first by the Bush and now by the Clinton administration.

I believe current U.S. policy towards Cuba is sound and should be maintained. Its goals are legitimate, desirable and attainable and its means well calculated to reach the desired outcomes. Consequently, I am led to disagree with those who in recent months have been pushing for a drastic change in U.S. policy and, especially, with those who advocate a lifting of the economic embargo against Cuba.

### **Humanitarian Concerns**

Several arguments are advanced on behalf of a change in U.S. policy. One commonly heard objection revolves around humanitarian considerations. It is argued that U.S. economic sanctions should be ended because they are imposing an undue hardship on the Cuban people. It is undeniable that living conditions in Cuba have deteriorated dramatically since the collapse of the Soviet Bloc pushed the Cuban economy into a downward tailspin. There are widespread

shortages of even the most basic products and press reports indicate that the meager monthly rations are sufficient for only ten days. Yet, tragic as these conditions are, they cannot be imputed to the effects of the U.S. sanctions.

Unlike the internationally concerted trade and oil embargo imposed by the U.N. against Haiti to pressure its military leaders to restore President Aristide to power, Cuba only faces U.S. sanctions. Unlike Haiti, Cuba can purchase all the oil, foodstuffs and medicines it needs in the open market. It is not the U.S. embargo, therefore, which prevents Cuba from obtaining the goods necessary to nourish its population, take care of its sick or fuel its transport and power plants.

The actual reason is simple. Cuba is bankrupt and cannot afford to do so. But this is a reflection not of the U.S. embargo, but of Fidel Castro's obstinate pursuit of "*Socialismo o Muerte!*" ("Socialism or Death!"). Accordingly, our well meaning humanitarian concern for the growing desperation of the Cuban people should not prompt a change in U.S. policy. What needs to change is Castro's embrace of a failed economic model and Cuba's continuing high level of military expenditures which have destroyed Cuba's economy and led to the current conditions.

### **The End of the Cold War**

Another frequently advanced argument in favor of changing the American policy of containment and isolation of Cuba is predicated on the radically altered configuration of international relations. It is argued that the end of the Cold War and the collapse of the Soviet Union have transformed the nature of the national security threats to the United States and made the U.S. embargo against Cuba an anachronism.

There is no doubt that the end of the Cold War and the implosion of the USSR have created a more benign international environment for U.S. security interests. The changes in the former Soviet Union and Eastern Europe have been nothing short of amazing. And this transformation has had, of course, an important impact on Cuba. As a result, Cuba today is weaker, poorer and isolated from its former trading partners and military allies.

Weaker and poorer yes. But essentially unchanged. Cuba remains a closed society and one of the few Stalinist regimes still in existence. Its official ideology is defiantly Marxist. It is still a thoroughly militarized society. The size and equipment of its armed forces are clearly disproportionate to Cuba's size and economic capacity to sustain them. Its internal security and repressive apparatus remain vigilant and strong. Cuba's intelligence and subversive capabilities are still in place. And its leadership's ideology continues to see capitalism in general, and the U.S. in particular, as irreducibly hostile to the survival of the Cuban Revolution.

In other words, the end of the Cold War has left Cuba mostly unchanged. While the upheavals in the former Soviet Bloc have reduced Cuba's capacity to affect U.S. interests abroad, Cuban military, intelligence, and subversive capabilities remain relatively intact and in place. They can be quickly reactivated and deployed against the interests of the United States and its Hemispheric allies if provided with the appropriate resources. The manpower, skills, infrastructure, and networks are there. They only need to be replenished with adequate means.

It would, therefore, be the extreme of folly to lift the embargo and provide Castro with these resources while he still has his capabilities intact. It is partly for that reason that the Cuban Democracy Act prudently requires profound substantive transformations in the nature of the Cuban system as a precondition to the lifting of the embargo.

### **Economic Self-Interest and Market Forces**

One final set of arguments invoked in support of lifting the U.S. embargo generally revolves around American economic interest. Here we must distinguish between two contrasting approaches.

One focuses on narrow corporate self-interest and is indifferent to the kind of system prevailing in Cuba. It simply argues that the embargo should be lifted because U.S. companies are being prevented from taking advantage of the Cuban business opportunities which their foreign counterparts are supposed to be exploiting. Yet, it is questionable that American companies are missing much by not trading with Cuba.

That is because, even setting aside the political issues and looking at trade with Cuba in purely commercial terms, it is not clear that it makes good business sense for a company to deal with Cuba. Cuba lacks hard currency to pay cash for its purchases, has a poor credit rating, and its non-performance on its huge international debt has led the Club of Paris to cut any further credits. That should be enough to dispel any illusion of a rich market ready to be exploited if only it were open to U.S. companies. But in addition, Cuba's juridical insecurity, crumbling infrastructure, primitive transport, energy shortages and potential political instability should discourage all but the most adventurous corporations.

Still, the powerful incentive to expand economic gain should not be underestimated. But the drive to maximize profits by trading with a government with a reprehensible human rights record, a long history of abuse of its own people, and under U.N. indictment for the arbitrary arrests, beatings, persecutions and threats against peaceful dissidents, is insensitive to the moral dimensions of the issue. In that regard, the AFL-CIO has recently stated:

"The Castro regime has opened doors for foreign capital, but Cuba remains a closed and totalitarian regime which denies to its own citizens the privileges given to tourists and businessmen. Repression of worker rights, free speech, and freedom of association is increasing, especially against the nascent democratic trade union movement.

Therefore, the AFL-CIO reiterates its support of a continued economic embargo and the "Cuban Democracy Act of 1992", allowing humanitarian aid to Cuba, but restricting commercial investments which would only serve to bolster the dictatorship, enrich foreign businessmen, and deliver virtually no positive results for the Cuban people" (AFL-CIO Press Release 2-24-94)

But there is one final argument against the embargo which is also based on economics and market forces. It is a common place to note that politics makes strange bedfellows. Cuba's Foreign Minister is on record stating that lifting the U.S. embargo is Havana's number one foreign policy priority. Presumably the Cuban leadership sees a benefit in doing so. Yet, at the same time, but coming from the other end of the political spectrum, some adversaries of Castro in the U.S. also advocate the lifting of the embargo but for diametrically opposite reasons. They argue that the best, quickest, and surest way to destabilize Castro's regime leading to its eventual overthrow would be to lift the embargo and leave the corrosive effects of market forces to undermine the current *status quo* in Cuba.

So we have Havana hoping that the lifting of the U.S. embargo will bolster its collapsing economic position, while some of Castro's adversaries in the U.S. wish the termination of the embargo as the best means to put an end to Castro's regime. Surely, at least one of them must be wrong. My bet is that it is not Castro. His survival at the helm of the Cuban government for over thirty five years suggests that he is an excellent political analyst and an expert in what is convenient to him.

The experience in China suggests that Castro is right. Its economy is undergoing rapid - even explosive - transformation. Yet the aging regime in Beijing clings to authoritarian power and is resisting international pressures to improve its human rights performance. There is no reason to suppose that Castro will be less able than the Chinese leadership to control and manage the forces of economic transformation.



## Conclusion

The U.S. policy of isolation and containment of Cuba principally implemented through the economic embargo should be continued. There are no sound reasons for changing it, nor would the alternatives being proposed work to the advantage of the U.S., or promote the freedom of the Cuban people.

With the drying up of international credits and the end of Soviet subsidies, Castro's only hope to stop and possibly reverse Cuba's economic collapse is a prompt end of the U.S. embargo which is placing enormous pressure on Castro. The results are already evident. It is precisely because he has no other option that Castro in recent months has been *forced* to make some changes in Cuba's economic policies. Today most Cubans are permitted to carry U.S. dollars and some individual enterprises in selected areas of the economy have been legalized. But even these reforms were allowed most reluctantly. Under less unfavorable economic conditions they would have been unthinkable.

The lesson is clear. Reforms and the pressures of the embargo are intimately linked. Together they can produce a situation in which, without throwing a life preserver to Castro, the reforms continue gradually to undermine his control from below until the regime becomes unsustainable. That would be in the interest of the U.S. and, especially, of the Cuban people.

*Ambassador Sorzano served in the White House (1987-1988) as Senior Director for Latin America in the National Security Council. Previously he served as U.S. Deputy Permanent Representative to the United Nations in New York (1983-85).*

Mr. KOPETSKI. Thank you for your testimony. I am going to have a question for you and I hope you will blame me when you get to your dinner guests.

Mr. SORZANO. I will.

Mr. KOPETSKI. Mr. Smith.

**STATEMENT OF WAYNE S. SMITH, SENIOR FELLOW, CENTER FOR INTERNATIONAL POLICY, AND DIRECTOR, CUBA PROGRAM, JOHNS HOPKINS UNIVERSITY, BALTIMORE, MD.**

Mr. SMITH. Mr. Chairman, it was stated previously that Castro has done nothing which would lead us to change our policy. In fact, Castro has met most of our earlier conditions.

When I was director of Cuban Affairs from 1977 until 1979, and chief of the U.S. interest section from 1979 until 1982, I used to go in and tell the Cubans, when you get you troops out of Africa, when you stop meddling in revolutionary situations in Central America and elsewhere, and when you have reduced your military ties with the Soviet Union, then we can begin in a significant way to improve relations.

Well, all that has been done, and rather than improve relations, the United States passed the Cuban Democracy Act, which in fact tightened the screws. We moved in exactly the opposite direction than we said we would.

Now, those in the Department of State say rather proudly we have moved the goalpost. What that means is that we went back on our word. When you tell an adversary that if he does  $x$ , you will do  $y$ , and he does  $x$ , and then rather than doing  $y$ , you do the exact opposite, that is bad diplomatic practice. People come not to have any confidence whatsoever in your word, and you cannot negotiate seriously under those circumstances.

The Cuban Democracy Act does nothing more than tighten the screws. I would take sharp issue with the representative of the State Department and Congressman Torricelli, who claim there is a second track of reaching out to the Cuban people. We have seen what has come of the so-called telecommunications gambit—nothing, because they refused to pay the Cubans the money that is owed, they will not allow American companies to participate in the modernization of the system, and they have sort of an accountant's approach to the whole matter; let's don't allow Cuba 10 cents more a call, rather than concentrating on expanding telecommunications.

There is no lifting of the embargo against the sale of medicines. We demand inspection, which no self-respecting government would accept, and so there is no lifting.

As for these humanitarian shipments, I believe Mr. Skol said \$9 million, yes, but we cut off \$500 million in subsidiary trade, 90 percent of which was in foods and medicine. So I do not think Cuban citizens are likely to feel that the Cuban Democracy Act is a matter of reaching out to them. It is quite the opposite. It is a matter of turning the screws.

Now, we do, of course, want Cuba to move toward a more open political and economic system, show greater respect for human rights. The problem is—and I think most of us on this side of the issue, at any rate, would agree—the problem is that the policy is not calculated to advance that objective. And those who know the

most about this, those who are in a better position to decide and judge, those who are in the frontline trench, the religious leaders in Cuba, the Catholic bishops, the Ecumenical Council and the human rights activists, urge us to lift the embargo, to lift travel controls, to change our policy.

Congressman Rangel has mentioned that earlier, and I would just like to add that Ambassador Robert White and I were in Cuba last week and met with representatives of the Cuban Council of Catholic Bishops, the Ecumenical Council and a whole gambit of human rights activists, all of whom support your legislation and support a change in U.S. policy as the best means of opening the way to some change.

They all, of course, want the Cuban Government to move ahead more energetically, but they also understand that, given the history between the two countries, that so long as tensions are high between the United States and Cuba, you cannot have the kind of climate for liberal reforms in Cuba. It is only as tensions relax, that you can have that.

These measures are entirely counterproductive, and counterproductive not just in Cuba. They are generally counterproductive, and that is why, when we are dealing with China or Vietnam or most other countries, we do not adopt such tactics.

I would say Haiti is a case where there is an illegal government we do not recognize. It is not recognized by the United Nations or by other countries. We recognized the Cuban Government. We did in January of 1959, and we have never withdrawn it. It is a full member of the United Nations. It has diplomatic relations with 150 other countries. That is a very different case.

As a matter of fact, given all that, our embargo against Cuba is a violation of GATT. It is a blatant violation of GATT. I suggest that we should have more concern for our own international commitments than to continue this.

Other nations note the profound inconsistency between the way we deal with Cuba and the way we deal with China, Vietnam, Peru, Saudi Arabia, Kuwait and a whole series of other countries—and South Africa, against which someone said we never had a full embargo, and certainly not one that included foods.

Our policy is driven not by legitimate foreign policy concerns, but by domestic politics, and other countries see no reason, therefore, to support us. As a Canadian diplomat put it a couple of years ago, you can pander to a tiny percentage of voters in Miami and Union City, if you wish, but do not expect us to share your obsession or follow your lead.

This is a policy which badly needs to be changed, and I would like to conclude by quoting Congressman Torricelli, who said in 1989 that it is always a mistake to include as part of our policy embargoes against the sale of foods and medicine. So that should never be included in our policy against any country. That, of course, was before he became so closely associated with the Cuban American National Foundation.

I would suggest that Congressman Torricelli was right in 1989, but he is not right today.

Thank you.

[The prepared statement follows:]

Testimony of Dr. Wayne S. Smith,  
Senior Fellow of the Center for International Policy,  
Before the Subcommittee on Select Revenue Measures  
and  
the Subcommittee on Trade,  
March 17, 1994

Mr. Chairman, members of the two subcommittees, I appreciate the opportunity to come before you today to state my views.

The question before us is simple: Is it in the interests of the United States to begin to lift the trade embargo against Cuba and at long last to take other measures to move toward a more constructive relationship with that island?

My answer is an unequivocal "yes." It is indeed in the interests of the United States to take those steps. Why? Because that is the best way to achieve our remaining objectives in Cuba. I say "remaining" because all our foreign policy goals have long since been achieved. We used to say to the Cubans that once they had removed their troops from Africa, once they had stopped intervening in revolutionary situations in Central America and other parts of the world, and once they had significantly reduced their military relationship with our principal global rival, the Soviet Union, that then we could begin to improve relations with them.

Clearly, all those conditions have been fulfilled. That and more. The Soviet Union has collapsed. The Cold War is over. Cuba is no longer a security concern to us or to anyone else. It is prepared to live in peace with its neighbors and to play a constructive role within the international community. But none of that has made any difference. Rather than improving relations as we'd promised, we've actually increased the pressures against Cuba. State Department representatives have stated publicly -- and rather proudly -- that we have "moved the goal posts." But what they are saying is that we have gone back on our word, and that is not something to be proud of. When one lays down a series of conditions to an adversary, conditions to be met before relations can be improved, one ought to begin to improve relations if the conditions are met. It is bad diplomatic practice to retract. When you "move the goal posts," as it were, others come not to trust you. When you say you will do "x" if the adversary does "y," but then you fail to live up to your part of the bargain even after he has met your conditions, why should the adversary, or anyone else, take your word seriously in future negotiations or relationships?

Thus, both honor and good diplomatic practice require that we move ahead in improving relations with Cuba, as we'd indicated we would do. We should keep our word. Further, that is the best means of achieving our other objectives. Our foreign policy goals have been achieved, but encouragement of more open political systems and greater respect for human rights should always be a U.S. objective, and certainly they are with respect to Cuba. The problem is that our policy is not calculated to advance those objectives. Those who should know best tell us our policy is wrong. Ambassador Robert White and I have just returned from Cuba. While we were there, we met with representatives of the Cuban Council of Catholic Bishops. They confirmed the position long taken by the Catholic Church: that the United States should lift its embargo and move ahead toward a more normal relationship with Cuba.

We should note that in last year's Pastoral letter in which the Catholic Bishops criticized the Cuban government for not moving far enough fast enough with needed reforms, they also condemned the U.S. embargo as an impediment to the reform process. Now, certain U.S. congressmen from the state of Florida have waved aside this criticism of the Catholic Churchmen as "something they must say since they are in Cuba and subject to the pressures of the Cuban government."

That is to belittle the courage and resolution shown by those same Churchmen over the years. They have not hesitated to criticize the Cuban government and to take positions that put them in conflict with it. Indeed, most of the Pastoral Letter was given over to doing just that. If they fear the pressures of the Cuban government, they have a strange way of showing it. No, they say what they mean. I know many of them personally and I can tell you they are perfectly sincere when they reject our policy as unhelpful. We should listen to them.

Ambassador White and I also met with representatives of Cuba's Ecumenical Council. They affirmed that they also wish to see us lift the embargo and begin a dialogue with the Cuban government. Not to do so, they said, is to condemn the Cuban people to continued suffering and deprivation.

Finally, we met with the co-chairmen of the Coordinating Organization for Human Rights (CODEHU): Elizardo Sanchez, leader of the Cuban Commission for Human Rights and National Reconciliation; Francisco Chaviano, leader of the Conference for Civil Rights; and Lazaro Loreto, leader of the Conference for Political Rights. Several other human rights leaders were present at the meeting. All affirmed that the Cuban Democracy Act was a gravely flawed instrument and that they preferred that the U.S. begin to conduct a dialogue with the Cuban government and begin to lift such measures as the embargo and travel controls.

These are men who have suffered in the flesh for their beliefs. Several have spent long years in prison. All have suffered repression of one kind or another. Yet, they call for national reconciliation in Cuba and for constructive engagement between the United States and Cuba.

All these gentlemen, religious leaders as well as human rights activists, of course want to see the Cuban government move more energetically toward a more open political system and a mixed economy. They note, however, that given the history between our two countries, the conditions for liberal reforms in Cuba cannot exist so long as tensions between the two are high; rather, that simply results in the Cuban government demanding tight internal discipline and unity against an external threat. It is only when tensions ease that the climate for internal relaxation can be created. As a member of the Ecumenical Council put it: "Efforts to isolate and pressure the Cuban government are therefore entirely counterproductive."

Such measures are usually counterproductive, not just in Cuba but throughout the world. It is for that reason surely that the United States does not utilize them elsewhere. When we are dealing, for example, with China, with Saudi Arabia, with Kuwait, with Peru, and now with Vietnam, none of which are democracies and all of which have worse human rights records than Cuba, we indicate progress toward greater respect for human rights as a conditioning factor in our relationship, but we continue to trade (or, in the case of Vietnam, resume trade), and to have a rather full relationship with them. Indeed, in the case of China, we have seen a recent retreat on the part of the Clinton Administration. Rather than calling for specific improvements in the human rights situation, it will now be happy with some general but unspecified improvement. Clearly, we don't want to lose the Chinese market.

The question is: if we believe we are likely to accomplish more in these other countries through trade and constructive engagement, why is that not true of Cuba?

Other nations note this profound inconsistency in our policy toward Cuba and conclude that it is driven not by concern for human rights, not by legitimate foreign policy concerns, but by domestic politics. They thus see no reason to support us. "Pander to a tiny percentage of voters in Miami and Union City if you wish," one Canadian diplomat noted some years back, "but don't expect us to share your obsession or follow your lead."

Our Cuba policy is so out of step, so counterproductive, so obviously illogical and flawed, that virtually no other country supports it. Oh yes, Israel votes with us every year in the United Nations General Assembly not to condemn the embargo, but

even Israel trades with Cuba. So does the rest of the world. We are in a totally isolated position when it comes to our Cuba policy. Last November, 88 countries voted against us in the General Assembly to condemn the embargo. Only three, Israel, Albania and Paraguay supported us. No comment is needed!

Our Cuba policy not only isolates us but stands in the way of economic gains. For example, the U.S. Government has an obligation to U.S. citizens who lost properties in Cuba back in the 60's. The Cuban government is prepared to sit down to negotiate a compensation agreement. Indeed, it has reached agreements with every other country that had claims against it. The reason there is no agreement with us is that the U.S. government is not prepared to sit down with the Cubans. It finds thinly veiled excuses for not doing so, such as saying that Cuba always puts forward the precondition that the U.S. pay Cuba's counter claims stemming from the Bay of Pigs and the embargo. This is not true, and it does little credit to the government officials who say that it is. Cuba does not put forward its counter claims as a precondition, any more than we insist the Cubans accept the total sum of our claims before we sit down at the negotiating table. Rather, all that is to be worked out. If the U.S. government were willing to negotiate, it could be worked out. In effect, it shirks its obligations to its citizens by refusing to come to the bargaining table.

It also does a disservice to American businessmen by closing them out of the Cuban market. Why should they stand by and watch all the trade and profits go to French, Spanish and Canadian businessmen? Estimates are that we could very quickly be doing seven to eight billion dollars a year in trade with Cuba. About half that would be in U.S. exports. In other words, we could be selling at least half as much to Cuba as we are to China, a much larger market but one much further away. If we value the one, and we obviously do, why should we be willing to forgo the other?

One argument put forward by supporters of the so-called Cuban Democracy Act was that the fall of the Castro government was imminent. Just a bit more pressure and all would be over. Almost two years later, we see that is far from the truth. Cuba remains in the midst of an acute economic crisis, but there are no signs of collapse. Quite the contrary, there are signs of some slight recovery. Cuban oil production is up; the price of sugar, nickel and other Cuban exports, are up, while the price of petroleum is down. More oil is coming in. Energy blackouts have been reduced. A French company is now drilling the first major off-shore oil well. If it comes in, and the prospects look good, that will change the situation significantly. The most likely thing is that the present Cuban government will muddle through. Thus, rather than waiting for an "imminent" collapse that is never likely to take place, the United States should

begin to engage with the Cuban government. It should lift travel controls and begin to trade, even as it makes it clear that movement toward a more open system and greater respect for human rights remain as concerns and will condition how far we can go in a new relationship with Cuba. That is what Cuba's religious and human rights leaders, and what the overwhelming majority of Cuban citizens, want us to do, and what in our own interests we should do.

I therefore congratulate Congressman Rangel for presenting this legislation. If approved, it will move U.S. policy in a more sensible, productive, direction. In presenting it, Congressman Rangel takes the side of Cuba's religious leaders. He stands with Elizardo Sanchez and most other human rights leaders, and he stands with such Cuban-American leaders as Eloy Gutierrez Menoyo, a man who fought arms in hand and spent 22 years in prison for his principles, but who now says it is time for dialogue and national reconciliation. He stands with Marcelino Miyares and Alfredo Duran, veterans both of the Bay of Pigs, but who also call for dialogue and a peaceful transitional process. That is good company in which to be.



Mr. KOPETSKI. Thank you very much for your testimony.

Your comment about the difference with the Haitian nongovernment that is in control there is instructive, as well as the fact that that embargo is not universal on our part. The Cuban situation is unilateral, which is a significant difference.

Mr. SMITH. If I might add, it seems to me that we should restrict full embargoes. Economic sanctions may be legitimate measures of foreign policy, but we should restrict full embargoes of this kind to countries that are committing aggression as in the case of Serbia or to governments that are really outlaw governments, and in all cases in which we impose such full embargoes they should be multilateral and not unilaterally imposed.

Mr. KOPETSKI. Mr. Sorzano, I was curious as to how long this embargo has been in place.

Mr. SORZANO. From the early 1960s, I would say what, 1962, 1963. I am sorry, I do not have the exact date.

Mr. SMITH. 1960.

Mr. KOPETSKI. 1960. And you are saying now that we have got Castro right where we want him.

Mr. SORZANO. I would say in the past there were two very powerful safety valves for Fidel Castro. One, of course, was that he was getting, \$5, \$6, \$7 billion of assistance and subsidies from the Soviet Union. When that was happening, Fidel Castro laughed at the embargo. He did not need us and he was not too concerned about it.

He also was getting a considerable amount of credit from our allies and trading partners who do not share our embargo and who lent Castro all kinds of money over the years. However, in the late 1980s—and again I do not have the exact date—the Club of Paris, having seen the Cuban Government had not made any repayments either on principal or interest, cut any further credits to Castro.

So what you have now is a situation in which he has little hard currency to pay cash, the credits are not forthcoming, the former Soviet assistance is not coming, so now for the first time during all these years, the American unilateral embargo for the first time is actually working, because now we have a de facto international embargo. It is not because Canada or Japan have decided to embargo Cuba, but simply that there is no money to pay for those goods and, consequently, there are limited sales.

