A New U.S.-Cuba Policy: Did Cuba Win?

Kurt Volker: [0:00] Uh, my name is Kurt Volker. I have the honor of serving as the Director of the McCain Institute. And I'm proud to be, uh, introducing you, yet again, to one of our series of debates about foreign policy and the choices that we, uh, face as a country.

[0:14] Uh, we're fortunate. We're anticipating Senator McCain will be joining us a little bit later this evening. Uh, but we're gonna get ahead with starting the debate as it is right now.

[0:23] Uh, as you heard in this video, we aim to create an environment that is nonpartisan, that is getting to the substance of issues and the choices that our country faces. And, uh, this is going to be the case in our discussion tonight about Cuba, as it has been on others that we've had on Afghanistan or Iran and so forth.

[0:41] Uh, it is, uh, being videotaped, so we'll have this available online immediately afterwards. Uh, we'd love for you to participate in Twitter. The hashtag, MIDebate, uh, Cuba. So please go ahead and put your cell phones to vibrate, but feel free to take part in the Twitter discussion going on simultaneous with the debate.

[1:01] There will be an opportunity for questions from the audience, so be thinking about that as well. And please frame them as questions so that we really get the most out of our debaters that are here. Uh, if you want to learn more about the McCain Institute, please visit our website, mccaininstitute.org.

[1:17] Um, with that, um, the topic here is chosen because of some of the decisions that have recently, uh, come out of the US government about re-engaging or, or opening diplomatic relations with Cuba, and we wanted to have a debate that focused on the merits or the criticism of that decision and what comes next.

[1:36] Uh, in order to lead us through this, we have a terrific moderator. Uh, he is the White House correspondent for Fox News Radio. He previously worked with Sirius XM. He has some personal ties to Arizona. And, uh, I'll bring him to the podium and let him introduce our debaters. Please welcome Jon Decker.

[1:53] [applause]

Jon Decker: [2:00] Uh, thank you, Ambassador Volker, uh, for asking me to moderate tonight's debate. Thank you to the McCain Institute, um, and Arizona State University, and, uh, thank you in advance to Senator McCain, who as, um, Ambassador Volker said, will be here, um, a little bit later. He's just coming off the Senate floor.

[2:17] And thank you to our audience, of course, tonight. Uh, we hope that tonight's debate informs you as our panelists discuss this major change in US-Cuba relations. The topic of tonight's debate is particularly timely. And for me, it's also personal, having covered US-Cuba relations, starting more than 20 years ago, for, uh, NBC Television and
[2:40] And I continue to cover this issue. In fact, tomorrow, I'll report on the second round of diplomatic talks between the US and Cuba taking place here in Washington, but it's important to remember the events that led us, uh, to today. In late December, the President announced the most sweeping shift in US policy toward Cuba in more than half a century. He called the move to reestablish diplomatic relations a new chapter for the two countries.

[3:07] The decision by the President, uh, followed the release of American aid worker Alan Gross, who spent more than four years in prison in Cuba on spying charges. And three Cuban agents serving time in the US were essentially swapped for Alan Gross.

[3:21] In explaining his decision, the President made a point of reminding those of us in the White House press corps who were covering his remarks that America has had relations with Communist-ruled China for more than 35 years and reengaged with Vietnam nearly two decades ago. And he said the time to open talks with Cuba was long overdue.

[3:41] Highlights of the new US policy include further relaxing travel restrictions to Cuba, increasing remittance levels, expanding exports from the US to Cuba, and reviewing Cuba's designation as a state sponsor of terrorism.

[3:56] As you'll hear in tonight's debate, there are many criticisms of this policy. The chief complaint is that the Obama administration failed to get more concessions, if any concessions, from Cuba and failed to put specific goals in place to improve human rights on the island.

[4:13] But the President has argued that the policy that was, uh, in place for more than five decades hasn't worked. And now is the time, he said, to try something new to push Cuba toward democracy. We have an impressive panel of experts assembled tonight to discuss these issues. And let me introduce them to you.

[4:30] Our first group of debate panelists is on my near left. Julia Sweig is Senior Research Fellow at the Lyndon B. Johnson School of Public Affairs at the University of Texas at Austin. She's the author of several award-winning books on US-Cuban relations. And Jodi Bond is Vice President of the Americas for the International Division at the US Chamber of Commerce.

[4:52] Our second debate team, uh, consists of Mauricio Claver-Carone. He is Executive Director of the Cuba Democracy Advocates. And our second debater on that team is Orlando Pardo, a Visiting Fellow at Brown University who lectures about social activism in Cuba.

[5:10] Let me explain, if you haven't been here before, the format for tonight's, uh, debate. It's pretty straightforward. Each team will open their arguments with four minutes. Following that, each team that gets two minutes to respond to the other's opening argument.
I will then move things a little bit, uh, further along with a few questions, in which the teams will get two minutes to respond. And after that, that's when you in the audience get to get involved and ask your own questions. Again, each side has up to two minutes to reply.

You'll notice a clock right here, our panelists will pay attention to this clock up here. Um, if you don't, I'll, I'll make you aware of that clock up there and remind you that your time is up upon answering, uh, your questions.

And finally, at the end of the debate I will go to each of our panelists and ask them, in one minute, to sum up what he or she believes the US should do right now as a matter of US policy towards Cuba.

So why don't we get, uh, things started with, uh, our first question, uh, to our group here, to our far left Jul-, Julia and Jodi. Uh, this is a question that's been asked by many critics of what the president decided to do, and that is this. Doesn't the president's executive action simply provide Cuba with a fresh source of desperately needed hard currency and eliminate any US leverage for political reforms on the island?

Julia Sweig: Thank you very much, Jon, for that question, for moderating. Thanks to Ambassador Volker and to all of you for coming tonight and to my colleagues here on the panel.

Um, we're here tonight to assess the merits of the policy initiative the president just announced in December. To my mind, and this will get to your question and we will, over the course of the debate. There are three major compelling factors that, that support this move.

First on the foreign policy grounds the United States has increasingly lost ground and standing in Latin America over the last 10, 15 years and increasingly as the politics in that region have moved quite substantially and foreign policy has become quite a bit more autonomous, our relationship with Cuba has become a stigma.

It has become a symbol, uh, for Latin Americans right, left, and center of whether or not the United States really is prepared for what the president has called a 21st century partnership.

Taking the Cuba issue off the table puts the United States both in terms of Venezuela, in terms of Brazil, in terms of our entire standing in the region in a much better position to talk real issues and cooperate deeply with Latin American partners.

Number two on straight national interest grounds. The United States has a strong national interest in setting aside 50 years of a policy that has isolated the United States from being a positive actor on the island in Cuba. Cuba is on the verge of a very significant change. We are three years away from being in a post-Castro environment. The United States needs to participate in a positive way on the ground. This will help.

And that brings me to the question of the Cuban people who will be invoked many times tonight. We live 90 miles away from one another. There are 1.2 million, at least,
Cuban, Cuban Americans, people of Cuban descent living in our country. These organic ties of family, of, um, business, of history. It is unnatural for us to have this separation.

[8:42] Getting us started with a new sense of engagement and participation in Cuba's future is what we are now beginning to see just begin.

**Jon:** [8:53] OK, Jodi.

**Jodi Bond:** [8:57] Thank you very much and thank you, Jon. Thank you Ambassador Volker. Thank you to the panelists. It's so nice to be here. And, of course, thank you Senator McCain for arriving just in time.

[9:08] [laughter]

**Jodi:** [9:09] All right! I do have to take out 30 seconds, though, to indicate that last year I was the recipient of a McCain Institute Fellow. And one of my favorite and best fellows that we've had working North American issues. Thank you.

[9:24] I'm glad to be here and Julia pretty much summarized, um, some of the foreign policy arguments and why we believe that engagement was timely now. But from the US Chamber's perspective, let me just step back and say that there are two considerations that guide how we view this.

[9:45] The first is that while the sanctions were well intentioned they ended up not having the effect that they were intended to have. And as Tom Donahue would say, "Anybody's who goes into business and has done the same thing over and over for 50 years without seeing a result would have been out of business a long time ago." Unilateral sanctions are not something that we support. And the Chamber has not supported the embargo for quite some time.

[10:19] Conversely, my second point is we believe in engagement. 95 percent of our customers live overseas and we have conversations with governments that allow us to talk about free enterprise. There has not been an opportunity in the past until now to actually have a conversation with the Cuban government about training entrepreneurs and those in free enterprise.

