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U.S.-CUBA: LAYING THE GROUNDWORK FOR NORMAL RELATIONS

*Fulton Armstrong**

By reestablishing full-fledged embassies in each other's capitals, the United States and Cuba have opened the way to a broader normalization of relations that, with patient and sensitive handling of some long-standing problems, will be stable and serve both countries' strategic interests.

Presidents Obama and Castro have ended the 54-year impasse with less political blowback than most observers anticipated—and with political benefit to both of them. Raúl Castro secured historic U.S. recognition of his government's legitimacy, and Barack Obama got a face-saving exit from five decades of failed policies aimed at effecting the collapse of the revolutionary Cuban government, as well as a chance to stimulate bilateral trade and clean up Washington's image throughout Latin America.

- Although they use different terms, both men have said that change in Cuba is desirable, and both have said it should be evolutionary. Castro speaks of “updating” the socialist model and preparing to hand the reins of government over to a new generation. Obama speaks of Washington's hope for “democracy” in Cuba's future. But raising the flag in Havana, U.S. Secretary of State John Kerry acknowledged, “The future is for Cubans to shape.”
- For possibly the first time in the two countries' history, Cuban and U.S. officials have talked as peers, without arrogance or sniping, and without papering over differences. Obama and Castro's terms of office give them roughly a year and a half to lay groundwork for successors to complete the normalization process.

* *Fulton Armstrong is a Research Fellow at the Center for Latin American and Latino Studies. This is the first of several policy briefs that he will write as part of the Center's Cuba Initiative, carried out with support from the Christopher Reynolds Foundation.*

The government-to-government relationship, building on years of quiet collaboration, will be expanded. Some working groups are already meeting.

- Cooperation in **counternarcotics** has benefited both sides since the Clinton Administration, and even closer information-sharing and joint operations under a formal agreement could only help. Increased cooperation in **counterterrorism** serves both countries' interests.
- Both governments want to keep **migration** safe, orderly, and legal, and acknowledge that the humanitarian implications of a migration crisis demand constant monitoring and action to prevent one. Washington's insistence that it will not discuss modifying or repealing the Cuban Adjustment Act of 1966, which incentivizes illegal migration, precludes a comprehensive solution, but both sides are obviously committed to keeping seaborne migration in check. Cooperation between the two countries' Coast Guards will be important.
- Other relationships involving government are also important. **Postal relations**, which Havana has resisted without clear reasons, are essential. Cooperation between the two governments on **environmental** issues, **aviation** security and safety, combatting counterfeiting, responding to threats to public health and agriculture, and international cooperation on issues such as Ebola in Africa, and more all have obvious benefit to both countries.

But overcoming five and a half decades of negativity and suspicion will take time, and both governments are going to have to work to keep their policy bureaucracies on message. Working-level officials on both sides have been comfortable with the old antagonisms, and harsh rhetoric about the other has been too easy, for too long, in both capitals. Instead of focusing solely on points of contention, the challenge now will be identifying opportunity—and unifying behind the Presidents' new vision.

- **Intelligence and counterintelligence** programs will continue—even if partially as a sop to defenders of the status quo ante in both capitals—but provocative operations tying up each other's resources should be reexamined. With a serious diplomatic channel in place, spy-vs-spy games are anachronistic and counterproductive.

- The *raison d'être* of certain U.S. government programs aimed at achieving regime change in Cuba has passed. The tone and content of **Radio and TV Martí** programs, which cost U.S. taxpayers some \$27 million a year, are much less effective than the Voice of America could be with the same budget. The State Department's reliance on clandestine, covert "**democracy promotion**" operations—like those that got Alan Gross arrested—has backfired and have become an embarrassment. These putative efforts at democracy promotion should be replaced with more effective approaches that foster authentic societal interaction. The "**Cuban Medical Professionals Parole Program**"—a Bush/Cheney administration initiative to encourage doctors serving abroad to defect—is highly provocative and should be brought into line with the new Cuba policy.
- In Cuba, bureaucracies are going to have to learn **modern management** techniques and administrative processes will need to be decentralized, so that decisions can be made more quickly and policies implemented more effectively. The emphasis on political conformity over performance has discouraged ministry initiatives for so long that some officials lack the skills and leadership needed to enable the state to serve the public interest. Opening up to the world is going to force improvements and efficiencies that will benefit the Cuban population and U.S. relations alike.

Fulfilling the Presidents' mandate will also require that the two governments get out of the way of the non-governmental actors whose interactions are essential to normalization. The main motors of full relations will be "the people" on both sides—citizens who want to travel, trade, experience each other's culture, and cooperate in a host of areas. The bilateral relationship is not for government officials to concoct.

- For the U.S., that means **lifting the trade embargo**, which severely limits the space for normalization. Pending that, the White House should at least **expand licensing** to allow the maximum of dealings between the American and Cuban people.
- For Cuba, it means deepening and accelerating its economic and political reforms, including finding a way to unify its **dual-currency system**; clarifying regulations on **private property, investment, and employers' latitude to hire, fire, and set wages**; and continuing to eliminate **redundancies between party and government mechanisms**. The new **General Election Law** represents opportunities for progress, and

the **National Assembly's** move back into the *Capitolio* may signal revitalization. Also important to ties between the American and Cuban people will be amending or repealing laws, such as those criminalizing “dangerousness” and restricting certain forms of contact with foreigners and international NGOs. In Havana, reducing government intervention also means **clarifying the semantics of existing laws** to allow the widest possible scope for U.S. trade with Cuba's growing non-state sector.

Problems—politically loaded but not intractable—loom ahead.

- Both governments are bound by international law to resolve **certified claims**—properties owned by U.S. citizens or residents when they were confiscated in the early years of the revolution. Worth about \$1.8 billion back then, they are speculated to be worth about five or six times that now. Cuban officials have suggested linking a solution to compensation to Cuba for harm done by the U.S. trade embargo, which they variously estimate to be \$8 billion to \$1.1 trillion. Cuba has closed deals with claimants from other countries, and elements of those negotiations, such as successful debt-for-equity swaps, offer promise.
- The **uncertified claims** of hundreds of thousands of Cuban-Americans, which neither government is bound to resolve but which can inject political poison into the relationship, can get complicated if the governments don't set up an independent commission to handle them. Memories how of how a handful of members of the U.S. Congress conditioned relations with Nicaragua on resolving individual claims in the 1990s provide a cautionary tale. The German experience during reunification provides claims-resolution models worth studying.
- Both Fidel and Raúl Castro have demanded the return of **Guantánamo Naval Station**. Normalization “will not be possible ... while they don't give back the territory illegally occupied by the Guantánamo naval base,” Raúl has said. The base's value to the United States had been primarily symbolic for years until prison camps were established there in the 2000s. Moving the prisoners out will be tough, but rolling the base into a global bilateral negotiation at some point is not beyond the pale.

A long, gradual engagement—an evolutionary process—will probably result in a more stable and equitable normalization than a rushed one. Bumps in the road will be certain. Traders and travelers between the two nations will make mistakes. Conservatives in both capitals will pounce on such occasions—if not create some—to strengthen their arguments against the normalization process. But the harm of missteps will depend on how well the two countries set aside longstanding worst-case expectations and deal with the facts free from political manipulation.

If the two Presidents' visions are to be realized, one of the governments' main tasks when problems occur is going to be to stay out of the people's way. They have to enforce serious laws—regarding crime, narcotics, migration, etc.—but how they do so will be key. Moving ahead will be easier if the two countries deal with issues as they would with any other counterpart. A focus on mutual interests can take a relationship a long way.