Mr. KOPETSKI. Well, I think we had testimony earlier today that they have a vibrant biotechnology industry that brings in income. Other nations, Spain, for example, are developing hotels and resorts there, as well. I do not agree with you, and I believe the testimony earlier today that there is not a de facto and worldwide embargo.

I guess my question—

Mr. SORZANO. What I meant to say is that there is an embargo in the sense that there is very little trade, simply because there are no credits on the one hand and there is no cash on the other.

Mr. KOPETSKI. What seems to be going on is development of industry there that, if they get through this adjustment period, where they have lost the credits, and have lost the aid from the Soviet Union, that is going to devastate any economy where you take out that amount of safety net and capital from a country.

Mr. SORZANO. The estimates are that, from 1989 until last year, the downturn in Cuba's GNP is between 50 and 60 percent. The question is has it reached bottom?

Mr. KOPETSKI. My question for you is do you have a sense of optimism that we are on the right path, that we ought to keep the embargo going? How long is it going to take?

Mr. SORZANO. I would say that I would be violating my own training as a social scientist to be able to give you that answer. If I could give an answer like that, I would not be a struggling individual who tries to pay his mortgage every month.

Mr. KOPETSKI. Well, you are supposed to be an expert witness and a smart person. This embargo is going on for 34 years now. Is it another 34 years before it is going to work?

Mr. SORZANO. Would you care to say, Congressman, that if we lift the trade embargo, would you let me know when Fidel Castro will have an election?

Mr. KOPETSKI. I think it would be within 2 years. You would see a different form of government in Cuba.

Mr. SORZANO. Then if you give me that, I would say if we hold to where we are, we probably will also see a change in government in Cuba within 2 years.

Mr. KOPETSKI. If we continue the embargo?

Mr. SORZANO. I believe so.

Mr. KOPETSKI. And that is your professional opinion?

Mr. SORZANO. No, I would say that it is at best a guesstimate. I do not think that it is possible to predict when the mango is going to fall off the tree. We all know that it will fall, but there is no physicist, there is no botanist that can say it is going to fall at 3:17 on Tuesday. And that is in the hard sciences, I may say.

Mr. KOPETSKI. But, you know, your 2 years are going to cause the children of that country a lot more pain than my 2 years.

Mr. SORZANO. But I said before it is not us that has brought the Cuban situation to where it is now.

Mr. KOPETSKI. Well, we just had a witness earlier today who said that the Cubans are paying a hell of a lot more for their medicines because of actions by not just American businesses or the embargo, but American politicians in this city.

Mr. SORZANO. I would say that—

Mr. KOPETSKI. So that is right here at home, this building.

Mr. SORZANO. The pharmaceutical industry in the world is a very competitive one. To my knowledge, some of the great laboratories of the world are not American laboratories and medicines can be freely obtained in the international market. If Castro cannot obtain it, it is not because we have put an embargo on—

Mr. KOPETSKI. They can get them. They are just paying a lot more, which means that they are paying a higher price—

Mr. SORZANO. Why are they paying a lot more?

Mr. KOPETSKI. Because we will not sell it to them. That was the testimony of an earlier witness. Maybe you missed it.

Mr. SORZANO. I am sorry, I have been in here for 6 hours.

Mr. KOPETSKI. We are all sorry.

Did you have any questions, Mr. Chairman?

Chairman RANGEL [presiding]. Let me tell you, Ambassador, if you want and if it would help you, since we are all working late,

I will go home with you and explain to your dinner guests exactly what happened here, because I really was waiting for your testimony. You are one of the few experts that has been involved in government that has really supported the embargo. I do not think that Mr. Kopetski knows when Castro is leaving any more than you would know when the embargo is going to—

Mr. SORZANO. I am glad, because I do not want to be quoted as saying this, that Sorzano is predicting the collapse of Castro.

Chairman RANGEL. That is the problem that we have. We are shooting craps with the lives in Cuba. Nobody knows.

Mr. SORZANO. Nobody.

Chairman RANGEL. What really bothers me is that I know that ambassadors and those who represent the U.S. Government represent the views that they are supposed to represent as given to them by the President, and ambassador-type people. You never know what they believe, because they believe whatever they are told to believe at the time they are in office.

Now you are not in office, and that is why I was really looking forward to your testimony. I am so apologetic because of the lateness of the hour. But State Department officials mumble, when you ask how you tell when the embargo has really been effective. Well, I can understand that, because the President might change his mind, depending upon which way the votes are coming out of Miami.

But with your no political interest, and assuming you are right and Kopetski is wrong, the embargo now has become effective and all of the other international forces have changed their mind and they are supporting it. What signs would you see that you would be able to tell us that you were right? What would you see? Castro would then call for an election? Is that what he would do?

Mr. SORZANO. I would say that I see signs that the embargo is indeed effective. I do not believe for 1 second that the measures that he has taken in recent months, like the legalization of the dollar, like permitting—

Chairman RANGEL. Ambassador, I want Castro to go, you want Castro to go, I do not believe the embargo works, you believe that Castro's leaving is somewhere nearer now. When? I want to know? Forgetting all the change that he is making because of the embargo, what do you see, that Castro is going to go into exile, a revolution? The embargo is working. You tell me now, as though you are an ambassador—

Mr. SORZANO. I do not believe that Fidel Castro will go into exile.

Chairman RANGEL. Forget that, so that will not be it. Does he call for a general election and say, please, let's establish a two-party system? Do you believe he is that type of a person?

Mr. SORZANO. I would say that is a little more likely, but not within the realm of probability.

Chairman RANGEL. The guy from Florida said, Castro is so crazy that he will never do anything to cause him exile from Cuba. So you would not support a blockade, if you believe that would do it? In other words, why can't we, instead of just talking about this blockade, which you know has caused a lot of pain, if we want to get rid of him, emphasize something about the human rights situation that everyone is talking about? Why can't we have the embar-

go right there ready to go, if we can send in the Red Cross or Amnesty International or the Organization of American States? Don't you think that would be—

Mr. SORZANO. This is why I support the Cuban Democracy Act, because it does stipulate what are the criteria that have to be met before we lift the embargo.

Chairman RANGEL. Ambassador, you were here for 6 hours. When you hear Mike Skol explain what they would have to do—and I have a list of the official document, and that to me is what black folks had to answer in Mississippi when they had to take a test to vote. They asked them how many bubbles are in a bar of soap, and if they passed that, then they went to the next question.

The goalpost has not been just moved forward. They have taken the goalpost. I have here a list of the criteria that Castro would have to abide by. Do you have it?

Mr. SORZANO. No, I do not.

Chairman RANGEL. It is unbelievable. They say forget it. There is nothing you can do to remove the embargo, or to get us to remove the embargo? You and I hoped that there would be something dramatic that would give us something to hang our hat on. I do not know what it is going to be.

Mr. Smith has suggested that this is politically motivated. Do you challenge that? I agree with him.

Mr. SORZANO. I do challenge that. I believe that if you look at the history of Cuba in the last 25 years, I think that you do not have to be a Cuban-American, you do not have to be a Republican, you do not have to be a Conservative in order to have come up with a policy in which the United States says if you are going to be subverting our neighbors, if you are going to be sending troops to Africa, if you are not going to be missing an opportunity to damage our interests, then our policy is going to be one of trying to contain you.

Chairman RANGEL. If the foundation has changed its mind and said that the embargo is not the criteria for support, do you believe—

Mr. SORZANO. I do not follow your question, Mr. Chairman.

Chairman RANGEL. I am asking you what the—

Mr. SORZANO. The question I was trying to answer before was whether or not the embargo of the United States toward Cuba was justified "objectively" as opposed to "politically motivated."

Chairman RANGEL. I am talking about politically motivated.

Mr. SORZANO. I am saying that I believe it can be "objectively" justified.

Chairman RANGEL. I am asking you whether or not you believe the political votes and monies that come out of Miami, have impact on our foreign policy as it relates to Cuba?

Mr. SORZANO. I believe that the nature of the American political process is such that—and this is what essentially brings us to this country—is that it permits any group, regardless of how farfetched its views may be, to organize and to try to have its views supported through the political system. It is the Constitution that says that we have the right to petition government. So I do not think there is anything that is malevolent or anything that somehow or other the Cuban-American community ought not to do to try to organize itself and to play by the American rules of the game.

When I was Ambassador to the United Nations, representing this great country, there hardly was a week that there was not some member of some ethnic group coming to my office to say would you please support our position in the United Nations regarding this particular vote. The Cypriot-Americans came, the Turkish-Americans came, the Greek-Americans came, the black Americans came.

Chairman RANGEL. I support that.

Mr. SORZANO. I do not see why Cubans ought not to be able to. And I think to say somehow or other the Cubans are behaving in a fashion that is un-American, really is pejorative, and I do not think that is right.

Chairman RANGEL. Let me strike from the record any idea that I am talking about Cuban-Americans when I make that statement. I am talking about the foundation. I would ask you, just as an American, do you believe that the foundation has intimidated a lot of people who have disagreed with them, and have they really feared expressing themselves about issues relevant to the embargo?

Mr. SORZANO. I would deny that on two grounds. When I have been directly involved with the foundation when I was its president from 1985 to 1987—

Chairman RANGEL. Forgive me, Ambassador. I had no idea that you were with the foundation.

Mr. SORZANO. I was president of the Cuban American National Foundation from 1985 to 1987.

Chairman RANGEL. My deepest apologies. I thought you worked for our Government as an ambassador. I did not know that you were recommended by the foundation.

Mr. SORZANO. I do not know who recommended me. As a matter of fact—

Chairman RANGEL. I apologize. Listen, why am I doing all of this? You mean there is no difference between the views that you represented as Ambassador and the views that you had when you were directing the foundation?

Mr. SORZANO. I do not follow what you are saying. When I—

Chairman RANGEL. Our American policy that you support, was the same policy that you supported when you were the president of the Cuban Foundation?

Mr. SORZANO. I was U.S. Deputy Permanent Representative to the United Nations from 1981 to 1985. I finished that job, I went back to teaching at Georgetown University, where I was a tenured professor for 18 years, and during that period of time I became at the same time president of the Cuban American National Foundation.

When Frank Carlucci went into the National Security Council, he asked me to come in and become senior director for Latin America at the National Security Council. I believe that there had been sharp distinctions in my positions, when I have been a professor, when I have been a diplomat, and where I have been in the NSC staff.

Now I am in private life, I am a businessman. I do not know if you have confusion in your mind as to who I am or what I represent, but it is your problem, not mine.

you as the political appointee. I was really following the line that I was with Mike Skol, who was a career diplomat and became Ambassador—

Mr. SORZANO. No, I have been a political appointee of the Reagan administration, sir.

Chairman RANGEL. Why am I wasting your time? My God, you should have been home for dinner a long time ago. You were really selected because the Reagan administration knew your views as the executive director of the foundation, and that was consistent with their views, and so you were ideal.

Mr. SORZANO. It was the other way around. I first was Ambassador, and the reason that they selected me is that I had written my dissertation on Adam Smith. I believe in the free market, and this is why I have some sympathy for the argument that the market forces are truly corrosive of any status quo. If you believe that any institutions or any set of institutions are independent of what the market forces do to it, then you have not really closely examined the historical record.

Of all the arguments against the embargo, to me the one that has the most resonance is the one that says let the market forces eat him up. I believe, however, that I am not a determinist. Were I an economic determinist, I would have been a Marxist. The belief that the market forces will willy nilly bring about the downfall of Beijing or of Fidel Castro is an economic determinism which my personal life history shows that life is not that simple, and human beings actually sometimes have the capacity to control these "blind forces."

That is why I say in my testimony that the record in China right now is not at all encouraging for the belief that if we just let trade with Cuba develop, somehow or other Fidel Castro will not be able to withstand it. Because so far we have not seen how the other shoe falls in China, and the record is still to be completed, the jury is still out, and we will see what happens.

Mr. KOPETSKI. I am curious, are you saying that you would support our continuation of conditioning MFN for China?

Mr. SORZANO. I believe that, first of all, I do not know enough about China. Second of all, I believe that consistency is important, especially in politics, because otherwise the chances are that it depends whose ox is being gored.

So since I do not know enough about China, but I like to preserve the consistency so that at least there is a defensible record, I would say I would be in favor of sanctions on China.

Chairman RANGEL. Ambassador, on the question of human rights, have you discussed that at all, and what you think we should focus on, I am interested in your advice.

Mr. SORZANO. I just lightly touched on that in my testimony, but I would be delighted to discuss it with you.

Chairman RANGEL. In view of your work with the foundation and the fact that you have actually represented the U.S. Government, do you believe that there are people in prison now because they have spoken out against the government or against Castro?

Mr. SORZANO. Definitely, sir.

Chairman RANGEL. And do you believe that has worsened or has not improved since the embargo? Do you see any movement in that area or improvement?

Mr. SORZANO. Not really. As a matter of fact, if there are any indicators, I would say that they have gotten marginally worse, which is already something considerable.

Chairman RANGEL. If we had an opportunity to really check that out, I mean a real opportunity, where well-known international groups will go in there and, if it was bad, make certain that it is changed, would that change your attitude, not just to have Castro collapse, but to make certain that the people would not be intimidated by speaking their minds for or against him? Would that change your mind about the embargo?

Mr. SORZANO. I would say that is a very important variable in the whole appraisal that has to be done about the nature of the regime. Certainly, the situation of human rights is one, and I think you are right, it can be within certain parameters, it is demonstrable. You can say, yes, they are right or, no, they are not right, and there is a gray area in there in which reasonable people will disagree. But if the record is there, I think reasonable men and women can agree to it.

Chairman RANGEL. Mr. Smith, why do we get so many different types of reports about the conditions as it relates to human rights in Cuba? Why does the pendulum swing so dramatically about what is going on?

Mr. SMITH. I think it basically depends, Mr. Chairman, on whether the person speaking has been to Cuba and had direct contact with the human rights activists there. I see all sorts of statements put out by the Cuban American National Foundation about organizations that insofar as I know never exist, or they are one dog and a cat or one person who represents four organizations.

I think the largest, the leading human rights organizations in Cuba are those led by Elizardo Sanchez, the Cuban Commission for Human Rights and National Reconciliation, the Cuban Human Rights Committee led by Gustavo Arcos, and the umbrella organization with Francisco Chaviano and Lazaro Loreto. All of the human rights activists with whom I have spoken in Cuba want a change in our policy. Not all agree with the lifting of the embargo. Some think that we perhaps should leave the embargo in place or there should be a gradual lifting. But virtually all, and certainly all the major human rights activists in Cuba do want a change of U.S. policy.

But as someone said in the earlier testimony, the overwhelming majority of Cubans support our policy. I do not know of anyone who travels to Cuba and has the opportunity to speak to large numbers of Cubans, and many of those conversations in private, who could possibly believe that. And the person speaking in the earlier testimony said, for example, there was a man who arrived on a raft and that is what he said. But if you travel to Cuba, if you talk to large numbers of Cubans, if you take the Cuban pulse, you know that is not true.

The overwhelming majority of Cubans feel that our policy is indeed depriving them of food and medicine. It may not be to the ex-

tent that they think it is, because they can buy elsewhere. But it does raise the price, and they are very aware of that.

I would say that the human rights activists, the religious leaders and the overwhelming majority of the Cuban people favor a change in U.S. policy, even those who disagree with the Castro regime. They simply do not feel that this policy is one that will contribute to positive change in Cuba, and I think they are absolutely right. It is probably the most awkward left-footed, obsolete, counter-productive policy I have seen in 35 years of public life.

Chairman RANGEL. Ambassador Sorzano, I really believe that the shift that you are seeing against the solid opposition to the embargo, is because a lot of American businesspeople find that they are being blocked out of an opportunity to invest in Cuba and, like you, believe that Castro is on the ropes.

I would not want to be a part of that movement. In other words, I am concerned about the impact the embargo has on the people in Cuba, but I would not want this legislation to be moved by people who are motivated by greed. However, concern for sound foreign policy would be in the best interest of the United States, and certainly in the best interest of the people in Cuba.

So it would seem that you could help me, not to change my position about the embargo, but to set criteria that can be met by any government to give assurances that people can have an opportunity of free speech in Cuba, as I was trying to tell the foundation. I am not saying the free market is going to bring down Castro. Who cares whether they bring him down or not? The foundation does. But shouldn't we be concerned whether people will have the opportunity to keep him, or to kick him out, or to talk about him? Shouldn't that be what we talk about?

If we locked in the embargo with a credible international group that could go in to Cuba and find out the truth, and if Castro says no one can go in, I would not want American businesspeople—you heard them, they were talking about super billion bucks. That gets to a whole lot of politicians.

Mr. SORZANO. In that regard, for the last 5 years my business has been making joint ventures between American and Latin American companies, and I would say the following:

Argentina today, it is an immensely much more attractive place to put an American dollar than Cuba is. I work with American corporations, like you have heard witnesses here today. I am going to tell you that even in a place like Argentina, it is very, very difficult to get an American company to invest money.

I would believe that an American company that is thinking about putting money—and I say this in my testimony—let's not mention the word Cuba, but if you were to say this is a place that has no credit, it has no hard currency, its infrastructure is crumbling, it has no energy for electricity, it has no juridical security, it has potential political problems in the future, they will say take me somewhere else.

Chairman RANGEL. Who is doing all this investing? The Europeans, the Canadians, and the Jamaicans are there.

Mr. SORZANO. Let me address that question, too. I think that those Europeans, those Spanish companies that are building these hotels, they are really tempting fate, and they are tempting fate be-



cause those properties were owned by somebody before, in many cases American corporations. If God willing, they—

Chairman RANGEL. That was not really my point. You are saying that I do not have to worry about being driven by American investors. But what I was saying was that I want to be driven by what is in the best interest of the Cuban people. I would want a standard other than whether you like or dislike Castro. I would like a standard whether or not you can express your feelings about Castro.

I have a list here of which I will give you a copy, of our State Department's—Mr. Smith, have you seen the list?

Mr. SMITH. What list, Mr. Chairman?

Chairman RANGEL. State Department actions that would be required of Cuba in order for it—

Mr. SMITH. I have seen that, yes.

Chairman RANGEL. The list contains these requirements: They allow the International Red Cross; end attacks by government mobs; allow special groups to visit Cuba and allow in international human rights groups; change the penal code; allow dialog with human rights and legally recognized groups; discussion to abolish control of the churches; free all political prisoners; allow workers the right of association; allow the presence of independent media; and allow the formation of political parties to hold free and fair elections.

To me, if you can just give the Cubans a chance to express themselves, and put a sense of order to the things that are important to us, rather than say you have to do it our way or we are not going to remove the embargo, then that would make sense.

Mr. SMITH. If I might interject, Mr. Chairman, they have now put forward this long list of conditions to be met, and that comes after we had already presented a list of conditions to be met which have been met, and we responded by tightening the screws. What is to say that once they have met some of those that we won't tighten the screws again?

Chairman RANGEL. Mr. Sorzano, are you in Washington? Are you stationed in Virginia? Maybe you can stay close with our committee and give us the benefit of your advice.

Mr. SORZANO. I live in Virginia and I have lived in Virginia ever since 1961. I regard myself as a proud citizen of the Old Dominion and I am very pleased to live there.

Chairman RANGEL. They always call that Washington. I did not mean that, but what I've inquired about was your access to the committee. We need the benefit of your thinking.

Mr. SORZANO. I would make a deal with you. I would be very pleased to be dealing with the committee, but I would like to be cited at 5 o'clock, rather than 1 o'clock.

Chairman RANGEL. I do not mean hearings. I apologize to this panel. If Mr. Smith was not on it, we would not have abused you so, but we treat him like an old friend.

Mr. SORZANO. In all fairness, I was asked to be here by 1:30, and I was here because I have internalized some American mores. I was here at 1:15.

Chairman RANGEL. Well, we had many members of Congress here testifying first. When they get started, you cannot tell how

long it will be before they conclude. But I promise you that we will send you a letter and apologize and——

Mr. SORZANO. Please, no. I was just trying to make a good Yankee deal that says I would be delighted to collaborate with your staff.

Chairman RANGEL. Mr. Fontaine, all of you, it is embarrassing to me. This does not normally happen, but there were so many people that wanted to share their views, that it was very difficult to say no. We are sorry for what we have done to your social life, but you really have made an impact. We have not had a hearing like this. Different views are heard. No one has the answer, and clearly if we can proceed down a path that leads to democracy and at the same time get America back into the competitive market and get Cuba back in, I truly believe that the Caribbean and Latin friends would have a big hold on Castro.

Mr. SORZANO. This is a good time for American investment in Latin America in general.

Chairman RANGEL. I thank all of you for your contribution, and we will be back in touch with you.

This committee will stand adjourned subject to the call of the Chair.

[Whereupon, at 8:55 p.m., the hearing was adjourned.]

[Submissions for the record follow:]



United States  
General Accounting Office  
Washington, D.C. 20548

General Government Division

March 15, 1994

The Honorable Charles B. Rangel  
House of Representatives

Dear Mr. Rangel:

As you requested, this correspondence provides information on U.S. economic relations with the Republic of Cuba. As agreed with your representative, we are answering those questions you asked us in your December 2, 1993, letter that will supply you with information that we hope will be of greatest assistance to you at your joint March 17 hearing on Cuba.

Specifically, we obtained information from the Treasury and Justice Departments on the amount and composition of (1) claims filed by U.S. nationals against Cuba with the U.S. Foreign Claims Settlement Commission (FCSC), (2) blocked assets of Cuba in the United States, and (3) trade between Cuba and foreign subsidiaries of U.S. companies. We also provide information on (1) the potential of Cuba as a market for U.S. exports and (2) the effect that lifting the U.S. embargo of Cuba might have on the U.S. government's Caribbean Basin Initiative (CBI) program.

SCOPE AND METHODOLOGY

We obtained a list of U.S. nationals' claims against Cuba from FCSC, a unit of the Justice Department.<sup>1</sup> We obtained information on the value and distribution of blocked Cuban assets and on licensed trade with Cuba by foreign subsidiaries of U.S. corporations from the Treasury Department. We did not verify the data's accuracy; however, we discussed the data's limitations with appropriate FCSC and Treasury officials. This letter discusses some of these limitations. In order to provide information on Cuba's potential to be a U.S. trading partner, we obtained and reviewed a study on

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<sup>1</sup>FCSC is a quasijudicial federal agency located within the U.S. Justice Department. The FCSC's function is to determine the validity and amount of claims of U.S. nationals for loss of property in foreign countries. FCSC has no authority to make payments.

this topic and discussed the study's findings with one of its authors.<sup>2</sup> Our discussion of the CBI program is based on a 1993 GAO report that assessed the impact that U.S. foreign assistance programs have had on attracting foreign investment to CBI countries.

#### U.S. CLAIMS AGAINST CUBA

You asked us to provide a list of FCSC claimants for Cuba. Also, for each claimant, you wanted the amount of the claim and the identity of the property for which the claim is being made. Title V of the International Claims Settlement Act of 1949, as amended (P.L. 88-666, 22 U.S.C. 1643), authorized FCSC to consider claims of U.S. nationals against the Cuban government based on (1) losses resulting from the nationalization, expropriation, intervention, or other takings of, or special measures directed against, property by that government; and (2) the disability or death of U.S. nationals resulting from actions taken by or under the authority of that government. The statute provided for the determination of the validity and amounts of such claims for losses that occurred between January 1, 1959, when the present government ascended to power, and October 16, 1964.

FCSC completed its Cuban Claims Program in July 1972. According to the FCSC's 1992 annual report, FCSC approved 5,911 claims against Cuba and denied 2,905 claims. The value of approved claims (principal only) was \$1.85 billion. The claims are measured in nominal dollars, so inflation has eroded their real value. To date, no settlement fund has been established and no approved claims have been paid.