[10:51] So in those two lights, this was actually a positive step from the Chamber's viewpoint.


**Mauricio Claver-Carone:** [11:00] Thank you so much. Thank you for having us, and, and as I see how, how we're seated, I'm glad I wore my best socks without any holes in them so I wouldn't embarrass myself.

[11:07] [laughter]

**Jodi:** [11:08] I know, I know.

**Mauricio:** [11:09] Uh, I know, guys, I'm feeling very grateful. Uh, first and foremost
from a US interest perspective, uh, let's realize that this didn't begin on December 17th of 2, of 2004. This began on December 3rd of 2009 when the Castro regime took an American hostage, Alan Gross, who was in Cuba helping the Jewish community.

[11:27] For taking this hostage what the Castro regime wanted was a series of concessions. Wanted the, the release of, of five, uh, imprisoned spies that were here including one that was serving a life sentence for conspiracy to murder three Americans and a host of, uh, sanctions lifted including taking Cuba off the state sponsored terrorism list.

[11:45] We've now done that. Any time that the United States policy is dictated by coercion from a foreign dictatorship, the United States automatically lost. And I think that that is a big problem here in addition to we've lost hemispherically because in 2001 we had the Inter-American Democratic Charter. 34 out of 35 countries in this hemisphere are democratic with one exception.

[12:06] To now say that we're going to have business as usual with a dictatorship with one, with a dictatorship in this hemisphere, again, after this tremendous democratic progress in the hemisphere, we're opening the door to the authoritarian ambitions of, of, of many closet dictators that, and some not so closet, in Venezuela and elsewhere, that are going to continue to degrade the democratic institutions in those countries.

[12:27] In regards to the other losers here, is the Cuban people, and the Cuban people have lost because essentially the president negotiated with Raul Castro nothing for them. Yes, there was this release of 53 political prisoners, uh, many of whom, over a dozen of whom, have now since be rearrested.

[12:41] And since December 17th -- and let me highlight this -- since December 17th of 2014 there have been over 600 political arrests in Cuba. Now you do the math, 600 minus 53. Not much progress there. It's a net loss. Uh, so therefore the Cuban people have really lost politically.

[12:59] In regards to trade, we've also lost because the Cuban, the Cuban regime is, is a monopoly. So therefore we are now allowing further trade with a monopoly, which is a, a company owned by Fidel and Raul Castro called [inaudible 13:13] .

[13:11] And in regards to travel we want to open in order, for, for the tourism industry which is owned by the Cuban military through a conglomerate called GAESA which, by the way is, according to "Hotels" magazine, the largest hotel conglomerate in all of Latin America. Therefore a loser for US interest, a loser for Cuban people, an obvious win for the Castro regime.

Jon: [13:31] Orlando?

Orlando Luis Pardo Lazo: [13:32] Yes, I would, uh, thank you for being here. I will, I will read in order to be as fast as possible. 50 plus years of US diplo-, diplomatic stalemate and economic sanctions have failed to bring freedom to Cuban people because they were not designed to bring freedom to the Cuban people, but to penalize a regime that was started sequestering Cuban sovereignty by violent and untied democratic
The 50 plus years to come of US diplomatic relations and capitalist engagement with Cuba can neither guarantee the advance of fundamental freedoms in my country, because a market economy is not perfect, a redemptive formula, and has been already implemented by many of the current system as a tool for more tyrannical control.

US democracy seems guilty of the duty to foster democracy worldwide, but Castroism has been more than proud to Castrofy democratic countries. Venezuela is the most example today as the recently liberated five Cuban spies in US have declared, order as national heroes back in Cuba.

We are ready to do the wrong thing again if we are under the commander and chief. Did Cuban win? Cuba cannot win because perpetuation in power is always a failure, and the best approach to endure a past despite a faith in the future expressed by Nancy Pelosi.

The US executive branch enforces resolution after resolution involving exclusively those congressmen and NGOs and think-tanks and press magnates and corporation tycoons that hurry to shake Raul Castro's hand without asking him a single uncomfortable question, thus legitimizing he, who abolished the Cuban congress and the Cuban chamber of commerce and Cuban think tanks, and Cuban NGOs as well as the exercise of free press.

By the way, convenient Cuban dissidents are also called into play not by the rule of law but by the rule of loyalty. The rationale seems to me that as it is impossible by now to hold the Cuban government accountable, the appeasement of the dictatorship into a cracy is the lesser evil.

Mentioning Cuban society or Cuban society, society only for political correctness in your speeches while, in fact, excluding Cuban society from the new status quo needs to end. Maybe this is a small step for democracy, but it could also be a giant leap against independency or decency.

The Cuban policy of the US is the ironic victory of the end of history from our war against Spain to the anti-imperialistic revolution of 1959, the growing common marketization of international relation is what really counts.

That's why, for the first time in our hemisphere, it's a communist country where the cry of "Yankees come home" echoes now. So you are more than welcome to try to fool our tired tyrant with US dollars, but, but, as a Cuban intellectual it's my duty not to renounce to my skepticism. Thank you.

Julia, uh, Jodi, you have two minutes to respond to those remarks.

Yeah, yeah, I've got to say anything about...

[laughter]
**Jodi:** [16:20] I mean I think, I think I'd like to just go back and pragmatically...

**Julia:** [16:23] Let's go back to, yeah.

**Jodi:** [16:24] ..I want to just go back to what this looks like for the United States and how the United States is viewed by taking these actions. For starters, we've built up one of the most dense networks of free trade agreements in this hemisphere.

[16:42] The contrast is already apparent. The countries that have free trade agreements with the United States bared the economic crisis better than those that did not. Several of these countries are also in a failed state. But many of these countries are ones that we should be looking at trading with. We have got to look outside our own market to our customers.

[17:07] And I think that by taking this action where the not taking action prior, the United States had been looked at poorly by many of these countries, by many of our customers. If also the sanctions were used as a tool in this hemisphere for indicating why the Cuban people were suffering, why there was scarcity, why they couldn't feed the people, there was the fact of the matter that they were using the excuse.

[17:42] And this basically lifts the veil, and we've had a very positive response from many of the countries, many of our allies and our other trading partners, friends and foe around the world.

**Julia:** [17:55] And I'll, and I'll jump in here and say, um, I just came back from Cuba a few weeks ago and have been traveling there frequently for the last 25 years in various different capacities. And so I've gotten to know the national security mentality and the state of siege mentality that has pervaded that country.

[18:16] And what I've seen now is there's a real, uh, sense of the air coming out of the balloon. There's a sense of opportunity. There's a sense that we can put the battle with the, the adrenalin intensity of the battle with the United States to the side and, and build a future that, that perhaps means both governments getting out of the way a little bit and allowing the societies of the two countries to connect.

[18:44] And on the last point, you know, I think there's a, a, a caricature that is very pervasive in the United States that in Cuba we have dissidents and the government and nothing in between. In fact that is, couldn't be more far from the truth. We talk about Cuban society not just the dissidents, and not just the government, of, of groups who are producing art, and literature, and who are women's groups, and gay groups, and environmental groups.

[19:14] And, you know, one can smirk that that and find it hard to believe, but this is the fluid moment in Cuba, and this opportunity to remove the object of, um, politicization which has been in the United States, I think we must walk through that door now, lest we become increasingly irrelevant in just a few years.

**Jon:** [19:35] Mauricio and Orlando, do you see that type of the environment existing
right now, the way that it's been described by the other debate team?

**Mauricio**: [19:43] Well, I mean, democracy is brought about by leaders. You know, in the Czech Republic, Vaclav Havel, when it started in '77 began with 50 to 100 people, and it became a movement and then people followed that leadership.

[19:55] Today Cuba's democracy movement and a lot of Czech leaders during that time that were part of that movement will tell you, is much greater than it ever was in the Czech republic in the '70s and '80s. Therefore, we have to embrace that political leadership.

[20:07] You know, the Nelson Mandela, Aung San Suu Kyi, Vaclav Havel, Lech Walesa, those were political leaders, they weren't economic leaders, they weren't people that were trying to set up a little small business shop, they were, they were the people that were game changers. We have to embrace those game changers. But Jodi makes a very important point that I'd like to stress here, because it's the only talking point the administration has.