Separately, we are providing you a copy of a list, obtained from FCSC, that, according to a FCSC official, shows all claims against the Cuban government filed with FCSC by U.S. companies and individuals during the legal filing period (which ended on May 1, 1967). For each claim, the list shows the name of the U.S. company or individual making the claim, the amount of the claim in nominal dollars, the amount of the loss certified by FCSC, the type of loss (e.g., land, securities), and

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<sup>2</sup>New Opportunities for U.S.-Cuban Trade, by Donna Rich Kaplowitz and Michael Kaplowitz, Esq. (Washington, D.C.: Paul H. Nitze School of Advanced International Studies, Johns Hopkins University), 1992.

other information. However, the list cannot be used to identify the location in Cuba of the expropriated properties. Although the list identifies the locations of some of the properties with a code letter, an FCSC official told us that FCSC could not locate the "key" that would allow the code letters to be deciphered.

The list does not provide totals for any of this information. It is a photocopy of FCSC records that are not in automated form. We did not verify that the value of the claims on this list adds to the figures given in the 1992 annual report, nor did we verify that the list accurately summarizes data contained in FCSC's files.

You asked us to comment on one issue regarding claims against Cuba. Disputes over the legal ownership of some of the properties in question could arise between U.S. citizens living in the United States and Cuban citizens residing in Cuba. Such disputes could complicate any future negotiations between the Cuban and U.S. governments on resolving these claims. You requested GAO's legal opinion on the relative rights these claimants would have. Given that we do not have ready access to the type of information necessary to properly resolve these disputes, we are not in a position to render such an opinion. Furthermore, this request is not within the purview of our jurisdiction. This question would be more appropriately directed to the Justice or Treasury Departments.

#### BLOCKED CUBAN ASSETS

You also asked us to provide the amount and location of the funds currently held by the U.S. government on behalf of (1) the Cuban government and (2) U.S. claimants of FCSC. You also wanted to know at what rate, if any, the blocked Cuban assets are earning interest.

Under regulations issued by authority of the Trading With the Enemy Act of 1917 (50 U.S.C. App. Sec. 5(b)), the U.S. government has "blocked," or frozen in place, all Cuban-owned property located within U.S. jurisdiction. Holders of blocked assets are prohibited from engaging in any transaction with respect to property in which Cuba or Cuban nationals have an interest, direct or indirect, except as licensed by the Treasury. In general blocked assets are held by U.S. banks.

A 1964 census conducted by the Treasury revealed approximately \$149 million in blocked Cuban assets. However, the Treasury found that much of this total involved assets, such as defaulted unsecured bonds, that did not represent anything of value that could be liquidated or recovered for settlement purposes. The Treasury later estimated that about \$30 million of the \$149 million represented actual recoverable property.

Since 1964, the value of these blocked assets has fluctuated over time as the Treasury has blocked and unblocked assets, as blocked funds have accrued interest, and for other reasons. Table 1 shows the Treasury's estimates of the value of Cuba's blocked assets in 1983 and 1994, and the identities of the holders of these assets. The estimate for 1983 is based on a Treasury census of holders of blocked assets. The estimate for 1994 is based on surveys of holders of only the largest blocked accounts, which Treasury officials told us represent the vast majority of blocked assets.

Table 1: Value of U.S.-Blocked Cuban Assets  
in 1983 and 1994

U.S. dollars in thousands

U.S. holder of Cuban asset	Value in 1983	Percent of total	Value in 1994	Percent of total
Banks	\$48,422	72.2%	\$125,122	96.3%
Agents/trustees <sup>a</sup>	12,668	18.9	97	0
Others <sup>b</sup>	3,685	5.5	1,712	1.3
State government agencies	2,163	3.2	2,164	1.7
U.S. government	103	0.2	841	0.6
Total	\$67,042	100%	\$129,935	100%

Note 1: Dollar totals and percentages may not add due to rounding.

Note 2: Figures for 1983 are not adjusted for inflation.

<sup>a</sup>Consists of bank deposits held by the Cuban government's legal representative in the United States.

<sup>b</sup>Includes Cuban holdings of common stock in U.S. corporations as reported by those corporations.

Source: Derived from Treasury Department data.

As the table indicates, the nominal value of blocked Cuban assets nearly doubled between 1983 and 1994, from about \$67 million to about \$130 million. Payments owed by a U.S. corporation to the Cuban government for telecommunications service between the United States and Cuba and deposited into a blocked bank account represented over one-half of the blocked assets in February 1994. The table also shows that nearly all blocked funds currently are held by banks, while less than 1 percent are held by the U.S. government. The approximately \$841,000 in blocked funds held by the U.S. government consists mainly of veterans' benefits and withheld checks due Cuban nationals. According to a Treasury official, none of the blocked funds are held on behalf of claimants of FCSC.

Treasury regulations require that blocked Cuban assets be held in interest-bearing accounts in domestic banks. The interest such an account earns can be no less than the maximum interest rate payable on the shortest time deposit in the domestic bank where the account is held. Such accounts may include 6-month Treasury bills or insured certificates with a maturity not exceeding 6 months. Treasury officials told us that they do not track the exact rate of interest all blocked funds earn, but that most blocked assets, including blocked telecommunications funds, are held as certificates of deposit. The current interest rate on a new 3-month certificate of deposit is about 3 percent.

CUBA'S TRADE WITH FOREIGN SUBSIDIARIES OF U.S. FIRMS

You asked us to supply a list of all foreign registered units of U.S. businesses that, since 1975, have applied to and received from the Treasury licenses to sell goods to Cuban entities. You also asked us to list the types of goods, the quantity, and the value proposed and approved to be sold in each of these cases.

Between 1975 and 1992, U.S. companies whose foreign subsidiaries wished to trade with Cuba were required to obtain an individual license from the Treasury Department. Before 1975, such trade was not illegal, and advance written permission from the U.S. government was not required. Consequently, although trade between Cuba and U.S. firms' foreign subsidiaries probably occurred before 1975, the Treasury did not track such trade. In October 1992, the Cuba Democracy Act of 1992 (P.L. 102-484, 22 U.S.C. 6005) took effect, making trade between U.S.-owned foreign subsidiaries and Cuba illegal.

We cannot provide all of the information you requested. The Treasury maintains few automated records on licensed trade between Cuba and U.S. firms' foreign subsidiaries. According to Treasury officials, both the identities of U.S.-owned foreign subsidiaries that received licenses to trade with Cuba and the details on each licensed transaction exist only in paper files on individual license applications. Extracting the information you asked for by hand from these files would require considerable effort and time. Moreover, Treasury officials told us that some of the material you asked for is proprietary information.

However, since 1990 the Treasury has issued four reports that summarize the amount and composition of this type of trade. Together, these reports cover the 1980-92 period. Table 2 uses the data in those reports to show the number of licenses issued for trade between U.S.-owned foreign subsidiaries and Cuba during 1980-92, and the value approved to be traded.<sup>3</sup>

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<sup>3</sup>Treasury officials told us that very few applications were ever denied and that therefore the numbers of applications received by the Treasury shown in the four Treasury reports are nearly equal to the number approved.



**Table 2: Value of U.S.-Owned Foreign Subsidiaries' Trade With Cuba Licensed by the U.S. Government, 1980-92**

Trade data in millions of U.S. dollars

Year	Number of licenses issued	Value of subsidiaries' imports from Cuba permitted by these licenses	Value of subsidiaries' exports to Cuba permitted by these licenses
1980	164	\$86	\$206
1981	216	61	149
1982	170	161	92
1983	153	55	87
1984	250	159	116
1985	256	126	162
1986	249	254	107
1987	201	114	129
1988	215	149	97
1989	233	162	169
1990	321	172	533
1991	285	335	383
1992	225	92	407

Note 1: The actual amount of trade could have been less than the figures shown, if the foreign subsidiaries traded less with Cuba than the amounts the licenses authorized them to trade.

Note 2: These figures are not adjusted for inflation.

Source: Treasury Department.

During 1980-92, the Treasury issued 2,938 licenses for foreign subsidiaries of U.S. firms to trade with Cuba, an average of 226 each year. In 1992, the last year this kind of trade was legal, the Treasury issued 225 licenses for U.S.-owned foreign subsidiaries to trade with Cuba. Those licenses authorized the subsidiaries to export up to about \$407 million to Cuba and to import up to about \$92 million from Cuba. The actual amount of trade could have been less, however, if the subsidiaries traded less than the amounts the licenses authorized them to trade.

Also, the Treasury has released a list, compiled from license application files, of some U.S. companies whose foreign subsidiaries engaged in licensed trade with Cuba during 1985-91. We have previously given you that list. The list contains 105 companies, including a number of large manufacturers and agricultural firms. However, the list does not show the approved value of trade that these companies' foreign subsidiaries were licensed to conduct.

#### CUBA'S POTENTIAL AS A U.S. EXPORT MARKET

You requested that we analyze Cuba's potential as a market for U.S. products. A 1992 study, produced under the auspices of the Johns Hopkins University's Paul H. Nitze School of Advanced International Studies, attempted this task. The study, New Opportunities for U.S.-Cuban Trade, estimated that U.S. corporations could sell between \$1.3 billion and \$2 billion worth of goods to Cuba in the first year after the U.S. embargo of Cuba is lifted. According to the study, the estimate was made in the following way: Cuban officials estimated that the United States and its businesses could capture between 33 percent and 50 percent of all Cuban trade. A Cuban official told the study's authors that Cuba imported \$4 billion worth of goods in 1991, primarily with hard currency. One-third to one-half of a \$4 billion market equals \$1.3 billion to \$2 billion.

Furthermore, the authors note that Cuban global trade was \$13 billion in 1987 but dropped substantially thereafter as a result of the loss of its major trading partner, the former Soviet Union. The authors state their belief that as Cuba diversifies its economy, as well as earns hard currency, Cuba will increase its total trade levels. They also assert that Cuba could be expected to return to the trade levels approaching those

of 1987 once trade between the United States and Cuba is reestablished. The authors calculate that, if the latter occurred and if the United States were able to capture 33 to 50 percent of such a level of trade, total U.S.-Cuban trade could reach between \$4.3 and \$6.5 billion. The authors point out that U.S. trade with Cuba topped \$1 billion annually before 1959 and that the geographic proximity of Cuba and the United States makes them natural trading partners.

Of course, there is no way to determine how accurate these estimates are. The study obtained both its figure for Cuba's imports and its estimate of U.S. companies' potential share of Cuba's imports from interviews with Cuban government officials. The study's figure for Cuban imports for 1991 is similar to a recent estimate by the Central Intelligence Agency (CIA)--that is, \$3.7 billion. However, the CIA study estimated that Cuba's imports fell substantially in 1992, to \$2.2 billion. One-third to one-half of this amount would be about \$733 million to \$1.1 billion. According to the CIA study, Cuba's total trade fell to \$4.2 billion in 1992. Cuba's trade would have to more than triple from that level before it reached the 1987 level of \$13 billion. We have previously given you a copy of the CIA study.

The Hopkins study's estimate of future trade levels seems to depend importantly on the assumptions that Cuba will be able to quickly diversify its economy and that the ability to trade with the United States will greatly stimulate overall Cuban trade. Furthermore, it is important to note that the Hopkins study's estimates are estimates of potential U.S. companies' sales--not U.S. exports--to Cuba. Were the embargo lifted, a large proportion of sales by U.S. firms to Cuba might not be shipped from the United States or contain much U.S. content. Licensed sales by U.S.-owned foreign subsidiaries to Cuba were required to be produced in a third country, and contain less than 20 percent U.S. content. Thus, prior trade with Cuba by foreign subsidiaries of U.S. firms might not be a good indicator of potential U.S. exports to Cuba or of potential economic benefits to U.S. workers.

THE LIKELY IMPACT ON THE CBI PROGRAM  
OF LIFTING THE CUBA EMBARGO

You asked us to analyze the impact that removing the U.S. embargo of Cuba would have on the effectiveness of the CBI program. You also asked us to assess how the Cuba Democracy Act of 1992, which tightened the embargo, has affected the CBI program. CBI is a broad program to promote economic development through private sector initiatives in Central American and Caribbean countries. CBI allows Customs duty-free entry into the United States for a wide variety of products produced in CBI countries, special access for CBI-produced textile and apparel products, and other benefits. Cuba has not been designated a CBI beneficiary.

We cannot predict with any confidence how removing the Cuba embargo would affect the effectiveness of the CBI program, nor the rate of economic development in CBI countries. Measuring the CBI's effectiveness is difficult now. Many economic and political factors together determine the pace of economic development in a country. There is evidence that U.S. foreign assistance has not been a major factor in attracting foreign investment to these countries. For a 1993 review of U.S. foreign assistance programs, GAO surveyed officials of U.S. companies with assembly operations in four Caribbean Basin countries.<sup>4</sup> These officials told GAO that they were attracted to the region primarily by the plentiful low-cost labor in close proximity to U.S. markets, rather than by the benefits of foreign assistance programs.

Moreover, it is not even clear whether removing the Cuba embargo would generally help or hinder development in CBI countries. Were the embargo lifted, Cuba might absorb a share of U.S. foreign investment that is currently going to CBI countries. This possibility would tend to retard CBI countries' economic development. Alternatively, ending the embargo might stimulate regional development enough to overcome the effects any diversion of investment from CBI countries to Cuba might have. However, the poor performance of

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<sup>4</sup>Foreign Assistance: U.S. Support for Caribbean Basin Assembly Industries (GAO/NSIAD-94-31, Dec. 29, 1993). The four countries were Costa Rica, the Dominican Republic, El Salvador, and Honduras.

the Cuban economy in comparison with CBI nations suggests that Cuba may not be a large factor in the region in the postembargo period, at least for the immediate future. Cuba's economic performance after the embargo is lifted will be affected by the level and pace of Cuban economic and political reforms.

We have not assessed the impact of the Cuba Democracy Act on the CBI program. GAO's previous survey of companies with assembly operations in four CBI countries did not include questions on Cuba. Company officials did not volunteer any views on the impact of the act on their operations.


#### AGENCY COMMENTS

GAO discussed its findings with Treasury officials on March 11 and March 15, 1994. The officials generally agreed with the overall message and contents of this letter. However, GAO made some technical changes to the letter based on the Treasury's comments. For example, a Treasury official corrected parts of Table 1 to more clearly reflect the change in the value of blocked Cuban assets held by agents and trustees of Cuba.

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If you or your staff have any questions concerning this letter, please call me at (202) 512-5889. The information in this letter was developed by James McDermott, Assistant Director, and David Genser, Evaluator-in-Charge.

Sincerely yours,



Jayetta Z. Hecker, Director  
International Trade, Finance, and Competitiveness

**STATEMENT OF VIVIAN MANNERUD,  
PRESIDENT OF AIRLINE BROKERS COMPANY, INC.,  
BEFORE THE SUBCOMMITTEE ON SELECT REVENUE MEASURES AND  
THE SUBCOMMITTEE ON TRADE**

March 17, 1994

I am submitting this statement for the printed record of the March 17, 1994 hearing before the Subcommittees on Trade and Select Revenue Measures.

I am the president of Airline Brokers Company, Inc., a charter broker that assists companies in locating charter air transportation. Airline Brokers also charters aircraft for flights to and from Havana, Cuba. For the past eleven years, Airline Brokers has provided travel-related services to persons authorized to travel to Cuba. Airline Brokers provides such services in accordance with U.S. laws and regulations and under strict control of the Office of Foreign Assets Control ("OFAC"), the U.S. Department of State, the U.S. Department of Commerce ("DOC"), and the U.S. Department of Transportation.

There is a saying in Cuba: "Ojos que no ven, corazon que no siente" (eyes that do not see, heart that does not feel). People who oppose the exportation of food and medicine from the United States to Cuba either have never been to Cuba or have not been to Cuba since they fled the country in the early 1960's. In connection with my business and in accordance with the specific licenses that OFAC has issued to Airline Brokers, I have had the opportunity to travel to Cuba, and I have seen how the Cuban people are suffering.

U.S. law, including the Cuban Democracy Act of 1992 ("the CDA"), restricts most commercial and financial transactions for or with Cuba or involving property in which Cuba has an interest. A limited exception to this general prohibition has been carved out with respect to exports of food and medicine to Cuba. Under certain circumstances, U.S. persons may export food and medicine to Cuba. I believe the conditions imposed upon such exports have caused the Cuban people to suffer more. It is out of my concern for the Cuban people, therefore, that I urge Congress to remove all restrictions on the exportation of food and medicine to Cuba.

**U.S. Law Governing the Exportation of Food and Medicine to Cuba**

U.S. law currently restricts the exportation of food and medicine -- basic human necessities -- from the United States to Cuba. As discussed below, U.S. law with respect to food and medicine exports is inconsistent with the CDA's stated purposes and serves no valid foreign policy reason.

**A. Direct Sale of Food to Cuba**

The CDA does not permit the direct sale of food to Cuba. By contrast, the CDA permits, under certain circumstances, the direct sale of medicine to Cuba. It is not clear why Congress would permit the direct sale of medicine to Cuba, but not the direct sale of food.

Food is a basic human necessity for every person, including Cuban nationals. There does not appear to be any valid foreign policy reason why the exports of food should be restricted. Purchasing food from the United States, rather than from Canada or any other country, will not save Cuba from its economic crisis; Cuba will still have to purchase food for its people. Nor will the United States be preventing a democratic change in Cuba, if the United States allows the exportation of food. Rather, by permitting the sale and exportation of food from the United States to Cuba, the United States will achieve several

important goals: (i) the United States will show its support for the Cuban people, people who may someday occupy leadership positions; (ii) the United States will counter any claim that the U.S. embargo is the cause for Cuba's economic crisis; and (iii) U.S. firms will benefit from trade with Cuba.

For these reasons, and because I believe such restrictions have caused the Cuban people to suffer more, Congress should remove all restrictions on food exports.

#### **B. Donations of Food to Cuba**

The CDA provides that "[n]othing in this or any other Act shall prohibit donations of food to non-governmental organizations or individuals in Cuba." Simply stated, upon the effective date of the CDA, there should be no restrictions on the exportation of donated food to Cuba. In almost 1 1/2 years, however, DOC has not yet amended its regulations to implement the CDA and remove the restrictions on exports of donated medicine.

The current DOC regulations require that U.S. persons obtain humanitarian licenses from DOC before exporting donated food to Cuba. To obtain such a license, the U.S. person must demonstrate, among other things, that the donations will in fact be used to meet the basic human needs of the Cuban people. DOC has only issued such licenses to section 501(c)(3) charitable organizations that have experience as exporters. DOC also requires that these U.S. charitable organizations use the services of non-governmental entities in Cuba for the monitoring of the donative program and the distribution of the donated goods.

DOC, moreover, has not amended its regulations governing gift parcels that contain food. Under the current DOC regulations, a U.S. person may send -- without first obtaining a validated license -- one gift parcel each month to an individual or religious, educational, or charitable organization in Cuba. (U.S. persons wishing to consolidate and forward multiple gift parcels to Cuba must obtain validated DOC licenses). The gift parcels may only contain non-commercial quantities of such commodities as food, and the combined total retail value of all of the items in a gift parcel cannot exceed \$200.

DOC's current regulations clearly restrict the exportation of donated food to Cuba by requiring a validated humanitarian license for exporting donated food, by granting licenses to only charitable organizations with prior export experience, and by imposing other conditions upon the humanitarian programs. The DOC regulations governing gift parcels, furthermore, impose limitations on the frequency and value of food parcels. All of these limitations and requirements, accordingly, are contrary to the tenor of the CDA. Congress, therefore, should require that DOC amend its regulations immediately to remove these restrictions.

#### **C. Direct Sale of Medicine to Cuba**

The CDA also provides that "[e]xports of medicines or medical supplies, instruments, or equipment [hereinafter collectively referred to as "medicine"] into Cuba shall not be restricted" except in such cases where:

- 1) These products will contribute to the military potential of Cuba;
- 2) Any donated products will affect a national emergency, are the result of coercion, or will endanger U.S. Armed Forces engaged in hostilities;

- 3) The products will be used for purposes of torture or other human rights abuses;
- 4) There is a reasonable likelihood that the products will be reexported; and
- 5) The products could be used in the manufacture of any biotechnological product.

The CDA permits U.S. persons to export medicine sold to Cuba, if the five conditions mentioned above and two other requirements are met. One of the two additional requirements is that U.S. persons must obtain specific licenses authorizing the exportation of such commodities to Cuba. The second additional requirement is that the United States must be able to verify by on-site inspections or other means that the exported medicine is being used for the purposes for which it is intended and for the benefit of the Cuban people.

Although the CDA appears to permit the exportation of medicine from the United States to Cuba, the CDA has had the opposite result. U.S. pharmaceutical companies can export medicine directly to Cuba only if the U.S. Government can determine by on-site inspections or other means that the exported medicine is being used for its intended purposes and for the benefit of the Cuban people. Whether on-site inspections can be performed will, of course, depend upon the Cuban Government's reaction to the on-site inspections as well as the U.S. Government's decision to allow an agency or organization to perform the on-site inspections.

Since the enactment of the CDA 23 months ago, only one license has been issued authorizing the exportation of medicine to Cuba. Thus, the requirement of on-site inspections and the licensing requirement have restricted the exportation of medicine to Cuba. Because it is the Cuban people, not the current Cuban Government, who will suffer as a result of these restrictions, I urge Congress to remove all restrictions on medicine exports.

#### D. Donations of Medicine to Cuba

The Cuban Democracy Act provides for not only the sale of medicine to Cuba, but also the exportation of donated medicine to Cuba. The CDA requires that U.S. persons wishing to export donated medicine must comply with the five conditions listed above. In addition, U.S. persons must obtain specific licenses before exporting donated medicine to Cuba. The Act also requires that the donations be made to non-governmental organizations in Cuba. The CDA, however, does not impose the requirement of on-site inspections for donations of medicine to non-governmental organizations in Cuba.

The CDA's requirements that donated medicine be exported to non-governmental organizations and that the donated medicine be licensed clearly restrict the exportation of donated medicine to Cuba. First, the United States Government has identified only five Cuban entities that are "non-governmental." Thus, under the CDA, U.S. persons can only export donated medicine to these five organizations in Cuba.

Second, while the CDA expressly states that the requirement of on-site inspections does not apply to medicine donations made to Cuban non-governmental organizations, the CDA appears to require that such inspections apply to donations of medicine to individuals in Cuba. Under the CDA, therefore, U.S. persons may not give or send medicine gifts to their families in Cuba, until the U.S. Government has verified by on-site inspections or other means that the medicine gifts are being used for their intended purposes and are for the benefit of the Cuban people. This



presumably means that the U.S. Government must perform some type of inspection at each home in Cuba. Because the U.S. Government has not performed and has not authorized some other entity to perform these inspections, all gift parcels containing medicine that are exported to Cuba appear to violate the CDA.

Third, by requiring that the exportation of donated medicine be licensed, the CDA has nullified the DOC regulations permitting the exportation to Cuba of gift parcels containing medicine. Prior to the enactment of the CDA, a U.S. person could send, pursuant to a DOC general license, one gift parcel containing medicine in a month one period to individuals or religious, educational, or charitable organizations in Cuba, provided the contents of the gift parcel did not exceed \$200 in value. Under the CDA, however, U.S. persons wishing to send medicine parcels to Cuba must obtain specific licenses. Consequently, the Act has rendered illegal all gift parcels containing medicine, for which U.S. persons have not obtained specific licenses.

The CDA's requirement of a license also extends to U.S. persons, who may give medicine to their close relatives in Cuba. These persons, under the CDA, must obtain specific licenses before they may carry such medicine in their accompanied baggage. If a U.S. person bound for Cuba carries aspirin in his/her baggage without first obtaining a license, he or she will have violated U.S. law.

It is hard to believe Congress intended to require that U.S. persons must obtain licenses before they may send medicine parcels to Cuba or before they may carry aspirin with them to Cuba. Such a requirement would be unduly burdensome for U.S. persons as well as for the Department of Commerce. It is also hard to believe that Congress intended to require on-site inspections for donations of medicine to individuals. Even OFAC and the Department of State have acknowledged the impracticability of this licensing requirement. (See Prepared Statement of R. Richard Newcomb Before the Subcommittees on Western Hemisphere Affairs, Economic Policy, Trade and Environment, and International Operations, at 3 (November 18, 1993)).

Because there appears to be no foreign policy reason necessitating these requirements, or any other restriction on medicine exports, Congress should remove all restrictions on the exportation of medicine to Cuba.

#### E. Trade Between Foreign Subsidiaries and Cuba

In addition, the CDA prohibits OFAC from issuing licenses to foreign subsidiaries of U.S. owned or controlled companies that wish to export commodities from third countries to Cuba. OFAC has interpreted the CDA to prohibit such licenses for commodities other than medicine and telecommunications equipment. OFAC, subsequently, amended its regulations to set forth licensing requirements for foreign subsidiaries that wish to export medicine (and telecommunications equipment) from third countries to Cuba.

The conditions upon which OFAC will grant such licenses to foreign subsidiaries clearly restrict the exportation of medicine by foreign subsidiaries to Cuba. In addition, while OFAC will issue licenses -- under certain limited circumstances -- to foreign subsidiaries wishing to export medicine to Cuba, OFAC and the CDA does not permit the issuance of such licenses authorizing the exportation of food from third countries to Cuba. Thus, not only has the United States restricted the exportation of food and medicine from the United States to Cuba, but it has attempted to restrict such exports from third countries to Cuba!

Many of the trading partners of the United States, including Canada, Great Britain, Mexico, and the European Economic Community, have objected to the extraterritorial implications of this provision. In fact, following the enactment of the CDA, the United Nations General Assembly voted to condemn the U.S. embargo against Cuba. The provisions of the CDA governing foreign subsidiaries have only served to isolate the United States from its trading partners.

As in the case of direct exports of food and medicine to Cuba, there is no sound foreign policy reason for restricting the exportation of food and medicine from third countries to Cuba. For this reason, and in light of growing international opposition to the CDA, I respectfully urge Congress to reconsider its position on this issue.

#### Present Conditions in Cuba

During one of my trips to Cuba, I observed first-hand the conditions of Cuban hospitals. I have also seen how the Cuban people are suffering.

Cuban hospitals have a shockingly small supply of medicine (including insulin) and medical supplies. To compensate for the shortages, Cuban hospitals are reusing syringes, surgical gloves, sutures, and other supplies without the proper means of sterilizing these items. In addition, because of the difficulty in obtaining parts for broken medical equipment (medical equipment manufactured by U.S. companies and purchased by Cuban hospitals before the embargo), doctors and other hospital personnel are unable to use the proper equipment to treat patients. Cuban hospitals also are experiencing long periods without electricity. Ambulances, moreover, are not functioning because of the fuel shortages and the lack of spare parts. Consequently, Cubans in need of medical attention simply cannot receive prompt and adequate treatment.

The Cuban people are also suffering from shortages of food products. Most food products are scarce, including such basic food products as meat, milk, eggs, and cooking oil. Shortages of oil and kerosene and repeated electrical blackouts, moreover, have made it difficult for Cubans to cook. In response to the shortages, food products are allocated through a rationing system. For example, only children under 5 years of age may receive one liter of milk per day.

Soap, detergent, and chlorine are also in short supply, preventing many Cubans from cleaning and washing clothes and dishes. Under the rationing system, only infants under two years of age may receive a monthly ration of soap; all other Cubans will not receive a ration of soap or detergent. Feminine hygiene products, moreover, are in short supply. Cuban women have been forced to use rags because tampons are not available. Even more horrible is that these women must wash the rags without soap.

As a result of the food, soap, and medicine shortages, many Cuban people are suffering from health problems, including malnutrition, eye disease, and beriberi. Children are also becoming more susceptible to head lice because they are unable -- due to the lack of soap -- to maintain good hygiene. In addition, approximately 50,000 people in Cuba have been treated for optic neuritis, a virus that can cause blindness. The number of persons suffering from this disease was so great that Cuban hospitals had to set up special wards to treat persons with the disease.

The suffering of the Cuban people is not exaggerated. The American Public Health Association, after observing the conditions in Cuba in June 1993, stated that "the general standard of living and the quality of health services has declined dramatically" in the last 2 to 3 years. This Association concluded that "[t]here are measurable indications of the early stages of an adverse impact on health." (See American Public Health Association report entitled The Politics of Suffering: The Impact of the U.S. Embargo on the Health of the Cuban People.)

It comes as no surprise, therefore, that many Cubans are risking their lives to leave the country. During 1993, a record 3,656 Cubans traveling on either rafts or other water vessels reached the United States shores. By contrast, the number of Cubans to reach the U.S. by water was 2,548 in 1992, 2,203 in 1991, and 467 in 1990.

A large number of these Cuban immigrants enter the United States as political refugees. While some Cubans may in fact have valid claims of political persecution, most of the Cuban immigrants leave Cuba for reasons of economic hardship. Interestingly, after these Cubans arrive in the United States, they often return to Cuba -- many on Airline Brokers' charter flights -- to provide support for their relatives in Cuba. If these immigrants were truly persecuted, they would not risk their lives to return to Cuba. (Nor would the Cuban Government necessarily issue them entry visas).

Cuban immigrants generally seek to make their new home in Florida. South Florida is still recovering from the Mariel boatlift, and more recently, from Hurricane Andrew. An increased influx of immigrants in Florida will certainly be economically devastating for the state as well as for the country.

If the United States permits the exportation of food and medicine -- whether donated or sold -- to Cuba, the United States will not only be supporting the Cuban people (as well as U.S. farmers), but may make it unnecessary for the Cuban people to risk their lives at sea to escape Cuba's economic crisis. This, in turn, may reduce the immigration problems in the United States.

### Conclusion

The United States policy is against the current Cuban Government, not the Cuban people. Yet, it is the Cuban people who are suffering as a result of the United States' policy of restricting exports of food and medicine to Cuba. This policy will not force a change in Cuba. Nor will the United States ensure a peaceful transition to democracy. In fact, there does not appear to be any valid foreign policy reason for restricting food and medicine exports to Cuba. At a time when international opinion is generally opposed to the U.S. embargo against Cuba, it is simply not in the best interest of the United States to continue its policy of restricting the exportation of food and medicine to Cuba.

Recently, Congressman Jerrold Nadler (D-NY) made the following statement with respect to medicine exports:

The U.S. embargo on medicines, medical equipment, and medical supplies is virtually unprecedented:

It was not part of our sanctions against the racist regime of South Africa;

It was not part of our sanctions against the Pinochet dictatorship in Chile, even when they committed an act of state terrorism on the streets of our Nation. Nor was this sanction imposed against the Government of El Salvador after it refused to act against the murderers of Archbishop Romero and a group of American nuns;

It was not even part of our sanctions after the former Soviet Union invaded Afghanistan.

Why has the United States departed from this traditional humanitarian exception in the case of Cuba? This Nation does not normally punish a people in this way because we dislike the policies of their Government. It makes no sense and it violates the values we have always espoused.

58 Fed. Reg. E1249 (May 13, 1993). This statement applies equally to food exports.

While the U.S. embargo is not the principal cause of the economic crisis in Cuba, it has significantly contributed to the economic hardship of the Cuban people. I, therefore, believe that Congress should remove all restrictions on the exportation of food and medicine to Cuba.

Thank you.

**SUBMITTED STATEMENT OF JAY MAZUR, VICE-PRESIDENT, AFL-CIO  
TO THE COMMITTEE OF WAYS AND MEANS SUBCOMMITTEE ON  
SELECT REVENUE MEASURES  
THE FREE TRADE WITH CUBA ACT**

March 18, 1994

Mr. Chairman, members of the committee, I thank you for the opportunity to testify on the current situation in Cuba, and in particular, on the status of worker rights.

In August 1990, AFL-CIO President Lane Kirkland established the AFL-CIO Labor Committee for a Free Cuba, on which I am honored to serve. Its objectives are to assess the state of worker rights in Cuba and generate support for Cuban workers who seek to build democracy and free trade unions.

In the late 1950s, Cuba's trade union movement was one of the strongest in the hemisphere with over a million members. The Cuban Workers' Central (CTC), organized a high percentage of the workforce and became strong enough to extend financial assistance to other struggling trade unions in the hemisphere. Soon after the 1959 revolution, Communist goon squads took over the unions. They jailed, killed, or exiled most of their leaders. The CTC became an instrument for Communist Party domination of workers and responds solely to the interests of the Cuban government. The AFL-CIO helped rescue and protect many labor leaders during that period.

The AFL-CIO continues to assist workers inside Cuba who seek to revive a strong and independent trade union movement. Within the last three or four years, a number of worker groups have been formed, whose leaders have been jailed, beaten and harassed by the government. Our aim is to provide the same kind of assistance to Cuban workers that the AFL-CIO was able to provide to Solidarnosc in Poland. Although we recognize that the freedom for trade unionists to operate in Cuba is currently far narrower than it was during much of the past decade in Poland, we know from experience that it can be widened, and we are working to give Cuban workers the assistance they need to expand freedom of association. We are in constant contact with these worker groups, and we believe our testimony today reflects their views on how to bring about democratic change, although they are not in a position to speak publicly on these issues, for obvious reasons.

The AFL-CIO strongly believes that trade must be linked to respect for human and trade union rights. We objected to ending the embargo of Vietnam, and we oppose the continuation of *"most favored nation"* status for China. There is now a rising chorus of pressure to end the Cuban embargo, much of it spurred by business interests eager to invest in Cuba's low-wage, non-union economy. Yet the Castro regime shows no signs of allowing either economic or political liberalization. Repression of worker rights, free speech, and freedom of association is increasing, especially against the nascent democratic trade union movement.

You should be aware that government violations of worker rights go far beyond the denial of freedom of association. According to a report of the International Labor Organization (ILO) released late last year, the Castro government practices forced labor on a massive scale, disguising it as "voluntary labor." Employers, nearly all of them state employers, forcibly extend hours of work far beyond internationally accepted standards, engage in speed-ups, deny vacation time, and discriminate against workers because of their political and religious views—labor practices that rival those of 19th century capitalism.

The Castro regime tolerates no independent trade unions. Collective bargaining is unheard of in Cuba today, and Cuban workers earn the same wages they did in 1959, which is about 100 pesos per month. The difference is that at that time the Cuban peso was at par with the U.S. dollar, whereas today a Cuban peso is worth about one U.S. penny. Unfortunately, Cuban workers who have no access to U.S. dollars must line up to obtain their meager rations or risk imprisonment by turning to the black market to feed their families. By allowing the "dollarization" in Cuba, a new economic class is being created. Those receiving dollars from their relatives in exile are now allowed to purchase at the *diplo-tiendas* which were previously reserved for tourists and diplomats only.

Now Castro is offering economic incentives to outside investors which are unavailable to Cubans. He is willing to sell or mortgage Cuba as long as he can stay in power. He wants U.S. dollars, not free and fair trade. If the proposed Free Trade With Cuba Act is passed and the embargo lifted, Castro will use the foreign exchange earnings to refinance the Cuban international debt and feed his repressive apparatus. But Cuban citizens will continue to endure a life of scarcity and penury.

Castro has created a low-wage labor force that is among the most repressed in the history of Latin America. Lifting the embargo would allow western investors to exploit these workers without increasing their freedom to organize. Lifting the embargo would also force workers in the rest of the Caribbean basin to compete for scarce investment and tourist dollars on unfavorable terms. Democracy is barely established in Guatemala, El Salvador and Nicaragua, and the institutions of democracy are still weak in the Dominican Republic, Honduras, and in many other countries in the region. I worry about what will happen to the Dominican hotel worker or the Dominican maquila worker who are told by their employers that wages must be cut or unions discouraged because of competition with Cuba. I worry about whether other governments in the region will act to weaken democracy and freedom of association in order to stay "competitive" with Cuba.

Regarding the question of travel, it should be noted that more than a year ago, members of the ICFTU Human and Trade Union Rights Committee applied for visas to send a fact-finding mission to Cuba which would meet face to face with workers, independent trade union leaders, and human rights activists. The ICFTU received no response, not even a simple acknowledgement of the visa application. Members of the AFL-CIO Labor Committee for a Free Cuba received the same treatment when they applied for visas in 1992. The UN Special Rapporteur for Cuba, Ambassador Carl Johan Groth, has been denied entry to Cuba by the Castro regime. As for Cuban workers getting permission to travel abroad, virtually no one can do so unless he or she is "politically correct." Therefore, the AFL-CIO sees no real advantage in lifting travel restrictions to Cuba unless there is some reciprocity in allowing Cubans the freedom to travel. To do otherwise would simply shower the Cuban government with U.S. tour-dollars. And since tourists are largely restricted to enclaves and not allowed to mix freely with ordinary Cubans, the alleged benefits from increased contact between Cubans and foreigners will be minimal. Letting U.S. tourists frolic on Cuban beaches—beaches ruled off-limits to Cuban citizens—will do nothing to change the nature of that regime.

Regarding expanded communications with the Island, it should be noted that the Cuban Democracy Act of 1992 already encourages the improvement of telecommunications and direct mail service. It also permits donations of food through international organizations and the export to Cuba of medicines for humanitarian purposes. Current legislation contains additional provisions which allow for expanded trade and aid to Cuba after certain conditions are met, thus serving as an incentive to democratization. It is the Cuban government which has rejected these proposed improvements.

It is as absurd to blame U.S. policy for the lack of communications with Cuba as it is to blame the U.S. for Cuba's economic freefall into a pre-industrial existence. As long as Castro insists on maintaining a command economy, that economy will continue to worsen. Castro may indeed use the embargo as an all-purpose excuse for failure and as a pretext for maintaining totalitarian control. But fewer and fewer Cubans believe this excuse. And there should be no doubt that if the pretext is removed, Castro will quickly find another to replace it.

Therefore, on behalf of the AFL-CIO, I would like to express our opposition to H.R. 2229. Some will argue that trade sanctions only create hardships for workers, a sentiment that is somewhat suspect when expressed by investors. In our experience, workers struggling for democracy are willing to endure such hardships if they know that with their sacrifices they can win their freedom and leave a legacy of for future generations.

Thank you, Mr. Chairman.



304 Pennsylvania Avenue SE • Washington DC 20003  
 Phone (202)544-0200 • Fax (202)546-7142

17 March 1994

Honorable Charles Rangel  
 Committee on Ways and Means  
 1102 Longworth H.O.B.  
 Washington, DC 20515

Honorable Charles Rangel:

In response to your request, Amnesty International is submitting the documents "Cuba: Hundreds Imprisoned for 'Dangerousness'" and "Cuba: Arrest of Domiciano Torres Roca," concerning the current human rights situation in Cuba. We hope this information will be useful.

Sincerely,

*J. O'Dea*  
 James O'Dea,  
 Director

Amnesty International is an independent worldwide movement working impartially for the release of all prisoners of conscience, fair and prompt trials for political prisoners and an end to torture and executions. It is funded by donations from its members and supporters throughout the world.

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# amnesty international

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## CUBA

### Arrest of Domiciano Torres Roca

SEPTEMBER 1993

AI INDEX: AMR 25/10/93

DISTR: SC/CO

Amnesty International has received reports that teacher and political activist Domiciano Torres Roca was arrested on the evening of 13 August 1993 in Havana. According to one report, a man in civilian clothes stopped him and asked him for his identity card. He was then grabbed by four uniformed police, two of whom held him while the other two punched him in the stomach and the mouth. He was taken to a police station in El Cotorro, a suburb of Havana. Next day, he was taken to his home where police carried out a search and took away numerous documents described by the authorities as "enemy propaganda". He was then taken to the headquarters of the **Departamento de Seguridad del Estado (DSE)**, Department of State Security, at Villa Marista where he is still believed to be held. His relatives have reportedly been informed that he will soon be transferred to Valle Grande Prison or Combinado del Este Prison to await trial on a charge of "enemy propaganda" (article 103 of the Cuban Penal Code). He has almost certainly had no access to a lawyer. In political cases lawyers normally only have contact with the defendant shortly before the trial hearing which frequently takes place several months after arrest.

Domiciano Torres is 43 years old and a teacher of architecture. In August 1992 he and several other teachers at the Armando Mestre Technological School in Guanabacoa were reportedly sacked from their jobs because they had criticized the government. He is also Vice-President of the unofficial **Partido Cívico Democrático**, Civic Democratic Party. Shortly before his arrest, he had informed contacts abroad that he and other members of the group had received warnings from State Security officials about their activities. Some said they were being put under pressure to leave the country. Torres said that he was being persecuted and threatened by the State Security police because of the reports about human rights violations he was communicating by telephone to contacts abroad.

As far as Amnesty International is aware, Domiciano Torres Roca has neither used nor advocated violence. The organization therefore believes that he is a prisoner of conscience, detained solely because of his attempts to peacefully exercise his rights to



freedom of expression and association, and is urging his immediate and unconditional release.

Numerous members of unofficial political and human rights groups have been arrested and imprisoned in Cuba over the past three years. Although some were released without charge after a few hours or days, many others were brought to trial on charges such as illegal association, clandestine printing, disrespect, enemy propaganda and rebellion. In the case of the latter two charges, several prisoners are serving sentences of between ten and thirteen years. The majority of those imprisoned on such charges, thought to number several hundred, are believed to be prisoners of conscience.

**KEYWORDS: PRISONERS OF CONSCIENCE / TORTURE/ILL-TREATMENT /  
INCOMMUNICADO DETENTION / TEACHERS / POLITICAL ACTIVISTS / POLICE /**

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# amnesty international

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## CUBA

### Hundreds imprisoned for "Dangerousness"

FEBRUARY 1994

SUMMARY

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DISTR: SC/CO/GR

Since August 1993, Amnesty International has received reports that large numbers of people in Cuba have been detained and imprisoned for up to four years under the section of the Penal Code entitled "The Dangerous State and Security Measures", a procedure which is practically devoid of any fundamental judicial guarantees. One report stated that between 20 August and 1 November 1993, 2,500 people had been imprisoned under this legislation, said to be more than the total for the whole of the previous year. The main purpose for the sudden sharp increase in its application appeared to be to respond to an increase in delinquency and vandalism that had occurred, particularly in the month of August, when prolonged electricity blackouts occurred in Havana and elsewhere as a result of the economic situation. However, although the ostensible justification for the increased use of this legislation was to combat common crime, Amnesty International has received numerous reports that the real reason for its application in many cases is political. Many of the cases that have been brought to the organization's attention are of known members of unofficial political and human rights groups who have received warnings or been detained because of their activities in the past. In some cases, the allegations against them are clearly of a political nature. In others, they are accused of drunkenness or not working. Whatever the accusation against them, it is believed that the real motive for their imprisonment is to remove them from circulation and prevent them from carrying out their legitimate non-violent activities. Amnesty International believes many of them to be prisoners of conscience.

According to the Cuban Penal Code, a person is considered to be in a "dangerous state" if their behaviour indicates that they have a special proclivity to commit crimes. There are three categories of "dangerousness": a) habitual drunkenness and alcoholism; b) drug addiction; and c) anti-social behaviour. However, even those not included in these categories can be issued with an "official warning" by the police if the latter believe that they may have a "special proclivity" to commit crime because of their links with others who are "potentially dangerous for society, other people and the social, economic and political order of the socialist state". If the police decide to

continue with the procedure, the person is detained and brought before a court within a few days so that the court can decide whether the person is "dangerous" and if so, what security measures should be applied to them. Three kinds of security measures are available: therapeutic, re-educative, or police surveillance. In the case of "anti-social" individuals, re-educative measures lasting between one and four years are to be applied. "Re-educative measures" are said to mean internment in a "specialized work or study establishment" or a "work collective". In practice, this appears to mean prison despite the fact that the Penal Code clearly states that if, during the carrying out of a security measure, a person is sentenced to imprisonment, the security measure is to be suspended and proceeded with only once the prison sentence is completed.

The judicial procedures followed in "dangerousness" cases fail to adhere in practice to international standards for a fair trial. Hearings frequently take place within a few days of arrest. Defendants sometimes have no contact with relatives before the hearing and no possibility to contact a lawyer of their choice or to prepare an adequate defence. If they have not appointed a lawyer of their choice, they are appointed one by the court with whom they have had minimal, if any, contact before the hearing. The court may at any time while the measure is being applied change the type of measure or its length or suspend it. There does not appear to be any clear appeal procedure in such cases. Furthermore, trials are taking place in courts which, according to Cuban law, are not competent to hear cases where the sentence may exceed one year.

Amnesty International believes that the non-specific nature of the "dangerousness" legislation is such that it is open to abuse and that, in practice, the legal procedures followed in such cases breach internationally-recognized judicial guarantees for a fair hearing. The definitions laid down in the Penal Code are imprecise and lend themselves to arbitrary and discriminatory application. If a person has committed a recognizable criminal offence, then they should be charged with that offence and brought to trial following procedures that guarantee a fair hearing. Amnesty International believes that this section of the Penal Code should be abolished in the grounds that, in letter and application, it breaches both the rights of the individual and international human rights standards. It further urges that all those imprisoned for "dangerousness" should be immediately and unconditionally released.

KEYWORDS: ARBITRARY ARREST / DETENTION FOR RE-EDUCATION / TRIALS / PRISONERS OF CONSCIENCE / COMMON CRIMINALS / POLITICAL ACTIVISTS / UNEMPLOYED PEOPLE / WOMEN / HUMAN RIGHTS ACTIVISTS / TRADE UNIONISTS / REARREST / DEATH IN CUSTODY / MENTAL HEALTH / LEGISLATION / TORTURE/ILL-TREATMENT / REARREST / POLICE /

This report summarizes a 15-page document (6,740 words), *Cuba: Hundreds imprisoned for "Dangerousness"* (AI Index: AMR 25/01/94), issued by Amnesty International in February 1994. Anyone wanting further details or to take action on this issue should consult the full document.

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# CUBA

## Hundreds imprisoned for "Dangerousness"

Since August 1993, Amnesty International has received reports that large numbers of people in Cuba have been detained and imprisoned for up to four years under the section of the Penal Code entitled "El Estado Peligroso y Las Medidas de Seguridad", "The Dangerous State and Security Measures". One report stated that between 20 August and 1 November 1993, 2,500 people had been imprisoned under this legislation, more than the total for the whole of the previous year. The main purpose of the sudden, sharp increase in its application appeared to be to respond to an increase in delinquency and "acts of vandalism". However, it is feared that, although in some cases there may well be justification for opening legal proceedings against the person concerned, this legislation, which is practically devoid of any fundamental judicial guarantees, may be being applied in an arbitrary fashion and may also be being used as a pretext for imprisoning peaceful government opponents, whom Amnesty International considers to be prisoners of conscience.

### Context

Cuba has been suffering a serious economic crisis since the collapse of the Soviet Union and other Eastern Block countries, previously their main trading partners. The crisis has led to serious shortages in fuel, spare parts for machinery, food, medicines and medical equipment, and other essentials. The situation has been compounded by the US trade embargo which has been in place since 1962 and bad weather which damaged the 1993 harvests. Many factories and workplaces have had to shut down, at least temporarily, and workers have been laid off. Although they are still paid, they are expected to present themselves to do work in areas where there are shortages, such as agriculture, construction, etc, even if this is not what they are qualified to do. Many people, especially young people, are said to be unwilling to do agricultural and manual work. Another effect of the shortages has been prolonged electricity "blackouts" (apagones) to try to save energy. In August 1993, there were blackouts of up to 20 hours a day in the Havana area and 16 hours elsewhere. This, coupled with hot weather, seems to have been the trigger for a spate of what was described by the authorities as "vandalism". This consisted of robberies, looting, attacks on shops and government establishments, such as police stations, and the appearance of anti-government graffiti and leaflets, among other things. The authorities blamed so-called "counter-revolutionaries" for instigating such activities. The head of the Prosecutor's office in Havana, José Luis Toledo, announced in early September that legal measures ranging from the most severe, for actions such as sabotage and terrorism [i.e. the death penalty],

to those considered grave, such as robbing tourists, would be implemented. He added that trials would be conducted with more severity. The First Secretary of the Communist Party in Havana was reported as saying that "this is a fight to the death, and we cannot let the battle be won by lumpen and the counter-revolution... We have to be prepared to act at any moment wherever the enemy is hiding and, especially during the blackouts, to prevent their passage and cut them off in time." ["Es una lucha a muerte, y no podemos dejarnos ganar la batalla por los lumpen y la contrarrevolución... Debemos estar preparados para actuar en todo momento donde se oculte el enemigo y, especialmente en las situaciones de apagón, impedirle el paso o cortárselo a tiempo".] Another government official, General Sixto Batista Santana, the head of the **Comités de Defensa de la Revolución (CDRs)**, Committees for the Defence of the Revolution, said a few days later that "the street belongs to us revolutionaries... if we have to break heads, we will break heads." [Spanish version not available] At the same time, the authorities began to reactivate the so-called **Destacamentos Populares de Respuesta Rápida**, People's Rapid Response Detachments, more commonly known as Rapid Response Brigades. These were created in mid-1991 to confront, by violent means if necessary, any sign of discontent or opposition to the government. They are made up of Communist Party members and others, supposedly on a voluntary basis, though there are indications that some members are coerced into participating. They were responsible in 1992 for a number of incidents in which political and human rights activists were subjected to violent harassment and intimidation (see "*Cuba: Silencing the Voices of Dissent*", AMR 25/26/92, December 1992, for further background).