[20:26] That somehow by doing this, and embracing Castro's regime and flooding it with dollars, we're somehow going to bring the rest of the hemisphere in order to support the Cuban people. It's another one of this Obama lead from behind things. So we're going to lead from behind and therefore now the rest of the hemisphere says we're doing the same thing. They're doing, but they're not going to support Cuba.

[20:43] But we have the case of Venezuela. In Venezuela, this week a 14-year-old was shot in the head and murdered, the mayor of Caracas was taken out of office by all of this after Maduro, the president of Venezuela, went to consult in Havana, went straight back and began this huge intensified repression there.

[20:59] Where's the rest of the hemisphere? Where's Mexico? Where's Brazil? Where's those people that the Obama administration says that are now supposed to join us in condemning Castro's regime?

[21:09] They're not opening their mouth for Venezuela, why would they do so for Cuba? That's a fallacy. I would like, I would like to believe, and I'll let Orlando, my time, let me pass the baton so I don't ramble.

**Orlando**: [21:23] OK, as the pro-democracy leader Oswaldo Paya stated many times until he was extra-judicially executed in Cuba in July 22, 2012, why not the recognition of all of our rights now? This seems to be a wicked word, both for President Obama, and for General Castro, and maybe even His Holiness Pope Francis. Rights.

[21:46] What is good for Americans since the 18th century is still not good for Cubans in the context of the violent Latin America in the 21st century.

[21:55] Why not the effective solidarity, and yes, opening or closing, but the international pressure, international community pressure so the legal claims that have already mobilized tens of thousands of Cubans be respected by our known elected authorities?
[22:09] Why not to take advantage of this negotiation or this engagement to sit at the same table the historical [inaudible 22:20] with the civil leaders of our [inaudible 22:23]. Instead of having apartheid breakfast between Roberta Jacobson and this leader in a separate date and room.

[22:26] After we have risked, risked so much, to conquer freedom of speech and to raise awareness on human rights violation, and their role in political damage that right now there is in Cuba. So I've had the feeling of missing an opportunity and what, what cannot be done by USA and Cuban engagement right now at this moment will never be done, because the agenda will be dictated by the government of Havana, it is like a perception.

Jon: [22:47] Let me ask a question before we get to the point that you may have wanted to bring up, Jodi, in that. But let me ask this group a question. Jodi and Julia, President Obama has said that normalizing relations will allow the US to be more effective in promoting political change in Cuba.

[23:03] But why should we believe that will occur in Cuba, when it is contrary to US experience with Communist regimes such as Vietnam, where normalization has led to no improvements on human rights, in fact none, really, in the past two decades?

Jodi: [23:21] Do you want to start on Vietnam, or do you want me to...?

Julia: [23:23] You know, I was going to say that I think it has been emphasis, emphasized, and I would emphasize it too, that it's we're a little bit on shaky ground to suggest that normal relations equals political democracy.


Julia: [23:38] That is, I think, a false setup, and, and we should disaggregate that entirely. Orlando is talking about the Cuban people making change themselves.

[23:49] What normal relations will do, is take the United States out of the picture. So that people that want change in Cuba, reformers on the island, dissidents, members of civil society, can have a conversation with and against if they choose, the government that doesn't involve having to prove where they stand on the matter of US policy.

[24:15] This has been very counter-productive to the internal debate in Cuba for some time, to have the United States as the Goliath and Cuba as the David. Political change in Cuba, however unlike the Vietnam case I think, we can't speculate.

[24:33] However, the proximity with the United States and the integration at the organic level of our economies, of Cuban families that is becoming increasingly deep, does have political consequences, will have political consequences down the road in Cuba.

Mauricio: [24:52] Can I address that John? Judy has said something which is somewhat concerning to me in this regard.

[24:56] In 2003, in the spring of 2003 there was something called the Black Spring, where over 100 dissidents, and then 75 got condemned to over 50 years in prison for
signing what was called "Projecto Varela," which essentially was a petition of the Cuban, according to Cuba's constitution, so the Castro Regime's own constitution, that over 10,000 signatures were put together, they would have to have a referendum, they would have to bring it up to the national assembly.

[25:20] That's nothing to do with US policy. Those individuals spent over a decade in prison because of asking according to Cuba's own constitution, for their freedom and their human rights. Too many people have suffered and spent decades in prison because of simply asking their government, their government, to be able to have open, open freedoms, open labor unions, et cetera.

[25:43] I think there's an important point, and I want to go to your question with Vietnam, because I think it's very important.

[25:49] Cuba today is a politically, economically, and socially bankrupt dictatorship. What is so bad about that? Why do we now want to make it into a Vietnam or a China, which now China is the most lucrative dictatorship in human history. Why do we want to do that? Why is that a good thing? Why is this concept of state capitalism, which you know, 70 years ago was called Fascism, now it's more PC to call it state capitalism.

[26:12] Why is this whole concept of state capitalism now acceptable? Why should the United States in this hemisphere, be promoting this concept of state capitalism, of having a dictatorship have complete totalitarian political and economical, and social control of someone, and yet have, you know, a little bit of a façade of, of, of, of, of economic freedom. That's an insult.

[26:32] The Chinese model, the Vietnamese model, the Burmese model, whereby once we opened up relations, and lifted sanctions, have regressed politically, that model does not belong in a hemisphere with 34 out of 35 countries are democracies. We're risking going backwards instead of forward. I'm sorry.

**Orlando:** [26:53] That's fine, maybe to answer, in less than a minute to Mauricio, I have, I think there are at least the reason they supposed to eh, stability in the region. Cuba is somehow is handling violence, it's handling the bad guys, they know how to deal with their guerillas, with the authoritarian regime in Venezuela, they know, they know they are profiting on the human trafficking.

[27:17] Cuba can take care of that as long as the government is strong, never mind if it is a dictatorship or a "dictatorcracy," but we need the stability as the USA needs the stability in the region. And they are willing to pay the price and the democracy can wait like heaven.

[27:32] And um, yeah, and um, but that would be a serious equation. Now we are in the side of being stable, of behaving, no, in the paternalistic model of the Cuban state somehow in the geopolitical context implies that now we need to behave a little longer.

[27:48] Ultimately yes, after the Castro vote it's not so sure, because we have Alejandro Castro [inaudible 27:59] for the Minister of the Interior, he's giving conferences, he's going to the taking the presidential investment of author presidents, and he's behaving
already as the, as they dynastic successor, and, and we need to take that into consideration. Maybe we will have to 2.0 Castro some 3.0 Castros.

**Jon:** [28:10] Let me come back, um, if I could, to this team right over here. Mauricio and Orlando. Why in your view would the resumption of diplomatic relations between the US and Cuba not have immediate benefits? Wouldn't it enable the two sides to better coordinate drug interdiction, for instance, or immigration matters?

**Mauricio:** [28:31] Coordinating drug interdictions with a regime who, who has still has senior officials indicted in the United States for drug trafficking sounds kind of counterproductive in that regards. The fact that there is now a Venezuelan official, the, the former, uh, uh Hugo, Chavez's body guard, who is now in New York testifying, is now a cooperating with the DEA and US prosecutors in regards to the narco-trafficking activities in the Venezuelan regime, and he has mentioned that it involves Cuba as well.

[28:58] So, a country with that rack record, a country that last year was caught lying to the international community that trafficked 240 tons of weapons to North Korea. The only country in the Western Hemisphere to ever be found in violation of international sanctions. The only, the worst violation of those sanctions in history since those sanctions uh have taken place, that lied to the UN experts, I'd recommend everybody read that UN report.

[29:22] They lied into, into the UN experts, and, and therefore these are trustworthy partners that we're going to want to deal with? Once again, we should embrace the good guys, not the bad guys. There's a bad habit that this administration has of quote cajoling the bad guys, and kind of setting the good guys, uh, aside. That's, that's not what America is all about, in my view.

**Jon:** [29:45] Yes, please. [inaudible 29:54]

**Julia:** [29:47] Let me just start with a baseline, I think I was so excited that Senator McCain arrived, all the star power, that I forgot the baseline we should start with, which are a couple facts. First, in no way does our position on the sanctions or on the new regulations, somehow indicate that we don't believe that this one party state or the Castro Regime has not over time committed atrocities. Absolutely it's a given.

[30:22] What we see however, is there is not been the opportunity until now to actually have a lucid conversation about what are some of the constructive steps that we can take to promote free enterprise in Cuba. It's not a question either/or. The operative word is and. Support for those dissidents and train some of those employees who through the new investment laws that were passed in Cuba two years ago, took 600,000 people off the government payroll.

[31:12] Train those people how to start up their own enterprises. How to control their own economic destiny, in these discussions with the Cubans what's new and different, is they have asked us to use our expertise how to train those individuals not on the government payroll.

[31:38] How to start up their own businesses, and one thing that we know for certain is
where we promote free enterprise have the opportunity for engagement on the ground, the opportunity to have our businesses be the ambassadors for America, promoting free enterprise, economic opportunities will result and that's a win for the comm-, for the Cuban people.

**Jon:** [32:08] Jodi that actually brings me to my next question, and it goes to you and Julia, the Cuban government bars private ownership. It limits and monitors private communication. What gives you optimism that this new US policy shift toward Cuba will lead Cuba to change its policy and give its citizens more freedom?

**Julia:** [32:31] Well, first of all, what we're starting to see in Cuba over the last few years is the state pulling back from controlling all property. In the last five years upwards of I believe half a million licenses have been given for Cubans to start their own small businesses.

[32:52] Private, excuse me, residential real estate has been privatized and Cubans, if you go there, you will see are in fact have real estate agencies, and are buying and selling their properties and other properties. And Cuban Americans are without calling it investment, investing by acquiring properties, helping their families to do so, helping invest in small businesses and capital property accumulation.

[33:20] Something that, that is something that you know, is, is, as American as Mom and apple pie, if you're a question of what kind of influence. So training of the kind that Jodi is talking about, investment, capacity building, contact between our business community and Cuba's nascent business community is just kind of the basic building blocks of influence.

[33:45] That's what we talk about doing all around the world, and Cuba is absolutely ripe for that. Does that equal political change tomorrow? I'll repeat what I already said, no it does not, but it begins to reinforce a process on the ground of autonomous spaces that up until very recently did not exist.

**Jon:** [34:08] Mauricio?

**Mauricio:** [34:09] So there's this concept that we have to go teach the Cuban people how to be entrepreneurs. Jon, you've spent time in Miami, a Cuban arrives in Miami, and within a week has built a business in a shop.

[34:20] [laughter]

**Mauricio:** [34:20] What Cubans need, in order to build a business and be entrepreneurs, is the freedom to do so. Cubans are natural entrepreneurs. And before this whole perverted concept, because it's a perverted concept of self-employment for the Cuban people, because these independent entrepreneurs as they call them, these 500,000 that they're referring to.

[34:37] They don't have a business, they don't have articles of incorporation, they're not allowed to have wealth accumulation, they don't own the property, they have a license, the permission from the state to work in property owned by the state and keep a little bit
of the money off of the top. Now what we're doing by normalizing that, is that we're normalizing that perverted system.

[34:56] You know, in lieu of the black market which is where they operated before. I wish Cuba was Costa Rica. I really do. But Cuba is not Costa Rica, and the fact is we already know what's going to happen if we lift sanctions. In 2000, when the Trade Sanctions Reform Act, it was said that when we start selling all these agricultural products to Cuba, that was going to change. It was going to bring this entrepreneurialism, et cetera.

[35:16] Since 2000, the United States has sold $4 billion worth of agriculture products to Cuba, for cash in advance thanks to good members of Congress that didn't want to get ripped off by Castro. That's been done by 250 American companies have sold over $4 billion.

[35:32] There's only been one Cuba counterpart. A company call All Import, owned by Fidel and Raul Castro. Where are the Cuban people? Article 18 of the Cuban constitution says all foreign trade in Cuba is the exclusive domain of the state. The Cuban people have absolutely no stake in that game. Until that changes, you change that, you're going to see entrepreneurialism in Cuba.

[35:52] It's not that we need to go teach them entrepreneurialism. It's not that we need spring breakers to go teach, you know, uh, people that spent 20 years in prison as political prisoners about democratic ideals. They can tell us a lot about the ideals that we take for granted. You know, go tell that to the hundreds of thousands of people buried in the Florida Straits. I get passionate, so I'm going to flip over to Orlando.

**Jodi:** [36:12] It's OK.

**Jon:** [36:13] Let me actually state, with the team of Orlando and Mauricio, and let me ask you a question. In the mid-1990s the US and Cuba agreed to what is known as the wet foot/dry foot policy, for Cubans seeking exile in the US.

[36:26] And under the policy Cubans interdicted at sea by the Coast Guard are returned to Cuba, those who manage to make it to the land, likely in Florida, are permitted to remain in the US.

[36:38] Why is the usefulness of that policy um, or how is that useful as a policy any more? And why should Cuban immigrants be granted this special immigration status right now? Please.

**Orlando:** [36:54] I can answer to the usefulness of that policy, that's a question to a US government. But I can tell you that there is a connection of wisdom in the Cuban people after all these, apparently engagement, because the Cuban government may be stepping back, depends on how they feel safe or not, or how they feel that this approach can imply a democratization, there will be a stepping back because it is their nature not to be democratized by democracy.

[37:18] But I can tell you there are record numbers of rafters, human trafficking through the Mexican border. Cuban Spaniards, those that obtain the passport because of the
historical memory law of Madrid, Spain, that are coming from Europe in record numbers too, eh to get the Cuban Adjustment Act.

[37:37] Adjustment of status before it disappear, or it's inabilitated, despite the statement of the US government, or despite whatever the Congress is saying. There is like a wisdom, and this is what I call the pedestrian [inaudible 37:58].

[37:50] In good economic condition in hopeful, full of hope condition, that this moment could imply for Cuba, we are still saying to the Castro, "No." We are economical immigrants, maybe, but I call that pedestrian [inaudible 38:10], as, as [inaudible 38:12] for me is political.

**Jon:** [38:04] Mauricio, do you want to weigh in on that particular question?

**Mauricio:** [38:07] The one fact that we've seen since the President's announcement on December 17, is that the number of Cubans that have been leaving by raft that have been risking their lives, that are contributed to the hundreds of thousands that have died, that is that tragic national cemetery, uh, that is the Florida Straits, of people seeking freedom, has increased dramatically.

[38:26] It's increased dramatically. So this whole concept of oh, there's this new hope in the Cuban people. Unfortunately it's a hope to emigrate. The saddest news that we have, there's a saying in Cuba, "What do you want to be for kids? What do you want to be when you grow up?"

[38:39] They want to be an emigrant. They want to leave the island. That's a tragic national reality. And, and, and what we need to do, and, and why do they want to come to the United States? Well, it goes to a fascinating point here. Everyone says, "Why go to Cuba, the Cuban people, they love Americans, they love us. They love Americans."

[38:57] Yes, because we've been on their side. Go to Eastern Europe today, Eastern Europeans love Americans, they join us in all our efforts throughout the world. Why? Because throughout the cold war there's a psychological reality, they perceived that we were on their side.

[39:12] Now change that dynamic, and embrace that totalitarian regime, and have that be the image of Americans, have the image of Americans be like these Canadian tourists that go down to these military resorts, to, to, you know, to engage in all kinds of nasty activities, or like these European, uh, tourists, that go down there.

[39:31] I have no disregard for dissidents, and for the Cuban people, and watch how quickly their perception of Americans change. They love Americans because the perception is that we've been on their side. And we need to remain on their side, and by embracing that regime, we're gonna have, do long term damage to that, in my opinion.

**Jon:** [39:47] I want to give an opportunity for our audience to ask our panelists some questions. And, uh, hopefully, uh, you have some well thought out questions. This gentleman right over here, at the bottom.
Oscar Gonzalez: [39:58] A question to the ladies, just have the mic.

Kurt: [40:01] Just a moment, the mic's going to come your way right now.

Jodi: [40:03] Could you say who you are?

Oscar: [off mic] [40:06].

Jon: [40:07] Wait until you have the microphone, sir.

Oscar: [off mic] [40:09].


Oscar: [40:13] Oscar Gonzalez, I'm actually a Cuban American. But I was surprised you said you've been to Cuba for the last 20 years, and I'm not sure if you've been but...

Julia: [40:21] Yes.

Oscar: [40:22] Interesting. In terms of policy changes and just some make it real what, how are the folks really gonna behave differently? And let me just for a lot of folks here who may not know, do you know what the CDR is? It's, there's like a person on every block who's watching everybody else, that is going to continue, so I don't see how that, the policy change is going to impact on that very real level of folks, uh, on the ground.