The crimes that have increased the most since 1992 are said to be robbery with violence and theft (**hurto**), and the illegal slaughter of cattle (**sacrificio ilegal de ganado mayor**), said to have risen by 25% and 19% respectively. The authorities have issued a number of statements saying that they intend to bring the full force of the law to bear on those found to be involved in crimes of violence and serious economic crime. They are said to be seriously concerned by a massive increase since August in offences such as the theft of bicycles [now the main means of transport for Cubans, due to the lack of petrol], the mugging of tourists, robberies and other lesser crimes. Sentences of twelve years or more are being imposed for crimes against the national economy and, since September 1993, there has been an increased police presence on the streets of Havana. Stiffer sentences for violent crime have also been passed by the courts since that time. Four death sentences were passed in the space of a month in October/November 1993. At the time of writing they are all still believed to be pending appeal. The authorities tend to attribute many kinds of violent and serious economic crime to "counter-revolutionaries" whom they allege are intent on destabilizing the government.

Over five hundred prisoners of conscience are believed to be imprisoned in Cuba, some serving sentences of as much as thirteen years on charges such as "enemy

propaganda" and "rebellion". Most are members of unofficial political, trade union or human rights groups though scores, possibly hundreds, of others are believed to be held for trying to leave the country illegally. There are also believed to be several hundred other political prisoners convicted on charges such as sabotage, terrorism and espionage. Detention and trial procedures in all political cases fall far short of international standards.

### "The Dangerous State"

Article 72 of the Cuban Penal Code, entitled "The Dangerous State", states: The dangerous state is considered to be the special proclivity of a person to commit crimes as demonstrated by behaviour that manifestly contradicts the norms of socialist morals." ["Se considera estado peligroso la especial proclividad en que se halla una persona para cometer delitos, demostrada por la conducta que observa en contradicción manifiesta con las normas de la moral socialista."] Article 73 goes on to state that the "dangerous state" exists when an individual exhibits one of the following indications of "dangerousness": a) habitual drunkenness and alcoholism; b) drug addiction; c) "anti-social behaviour". A person considered to be in a "dangerous state" because of their "anti-social behaviour" is described as "one who habitually violates the rules of social co-existence by acts of violence, or who, by other provocative actions, violates the rights of others or who, by their general behaviour, damages the rules of co-existence or disturbs the order of the community or who lives, like a social parasite, from the work of others or exploits or practices vices that are socially unacceptable". ["Se considera en estado peligroso por conducta antisocial al que quebranta habitualmente las reglas de convivencia social mediante actos de violencia, o por otros actos provocadores, viola derechos de los demás o por su comportamiento en general daña las reglas de convivencia o perturba el orden de la comunidad o vive, como un parásito social, del trabajo ajeno o explota o practica vicios socialmente reprobados."] Mentally disturbed or mentally retarded people ["los enajenados mentales y las personas de desarrollo mental retardado"] may also be considered to be in a "dangerous state" if their behaviour represents a threat to the security of others or the social order ["siempre que éstas representen una amenaza para la seguridad de las personas o del orden social"].

### "Official Warning" ("Advertencia Oficial")

Article 75 states that anyone who, though not included in any of the "dangerous states" to which article 73 refers, may, by their links or relations with people who are potentially dangerous for society, other people and the social, economic and political order of the socialist state, have a proclivity for crime, will be given a warning by the relevant police authority, to prevent them from carrying out socially dangerous or

criminal activities. ["El que, sin estar comprendido en alguno de los estados peligrosos a que se refiere el artículo 73, por sus vínculos o relaciones con personas potencialmente peligrosas para la sociedad, las demás personas y el orden social, económico y político del Estado socialista, pueda resultar proclive al delito, será objeto de advertencia por la autoridad policíaca competente, en prevención de que incurra en actividades socialmente peligrosas o delictivas."] The warning is to be issued as a legal document [acta] expressly stating the reasons for it, as well as what the person concerned has to say about it, and must be signed by both parties.

### "The Security Measures"

Articles 76 to 90 describe the types of measures that can be taken against those who are considered to be in a "dangerous state". The type of measure varies depending on whether the person is deemed to be likely to commit a crime ("**medidas predelictivas**") or has already committed a crime ("**medidas postdelictivas**").

#### a) Those deemed likely to commit a crime

In the case of those deemed likely to commit a crime, the type of measure to be taken is to be either a) therapeutic ["**terapéuticas**"]; b) re-educative ["**reeducativas**"]; or c) surveillance by the National Revolutionary Police ["**vigilancia por los órganos de la Policía Nacional Revolucionaria**"]. In the case of "anti-social individuals" ["**individuos anti-sociales**"], re-educative measures lasting from between one and four years are to be applied. The person is to be interned in a "specialized work or study establishment" ["**un establecimiento especializado de trabajo o de estudio**"] or sent to "a work collective" ["**un colectivo de trabajo**"]. There is no mention of imprisonment. Nevertheless, those detained recently under this legislation are being sent to prison from where some are then obliged to go to work in work camps (**granjas**) attached to the prison, usually doing agricultural or construction work. In fact, article 77.2 of the Penal Code states that if, during the carrying out of a security measure, a person is sentenced to imprisonment, the security measure is to be suspended and proceeded with only once the prison sentence is completed. ["**Si durante el cumplimiento de una medida de seguridad aplicada a una persona penalmente responsable, a ésta se le impone una sanción de privación de libertad, la ejecución de la medida de seguridad se suspenderá, tomando de nuevo su curso una vez cumplida la sanción.**"] This would clearly seem to indicate that, for the purposes of this procedure (i.e. "**medidas de seguridad predelictivas**"), imprisonment is not itself considered to be a "security measure".<sup>1</sup>

<sup>1</sup> The main function of imprisonment in Cuba, nevertheless, is to correct and "re-educate". All prisoners have to go through a process of "re-education" which includes professing loyalty to the existing political system.

**b) Security measures to be applied to those who have already committed a crime**

Security measures may also be applied to repeat offenders ["**al reincidente o multirreincidente**"] who have failed to carry out any of the obligations imposed on them by the courts after a prison sentence has been completed. According to article 55 of the Penal Code, the court can recommend that, following completion of the prison sentence, the individual should be kept under surveillance by the police for a period of three to five years. Other measures may also be imposed such as an order forbidding them to move house or frequent certain places. They may also be obliged to present themselves before a court at certain intervals. Furthermore, "any other measure that could contribute to their re-education" ["**cualquier otra medida que pueda contribuir a su reeducación**"] may be imposed. According to article 90, under the section about "dangerousness", if the individual does not fulfill these obligations, the court which established the original sentence may impose a security measure consisting of their internment in a centre for their "re-adaptation" for a period not fixed in advance, but which cannot exceed five years ["**una medida de seguridad consistente en su internamiento en un centro para su readaptación por término que no se fija anticipadamente, pero que no puede exceder de cinco años.**"]. The court can also decree a new security measure not already imposed, if the person's conduct warrants it; suspend a security measure or replace it by a more suitable measure if the "dangerous state" that motivated it has disappeared; or if the individual shows new symptoms of "dangerousness", impose a additional security measure while the person is carrying out the existing one. Again, the nature of the measures to be taken in such cases is extremely vague and open-ended. There is no explanation of what "internment in a centre for their re-adaptation" means but, as in the other kinds of security measures, imprisonment is not explicitly mentioned as one of the options.

**Imprisonment for "dangerousness"**

Despite the fact that imprisonment is not clearly spelled out as an option in cases of "dangerousness", many people are known to be serving prison sentences on such grounds. It would appear that the majority of the recent cases of people imprisoned for "dangerousness" reported to Amnesty International consist of individuals who are considered likely to commit a crime rather than that they are repeat offenders who have failed to fulfill certain obligations. Prisoners convicted for "dangerousness" are reportedly held in many penal establishments throughout Cuba. They include: Combinado del Este Prison, Havana; Micro 4 Prison, Havana; Taco-Taco Prison, Pinar del Río; the Western Women's Re-education Centre, Havana; Villa Clara Provincial Prison, Havana; and Agüica Prison, Matanzas. Many are said to be held in El Pitirre Prison in San Miguel del Padrón, Havana, also known as Unit 1580. This appears to be a military prison. It is not clear what the justification is for holding civilian prisoners



in a military prison. Conditions there are reportedly very poor. Food is said to be scarce and often rotting. Some days there is no drinking water available all day. Several prisoners are said to be suffering from diarrhoea and vomiting. The poor level of hygiene is said to have led to infect infestation and outbreaks of skin complaints and conjunctivitis. Minors and adults are said to be held in the same facilities. There have also been several reports of beatings by prison guards (see below for details). On 3 November 1993, the prison was reportedly visited by a delegation of journalists. The prisoners were apparently warned by a senior military official to make sure they said that they were all right and that they had no problems.

One prisoner serving a sentence for "dangerousness" was said to have died in detention in Agüica Prison in December 1993 after being beaten by prison guards (see below for details).

### **Judicial Procedures**

Article 404-416 of the *Ley de Procedimiento Penal*, Law of Penal Procedure (1977), establish the judicial procedures when applying security measures in cases of "dangerousness":

#### **a) Hearings in cases of those considered likely to commit a crime**

Hearings against people considered likely to commit a crime take place in municipal courts. The procedure is to be initiated on the request of a prosecutor (*fiscal*) who has to submit in writing the reasons for the request and the security measures deemed to be necessary. The prosecutor's request can be based on information already available to him/her or on the basis of reports submitted by the police or other relevant officials. Specific procedures are laid down for people deemed to be suffering from mental disorders and drugs or alcohol problems. In other cases, it is stipulated that the person can be held for up to a maximum of fifteen days before being brought to court. The director of the establishment where the person is held may at any time during this period recommend that they be released if they believe that they no longer exhibit the "dangerous" behaviour that motivated their detention. The court has to be informed of their recommendation the same day. The court then has to inform the prosecutor who has three days to accept or refuse the recommendation. If the prosecutor decides that there are no grounds to continue proceedings against the person, s/he informs the police or the director of the establishment where the person is held and the person is released. A person awaiting trial for "dangerousness" can only be detained by virtue of an order issued by the relevant court.

The participation of a prosecutor and a defence lawyer is obligatory<sup>2</sup>. Defendants may appoint a lawyer of their choice but if they do not do so, they will be assigned one by the court (**abogado de oficio**). Hearings often take place within a few days of arrest, during which the defendant sometimes has no contact with their family. Reports of recent cases indicate that in practice, given the speed of the process, many defendants have been unable to appoint a lawyer of their choosing and have had little or no contact with the lawyer appointed for them by the court before the court. The hearings are said to be brief and neither the defendant nor the defence lawyer usually know in advance what the prosecution is going to put forward as evidence. In some cases, no account appears to have been taken of the fact that the defendant has no previous criminal record. The court may at any time when the measure is being applied change the type of measure or its length or suspend it, on the recommendation of the body in charge of implementing it [i.e. it can lengthen as well as shorten the sentence]. There is no mention in the Law of Penal Procedures of the possibility for the defendant to appeal against the measures imposed. In some cases, relatives have reportedly been unable to attend the hearings, the only people present, apart from the defendant, being police, state security agents, the judges and court officials.

#### b) Hearings in cases of "dangerousness" brought against repeat offenders

According to article 417 of the Law of Penal Procedure, hearings in the cases of repeat offenders accused of "dangerousness" are to be heard in the court which dealt with the offence that led to the person being considered to be "dangerous" ["**La competencia para imponer medidas de seguridad postdelictivas está atribuida al Tribunal que corresponda el conocimiento del delito en cuya virtud se hubiere revelado el respectivo índice de peligrosidad**"]. In some cases, therefore, it would be a provincial court rather than a municipal court which would hear the case.

#### c) Recent cases

Most recent cases have been heard in municipal courts. However, in many of them the procedures followed appear to be in breach of Cuban law itself. According to article 8 of the Law of Penal Procedure, as revised in the 1988 Penal Code, municipal courts are only competent to hear cases of dangerousness against those deemed likely to commit a crime in which the maximum sentence is one year. In many of the recent cases, however, municipal courts have reportedly imposed sentences of up to four years. Although it would appear that such courts may be able to do so in the case of repeat

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<sup>2</sup> In other cases heard in municipal courts, the participation of a defence lawyer is considered to be "not indispensable" but the court will permit it if the defendant turns up with one. (Article 368, Law of Penal Procedures).

offenders, most recent cases reported to Amnesty International appear to have been of people considered likely to commit a crime.

The kinds of reasons put forward by the prosecution in recent cases to justify imprisoning people under this legislation include refusing to work, getting involved in fights, disturbing the peace, drunkenness, throwing stones at shop windows, and other minor offences, as well as participating in anti-government demonstrations and "having political problems". In some cases, individuals have lost their jobs because the police have accused them of not supporting the government. The very same police then accuse them of "dangerousness" because they are not working. In other cases, people who have served sentences for an offence of a political nature have been subsequently re-imprisoned for "dangerousness" on the grounds that their known background is a danger to society, thereby in effect punishing them twice for the same offence. It is also significant that it is frequently the Department of State Security, i.e. the political police, rather than the ordinary police who are responsible for bringing the prosecutions in "dangerous" cases, thus highlighting the real political nature of such cases. There are definite indications that, in at least some cases, the real motive may well be to remove known political activists from circulation. Furthermore, Amnesty International believes that the non-specific nature of the legislation is such that it is open to abuse and that the procedures to be followed are lacking many internationally-recognized judicial guarantees. The definitions laid down in the Penal Code are imprecise and lend themselves to arbitrary and discriminatory application. If a person has committed a recognizable criminal offence, then they should be charged with that offence and be brought to trial following procedures that guarantee a fair hearing. Amnesty International believes that this section of the Cuban Penal Code should be abolished on the grounds that, in letter and application, it breaches both the rights of the individual and international human rights standards. It further urges that all those imprisoned for "dangerousness" should be immediately and unconditionally released.

#### **People detained and/or imprisoned for "dangerousness"**

The number of arrests for "dangerousness" dramatically increased in the last five months of 1993 and the nature of its use to stifle peaceful dissent, though suspected in the past, has become apparent. Amnesty International had received occasional reports prior to that date that it was being used for such purposes. The following are a selection of cases that were brought to the organization's attention during 1993. Due to the difficulties in openly monitoring human rights violations inside Cuba and transmitting such information abroad, the details of some cases are incomplete:

In January 1993, Israel MEDEROS SANCHEZ, reportedly described by police as "an anti-social element with political problems" ("**un elemento anti-social con**

problemas políticos") and consequently unable to obtain employment, was said to be serving a three-year sentence for "dangerousness". It is not clear when or where he was arrested or where he was being held.

**Pablo SILVA CABRERA**, the president of an unofficial political group called the **Unión Democrática Martiana**, Martí Democratic Union, who had in April 1993 received an "official warning" because of his political activities and been threatened with a charge of "illegal association", was charged in June 1993 with "dangerousness" because he was not working (the reason being, according to him, because the Department of State Security had put pressure on his employer not to give him work). He was reportedly given less than 24 hours notice of the hearing and he was unable to find a lawyer of his choice to represent him. When he arrived at the court, he was told by the presiding judge (**la presidenta del tribunal**) that they had been unable to find a state lawyer to represent him but she, nevertheless, seemed intent on continuing to hear the case, anyway. It was reportedly only when Pablo Silva complained that to do so would mean that he would have no judicial guarantees if the hearing went ahead that the hearing was postponed to a date in July. No further news was received.

A report dated mid-September 1993, alleged that police cars patrolling the streets of Havana would stop groups of young people and ask for their identity cards to find out if they were employed. If they were not found to be attached to a work centre, they were detained for "dangerousness". On 20 August 1993 in Central Havana, more than 50 young people were said to have been taken to the Second Police Unit, **Segunda Unidad de Policía**, and fined between 30 and 100 pesos. "Dangerousness" files were opened on them with the threat that they would be imprisoned if they did not present themselves to a state work centre. Another report said that on 12 September 1993, more than 200 young people were taken to the Ninth Police Station, **Novena Estación de Policía**, in La Palma, Arroyo Naranjo, for "not being attached to a work centre" ["**por no tener vínculo laboral**"]. One young man, **Reinaldo MARTIN CARMONA**, was arrested by four policemen in his own home in Havana on 10 September 1993 for the same reason and accused of being "conflictive" ["**conflictivo**"]. Some of those detained are said to have been beaten at the time of arrest.

On 3 September 1993, large numbers of young people from San Miguel del Padrón, Havana, were said to have been detained by police and taken away handcuffed in a cart drawn by a tractor. Some of them were said to be not working because of the closure of factories due to the lack of fuel or raw materials. The only alternative open to them was said to be to work in agriculture which they did not want to do.

In mid-September 1993, reports were received that 60 people had been imprisoned in Combinado del Este Prison for "dangerousness" "in the last few weeks" and that 40 others were awaiting sentence on the same charge.

On the evening of 16 September 1993, **Hector Eduardo PEDRERA MIRANDA**, aged 30, who had previously served a three-year prison sentence for trying to leave the country illegally, was reportedly arrested at his home in Havana for no apparent reason and taken to a police station in Calle 10, Alta Habana. Later that evening he was transferred to a police station in Santiago de las Vegas without being told why he was being held. He was not allowed any family visits until 21 September when a short visit was permitted so that his family could bring him some basic necessities. Neither he nor his family had still not been told why he was being detained. However, Hector Pedrera, whose brother Orlando Pedrera is the secretary of an unofficial political group called the **Unión Cívica Nacional**, National Civic Union, told his wife that he had been questioned by the same state security official who had been in charge of his case when he was imprisoned in the past. On 23 September he was brought to court on a charge of "dangerousness". The prosecutor reportedly told the court that Hector Pedrera had a previous criminal record for trying to leave the country illegally, that he was therefore "against the Revolution" ("**desafecto a la Revolución**") and dangerous. The defence lawyer reportedly had no access to his defendant's file, had only been able to speak to Hector Pedrera five minutes before the hearing and was unable to say anything to the court except to ask for clemency. Hector Pedrera was given the maximum sentence - four years' imprisonment. Next day he was transferred to El Pitirre Prison and his relatives were told to go there a few days later to find out when visiting would be and what they needed to bring for him. However, when his mother went to the prison, his name was not on the list of those held there that day and no one knew where he was. His relatives reportedly looked for him in various police stations and prisons but were unable to find him. This information dates from mid-October 1993 and, since no further reports of the case have been received, it is not clear whether he has since been located.

Another report dated 23 September said that large numbers of people had been arrested in the municipality of Managua in Havana Province for "dangerousness". Those detained were said to include young people, people with a known criminal record and people who had not voted in the February elections. The following names were given: **José SALGADO, Omar CASTILLO, Manuel PEÑA, Chasi BENITEZ and Ricardo SALGADO**. However, the precise reasons why these five were detained are not known.

The municipal court in the city of Ciego de Avila was said to have dispensed sentences of two to four years for "dangerousness" to 180 people up until 15 October 1993 (it is not clear what period that figure covered).

In early October, reports were received that large numbers of people had been detained in Marianao, San Nicolás de Bari, Güira de Melena, Nueva Paz and Camagüey. Among those detained were:

**Luis Felipe LORENS NODAL**, president of the unofficial **Organización Juvenil Martiana**, Martí Youth Organization, was arrested on 22 September 1993, reportedly after he went to a Havana police station to inquire after his brother, **Marcos Eugenio LORENS NODAL**, who had been detained the day before and was later tried for "dangerousness" for reasons that are not known. Luis Felipe Lorens was transferred to another police station and was not permitted contact with his family for several days. He was tried on 30 September 1993 in a municipal court and sentenced to four years' imprisonment after a police officer accused him of "provoking workers in the Comocoiba Hotel" ("**por provocar los trabajadores del Hotel Comocoiba**") and not working. He was unable to appoint a defence lawyer of his choice and his family were not informed about the hearing. During the trial, when the judge asked him what he had to say about the charges against him, he replied that they were not true and that he was simply a peaceful human rights activist ("**él sólo era un defensor pacífico de los derechos humanos**"). The lawyer assigned to him by the court reportedly suggested that he should be sent to the Havana Psychiatric Hospital for tests because he was mentally unstable. As the hearing ended, Luis Felipe Lorens reportedly shouted out to the court that he was not mad and begged not to be sent to the psychiatric hospital. He was reportedly taken to Combinado del Este Prison on the outskirts of Havana. Luis Felipe Lorens has been arrested on several occasions over the past two years because of his non-violent political and human rights activities.

**Mercedes PARADA ANTUNES**, spokesperson for the unofficial **Asociación por los Derechos Políticos (ADEPO)**, Association for Political Rights, was arrested on 26 September and brought to trial on 8 October in Marianao Municipal Court. She was sentenced to two years' imprisonment. The grounds given by the prosecution were reportedly "public scandal", "**escándalo público**",<sup>3</sup> alcoholism and other things. Prior to her arrest Mercedes Parada had been reporting cases of human rights abuses on behalf of ADEPO by telephone to contacts in the USA. Following the trial, Mercedes Parada was transferred to the **Centro de Re-educación de Mujeres de Occidente**, Western Women's Re-education Centre, on the outskirts of Havana.

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<sup>3</sup> In the penal code, the offence of "public scandal" is applied to those who "make homosexual advances to someone else" ["**importune a otro con requerimientos homosexuales**"], those who offend public decency, and those who produce obscene material.

**Hernando DUARTE MONTALVO**, a member of the unofficial **Unión Cívica Nacional**, National Civic Union, lost his job after being detained by police for several days under investigation and later released. He was subsequently threatened with being detained for "dangerousness" by the police officer in charge of his case before on the grounds that he was not working. There has been no further news.

**Miguel PINILLA** and his brother, whose name is not known, were among a group of people apparently tried together for "dangerousness" at the municipal court situated between Línea Street and M Street in Havana in late September or early October. The defendants were brought into court all handcuffed together. There was no information about the outcome of the trial.

On 4 October 1993, **Abel Jesús ACOSTA AMENEIRO**, aged 29, the provincial delegate for Villa Clara of the unofficial **Partido Pro Derechos Humanos en Cuba**, Party for Human Rights in Cuba, was arrested. He was brought to trial two days later and sentenced to two years' imprisonment for "dangerousness" which he is serving in Villa Clara Provincial Prison in Santa Clara. The reasons given for his conviction were that he had met with "counter-revolutionary elements" ("elementos contrarrevolucionarios"), including a Canadian journalist who had visited him in his home. He was said to have started a hunger strike on 20 October in protest at his conviction. No further news has been received.

**Eduardo Jesús TORRES CABRERA**, aged 21, a resident of the municipality of San Miguel del Padrón in Havana, was summoned on 5 October to a police station in La Virgen del Camino where he was accused by the Chief of Police of throwing stones at shop windows in Jacomino Market and of having problems with his neighbours. He was held in the 11th Police Unit in San Miguel del Padrón for four or five days and then transferred to El Pitrre Prison, in San Miguel del Padrón where he was held for a further week. He was presented to the **Juzgado Correccional de San Miguel** on 13 October where he was sentenced to four years' imprisonment for "dangerousness". Immediately after the trial he was sent back to El Pitrre Prison.