[40:52] So I think, uh, the debate is of have we lost Cuba? Yeah, the answer is yes. So I mean, I'm rambling, but I don't know if you want to address the real personal issue of how these folks, like this guy a couple years ago, you know, he got his ass handed to him because he spoke up, uh, over there.

[41:10] And how is, that's not changing right now. I mean, he, Mauricio mentioned a number of folks who are, are still being incarcerated and having lots of problems. So, I mean, how do you swear away...?

Jon: [41:22] Julia, why don't you take that?

Julia: [41:23] I hope that does change, but we are looking at a basic question of foreign policy. What is it that the United States has in its foreign policy toolbox? The...I will insist on telling you that over the years that I have been there, I have seen and been in many ways, um, able to see very close up exactly the kind of activity that you're describing.

[41:49] And I, we don't know, the answer is we don't know whether by removing the threat of the enemy that sort of thing will dissipate. But we need to try. We need to try to be positive participants there. Uh, Jon asked a question about, you know, why would the government start to get out of the way?

[42:12] Will it start to, um, be less intrusive, less oppressive of its citizens, and the answer is we don't know. But what I do know, is that already in the last few years when contact takes place, what you see is a space that's opening that the government actually
can't control. And, and you know, you ought to go, you ought to go and, and experience, and see it.

Oscar: [42:41] I was there two years ago, and I haven't been back because I was afraid to be welcomed back as a comrade, but long as they treat you OK. But the other point is, the state controls everything. I have a cousin, I have a cousin that was going to a coffee shop, and she didn't own whatever, getting taxed like 40 percent, or whatever little meager money she was making.

[43:07] So this entrepreneurial stuff, I mean in reality, I mean, maybe it's you guy's collateral damage if you're from the homeland, it just brings it home and you can't divorce the personal issue with policy. I mean, they're very, eh, connected to somebody like me.


Audience Member: [43:33] Yeah, I have a question I guess for everybody in the panel. Uh, it's being said that for the first time, uh, there's going to be a dialog, conversation with Cuba, that's simply not true.

[44:02] My question, uh, simply is for, uh, Julia, for example. What is the difference between the new policy that you applaud, that the President has announced, and the old policy that the Europeans, and the Canadians, and everybody else has had? The policy that the President wants is millions of tourists, the Canadians, the Europeans have sent millions of tourists to Cuba.

[44:30] The new policy of the President means that you have unrestricted trade and commerce. The European have that for more than 50 years. The President wants to have full diplomatic, full diplomatic relations with all the Europeans and so on. The President wants to look out, look the other way about terrorism, the Europeans don't say anything about terrorism.

[44:52] So, what is the difference between the new policy as announced by the President, and the old failed policy of engagement with Cuba? Now maybe there's another, maybe another policy will be needed, and what I would say is to condition everything. If Raul Castro wants to get some of the things that he just got, he ought to remove his troops from Venezuela.

[45:19] If Raul Castro wants to have better relations with the United States, Raul Castro should say no more Russian bases in Cuba. No more Russian spy ships in Cuba.

Jon: [45:30] Thank you, sir. So let me pick it up here. What about this idea, um, of getting more concessions from the Cuban government in terms of getting a, a further
examination of US diplomatic relations, um, with the United States?

Julia: [45:48] Look, just to remind the audience, the embargo is still in place. There is no legal basis for allowing American tourism a la Canada to the United States. The regulatory changes the executive branch have made have not eliminated the ban on trade and investment, can't without Congress. So, so let's be proportionate about what has happened.

[46:12] There is a little bit more of, um, we don't allow investment, we allow micro-finance and some remittances, and some people to people, and other broader travel, not tourism. We have that, uh, intersection that you're talking about, that might become an embassy soon.

[46:29] Most of its staff is sitting there to process visas for people that are coming here for the lottery every year of 20 to 25,000 people that come here, and to deal with the flow back and forth.

[46:42] But you can hardly say we have had a policy of engagement. Now, on this matter of, and, and one other quick point, with Vietnam we have I think now 23 to 25 different bilateral dialogs on all kinds of issues. We have one, or two, or three with Cuba at the moment. What foreign policy and diplomacy is, is connecting at the government level and obviously at the non-governmental level.

[47:06] On the concession issue, you know that concession argument has been used for the last 55 years. If we just keep the pressure on, we will get the Cuban regime to make these concessions. It hasn't happened once. We need to start a different tact, at this incredibly fluid moment in Cuban history, when we are three years away from to, from a post-Castro regime.

Jodi: [47:28] And toward that point, Julia makes a very good point that I don't think that folks understand how fluid things have been on the island, and Raul Castro has indicated he's going to retire. He's indicated that he was going to pass a new investment law. He indicated he was going to have a dialog with the United States.

[47:47] There've been certain issues that have been tackled in a different way. And toward that, the level of negotiations wasn't sufficient for the United States to have the dialog it needed to have. There's a dialog, this is a proximity issue. It's a neighborhood issue. There's environmental remediation talks occurring.

[48:11] There is search and rescue discussions that are underway. There is narco-trafficking discussions that are underway. The level that those are occurring at, those need to be elevated. This is shared space that we need to have a better set of discussions, why does the business community care? Because it's important that we have some means of environmental remediation should there be a spill?

[48:40] [crosstalk]

Jon: [48:40] Sir.
Audience Member: [off mic] [48:41] ...salary, that's why you care.


Jodi: [48:43] So, why do we care? The fact of the matter is there is an opportunity to do business with some of these incredible entrepreneurs. And although they may have been stifled for quite some time, I have been there, I have met with students, there's a spirit that's there that we can go in and for the first time.

[49:07] Again, the embargo is not lifted, this is simply allowing the opportunity for us to go work with some Cuban entrepreneurs who are not on the government payroll.

[49:18] And to be able to help do some training with them, as well as to look at opportunities for telecommunications build-out. And the World Wide Web for Cubans to actually come out with something here, this has been the first opening to do that.

Jon: [49:37] What about that, Mauricio?

Mauricio: [49:38] I'm kind of fascinating by this whole kind of minimizing of what the President's announcement is. Let's be clear, regardless of the fact that all trade with Cuba goes to these monopolies, and that the tourism goes to these militaries, the Chamber is lobbying for lifting all the embargo, and lifting all the travel.


Mauricio: [49:54] So let's not, let's not, let's, you know, despite all of that, despite the fact that they, that American business would not be able to hire Cubans directly, that it would have to be done through a state entity, and the Cuban government pockets over 92 percent of all of that.

[50:04] So let's, let's, let's minimize that, and, in context here, which I think is very important. Uh, but I think, first of all, who we're missing out of this whole picture, we're talking you know, environmental dialog, and counter narcotics, and all these things, the only people that are being left out of this dialog and Rosa Maria Paya, daughter of slain pro-democracy leader Oswaldo Paya, has already said it.

[50:27] This is a conversation among elites. It was 18 months of secret negotiations in Toronto and Ottawa, by the Castros and then Obama and his envoys. Where are the Cuban people? US law simply says, we will lift our sanctions and allow you know, unfettered trade, travel, et cetera with Cuba, on essentially three basic conditions.

[50:47] The unconditional release of all political prisoners, the liberalization of political parties, and the recognition of fundamental rights and independent press and labor unions. Now some people want to change that. Which of those conditions do you disagree with, that we want to essentially do away with that, in order to engage this monopolistic dictatorship? I think it's, it's a, it's a huge, it's a, it's a, it's a dangerous message to send to the Cuban people, we're picking the wrong side in this debate by doing that.
Orlando: Very briefly I think there is no wrong side in the, in this totalitarian is the characteristic of totalitarianism is there is no wrong or right side. There is no left or right, this is simply a monolithic system, you take it as it is, you have set the agenda that the totalitarians set, and you move forward, or you keep the stagnation.

In any case, the solution for my people it seems to be not the best. And yet, only to mention that during these two years of secret negotiations, the confidence building of the Cuban government, they didn't behave. They were smuggling weapons under tons of sugar through, in a ship, through the canal of Panama, risking how God knows how many lives.

There were of course, the rest of dissidents, the beating, and the message that no tolerance will be allowed over the system is not reformable.

This is in the public speech, and besides what I am worried also about is the humiliation that US administration can receive from the Cuban government, one example that Roberta Jacobson is in an elected position in the United States is to trade, and is to talk with former, eh, the Cuban diplomats that were expelled from United States because of they were spying in connection with spies that were in the like Maria Bellemonte, and others.

So I’m worried that the good efforts and the good will of the American people and the representatives of American people at some point could, eh, top, or no, could be, eh, humiliated, you know, by the nature of the government where there is no right or wrong side.

I reckon that stagnation might not be the solution. Opening to the Cuban government might not be the solution. So, that's why I feel skepticism in my people why having another vision, you know.

Jon: We have another question. Uh, yes. I'll give you my mic here. Yes. Thank you.

Audience Member: Um, my question is most relevant for Ms. Bond. How involved is the Chamber of Commerce with the, um, "casas particulares" initiative? I'm sorry. I was studying it for my, uh, research project but...

[laughter]
Jodi: [53:49] Oh, OK, you're doing your studies. So, uh...

Audience Member: [53:52] Bed and breakfast.

Jodi: [53:53] Yeah. We have not been involved specifically so...there hasn't been an opening for us to be involved.

Mauricio: [54:01] Could I address...? Let me address that because I think this is, this is really important. You know, one, one of the issues that we need to be very careful of, if we unilaterally lift all sanctions and allow everything to be funneled through Cuba's monopolies what we're allowing is the Castro regime, essentially, to parcel out, you know, the good.

[54:19] What, what's going to happen there tomorrow? And tomorrow we're going to see these Russian style mafias with these former Ministry of the Interior officials who are running all the key industries in Cuba. That's the last thing we want to do in that regards.

[54:31] Right now, a lot of these "paladares" that people talk about, the most famous "paladare" in Cuba, the most, that have the most resources, that are being built. Oh, these are private restaurants. Yeah, but guess what? They're owned by the son or the grandson of the Minister of the Interior, of General So-and-so, of Colonel So-and-so, et cetera.

[54:47] And then all, and then, and Raul, Raul Castro dines at some of these "paladares." You really think they're independently owned? No. They're owned by [inaudible 55:09] . A, a, a lot of them.

Julia: [54:55] OK.

Mauricio: [54:56] The, the, hey, hang on. The, the, they're, the palas-, the nicest "paladares," the ones that have all the resources, everybody knows, and Orlando, correct me if I'm wrong and I could be wrong. But the ones with most of the resources everybody knows is because you have a connection to the Ministry of the Interior, the MinFar, or someone in the regime in order to be able to have those fancy "paladares."

[55:15] There are people that are trying, in their homes, to put a counter and surviving and struggling. And guess what? They don't even own that. They don't even have that privilege. That's the disparity that we're, that, that the danger that we're going to be doing by unilaterally lifting, uh, sanctions and, and essentially giving that monopolistic decision making to just the regime.

Jon: [55:35] Julia, I'm going to give you an opportunity to respond. You wanted to, uh, get in there.

Julia: [55:41] I mean, [laughs] , the, the kind of sweeping global picture that Mauricio paints, in my experience, isn't the case but you asked the question about the "casas particulares." That's the bed and breakfast network that has been operating in a very nascent form in Cuba since the 1990s and has grown quite significantly since. In which people are allowed to rent out rooms to visitors or to other Cubans in their apartments and
homes and make money.

[56:15] Now, interestingly, when I first was, um, not when I was first in Cuba but while doing my dissertation research in Cuba my husband and my then 18 month old daughter and I did that. And we did it in Havana. And this was the time when Cubans had no tolerance whatsoever of the idea that the government would tax their income.

[56:38] Cuban, on the island, I found to be terribly libertarian. Maybe that's a good thing around here at the McCain Institute but, you know, highly allergic to the idea of taxes. So, the government has, um, gone sort of up and down in its taxation of these "casas particulares" to high tax, not enough tax, there, you know, and it's, it's, it's not an, even a functioning system but what we do see in Cuba are...

[57:04] You can look at this online and, and rent them out now and book them now is private families renting out their homes to people that are coming in from all over the world. And it's growing and growing and growing. And I think, uh, pretty soon, you know, we'll see Air B&amp;B on the island.

**Jon:** [57:19] Sir, you have a question. Right over here.

**David Kramer:** [57:22] David Kramer with the McCain Institute. I have a question about both timing and process. Uh, could you explain why, after all these years, last December suddenly became the time to do this?

[57:33] I've heard it was, Alan Gross actually delayed the change. I've heard Alan Gross's condition accelerated the change. I've heard after the midterm the president felt he could go ahead and do this.

[57:44] What was magic about December 17th that led to this change? And then, what about the process where, essentially, Congress was completely cut out of it? Thank you.

**Julia:** [57:56] Do you want me to take that?

**Jon:** [57:57] Sure. Why don't you start with this, Julia?

**Julia:** [58:00] Let's see. December 17th was Pope Francisco's birthday. I guess, given the Vatican's mediation on this one, the Cuban and the US government decided to give him a birthday present. I'm, I'm, I'm speculating.

**Audience Member:** [58:13] December 3rd is.

**Julia:** [58:14] Uh, well, but were you involved in, in, OK. So, there you go. Um. Sorry. It was also the first night of Hanukah and [inaudible 58:38] . Um, I, I don't know. I mean, uh, December, the date isn't the issue but the Alan Gross issue had, for some time, been quite vexing.

[58:35] In the first term, this is my understanding of the Obama administration, uh, the Obama administration attempted to, um, find some way to get the Cuban government to release Gross. Um, from my sense, making a bunch of unilateral demands and the Cuban government just waited it out until the Cuban government was able to put the Cuban Five
and then the Cuban Three onto the negotiating table.

[59:01] In the second term, when you have a president that's looking for a legacy and a region, Latin America, in which Cuba is, uh, sorry to use the expression, low hanging fruit in terms of the diplomatic upside of the Cuba move. The, the issue of, of growth, the issue of, of looking, realizing that there was a diplomatic framework and possible win for the administration, um, all came together in the second term as...

[59:27] And then there's another piece of it, which has to do with the politics in the country and the demographics and public opinion and the fact that, oh, Charlie Christ lost in the state of Florida, but he won the Cuban American vote.

[59:39] Cuban American opinion, public opinion, and also the, the second half of the second term, uh, plus the regional dynamics, I think, um, helped the stars to align.

**Mauricio:** [59:50] Um, I, I think there's two facts here that needs to be corrected. First of all, Charlie Christ did not win the Cuban American vote in Florida. If you look at...No, excuse me.

[59:56] There is, there is, you, you, you, there is, all right, oh, an exit poll that was taken and it said that they basically tied it. There since have been done, if you go precinct by precinct in Miami-Dade County, in the most Cuban American precincts Charlie Christ lost. And in some cases, he didn't even, he didn't even break 30, 35 percent.

[60:13] And, and, and Rick Scott himself will tell you today that the reason he is governor is because, because Charlie Christ used Cuba as an issue and because he got, he got it handed to him in the Cuban American community.

[60:24] That is a fact and the, and, and, and, and, and the facts are all in there. But I, I think what's, what's, what's, what's important here from a, from a, a, from a perspective in, in, in this regards is that, um, and also, what was, what was the original question?

**Julia:** [60:38] What was the question?

**Audience Member:** [60:39] Yeah, I've got to, I've got to [inaudible 01:00:56] . I was like...

**Jon:** [60:40] Let me reset. Let me reset.

**Julia:** [60:41] The question is, "Why now?"

**Jon:** [60:43] The question was, "Why, essentially, did the president pick the..."

[60:44] [crosstalk]

**Mauricio:** [60:45] I'm sorry. That was the other fact. I'm sorry. I'm sorry because I got so excited.

[60:48] So, the reason why they chose, the reason why they chose December 17th, with
all due respect to Bo Francisco. It had nothing to do with him. It was because the administration was waiting for Congress to leave town.

[60:56] As you recall, it was during the cromnibus and they were actually waiting until the Friday before to make the announcement. They, they didn't want the political blowback from Congress. They were having everything ready and then with the cromnibus and, and, and due to some, uh, poor, um, some maneuvering that got it through the weekend. And I'm sure Senator McCain, uh, recalls that weekend.

[61:13] Uh, after they waited until that was resolved on that Tuesday. Waited for Congress to leave town so they could do so and get as little political blowback as possible before the president got on a plane and went to Hawaii for his vacation.