On 8 October 1993, **Gilberto GALLARDO DOMINGUEZ** and two women belonging to the unofficial **Movimiento Pro Libertad de Presos Políticos**, Movement for the Freedom of Political Prisoners, were arrested by state security officials at the train terminal in San José de las Lajas as they were about to board a train to Havana. They were reportedly intending to visit the Church of the Virgin in Regla, Havana, where people were apparently gathering to pray for freedom. After being questioned, they were released but warned not to leave the

municipality of San José de las Lajas. Gilbero Gallardo was issued with an official warning threatening to bring him to trial for "dangerousness". No further news was received.

In late October, the following arrests were reported:

**Rolando CAMBRA GONZALEZ**, a provincial organizer for the unofficial **Partido Pro Derechos Humanos de Cuba (PPDHC)**, Party for Human Rights in Cuba, was arrested on 15 October 1993 in Havana. He had reportedly been warned about his activities when he attended a mass on 8 September 1993. He was sentenced to four years' imprisonment. It is not clear whether he is being held in El Pitrre Prison or Micro 4 Prison, both in Havana.

**Efraín Dámaso GARCIA HERNANDEZ**, a member of the unofficial **Partido Cívico Democrático**, Civic Democratic Party, was sentenced to four years' imprisonment and is held in El Pitrre Prison. Initial reports indicated that it was for "dangerousness" but subsequent ones suggested that it may have been for "enemy propaganda".

A father and his two sons were reportedly arrested in Alta Havana some time in October 1993. **Denis KAUFMAN**, **Danis KAUFMAN HERNANDEZ** and **Ramón KAUFMAN HERNANDEZ**, all said to be members of the unofficial **Unión Cívica Nacional**, National Civic Union, were due to be tried for "dangerousness". No further news has been received.

**Víctor BETANCOURT CARTAYA** and nine others from Bauta, Havana province, were said to have been accused of "dangerousness" for participating in anti-government demonstrations in Bauta. They were believed to be held by the Department of State Security. There was no further news.

**Benigno TORRALBA SANCHEZ**, a member of the **Confederación de Trabajadores Democráticos de Cuba (CTDC)**, Confederation of Democratic Workers of Cuba, was said to be in Combinado del Este Prison, accused of "dangerousness". It is not clear when he was arrested or whether he had been brought to trial.

**Raúl VALDERRAMA MARTINEZ**, president of the unofficial **Fundación Cubana por los Derechos del Hombre**, Cuban Foundation for the Rights of Man, who was arrested on 15 July and released, apparently without charge, three months later, reported on his release that while in detention the authorities tried to link him to violent anti-government activities and accused him of planning to leave the country illegally. He



said they also tried unsuccessfully to get him to sign an "act of dangerousness" ("**acta de peligrosidad**") on the grounds that he was involved with drugs. He reported that the authorities were trying to wrongly accuse other activists of similar offences and mentioned the case of **Guillermo FERNANDEZ DONATE**, a member of the unofficial **Corriente Socialista Democrática (CSD)**, Democratic Socialist Current, and the **Comité Cubano Pro Derechos Humanos**, Cuban Committee for Human Rights, who has been in detention since 29 June 1993. He is imprisoned in Ganuza Prison awaiting trial but it is not yet clear what charge he is facing although some reports indicate "enemy propaganda". He had earlier been sacked from his job and expelled from the Faculty of Law at Havana University because of his political views.

Three prisoners held for "dangerousness" in El Pitrre Prison, San Miguel del Padrón, Havana, were said to have been beaten by soldiers in late October 1993. **Regino FERNANDEZ PERDOMO** was reportedly beaten by soldiers from 816 Company. On 31 October **Tomás MARTINEZ COBO** was said to have been beaten by a sergeant in front of the whole of 917 Company, "for not obeying the one in charge" ["**por no haber escuchado la voz de mando**"]. The same soldier is said to have beaten **Daniel SANCHEZ BRUNET** with a rubber hose (**manguera**), leaving marks on his body.

Several trials for "dangerousness" took place in late October or early November at the Central Havana Municipal Court. Seven defendants reportedly arrived at the court handcuffed and tied together with rope. The hearings were said to have taken little time and, although some of them had no previous criminal record, they were all found guilty. One was sentenced to one year's imprisonment, another to two years, and the rest to three or four years. All were accused of not working, getting involved in fights, disturbing the peace, and other minor offences.

In November 1993 it was reported that several inhabitants were said to have been threatened with imprisonment for "dangerousness" in the town of Santa Cruz del Norte, Havana province. **Mario YONG MARRERO**, aged 46, was reportedly summoned to the police station because he was said to be "suspicious". He was reportedly subjected to verbal and physical abuse before being released. A "dangerousness" file was opened on him and he is said to be kept under constant surveillance.

In early November, it was reported that **Jorge Luis DOMINGUEZ RIERO**, a representative of the **Partido Pro Derechos Humanos en Cuba (PPDHC)**, Party for Human Rights in Cuba, in Regla, had been taken into custody at the headquarters of the **Departamento Técnico de Investigaciones (DIT)**, Technical Investigations Department, in Havana and beaten when he refused to shout out pro-government slogans. He had reportedly been arrested in connection with an anti-government demonstration that had taken place in Regla after a young man was killed by coastguards when caught trying

to leave the country illegally. Jorge Luis Domínguez was convicted on 18 October for "dangerousness" (sentence not known) and transferred to Combinado del Este Prison.

Also in early November, news was received of the arrest of **Duniesqui FORMENTAL VARELA**, a resident of the municipality of Cotorro in Havana, on 19 October. He was kept in detention at the 12th Police Unit without being permitted access to his family until 27 October when he was brought before the municipal court of Santa María del Rosario. His relatives were reportedly not informed about the hearing and were unable to appoint a lawyer to defend him. The Chief of Police of the area accused him of "dangerousness" (details not given) and produced two witnesses to support his allegations. Duniesqui Formental Varela was sentenced to four years' imprisonment.

**Eduardo GONZALEZ PUERTO**, who had reportedly served a 20-year sentence for a political offence in the past, was said to be serving a two-year sentence for "dangerousness" in El Pitrre Prison. No other details were available.

In December 1993, a report was received that a prisoner called **Antonio GARCIA MORA**, described as "mentally retarded" ("**retrasado mental**") and serving a sentence for "dangerousness", had died in detention in Agüica Prison, Matanzas, after being beaten by prison guards. Other inmates reportedly alleged that the beating could be heard "throughout the prison" and the incident is said to have given rise to rioting by the political prisoners held there.

## CITY CLERK'S OFFICE

CITY HALL

BUFFALO, \_\_\_\_\_ MARCH 1, \_\_\_\_\_ 19 94

To Whom It May Concern:

I hereby Certify, That at a Session of the Common Council of the City of Buffalo, held in the City Hall, on the \_\_\_\_\_ 22nd \_\_\_\_\_ day of \_\_\_\_\_ FEBRUARY \_\_\_\_\_ 1994, a resolution was ADOPTED, of which the following is a true copy:

No. 181

By: Mr. Collins

Memorialize Congress - HR 2229  
End Trade Embargo on Cuba

Whereas: Rep. Charles B. Rangel (D-NY) has introduced H.R. 2229, a bill that would lift the trade embargo on Cuba; and

Whereas: The bill would remove all restrictions on trade and investments, travel, telephone and mail communications, including the embargo on trade by foreign subsidiaries of U.S.-owned firms, and clear the way for the unrestricted sale and donation of foods and pharmaceuticals; and

Whereas: H.R. 2229 would give the President the authority to reimpose restrictions, and would urge the President to negotiate with Cuba to ensure the protection of human rights and settle claims by U.S. companies whose property was nationalized when Fidel Castro took over in 1959; and

Whereas: With the collapse of the former Soviet Union, Cuba poses no real threat to the U.S. or its allies in the Western Hemisphere and has ended its efforts to support subversive activities; and

Whereas: Cuba is now attempting to liberalize its economy and open its markets to foreign investments, and companies in other countries have taken advantage of that situation by investing in joint ventures that will benefit both nations; and

Whereas: Many prominent Cuban dissidents such as Rolando Prats support the lifting of the embargo, arguing that it would help foster the liberalization of human rights policies in Cuba; and

Whereas: The U.S. recently lifted its 19-year trade embargo on Vietnam, and it is now clearly time to end the cold war that we have been waging in our own hemisphere for the past 34 years;

Now, Therefore Be It Resolved:

That this Honorable Body memorialize the United States Congress to approve H.R. 2229, "To lift the trade embargo on Cuba, and for other purposes;" and

Be It Further Resolved:

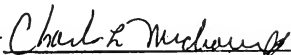
That the City Clerk certify the passage of this resolution and forward copies to the Clerk of the U.S. Senate, the Clerk of the U.S. House of Representatives, Congressman Charles B. Rangel, the Western New York delegation to the House, and the United States senators representing New York State.

ADOPTED.

AYES- ARTHUR, BELL, COLLINS, COPPOLA, CZAJKA, FRANCZYK, HELFER, LOCKWOOD, LOTEMPIO, PERLA, PITTS, ZUCHEWSKI-12.

NOES- FAHEY-1.

ATTEST



City Clerk.

# The Business For Cuba Foundation

Statement by Eduardo G. Bermúdez, president of The Business For Cuba Foundation, on the hearings held by the House Ways and Means Committee of the House of Representatives of the Congress of the United States on March 17th, 1994.

**On the proposed legislation to lift the Cuban embargo, sponsored by the Hon. Rep. Charles Rangel and co-sponsored by the Hon. Rep. José Serrano.**

Mr. Chairman,  
Honorable Members of the House Ways and Means Committee,  
Ladies and Gentlemen:

In the early sixties, following the embargo begun by then President Dwight D. Eisenhower during the training of the Bay of Pigs contingent, and supported by many Cuban-Americans, I did not oppose the US policy because there was a warlike situation. Who knows, however, if our country of origin would have once again become a trusted ally of the United States had the embargo been lifted as part of the negotiations following the end of the missile crisis.

The obvious end of the Cold War with Cuba was signaled by the fall of the Soviet Block in 1989. Every other reason to justify the embargo, such as the Cuban interventions in Grenada, Nicaragua and Angola, had disappeared by then.

For these reasons, the lifting of the embargo should have been a reality by the year 1990. Thirty four years later, this embargo has lasted longer than any other one in history.

Furthermore, the existence of the embargo appears to have helped justify every single economic mistake made by the Cuban government during those years, strengthening the regime while at the same time weakening the Cuban people.

As we all know, this instrument of war has not only prevented Cuba from purchasing replacement parts for its all-American industry, but also food, medicine and important items for the population in general, which was also equipped with American cars and appliances, to say the least.

The embargo was at the time, as it is now, an unwarranted burden on American industry and trade, as well as the American entrepreneur, who has suffered the lack of access to the Cuban market for its products during all the recessions of the past three decades, including the present one.

You do not, however, have to take my statements at face value. All you have to do is ask those millions of workers laid off from the Big Three auto makers, IBM and so many other companies, who continue to remain on the unemployment rolls. Consider as well the additional expenses incurred by so many cost-conscious American tourists, who have had to travel elsewhere, at greater expense, because Cuba continued to be out-of-bounds for them.


Today there are millions of US citizens, including Puerto Ricans and Cuban-Americans, as well as many multinational corporations, who wish to do business in Cuba, to take advantage of an immediate post-embargo yearly trade estimated by a Johns Hopkins University study at approximately \$6.5 billion dollars.

These are people and corporations that belong to districts represented by yourselves, who feel discriminated upon in favor of foreigners from all over the planet who are taking the opportunities in Cuba that geographically and historically belong to the people and industry of the United States.

You now have the means at your disposal to perform a huge service to your constituents; restoring their natural market in Cuba by supporting the total lifting of the embargo. As a businessman without any political ambitions, I urge you to support this legislation. This action will be remembered by your constituency throughout the next century.

I thank you for the opportunity to address this committee today.

Respectfully,



Eduardo G. Bermúdez  
President

Note: Mr. Bermúdez is a Cuban-born attorney who has lived in the US and Puerto Rico for the last 30 years.

*Harry K. Nier, Jr.*  
*Attorney at Law*

*1700 Lincoln, 39th Floor at One Norwest Center  
 Denver, Colorado 80203 Fax 303 432-3010 Tel 303 681-4305*

March 9, 1994

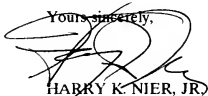
The Honorable Charles B. Rangel, Chairman  
 Subcommittee on Select Revenue Measures  
 Committee on Ways and Means  
 U.S. House of Representatives  
 1102 Longworth House Office Building  
 Washington, D.C. 20515

Dear Congressman Rangel:

The Clinton Administration's policy of continuing to ban free travel to Cuba for U.S. citizens, as well as the economic and political blockade of that Island, are particularly egregious examples of human rights violations.

My constituents here demand that this high hypocrisy, condemned as an illegal blockade under international law by the United Nations, be ended immediately — either by an Executive Order or the passing of the "Free Trade With Cuba Act", H.R. 2229.

Yours sincerely,



HARRY K. NIER, JR.  
 Co-Chair  
 COLORADO CUBA INFORMATION  
 PROJECT, LTD.  
 COLORADO HANDS OFF CUBA  
 COALITION  
 COLORADO INSTITUTE FOR THE  
 IMPROVEMENT OF INTER-AMERICAN  
 RELATIONS, INC.  
 HAVANA-DENVER FRIENDSHIP/SISTER  
 CITY PROJECT

CUBA RESEARCH ASSOCIATES  
1211 DAISY LANE  
EAST LANSING, MICHIGAN 48823  
PHONE: (517) 351-4255; FAX: (517) 351-6638

DONNA RICH KAPLOWITZ

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March 15, 1994

Congressman Charles Rangel  
U.S. House of Representatives  
Room 2252  
Washington D.C. 20515

Fax: 202-225-0816

Attn: Joanna David

Dear Congressman:

I am sorry that I will not be able to testify at your hearing this week on H.R. 2229. Your legislative aide, Emil Milne, asked me to write a briefing of my work for you. What follows are very specific points that may be useful to you. I would be pleased if you would include them in the record.

**Opportunities for U.S. trade with Cuba:**

● In 1991 it was estimated that if trade were permitted between the U.S. and Cuba, the total trade turnover would be between \$1.95 and \$3 billion.

Because total Cuban trade has diminished in the last two years, it is probable that potential U.S. trade with Cuba has also decreased commensurately. Cuban officials conservatively estimate that the U.S. could capture between 33 and 50 percent of Cuban trade during the first year of trade between the two countries.<sup>1</sup> In 1993, Cuba's total trade turnover amounted to \$3.4 billion, down from \$8 billion in 1991.

● At 1991 Cuban trade levels, U.S. businesses could sell between \$1.3 billion and \$2 billion in goods to Cuba in the first year that trade is allowed.<sup>2</sup>

● If the embargo were lifted, the U.S. could supply 100 percent of Cuba's grain imports - about \$400 million per year.<sup>3</sup>

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<sup>1</sup> Donna Rich Kaplowitz and Michael Kaplowitz, "New Opportunities for U.S. Cuban Trade," (Washington D.C.: Johns Hopkins University, 1992), p. 2.

<sup>2</sup> Testimony of Donna Rich Kaplowitz, before the Subcommittee on Western Hemisphere and Peace Corps Affairs, Senate Foreign Relations Committee, August 5, 1992

<sup>3</sup> Kaplowitz, "New Opportunities," p. 32.

- If the embargo were lifted, the U.S. could provide all of Cuba's fertilizer and pesticide needs totalling \$150 million per year.<sup>4</sup>
- If the embargo were lifted, the U.S. could sell \$90 million in medical supplies to Cuba.<sup>5</sup>
- The U.S. could supply all of Cuba's needs for cotton, polyester, and thread.
- Cuba has already signed more than 100 joint venture agreements with European, Canadian, Latin American, and Japanese investors.<sup>6</sup>
- Cuba has received \$500 million in foreign capital through 112 joint ventures in tourism, mining, agriculture, and manufacturing.<sup>7</sup>

#### Subsidiary Trade and Cuban Democracy Act

- After the collapse of the Soviet Union, and until the imposition of the Cuban Democracy Act (CDA) (1989-1992) U.S. subsidiary trade with Cuba tripled.<sup>8</sup> This is a direct impact of the break in Soviet-Cuban relations, and Cuba's reintegration into market economy trade.
- In 1991, U.S. subsidiary trade with Cuba reached \$718 million.<sup>9</sup>
- More than 90 percent of U.S. subsidiary to Cuba exports were foodstuffs.<sup>10</sup>
- Canada, Great Britain, the European Community, Mexico, Japan, Argentina, Bolivia, Chile, Costa Rica, the Dominican Republic, Honduras, Uruguay, Venezuela, Vietnam

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<sup>4</sup> Kaplowitz, "New Opportunities," p. 35.

<sup>5</sup> Kaplowitz, "New Opportunities," p. 36.

<sup>6</sup> *CubaINFO*, Vol. 6, No. 2, January 28, 1994, p. 3-4. See also: Howard French, "Cubans Fondly Embrace Capitalism," *New York Times*, February 3, 1994.

<sup>7</sup> Andrew Zimbalist, "Give Castro a Carrot," *The New York Times*, February 17, 1994, p. A17.

<sup>8</sup> U.S. Treasury Department, Office of Foreign Assets Control, *An Analysis of Licensed Trade with Cuba by Foreign Subsidiaries of U.S. Companies*, (Washington D.C.) July 1993.

<sup>9</sup> Office of Foreign Assets Control, "An Analysis" July 1993.

<sup>10</sup> Office of Foreign Assets Control, "An Analysis," July 1993.



and North Korea all protested the Cuban Democracy Act.<sup>11</sup>

- Leading Cuban human rights activist and political dissident, Elizardo Sanchez and Eloy Gutierrez Menoyo, a Cuban activist who has spent 22 years in prison in Cuba have both publicly opposed the CDA.

Menoyo wrote an op-ed piece in the *Miami Herald*: "Why not admit that communism has lasted longer wherever an embargo has been imposed? Vietnam, China, North Korea, and Cuba are clear examples. . . Even under the tightest possible embargo, and without significant changes in U.S. policy toward the island, Fidel Castro could shrewdly manage to cling to power."<sup>12</sup>

- The United Nations twice voted overwhelmingly against the U.S. embargo of Cuba, both votes came after passage of the CDA.<sup>13</sup>

- Members of the religious community on both sides of the Florida straits have also publicly opposed the measure.

- The U.S. business community has registered their opposition to the embargo. They have noted the inconvenience caused them by the CDA. Brendan Harrington of Cargill's Washington office said "If Cargill is denied access to the Cuban market, European and Japanese traders would be very happy to take up the slack."<sup>14</sup> Harrington later reported "Unilateral sanctions backfire on U.S. companies. All the CDA is going to do is hurt U.S. competitiveness."<sup>15</sup>

- The CDA has taken a toll on U.S. subsidiaries. When asked whether CDA hurts Cuba or U.S. businesses more, a Treasury Department official said, "Of course it hurts U.S. subsidiaries."<sup>16</sup>

Cargill's Brendan Harrington said: "This [CDA] obviously does not hurt Fidel Castro. Who gets hurt? - The U.S. company. It is stupid to sacrifice U.S. market share on the altar of a political gesture."<sup>17</sup>

<sup>11</sup> Donna Rich Kaplowitz, "U.S. Subsidiary Trade with Cuba: Pre and Post the Cuban Democracy Act," paper presented at the Carleton University Symposium on "Cuba in the International System: Normalization and Reintegration," September 25, 1993.

<sup>12</sup> Eloy Gutierrez Menoyo, "To the Exile Community, the Whole World Dialogues", So Why not Cubans? *The Miami Herald*, August 27, 1993, p. 17A.

<sup>13</sup> *CubaINFO*, Vol. 4, No. 14, December 4, 1992, p. 2.

<sup>14</sup> "U.S. Companies Sidestep Embargo on Cuba," *Chicago Tribune*, October 21, 1991, p. 5

<sup>15</sup> Kaplowitz, "U.S. Subsidiary Trade," p. 12.

<sup>16</sup> Kaplowitz, "U.S. Subsidiary," p. 13.

<sup>17</sup> Kaplowitz, "Subsidiary Trade," p. 13.

● An interesting corollary point: Congressman Torricelli himself went on record questioning the efficacy of the Cuba embargo in 1989: "...[A]s much as we want to withhold technology or commerce from some states to make a security or a political point, embargoing medicines, embargoing food is not a worthwhile addition to a nation's foreign policy. It makes victims out of children, the weak, and the sick; not out of governments or tyrants."<sup>18</sup>

#### Cost of Embargo to U.S. and Cuba

● From 1960 to 1990, the total cost of the embargo to the United States was estimated at \$30 billion.<sup>19</sup>

● From 1960 to 1990, the total cost of the embargo to Cuba was estimated at \$38 billion.<sup>20</sup>

I hope these points have been useful to you. Please feel free to contact me if you have any further questions.

Sincerely,



Donna Rich Kaplowitz  
Director, Cuba Research Associates  
East Lansing, Michigan

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<sup>18</sup> Congressman Robert Torricelli, statement, U.S. Congress, House, Committee on Foreign Affairs, House of Representatives, 101st Cong., 1st sess. 1989, *Cuba and the United States: Thirty Years of Hostility and Beyond*, (Washington D.C. U.S. Government Printing Office, 1990) p. 343.

<sup>19</sup> Kaplowitz, Testimony, August 5, 1992.

<sup>20</sup> Andrew Zimballist, "Dateline Cuba: Hanging on in Havana," *Foreign Policy*, No. 92, Fall 1993, p. 156.

REP. HENRY B. GONZALEZ  
(Texas, 20th CD)

Statement before the  
Joint Hearing of the Select Revenue Measures Subcommittee and  
the Trade Subcommittee of the Committee on Ways and Means

March 17, 1994

"Free Trade With Cuba"

Thank you, Chairman Rangel and Chairman Gibbons. I am pleased to have the opportunity this morning to voice my strong support for the Free Trade With Cuba Act (H.R.2229) to end the U.S. trade embargo against Cuba. I commend you both for holding hearings on this important issue. I am also honored, Chairman Rangel, be a cosponsor of your bill.

The U.S. policy of isolation toward Cuba is outdated and counterproductive. If our goal truly is to support a more open political system, a freer economy, and a peaceful transition in Cuba, then I firmly believe that our policies must change and the embargo against Cuba should be lifted.

The world is a completely different place than it was three decades ago. Just as it is futile for the rulers of Cuba to try to hold back these changes, neither can we deny this change ourselves. The Cold War is over. The Soviet Union is history. The Berlin Wall has fallen. So too must we move beyond a Cold War mentality in our own policies.

Some of those who support the continuation of the embargo against Cuba tell us that "the embargo is working" and that it is only a matter of time before the government of Cuba falls. Let me state again, this approach is backward-looking and it is ultimately counter-productive to our stated goals and our real national interests.

First of all, the embargo directly undermines our supposed desire to see a peaceful transition in Cuba. The intent of the embargo is to wreak havoc on the Cuban economy, fostering discontent and fomenting unrest against the current regime in Cuba. Evidence suggests that all it really does is give the government of Cuba a ready rationale to keep restrictions in place and, in the end, it stirs up more anti-American than anti-Castro feelings. Furthermore, by supporting the embargo with the idea that it will lead to the people of Cuba rising up against their own government, we are actually trying to export rebellion - which is the very same justification that was used for years by the U.S. to keep the clamps on Cuba.

Second, the embargo works directly against the stated goal of supporting human rights in Cuba. The United Nations Human Rights Commission found that the best way to help support human rights in Cuba would be to lift the embargo, not to keep it in place.

Third, it is also absurd that while so many in Congress and in successive administrations have exerted untold efforts to open up trade in all corners of the world, we maintain a ban on trade with a neighboring country only miles away.

The recent historic transformations in Eastern Europe and the former Soviet Union attest to the power of the ideas of freedom and democracy. If we in fact want to foster these in Cuba, the best way to do it would be to open up the flow of information, travel and trade, not to continue to impose isolation. Dr. Wayne Smith, former Chief of the U.S. Interests Section in Cuba, recently summarized it quite well when he said, "rather than trying to let light into the authoritarian house of Cuba, we instead keep the windows closed."

We should be trying to open up the doors to Cuba, not keep them nailed shut. In order to foster openness and democracy in Cuba, we must practice these principles ourselves. Our old policies do not do this. I say this again - the times have changed. The Bay of Pigs did not bring the pre-Castro days back to Cuba thirty years ago and neither will the embargo today.

Continuing obsessive policies based on the dislike of certain personalities in Cuba may satisfy old grudges, but it is no way to conduct the foreign affairs of our country. Continuation of the embargo undermines the stated goals of our policies, works against the interests and well-being of the people of Cuba, and in so doing undermines our own national interests.

Again, I support this bill to end the embargo against Cuba and encourage its passage by the Subcommittees. Thank you.

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**STATEMENT FOR THE RECORD OF DAVID W. WALLACE,  
CHAIRMAN OF THE JOINT CORPORATE COMMITTEE ON CUBAN CLAIMS  
SUBMITTED TO THE SUBCOMMITTEES ON TRADE AND SELECT REVENUE  
MEASURES OF THE COMMITTEE ON WAYS AND MEANS,  
U.S. HOUSE OF REPRESENTATIVES  
ON H.R. 2229, THE "FREE TRADE WITH CUBA ACT"**

**MARCH 17, 1994**

Chairman Gibbons, Chairman Rangel, and Members of the Subcommittees, I am pleased to have this opportunity to express the views of the Joint Corporate Committee on Cuban Claims on H.R. 2229, the "Free Trade With Cuba Act."

By way of introduction, I serve as Chairman and Chief Executive Officer of Lone Star Industries, Inc., whose cement plant at Mariel was confiscated by the Cuban government in 1960, but am submitting this statement in my capacity as Chairman of the Joint Corporate Committee on Cuban Claims. The Joint Corporate Committee on Cuban Claims serves as the representative of more than fifty U.S. corporations and individuals with certified claims against the Government of Cuba stemming from the Castro regime's unlawful confiscation of U.S. property without just compensation. Since its formation in 1975, the Committee has vigorously supported the principle of law which requires that compensation be made by the Government of Cuba for U.S. properties it seized before normal trade and diplomatic relations are resumed between the United States and the Government of Cuba.

On behalf of our Committee, I want to commend your joint efforts in holding this hearing and focusing renewed attention and debate on the overriding policy objective we all share, namely, the restoration of freedom, democracy, and respect for human rights in Cuba. In particular, the Joint Corporate Committee recognizes, as you do, the important role that trade and investment by U.S. businesses will have in Cuba's economic reconstruction and its eventual return to the international community. However, while we may agree upon these fundamental propositions, the Joint Corporate Committee respectfully disagrees with the approach embodied in H.R. 2229, which we believe will only serve to defeat the very policy objectives the measure is designed to achieve.

As the wisdom of our embargo policy towards Cuba is debated, we should not lose sight of the essential reason for which the U.S. government first imposed a partial trade embargo against Cuba in 1960, followed by the suspension of diplomatic relations in 1961 and the imposition of a total trade embargo in 1962. These actions were taken in direct response to the Castro regime's expropriation of properties held by American citizens and companies without payment of prompt, adequate and effective compensation as required under U.S. and international law. This illegal confiscation of private assets was the largest uncompensated taking of American property in the history of our country, affecting scores of individual companies and investors in Cuban enterprises.

These citizens and companies whose property was confiscated have a legal right to receive adequate compensation or the return of their property in accordance with international law and established precedent. Indeed, Cuba's Constitution of 1940 and even the decrees issued by the Castro regime since it came to power in 1959 recognized the principle of compensation for confiscated properties. Pursuant to Title V of the International Claims Settlement Act, the claims of U.S. citizens and corporations against the Cuban government have been adjudicated and certified by the Foreign Claims Settlement Commission of the United States. Yet to this day, the claims of U.S. claimants remain unsatisfied.

Lifting the embargo prior to resolution of the claims issue, as H.R. 2229 would do, makes absolutely no sense either as a matter of policy or in terms of our settlement negotiations posture. First, it would set a bad precedent by signaling a willingness on the part of our nation to tolerate Cuba's failure to abide by precepts of international law. Second, lifting the embargo would remove the best leverage we have in compelling the Cuban government to address the claims of U.S. nationals and would place our negotiators at a terrible disadvantage in seeking just compensation and restitution. We depend on our government to protect the rights of its citizens when they are harmed by the unlawful actions of a foreign agent. The Joint Corporate Committee greatly appreciates the consistent support our State Department has provided over the years on the claims issue. However, by unconditionally removing the powerful tool of sanctions against Cuba, H.R. 2229 would seriously undermine the ability of the State Department to effect a just resolution of the claims issue on behalf of U.S. claimants.

Apart from the need to redress the legitimate grievances of U.S. claimants, we also should not overlook the contribution these citizens and companies made to the economy of pre-revolutionary Cuba, helping to make it one of the top ranking Latin American countries in terms of living standards and economic growth. Many of these companies and individuals look forward to returning to Cuba to work with its people to help rebuild the nation and invest in its future. As was the case in pre-revolutionary Cuba, the ability of the Cuban government to attract foreign investment once again will be key to the success of any national policy of economic revitalization.

However, unless and until potential investors can be assured of their right to own property free from the threat of confiscation without compensation, many companies simply will not be willing to take the risk of doing business with Cuba. The unconditional lifting of the trade embargo, which is the centerpiece of H.R. 2229, actually undercuts the objective of spurring trade and investment in Cuba because it leaves the claimants and potential future investors in the defenseless position of relying on the good intentions of the Cuban government alone to honor their property rights. It is only by fairly and reasonably addressing the claims issue that the Cuban government can demonstrate to the satisfaction of the business community its recognition of and respect for property rights.

In conclusion, the best way to achieve the objective of promoting democratic and economic reforms that is embodied in H.R. 2229 is for the Cuban government to adequately resolve the claims issue. We believe this is the essential first step the Cuban government must take before it can attract the levels of foreign investment that will be necessary for it to successfully carry out economic reforms and firmly establish a free market economic system. Accordingly, it is our position that the cornerstone of our policy towards Cuba must be the resolution of the outstanding claims before trade and diplomatic relations are renewed. Thank you for your consideration of our views.

The following resolution was passed at the business meeting of the LATIN AMERICAN STUDIES ASSOCIATION on March 12, 1994:

RESOLUTION ON ENDING THE U.S EMBARGO AGAINST CUBA

Whereas the U.S. has built a wall between two nations by banning travel and restricting cultural exchange with Cuba, preventing the free flow of people and ideas between two countries in contradiction with the principles of freedom of thought and civil liberties for all peoples, and reducing the potential for peaceful change through dialogue;

Whereas the U.S. embargo against Cuba causes human suffering and has deprived Cubans of needed food and medicines and has had a terrible impact on the lives of children, the elderly and the sick;

Whereas Cuba is no threat to the U.S., the Cold War has ended, and there is no significant Russian military presence in Cuba or significant Cuban military presence in any other country;

Whereas the U.S. stands alone (the U.S. embargo has been rejected by the General Assembly of the U.N., twenty-three Latin American heads of state, and thirteen members of the Caribbean community; many countries, including Canada, Britain, Mexico and Japan are increasing trade with Cuba) and the policy meant to isolate Cuba has actually isolated the United States;

Whereas the opposition to the embargo is growing at home (members of Congress and the Cuban American community, business executives, and respected publications such as The New York Times, The Wall Street Journal, and the Los Angeles Times have called for an end to the embargo and many Americans are delivering needed medicines and supplies to Cuba and traveling there in defiance of U.S. policy);

Therefore be it resolved that: The Latin American Studies Association urges an end to the embargo against Cuba and urges the enactment of H.R. 2229, the Free Trade with Cuba Act.



**PREPARED STATEMENT OF FRANCISCO ARUCA  
SUBCOMMITTEES ON TRADE AND SELECT REVENUE MEASURES  
COMMITTEE ON WAYS AND MEANS  
MARCH 17, 1994**

Chairman Gibbons, Chairman Rangel; distinguished members of the committee, my name is Francisco Aruca. I am honored to have the opportunity to testify today on a matter of enormous importance to me personally and I believe for our country -- the relationship between Cuba and the United States.

I am president of Marazul Charters, headquartered in Miami, Florida, which provides travel services to qualified persons desiring to travel to Cuba.

U.S. law allows only four categories of people to travel to Cuba under general license: persons who are officials of the United States Government; persons traveling for the purpose of gathering news or conducting research; persons traveling to visit close relatives; and persons whose trip is fully hosted by an agency of the Cuban government or another sponsoring entity not under the jurisdiction of the U.S. By far the greatest number of these individuals are Cuban Americans visiting close relatives. In addition, on a case-by-case basis the Treasury Department, through the Office of Foreign Assets Control, will provide specific licenses to persons for clearly defined educational, religious or humanitarian purposes.

I got into this business in 1978, when President Carter relaxed the restrictions and allowed Americans to travel to Cuba. In the first year, over 125,000 Cuban Americans visited the island. The presence of so many, conspicuously well-off visitors, had a tremendous impact on Cuban civil society -- especially among the younger people. The shortcomings of the Cuban government's programs were highlighted in the most convincing manner -- in the material success of the American relatives and friends who visited the island. It was during this period that the Cuban government underwent one of its most serious internal challenges -- the crisis culminating in the Muriel exodus.

Many experts think the Cuban government faced one of its most serious challenges, including signs of instability, when it was confronted by an invasion of individuals who brought with them news and information from outside the country and whose weapons were designer clothes, television sets and other goods of a consumer society. One can only conjecture what the Cuban economic and political system would look like today had the free flow of ideas and individuals been allowed to continue.

In 1992, in testimony before this subcommittee, Robert Gelbard, Principal Deputy Assistant Secretary for Inter-American Affairs stated -- "The Cuban economy -- like its political system -- can not survive in isolation." In reality, it is only in isolation that any nation's economic and political system can remain unchanged. As we have seen in Eastern Europe and elsewhere, nations that are exposed to Western commerce and ideals become more economically and politically open and are more likely to adopt democratic practices.

Not surprisingly, it is those very countries the U.S. seeks to isolate -- Cuba, North Korea, and until recently Vietnam -- which continue to have communist governments. We are in fact doing the hardliners in these countries a favor, we are assisting in controlling the information and news their citizens receive from outside official channels. U.S. efforts to isolate these countries also mean that the U.S. public receives scant information regarding events inside Cuba upon which to make informed decisions.

If one examines objectively what is happening in Cuba economically, it is apparent Cuba is becoming a mixed economy, with features of both capitalism and socialism. Since the collapse of the Soviet bloc, Cuba has been aggressively pursuing new trading partners and negotiating new trade agreements. To date they appear to have been fairly successful, signing agreements with Spain, Mexico, Venezuela, France, England, the Peoples Republic of China, Canada and several of the former Soviet republics.

In addition to these trade agreements, Cuba has opened itself to individual foreign investors. Although the law authorizing the creation of joint ventures, Decree Law 50, has been on the books since 1982, it was not until the collapse of the Soviet Union and the rest of the socialist camp that it was really implemented. The law, as it is written, provides for 50% foreign ownership in any joint venture, immediate repatriation of the foreign partner's share of the profits and total autonomy in the administration of the enterprise. Although the law provides for 50% foreign ownership, in reality greater percentages of participation are being granted, especially for investors from Latin America.

Presently, there are over 125 joint ventures operating in Cuba with dozens of others in various stages of negotiation. These enterprises are located throughout the country and in many different sectors including: tourism, biotechnology, pharmaceuticals, fishing, light industry, textile manufacturing, and oil exploration. In a February 3, 1994 article in the New York Times, Carlos Lluna, a Spanish businessman whose company is involved in sectors ranging from computers to construction observed: "When I came here in 1990, things were still very closed and officials looked askance at foreign business people with the idea that they had come to exploit the country. Today, it is an almost complete turnabout. The Cubans are showing enthusiasm toward us, and reaching agreements on terms has become vastly easier."

Tourism, which is a traditional industry in Cuba but was abandoned after the revolution, has been greatly boosted by foreign capital. In 1991 Cuba had slightly over 340,000 tourist visitors. In 1993, the number of visitors nearly double to 600,000, and it is estimated that nearly one million visitors will visit the island in 1995. By any standard this is impressive growth.

At this moment, all the new hotels in the country are being built with foreign capital -- primarily Spanish, although increasingly other nationals are getting involved, including the French, Canadian, Mexican and English. In addition, despite strong U.S. pressure against it, Cuba was recently readmitted to the Caribbean tourism organization comprised of representatives of all the English speaking islands of the Caribbean.

Interestingly, many foreign investors are discovering that as capitalist investors they are enjoying the benefits that have occurred as a result of Cuba's socialist Revolution. It is important to recognize this, because we tend to forget that a revolution took place and although tremendous mistakes have been made, it also accomplished many things which are important to the people of Cuba.

The Cuban labor force is well educated -- better educated in fact than any labor force in Latin America, or any other developing country for that matter. Everyone in Cuba has at least an eighth grade education. There are several universities, and it is very common for young Cubans to finish

high school. As a result, Cuba possesses a qualified and well educated workforce.

Likewise, investors are discovering that they are benefitting from Cuba's national health system. Since the revolution, medical care has been free and available throughout the country. Therefore, the Cuban labor force is not only well educated but healthy, and life expectancy rivals that of many developed nations.

To paraphrase an observation by the great Mexican author Carlos Fuentes regarding his country's revolution: the Mexican revolution, if nothing else, created the possibility of a more modern Mexican capitalism. I would not go so far as to say that about the Cuban revolution, but eventually American business is going to find that many of the accomplishments of the past thirty-four years will serve to make the Cuban economy one of the most efficient and productive in Latin America.

Last summer, Cuba adopted a series of unprecedented measures that furthered Cuba's transition to a market economy. Among these reforms was the announcement that Cubans would be permitted to legally hold foreign currency for the first time in more than 30 years. This action gave official sanction to a situation that had become impossible to prevent -- the rapid growth of a second "dollar" economy operating outside of state control and fueled, in large measure, by foreign tourists and remittances from Cubans in the United States.

While a great deal of space in American newspapers has been devoted to speculation on the motivation for this action, no analysis and little thought has been given to the practical effect of this measure for individuals in Cuba or its significance on Cuban society.

At its most basic level, the legalization of dollars is an acknowledgment of the dollar's ability to provide incentives to individuals to be productive -- a basic tenet of a market economy and something the peso is unable to do. Another consideration to keep in mind when assessing this measure is the fact that it allows individuals to become autonomous and no longer dependent on the state. Thousands of Cubans are taking advantage of this opportunity and setting up individual enterprises. Entrepreneurship is starting to bloom in Cuba. At this time, over 150 professions have been opened for individual enterprise and although they are not currently permitted to hire employees, it is generally believed that such a step is inevitable and only a matter of time.

The government also announced the relaxation of travel restrictions on Cuban Americans visiting the island. Among these changes are: increasing the number of visas granted and expediting their issuance; and abolishing limitations on the amount of currency one can carry while in Cuba (U.S. law still limits the amount to \$300 per quarter). By removing all restrictions on the amount of money received from relatives in the United States, the Cuban government has abdicated its central control over the distribution of wealth.

The convergence of factors including the economic situation on the island, the legalization of individual enterprises, the abolition on the part of Cuba of dollar limitations on remittances, and the human instinct to provide assistance to others (especially family members) in times of need is creating a growing dilemma for many Cuban Americans. The dilemma is whether to ignore U.S. law that limits assistance to family members to \$1200.00 per year or provide larger amounts of money that will allow the relative to set up a business and become economically independent from the state.

It is ironic that we are preventing by our laws one of the very objectives we are attempting to achieve by our policy ... a more open, market-oriented economy in Cuba.

As important as market opportunities are for U.S. companies, if the embargo were lifted, the impact the presence of American business people will have in creating a more open and democratic society in Cuba can not be over-emphasized. While in Mexico City at the end of last year, Vice President Gore defended the Administration's support for the North American Free Trade Agreement by arguing that more open trade would promote the development of democratic institutions in Mexico. The same argument has been applied by this and previous Administrations to the Soviet bloc, China and Vietnam. It would be equally true for Cuba if given a chance. No one has said it any better than President Bush in reference to China:

"No nation on earth has discovered a way to import the world's goods and services while stopping foreign ideas at the border ... We can advance our cherished ideas only by extending our hand, showing our best side, sticking patiently to our values."

Thank you very much for the opportunity to present my views.

## National Council of Senior Citizens



west side chapter  
Los Angeles

March 8, 1994

Hon. Sam Gibbons, Chairman House  
Subcommittee on Trade  
House Office Bldg.  
Washington DC, 20515

Dear Congressman Gibbons:

Our board members consider that the continued embargo on Cuba serves no useful purpose, particularly in view of the end of the cold war. Further they are concerned about the suffering this is inflicting on the Cuban people. In their opinion, lifting the embargo and renewing trade relations would be of great benefit to both nations.

They therefore urge that you support HR2229, the Free Trade with Cuba Act, and that you strive to get your committee's approval of the bill.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Sol Londe', written in black ink.

Sol Londe, M.D., Corresponding Secretary  
19610 B Roscoe Blvd., Northridge Ca. 91324

**NATIONAL NETWORK ON CUBA**  
**c/o Cuba Information Project**  
**198 Broadway Suite 800**  
**New York, NY 10038**  
**212-227-3422**

FOR IMMEDIATE RELEASE  
MARCH 17, 1994

**PETITIONS AGAINST THE EMBARGO OF CUBA**  
**TURNED OVER TO REP. CHARLES RANGEL,**  
**SPONSOR OF THE FREE TRADE WITH CUBA BILL (HR 2229)**

On Thursday, March 17, 1994, 14,967 signatures on a petition calling for an end to the Cold War against Cuba were turned over to Representative Charles Rangel, the same day of his hearing on HR 2229, the Free Trade with Cuba Bill.

Addressed to the Congress of the United States and to President Bill Clinton, the petition demands that action be taken to normalize trade and diplomatic relations with Cuba.

The petition campaign is part of the work of the Legislative Task Force of the National Network on Cuba. With close to fifty member groups, the National Network helps to coordinate nationwide efforts to end the U.S. economic blockade against Cuba. The member groups of the National Network on Cuba are working to build local support for HR 2229.

Leslie Cagan, chair of the Legislative Task Force of the National Network on Cuba and director of the Cuba Information Project said:

"We will continue to collect signatures, lobby our elected officials and make our voices heard in Washington. We will also participate in direct challenges to the embargo laws, send humanitarian aid to the people of Cuba, and expand our work to bring a fresh perspective on U.S.-Cuba relations to the mass media. Changing a policy that is more than 30 years old does not happen easily or quickly. We are prepared to continue our efforts until the economic blockade of Cuba is ended."

Signatures were collected in states throughout the country, including Washington, California, Colorado, Iowa, Illinois, Missouri, Texas, New Mexico, Florida, Vermont, Pennsylvania, Washington, DC, Maryland, Massachusetts, New York, Michigan, Ohio, Georgia, Maine, Virginia, West Virginia, New Jersey, Oregon, Wisconsin, Minnesota, and Connecticut. A copy of the petition is attached.


**Otis Elevator Company**

Ten Farm Springs  
 Farmington, Connecticut 06032  
 203/676-6031 FAX: 203/676-6910

March 15, 1994

Bernard Lastennet  
 Senior Vice President,  
 Latin American Operations

Honorable Charles Rangle  
 Chairman  
 Subcommittee on Select Revenue Measures  
 Committee on Ways and Means  
 House of Representatives  
 Washington, D.C. 20515

Dear Mr. Chairman:

I am writing as the Senior Vice President of Latin American Operations of Otis Elevator Company, headquartered in Farmington Connecticut. Otis is a wholly-owned subsidiary of United Technologies Corporation.

Otis is the world's largest manufacturer and servicer of elevators and escalators. We sell products and services in more than 160 countries through a global network of local Otis companies, offices and distributors. Competition in the elevator and escalator business is intense. Foreign competition for new equipment comes principally from Mitsubishi Electric, Hitachi, and Toshiba of Japan, Schindler of Switzerland, Goldstar and Hyundai of Korea, Kone of Finland, and Thyssen of Germany.

We appreciate your interest in the issue of the trade embargo with Cuba, and your opposition in 1992 to legislation which was enacted to prohibit trade by foreign subsidiaries of U.S. companies with Cuba. Otis and United Technologies Corporation do not in any way support or defend Castro or his policies. However, we did not believe that prohibiting trade by foreign subsidiaries of U.S. companies would have any economic impact on Cuba, and believed the only impact would be against U.S.-based companies.

The so-called Cuba Democracy Act benefits only our foreign competitors who are not precluded from that market. The legislation also leaves foreign subsidiaries of U.S.-based firms with the dilemma of having to choose between the laws of their own country and those of the U.S.

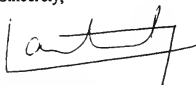
We have seen no discernible economic impact on Cuba from this legislation, but our subsidiary in Mexico may expect to lose several millions of dollars a year in business as a result of it. Over the long term, our foreign competitors will develop a local market presence in Cuba, making it difficult for U.S. businesses like Otis to effectively compete in a post-Castro Cuba. Hitachi, Schindler and others will supply new equipment and spare parts to Cuba, and possibly convert installed Otis equipment in Cuba to their configurations through modernization. The effect will be to capture the after sales market of parts and services for years to come, which, in this industry, is key to profitability. If the purpose of the legislation was to prevent goods and services, such as elevators, escalators, and other products from entering Cuba, then clearly the legislation was not successful.

We have experienced a similar situation recently in the case of Vietnam, where we found that our absence from that market for so many years has resulted in difficulties in regaining market share. We are very glad to be back in Vietnam, however, and we hope that someday U.S. companies will be able to reenter the Cuba market.

Generally, we believe that a policy of engagement is more effective in achieving social, political and economic change than a policy of disengagement. Another uncertain situation we find ourselves in is the annual debate over renewal of Most-Favored-Nation status for China. U.S. companies are forced to defend themselves against the label of "unreliable supplier" when the government uses unilateral trade action as a weapon for foreign policy objectives. It is unfortunate if these types of trade actions may also have the effect of negatively influencing the reception of U.S. companies in other foreign markets and their ability to compete through local firms.

Mr. Chairman, we appreciate you raising these questions, and focusing attention on what is at stake for U.S. businesses and jobs, and our ability to remain globally competitive.

Sincerely,

A handwritten signature in black ink, appearing to read "Lastennet", written over a horizontal line.

Bernard Lastennet  
Senior Vice President  
Latin American Operations





STATEMENT RE "AMERICAN PARTICIPATION IN CUBA"

The barriers to trade in emerging economies have come crashing down around the world. In some instances the US has been slow to shore up the infant free-enterprise movement in these countries and to thereby establish advantageous investment and trade positions. It would be tragic if, Cuba, our island neighbor were neglected by us at this precise moment when we could take a leadership approach which could affect the economy there and here for generations to come.



TRH

7 March 1994

## STATEMENT

to the

CONGRESS OF THE UNITED STATES

by

Jay Higginbotham  
President, Society Mobile-La Habana  
Mobile, Alabama

March 17, 1994

Last June, a group of citizens in Mobile, Alabama organized a sister city society to promote friendly relations between the citizens of Mobile and Havana, Cuba. It is entirely appropriate that we should do this. Mobile's fortunes have long been entangled with those of Havana. Our harbors were discovered during the same year, only a few decades after Columbus, and our fates have moved along together--from the days of Hernando de Soto to the present era. During Mobile's most crucial years, trade ships from Havana supplied our city's needs, whereas Mobile's citizens aided Havana during the critical days of the Spanish-American War. Together, we fought our European oppressors and helped each other gain our independence. Often have we suffered through the same destructive hurricanes and natural disasters. Nor is it by mere coincidence that the founder of Mobile is buried in Havana.