[61:24] If you follow every Cuban announcement they've made in 2009, 2011, et cetera, they always do it on a Friday afternoon on the weekend of a holiday before they cut out of town in order to minimize political blowback. Anybody that's involved in, in government PR knows that that is a very, uh, uh, uh, uh, a mechanism they like to use.

[61:41] My apology for my laugh [inaudible 01:01:59].

Julia: [61:43] Except it was a Wednesday. December 17th was a Wednesday.

Mauricio: [61:46] That's right. They waited and Congress left town December, on, on Tuesday.

Julia: [61:49] I thought you said they announced it on a Friday.

Mauricio: [61:52] No. They were supposed to leave on a...


Mauricio: [61:53] That was when they were going to do it.


Mauricio: [61:56] That when they were going to do it and it moved forward.


Jon: [61:57] OK. Let's...

Jodi: [61:59] Let me go back to the timing issue.

Jon: [62:02] Be-, before we do that, why don't we...


Jon: [62:04] Why don't we take a question right here in the audience.

Jon: [62:06] Right here, this gentleman. Thank you. Right here. This gentleman in the middle. Sir, I was pointing at him. We'll get to you. We'll get to you. Don't worry.


Audience Member: [62:22] Thank you. Um, my question is for Jodi and for Julia and it regards, um, civil societies in Cuba. Um, do you know groups in civil society, such as the Ladies in White, even since the policy announcement in December they continue to be harassed by the regime?

[62:35] These are women whose husbands, whose brothers, whose sons are in jail for political reasons. What they do is on Sundays they go out and they walk and they march peacefully dressed in white. They've continued to be harassed, spat upon, arrested. This has continued, I mean, in January and, and in February.

[62:53] Um, my question is shouldn't the administration have attempted to at least obtain some sort of public commitment to leave the civil society groups to express themselves? That was not done. And what kind of message does that send to those women, to anybody else who's trying to stand up for, for freedom, for, for, for advancement towards democracy?

[63:13] Um, they, they're completely ignored. Um, that's it.

Jodi: [63:18] Let me just say that some of the recent events that have transpired didn't perfect the regime. They simply enabled the opportunity for us to engage. And they enabled the opportunity for the impediment, for the means of communication the Castro government was having with their own people that America was the reason for scarcity on the island. You removed that impediment.

[63:54] So we have had varying stories of what the human rights conditions are on the ground from our partners, from our allies, and those numbers come and go. I think that we have actually been given the opportunity to no longer be the excuse on the island for scarcity.

[64:19] And Julia, that's when I turn it to you.

Julia: [64:21] I would like to see American civil society connect to Cuban civil society. I frankly don't have a lot of faith in our two governments doing more than getting out of the way after 50 years of incredible skepticism and mutual distrust.

[64:34] You know, I understand your question, but on a human rights issue, what I would do is...is talk to you to about Amnesty International Human Rights Watch.

[64:43] Other organizations who have essentially come down on this issue and said, "The better part of valor is on the matter of rich and, and free civil society and, and a human rights context that we can be proud of. Engagement and advancing our own open society values through the front door and through connecting our two societies is the way
Jon: [65:10] Mauricio and Orlando, I would like to get your thoughts on this question.

Mauricio: [65:12] I'll go real quickly with this answer. [laughs] You have a Nobel Prize winner, Liu Xiaobo, who is in prison in China and essentially the world is silent in his regards. Why? We don't want to disrupt our business with China.

[65:25] When the Hong Kong students were on the street, you had the five big accounting firms put out ads in the newspapers in Hong Kong and China saying, "Hey, let's not support them. We stand on the side of the regime. We don't want to disrupt that, that business situation."

[65:36] Um, ah...I would love to be in a world, you know, if, if in fact, if, if I might be, I might be wrong in this. Please, I hope I am wrong, you know. If the Chamber of Commerce tomorrow is going to come out and then lobby for when those people are arrested in Cuba and advocate for their freedom. They are going to advocate for the freedom of the people in Venezuela and those things.

[65:55] If they're gonna...But if what the example is going to be the silence that we're facing today in Venezuela, silence that we're face in China. If that is the model that Cuban civil society or Cuban dissidents our Havels, our Walesas, our Suu Kyis, et cetera, our Mandelas, they've lost.

Orlando: [66:11] I know. Very simply we're pressuring Cuban's constitutional. The government does repress because it's repressive. It represses because it needs governance. In order to get an understanding with the United States, to get an engagement we need hostages. We need prisoners. You know, at some point, if we don't have enough political prisoners as it happened after 2010, we need to catch them and release.

[66:32] Like the 53 political prisoners that were released meant nothing in terms of politic advancement of political freedom in Cuba. That's simply implies that they were catch on purpose for minor crimes, common crimes most of the them cases, in order to release it to the press [inaudible 01:07:07] to give some opportunity for the "New York Times" to talk about, for the Chamber of Commerce, and to advance the engagement at the desired time.

[66:57] The same thing happened to Alan Gross. He's, he's on operation from the State Security right from the beginning. He traveled several times to Cuba. He could have been kicked out from the country as many Americans, but he was let to, to work there on purpose. My opinion, not only for this swap with the spies that has no importance for the Cuban regime, the spies mean nothing as any human beings mean nothing to them.

[67:19] But in order to make sure that engagement will not touch political fear, USAID is banned for the ages in Cuba. We can get engagement. We can swap credit cards in Cuba, but we will not talk about politics engagement or public institution like the USAID or any other NGOs to establish their agencies in Cuba to work.

[67:42] That's not possible because we have this sad experience of what happened to Alan
Gross and his, and his teeth and his sad family separated for years. On what happened then is that's the message after that point, Americans are not allowed anymore to do pro-democracy activities in Cuba.

[67:58] So, this is part of the agenda and the agenda is, um, respect it from, from both sides, USA and Cuba.

**Jon**: [68:07] We have a question from this young lady right here in the front.

**Audience Member**: [68:12] So really quickly, actually Brazil for the first time condemned Venezuela...

**Jodi**: [68:15] Yes, they did.

**Audience Member**: [68:17] ...which is very new for them because they have never spoken out. Which you know, correlation does not mean causation, but perhaps the Cuban policy opening had something to do with that. I don't know.

[68:28] Um, my question is, you know, what do you make of the fact that a, gentlemen, what do you make of the fact, you know, that 188 countries in, you know, voting in the UN have voted against this policy, at least definitely this year? But for the past 22 years, how do you, you know, if the United States is trying to be a global player, if they're trying to work in a globalized world, what do you make of the fact that we are an island on this issue? Or is that OK?

**Mauricio**: [68:54] And by the 188, you are referring to the UN?

**Audience Member**: [68:56] Yes.

**Mauricio**: [68:57] Well...

**Audience Member**: [68:58] Israel is the only one that votes with us every year.

**Mauricio**: [68:59] Yes, well, a similar amount of countries voted to include Venezuela's repressive regime in the UN Security Council. So at the end of the day, they make bad decisions. As many countries condemn Israel all the time, so those many number of countries in the UN make, make, make lots of mistakes in their policies in that regards.

[69:16] But that's why we don't lead from behind. We don't lead in the sense in the way that I view the United States. We don't lead in the sense of what the rest of the world's doing. We've seen what, as the gentleman mentioned, what Europe has done in Cuba. What Canada has done in Cuba, ah, ah, what other Latin American countries have done in Cuba.

[69:30] In other words, do nothing to help the Cuban people, but only help the regime. And that's not what we should be doing. That's not what we do. At the end of the day, we are the world's leader. We lead by example. As I said before, Cubans love Americans for a reason because they perceived we've been on their side, you know. That's the reality. Don't change that.
You know, and actually my 15 seconds. Look there is, there is, there is really a, a famous example here during, during the Cold War, you know. You had Coke and Pepsi, you know. Pepsi did business with the Soviet Union since the '70s. They were cutting deals with the Soviet Union since the late '60s and '70s, trying to get in. "Hey, I want to get in there first."

Coca Cola, I like to attribute that to the fact that the Cuban American chairman at the time...

Mauricio: [70:11] ...said, Roberto Goizueta, did not, did not want to. In 1989, when the Berlin Wall fell and when business in Eastern Europe began, then Coca Cola went in there. And guess what? In less than a year, Coca Cola sales just skyrocketed past and then at the end when the Soviet Union crumbled, skyrocketed past Pepsi Cola. Pepsi Cola has never even gotten anywhere near.