Our sister city relationship was made official last fall when the Mayor and City Council of Mobile, along with the Mayor of Havana, approved a twinning agreement. Since then our relationship has steadily grown, resulting in many productive exchanges of delegations, particularly in the arts. Our project has been largely a people-to-people relationship, concentrating on increasing cultural ties, just as do innumerable other sister cities in America, but perhaps the most valuable activity is the sharing of ideas and solutions to problems. This is consistent, we feel, with the best traditions of the sister city ideal.

All of our programs, however, constructive as they may be, have been carried out with great difficulty, due largely to the communication and transportation barriers imposed by the U. S. embargo. It has been particularly hard to communicate with the authorities in Havana. An important program in September, to which we had invited the Mayor of Havana, the Bishop of Havana, the Museum Director and the Director of International Relations, had to be cancelled after elaborate plans had been made to receive them. The reason these plans were cancelled was directly due to U. S. Policy towards Cuba, which allows our officials to frequently prevent Cuban officials from entering this country even for the most constructive of purposes.

We in the Society Mobile-La Habana wish to let you know the difficulties we have encountered. Like other sister city groups, we have no political agenda, but we do feel compelled to express our objections to policies that constrict people-to-people relations, that appear to us-- ironic as it may seem-- undemocratic and un-American. Moreover, we cannot fail to be moved by the unusual suffering endured by the citizens of Cuba due to shortages of foods, medicines and vitamins. What kind of sister city would we be if we sat by and said nothing?

The present relationship between Cuba and the United States is obviously beneficial to neither nation and highly destructive to both. Moreover, great opportunities for cultural, technical and educational exchanges are continually being missed, not to speak of tremendous trade opportunities.

It is for these reasons that the aforementioned citizens of Mobile earnestly implore the Congress of the United States to lift the embargo against our island neighbors, to extend a helping hand to the Cuban people, and to embark on a new, more constructive relationship that will enable both our people to realize their fullest potential, as nations and as individuals.



March 15, 1994

Honorable Charles Rangel, Chairman  
Subcommittee on Select Measures  
Committee on Ways and Means  
U.S. House of Representatives  
11202 Longworth House Office Building, Room 1105  
Washington, DC 20515

Dear Sir:

Re: Joint Hearing on H.R. 2229, Repeal of the Cuban Democracy Act

Why uphold and support the tyranny of 36 years of Fidel Castro and not the freedom and quest for democracy of the Cuban people as that enjoyed by the citizens of the United States? Why?

We are addressing this letter to you in reference to your persistent effort to lift the United States embargo against the barbaric regime of Fidel Castro.

It is within your means to research completely the cause of the embargo - the reasons for the embargo. You should review the TV appearances of Castro when he tore up the treaties with the U.S., boasting that the confiscation without compensation of all U.S. properties was the greatest event in Cuban history. He immediately confiscated the whole island and communized the nation, embracing the Russian barbarians and becoming a satellite appendix, ready to do their bidding.

Presidents Eisenhower, Kennedy, Johnson, Nixon, Ford, Carter, Reagan, Bush and Clinton ratified the embargo. The embargo is not an issue, for Cuba can trade as it does with the whole rest of the world.

The Cuban merchant fleet charters and trades from Antofagasta and Callao to North Korea, to Greece, to St. Petersburg, running low on fuel, and with starvation for the crews, having to pay for everything in advance, including docking fees, but it continues to function.

In a parallel fashion, Mexico continues trading at full speed through its ports of Veracruz, Tampico, Progreso, Tuxpan, and Coatzacoalcos.

Colombia trades from its ports of Barranquilla and Cartagena, and Venezuela from its ports of Matanzas, Chichiriviche, and Maracaibo, also sending petroleum for refining in Cuba, leaving the gasoline in Cuba, and keeping its fuel oils for heating on the U.S. east coast. Martinique and Curacao sell full blast, and even Freeport supplies fuels.

Canada trades and trades as long as there are U.S. dollars to grub for. Now, even the premier of Nova Scotia has discovered Cuban trade. "La perfide Albion" urges its citizens and enterprises to trade and invest in a foundering Cuba. It easily forgets the U.S. aid that saved them in the Falklands, and which garnered the U.S. so much ill will south of Key West.

His fishing fleet, rusting and unpainted, is all over, but Cubans see not even a sardine. The mother ships in the Canary Island ports since Franco's time selling abroad the catch of the trawlers.

Cuba trades freely from the Haitian Port Au Prince to Haina in Santo Domingo, and above all to the Free Zone of Panama, where the warehouses are situated with the stores of luxury items for the repressors and the tourists. Panama is where his fishery products (shrimp and lobster) are re-labeled for U.S. entry.

Now he is bankrupt and penniless, and his patron, Russia, is likewise, having both morally and materially destroyed an exceptional nation.

The issue is a moral one, which you wish to ignore. We will broach one part of the moral quandary.

A person in your position certainly must be aware of the following:

- The genocide by Cuban troops directed by Russian marshals of those opposed to the rule of the Reds that liquidated Haile Selassie and his regime. They, however, never were able to vanquish the Eritreans.
- The destruction of the Somali armed forces in the Ogaden by these same forces. As in Ethiopia, these Cuban troops were led by General Arnaldo Ochoa, later double-crossed by Fidel Castro, executed after being drugged into confessing drug deals he

did not commit, saving Castro and his brother, Raul, from certain indictment by the U.S. for directing Columbian drug shipments. At the trial of Ochoa, Castro on TV boasted how he directed, from his command post in Habana, operations in Angola. Somalia has remained unstable to this day after the devastation of its armed forces in the Ogaden. The U.N. forces in Somalia lately used airfields constructed by the Russians and Cubans.

- Now Colombia sends oil to Cuba - scared to death of Castro's threats of subversion and oil pipeline destruction.
- The devastation and genocide of the Angolan populace by Cuban troops, again directed by Russian marshals, and again under Ochoa. Apart from the genocide of the civilians by Cuban armor, artillery and aviation, there were losses in action of 15,000 Cuban conscript troops, plus the wounded, maimed and devastated by sickness.
- And what about Mozambique, Guinea Bisseau, the Congo?

The depredations were carried out by black Cuban conscripts, selected and trained specifically for this purpose. The depredation continues, for thousands of land mines were left behind, and continue their toll of civilians.

Have you bothered to investigate the Cuban officer corps that directed operations in Angola, Ethiopia, Nicaragua, all other fronts in Africa, Che Guevara in Bolivia, Central America? Have you studied the Cuban armed forces command? They are, with a few exceptions, all white in a nation that is today at least 60% black or mulatto.

In Cuba, until 1959, there were absolutely no racial differences, and here you of all persons have not uttered one word of criticism. On the contrary, you are the vanguard in advancing the interests of the Cuban Red barbarians. What is the reason? Your fellow congressmen must ask the question.

And finally to other material problems:

- The Red Cuban repressive forces are efficiently in place and in control, regardless of the penuria of the populace. They are a ruthless minority that is hunkered down, knowing its fate is sealed and with nowhere to go.

- The Russo-Cuban military alliance is intact. The Lourdes Listening Station is functional. The atomic submarine base at Cienfuegos is operational. No one has entered the Russian missile cave system. As late as November 27, 1987, SS-20 missiles that had been unloaded at Mariel were transported into the Russian base at San Andres, Pinar Del Rio into the cave system of the Sierra de Los Organos. [Data from Unidad; Evans and Novak, May 20, 1991.] The Russo-Cuban economic agreements have again been ratified.
- The above mentioned Russo-Cuban cave system continues under construction, gobbling up cement and concrete, until this very day.
- The Yeltsin Doctrine, supplanting the Brezhnev Doctrine, threatening all break-away Soviet nations, and again talking of Russian expansionism, and a return to the hegemony in Cuba.
- Shirinovsky's pronouncements are on the table. [Latest CBS interview, March 6, 1994.]
- Just a few weeks ago, a bankrupt Castro nevertheless was host to one thousand guerilla leaders and subversives in a repetition of his 1966 Tricontinental Conclave of Terrorists. He again urged them to continue their work in attaining their goal for the Americas' governments, similar to that of Cuba - misery, hunger, devastation and terror. These cohorts did not go to Habana carrying gifts. They went for instructions, coordination and dollars (not worthless pesos).

As Castro has repeated and repeated: many Viet Nams. And Chiapas?

Right there in Washington, you have "Of Human Rights" at Georgetown University that can educate you on Castro horrors, including psychological tortures. Or in Tampa, Florida, you should consult the Association of Cuban Political Prisoners in Exile, 12,000 women and men who can inform you of the Paredon (70,000), the concentration camps (1.250,000), the prisons of women and men. They can relate to you the morgue trucks arriving to get orders with the names of those whose summary trials had not even started. And this from one end of the island to the other.

At this moment, it would seem correct for you to invite before your committee Ambassador Geraldine Ferraro, just returned from a session of the UN Commission on Human Rights in Geneva, where Cuba was condemned again. Also, Ambassador

Madeleine Albright, to hear her views on the creation of a U.N. tribunal on war crimes in Yugoslavia. The Castro regime's crimes in Africa and Cuba far surpass those of Yugoslavia to this date.

It is ignominious that 32 devastating years after the Kennedy/Khrushchev agreement, in which the U.S. guaranteed Russian hegemony over the Cuban nation, it remains a reality - notwithstanding the Monroe Doctrine and all Inter-American Treaties.

If 90 miles south of Key West this devastation by the Russian-Cuban barbarians has remained unperturbed, it was and is no wonder that General De Gaulle abandoned N.A.T.O. immediately, that now AIDID confronts the U.S. in Somalia, and that the Serbs gobble up and commit genocide with impunity on their neighbors. And now you wish to save Castro and prolong the agony of Cuba - a Cuba that was the greatest friend of the U.S.A., a Cuba that consumed the most U.S. products per capita in the world.

You should read a translation of Red Cuba's Constitution of 1992, particularly Articles 5 and 62, where the Marxist state is ratified, and where all the basic principles inherent to the freedom of the individual are specified as treason. You should also study the Cuban Constitution of 1940 that governs until a free Cuba emerges. It would be an eye-opener to your fellow legislators, especially as to citizen obligations and the socio-economic principles as there enunciated.

The President of the United States is designated by the U.S. Constitution to direct and be responsible for the conduct of foreign affairs. Eight U.S. presidents from President Eisenhower to President Clinton have clearly directed U.S. relations in regard to Cuba.

The U.S. and the U.N. have both condemned Cuba as a gross violator of human rights. Cuba again and again refused entry to the U.N. human rights relator for Cuba.

And here we have you fraternizing with, and being host at your home in October 1993, to the Cuban foreign minister, Roberto Robaina, with his assistants, the head of Cuba's Mission to the U.N., and the head of its Interests Section in Washington.

From the meeting at your home, it was revealed your close ties with Cuba for twenty years, exactly the time period of the genocide by the Russian-Cuban military machine of the defenseless Ethiopians, Somalis, Eritreans, Angolans, and on and on. And not a word from you. On the contrary, a culmination with your Cuban contacts to have the trade embargo lifted, and the Cuban Democracy Act repealed, so that the U.S.

carpetbaggers can scavenge the prostrate island, and afford Castro and the Robainas, a few more months of oppression.

UNIDAD was stabbed in the back at the Bay of Pigs, and again at the Missile Crisis, having lost our leaders at the Paredon on April 20, 1961. We have not ceased nor desisted in our efforts, and will not until a free, democratic Cuba emerges and starts to blossom. Equally, we insist on a swift open judicial process that will expose and punish all those culpable for the Cuban genocide.

No carpetbaggers nor scavengers will be able to take advantage of the Cuban misery and devastation.

And again, why uphold and support the tyranny of 36 years of Fidel Castro and not the freedom and quest for democracy of the Cuban people as that enjoyed by the citizens of the United States? Why?

Yours truly,

En nombre de Unidad  
Movimiento Unidad Revolucionaria



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cc: Representative Sam M. Gibbons, Chairman	Senator Claiborne Pell
Representative William J. Coyne	Honorable A. Watson,
Representative Phillip M. Crane	Undersecretary of State
Representative Mel Hancock	Evans and Novak
Representative Jim McDenmon	Representative Ileana Ros-Lehtinen
Representative Gerald D. Kloozka	Representative Robert Torricelli
	Representative Lincoln Diaz-Balart
	Representative Bob Menendez





## POLYECONOMICS, INC.

Political and Economic Communications

October 12, 1992

### A DINNER WITH THE CUBANS

We were privy to an extraordinary event this past weekend, that persuades us for the first time that Fidel Castro's island nation of more than 11 million people 90 miles off the coast of Florida may soon begin economic integration with the Western Hemisphere. The occasion was a dinner hosted Saturday by Rep. Charles Rangel [D-NY] for Cuban Foreign Minister Roberto Robaina. Rangel made his home available so that Robaina could present his outline for Cuba's opening to some two dozen representatives of New York's financial, corporate, academic and labor elite. I attended the session on behalf of Jude Wanniski, who had previous commitments on the West Coast. Rep. Rangel, who for 20 years has maintained contact with Cuba, had invited Jude to acquaint the Cubans with Polyconomics' bottom-up approach to economic change.

Robaina, a very impressive 37-year old, is in New York for the autumn session of the U.N. General Assembly. He is obviously intent on using his time here to convince skeptics that Cuba is prepared to change its political economy if the world is prepared to welcome the change without demanding Castro's demise. Robaina suggested that his appointment as foreign minister unleashed a "storm" in Cuba since the old guard bureaucracy did not take comfort in his rise. In fact, Robaina was once implicated in a plot against the regime, but somehow emerged stronger than ever, while the others involved paid dearly. Internally, he has been widely criticized by the establishment for wearing a braoslet, t-shirt and jacket with rolled-up sleeves. After his performance Saturday night, I am more inclined to interpret his fashion as a sign of his determination to work at replacing the crumbling edifice of Cuba's political economy. Robaina clearly understands that Cuba's model is exhausted and that pragmatic openness is required for the nation's survival. He acknowledged that for the half of Cuba's population born after 1959, the "sacred conquest" of the revolution has little meaning. Instead, they want the opportunity to achieve their own potential in ways meaningful to them. This, it appeared, was a diplomatic way of suggesting what at one time no Cuban could hint at without fear of confronting a firing squad: that Castro's command economy is incapable of supporting the needs of the people, old or young.

Robaina assured his audience that the process of economic openness has begun in earnest: 110 different labor regulations have been liberalized to permit workers to be self-employed; new rulings allow foreign investment in all sectors of the economy; land possession liberalization allows private leasing of sugar and non-sugar acreage. There is enormous pressure to make rapid changes due to the dire economic circumstances of the island, Robaina said, and very little is sacred. Still, Cuba wants to maintain policies that the regime believes have shown some success, such as health care and science training. Finding some way to "save face" is also important to the Cubans. They will insist that there is no slipping back to dependency and will accept no prescription that could be perceived as entailing loss of sovereignty. Cuba will not import a foreign model that does not fit the domestic reality, Robaina insisted, for example, that the Chinese model does not suit Cuba, which seeks to learn from the approaches of several different emerging economies as diverse as Mexico, Spain, Vietnam and China. The budding Cuban entrepreneurs, Robaina said, need many points of view on how to succeed.

The Foreign Minister acknowledged that Cuba's ruling elite was taken aback by the severing of the violent economic lifeline. Bureaucratic inertia paralyzed rapid adjustment. Consequently, no contingencies were developed, and the changes came faster than expected. Two million Cuban children are now at risk of dying from malnutrition or lack of medical attention. Shortages of food and medicine are now intolerable. From 1986 through 1989, Cuba had zero economic growth. GNP declined by 10% in 1990 and by 20% per year in 1991 and 1992. For the first time, there are voices dissenting from the ranks of pro-Castro loyalists demanding reform. While continuing skepticism toward Cuba's intentions is certainly justified, the Cuban regime in desperation now recognizes there is no alternative to fundamental change.

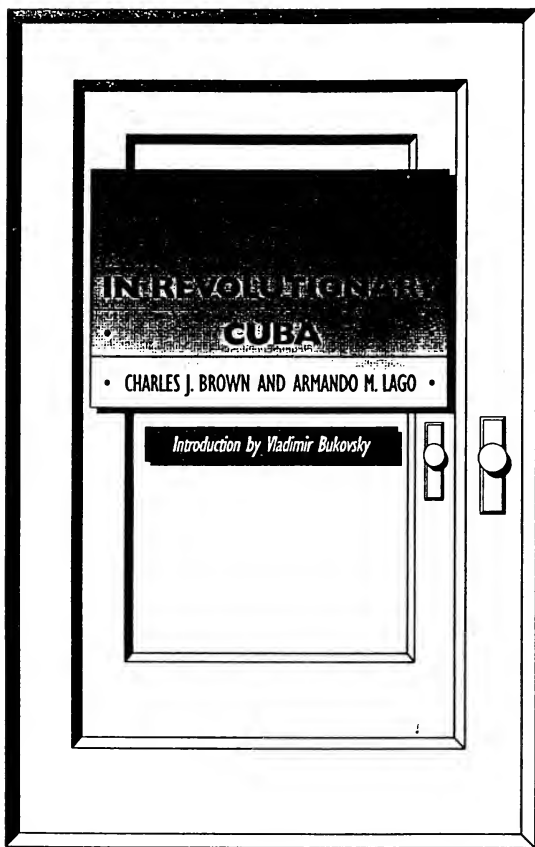
Striving to come across as rational and pragmatic rather than passionate and ideological, Robaina portrayed a Cuban regime not as bad as it is seen internationally, nor as good as it would like to think it is. He also acknowledged that the U.S. embargo is not the only source of Cuba's domestic problems. He defined the culprits as three blockades: 1) the 30-year U.S. economic embargo; 2) the termination of Soviet economic assistance since 1989; and 3) the domestic blockade of ideas that hinders Cuba from finding appropriate solutions to its problems. The government of Cuba, he said, is willing to work hard on the third problem if the U.S. will lift the first. Indeed, it is clear the U.S. embargo remains a major factor of economic life on the island. Eight of every ten new ventures begun with foreign capital are ultimately aborted because of the uncertainty and political pressures created by the U.S. embargo.

As for the Cuban exile communities, Robaina said Cuba is willing to conduct dialogue with all Cubans and hopes for normal relations even with those who have supported the blockade. Cuban exiles hold claims to \$21 billion in real property on the island. Until now, the U.S. government has supported these claims, to the extent that communiqués are sent to governments worldwide warning anybody interested in doing business in Cuba to be aware of these claims. Minister Robaina said that if the U.S. embargo were lifted, the Cuban government would be willing without restriction to negotiate the issue of property rights. He also stated his determination to produce what he called a "revolution inside the ministry of Foreign Affairs," putting the goats of the new generation first and changing the image that Cuba has abroad. One of his more striking statements was to assert that he must "interpret" what Castro says rather than "repeat" Castro's statements. As close observers of Castro's revolution may be aware, until now members of the Cuban government were only to repeat and never interpret the statements of their leader.

Robaina took advantage of the interest of his audience, arriving late to the meeting and, in typical Cuban fashion, speaking non-stop for two hours. Unfortunately, this left little time for questions before his departure, but Robaina expressed his willingness to establish close contact with the U.S., and stated that he will soon return to New York. I sat beside Cuba's First Vice Minister of Foreign Affairs and Ambassador to the UN, Fernando Remilios de Estenoz. Remilios de Estenoz belongs to the same generation as his boss, and has the reputation of being Mr. Robaina's right hand. He is considered an active agent of change in the new Ministry of Foreign Affairs, arriving at his post only 12 days earlier. In an informal chat, I had the opportunity to explain the Polyconomics world view based on entrepreneurial growth. He expressed great enthusiasm and we arranged to meet next week, after the hectic frenzy of the General Assembly recedes. Rep. Rangel introduced me to Alfonso Fraga, Chief of the Cuban Interest Section in Washington -- a post as close to being Cuba's ambassador, that the present political circumstances allow. Mr. Fraga also expressed interest in Polyconomics' approach and asked me to call upon him in Washington for further talks and a possible Havana visit. As an observer, I could not help but wonder if, paraphrasing early Fidel Castro, "the time is ripe for the guns to kneel in front of the people." The time may be ripening for the Cuban people to begin emerging from their fight for survival and to the risk and reward of becoming reacquainted with the global economy.

Irma Philippi de Bois

HAITI ALERT: Senate Minority Leader Bob Dole was exactly right in arguing for the withdrawal of all American personnel in Haiti, and it's nice to see the return this afternoon of the U.S. warship *Arcton County*. The UN's *Dans Caputo* clearly has not worked out a peaceful return of President Aristide, as we'd been led to believe, and it makes no sense for the United States to install, by force, a man who could not keep the seat he'd won, even if by demagogic elation. Aristide's swelled head and socialist bent has led him to tromp on the rights of the one-third of Haitians who had voted against him -- the business and propertied class. Note how impossible it is to find anything in the news media that relates to the debate over *public finance* that led to the ousting of Aristide, who in December 1991 was about to sign a tax-the-rich IMF agreement. To a country without checks and balances, it is not sufficient to mouth support for a political leader simply because he won a democratic election. "Will we send troops to protect Boris Yeltsin, the 'democratically elected' czar of Russia? It is cultural arrogance, pure and simple, that now drives U.S. foreign policy, in Bosnia, Haiti and Haiti, just as it sucked us into Vietnam in 1961. I had lunch with the UN's *Caputo* in August and warned him all his work would go down the drain if he did not incorporate an anti-IMF economic policy in Haiti. He replied simply that economics was not part of the UN's mission. (JW)



## Lo que no mostró Telemundo

# CUBA

## LA ISLA ESCLAVA

En los países democráticos la libertad de expresión es uno de sus fundamentos. Respetamos el derecho de Telemundo; pero también lo ejercemos decididamente en nuestro empeño por libertar a Cuba.

El domingo 7 de Junio, el Canal 2-Telemundo, transmitió vía satélite desde La Habana, Cuba, un programa de dos horas, tan lastimosamente parcializado a la dictadura castrista, que hirió profundamente la sensibilidad patriótica de los cubanos en Puerto Rico.

Las organizaciones cubanas en Puerto Rico, representativas de compatriotas residentes en esta Isla, rechazamos enérgicamente este programa y denunciá- mos ante la opinión pública la verdadera situación en nuestra patria.

### UN PAIS DE LAGRIMAS Y DOLOR

\*Fuente: Comisión de Derechos Humanos de las Naciones Unidas.

- \* 266,000 hombres, mujeres y niños en 241 prisiones y campos de concentración.
- \* 1,500,000 de exiliados políticos.
- \* 54,000 muertos por motivos políticos, incluyendo 12,486 fusilados.
- \* 52,000 balseiros, de los cuales sólo 17,000 han llegado vivos.
- \* 54,000 menores de edad encarcelados en 73 prisiones para menores.
- \* 35,150 mujeres encarceladas en 27 prisiones para mujeres.

También solicitamos a todos los cubanos, puertorriqueños y hermanos que sienten y comprenden el dolor de nuestro pueblo esclavo, que se solidaricen con la libertad de expresión de nuestra democracia y condenen la censura que ha ejercido el gobierno comunista cubano sobre el Departamento de Noticias de Telemundo Canal 2 y por éstos haber aceptado dicha censura previamente negociada a través del Partido Socialista Puertorriqueño en contra de los valores periodísticos y democráticos de la prensa puertorriqueña al limitar y condicionar su libertad de expresión. Pedimos que se unan a nosotros no auspicando este canal por atentar contra las aspiraciones de libertad de los cubanos democratas.

Asociación de Ingenieros Cubanos en el Exilio  
 Asociación de Médicos Graduados de la Universidad de La Habana  
 Brigada de Asalto 2506  
 Circulo Cubano de Puerto Rico (Casa Cuba)  
 Comisión Nacional Cubana  
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