Why? Because Eastern Europeans and Russia at the time equated Coca Cola with freedom. Getting your foot in there in the '60s and '70s, cutting deals with these guys, it sends the wrong message. Actually, you're going to send a rejected message from the Cuban people and the proof has been in the pudding is what we see in Eastern Europe. This is the case study, which I think Harvard should do a business [inaudible 01:11:13] of that.

Jodi: [70:59] My god, everyday, Pepsi and Coca Cola want us to pick between them.

Jodi: [71:03] You know the fact of the matter is we have three million member companies. That's a lot of cats to herd and over the past several years have had a lot of members of the Cuban American business community calling us in the South Florida area.

You know, I have not had a single business who has been in favor of the embargo that's called us, and mainly because of the leadership position. It puts our companies leading from behind. I would actually argue that this was leadership in making a decision because things were getting stale. And the Soviet way of being had not introduced some new thoughts into Cuban society.

I think that there's a lot of intellectual capital that could be tapped into among the Cuban people. And the excuse that's been used by the Cuban regime to oppress its own people has been the fact that the embargoes been in place. So, you mention that Brazil
weighed in, on Tuesday they did.

[72:22] You know, Venezuela is a friend, an ally, and a trading partner with Brazil. But on Tuesday, the foreign ministry Itamaraty, weighed in that the actions of Maduro were wrong. I think that we're at a moment in time where we needed to introduce some new thinking.

[72:44] And I think that our businesses believe that if there's an opportunity to train people, entrepreneurs, to use the intellectual capital that still we believe is available on the ground in Cuba, that will go a long way to help the Cuban people.

**Jon:** [73:04] This gentleman right...

**Julia:** [73:05] Can I have...?

[73:06] [crosstalk]

**Mauricio:** [73:07] ...really important.

**Jon:** [73:07] Let me, let me just go to another question, OK? Please, because you can go back and forth all day on this, absolutely.

[73:12] [laughter]

**Jon:** [73:14] Right here, this gentleman?

**Brad Denny:** [73:19] Hi, my name is Brad Denny, I'm a student studying abroad this semester, and my question is to Mr. Carone and Mr. Lazo. Besides normalizing relations with Cuba, what other tools does the United States have to hasten the fall of the regime of Fidel Castro, and also, does it benefit the United States to isolate ourselves from certain Latin American countries who are opposed to our embargo of Cuba?

**Orlando:** [73:45] There is a law in the United States to help, eh, democracy, and freedom, and economy, and free markets, and chambers of commerce in Cuba, millions, and billions, and billions and investments and sugar cane mills to restore the industry, that would restore. That is in the law, it is stipulated by the law.

[74:02] The only that the law has some points that claim, very briefly point, that the president can go to the Congress and say, "OK, we can lift it, banish the embargo," because as Julia has been mentioned here, the embargo is in place still.

[74:16] That law is called Liberty Act and Democracy, all these laws stipulate that only when the government makes the masquerade of a democratic system, the masquerade in a way, trying to create like a maybe a false position in the national parliament.

[74:28] The President can come to the Congress and say, "Today is December 20, and this is it, all travel restriction, all economic sanctions, you can go and invest freely." But that hasn't happened, it's in the law. So that's the mechanism. The other mechanism would be physical pressure. And nobody is talking about that in this point, no?
[74:46] So there is stipulated in the law, is there, only that the President, what is happening somehow, I'm not especially against this measure, is that he is saying, "No, we don't need to wait for those democratic session to happen in the current people because they will never happen. They are not civil actors in Cuba. We need to trade with the bad guys for a while." Maybe for the because I trust in the freedom in America, in the near future, in the long future, in the next 50 or 25 years, the things will most more democratic.

[75:17] And also there is a distrust in democracy with Cubans during 59 year where Democrats, and somehow there is the perception, an international perception, that our democracy, that many Latin American democracy was a fake, and we were corrupt. We were not enough, eh, democratic as this great nation. So there is also a little racism, because Cubans have this belief of being dictator, a strong man, Machado, Bautista, and Fidel Castro.


Julia: [75:48] Well, um, I wanted to hear Mauricio's response to the gentleman's question, but what I was asking to jump in on earlier, just had to do with something Orlando said previously. You know, actually quite pointedly the talks that took place in December, excuse me, last, since December, were very clearly from the US side, insistent on continuing the democracy promotion programs.

[76:17] The United States has not said that it's going to stop those programs, even though those were the programs under which Allen Gross was there. In fact it's said that it intends to continue them.

Orlando: [76:27] I recognize that they would not never say that, they would just stop it. They will not say it.

Mauricio: [76:32] That's because it's written in law.

Julia: [76:33] Well, they haven't stopped, I mean they haven't stopped. The RFPs are there, they're quite active.

[76:38] [crosstalk]

Mauricio: [76:38] That was mandated by law.

Orlando: [76:39] Then we, sorry, then we need more transparency. We need to know which are the actors within that helping Cuba...

Julia: [76:43] Oh, I agree with you.

Orlando: [76:45] ...and if they are going to be put in jail or not, if they are, if they are [inaudible 01:17:07] not of the Americans. We will need a normalization of the pro-democracy help in Cuba, and of the funds. The millions that could be put into Cuba to promote democracy, not to create social unrest, but to promote democracy. And what the Cuban government is doing is like taking is eh, a very simple way of sending text
message as a subversive weapon.

[77:10] So in my opinion ultimately what will happen is that USA idea, and all the organizations that we know very well here in Washington, DC, except those NGOs like the Center for Democracy in America that work with a pro-Castro agenda, they will keep their work, but others would be eventually prevented. Although the President...

**Julia:** [77:29] So, the program...

**Jon:** [77:30] Julia, at this point...

**Julia:** [77:31] Sorry.

**Jon:** [77:33] I'm going to give you an opportunity to talk right now. It's an opportunity for each of our panelist to sort of give a policy prescription going forward, now that this executive action has been made by the president. What in your view should be done going forward, and I'll start with you, Julia, I'm going to go all the way down.

**Julia:** [77:51] Oh, I'd like to have the last word.

[77:52] [laughter]

**Jon:** [77:55] You get the first word, go ahead Julia.

[77:57] [laughter]

**Julia:** [77:58] You've got to try.

**Jon:** [77:59] Ladies first.

**Julia:** [78:01] Well, I believe strongly that the approach that has been started needs to continue. It is going to be slow going. I don't know if we'll have flags raised over the embassies by the time of the Summit of the Americas, but the process needs to continue.

[78:18] We need to very quickly put together a number of bilateral, this is going to sound wonky, but a number of bilateral working groups so that the agencies, and the executive branches of both governments can start talking to one another, and figuring out how they're going to connect on human trafficking, on drug trafficking, not just bilaterally, but in the Caribbean Basin as a whole, on environmental issues, on managing the flow of people back and forth.

[78:50] The whole range of issues that countries deal with one another, all of that needs to get launched, and it needs to continue. And beyond that I would a say there is a role for Congress. We didn't, I didn't answer your question about Congress, but here I would say, I think we can guess why it was that this was ruled out without, uh, congressional consultation.

[79:09] But now going forward there are three pieces of legislation, there may be more, that are going to if not they will address pieces of the deeper, the deeper puzzle which has to do with lifting the travel ban, with a telecommunications bill, with, um, uh, repealing if
not all of Helms-Burton, certainly big chunks of the, the fundamentals of the embargo. And that's a debate that's going to happen in the United States as a whole, and in the US Congress.

And that's why, um, to the question of transparency, you know, more and more Americans ought to go to Cuba, and they ought to come back and participate in that debate, and that's what I think ought to continue over the next however long it takes.


 Jodi: [79:54] Sure, absolutely, thank you. Um, I think the basics of it are this. The United, the US Chamber of Commerce has been against the sanctions, against the embargo for quite some time. And in this case, we believe that the failed policy of over half a century needed the chance to be re-looked at. Why? We've built up this dense network of countries that we're trading with in this hemisphere, and that have done very well economically because of their relationship with the United States.

But there's this glaring exception, and it's just 90 miles off our shore. Geography. We need to be looking at doing something different when the former policy didn't work. And the fact of the matter is on principle, what guides our vision is that free enterprise, the first word being free, has the opportunity to transform societies when we have the ability to engage.

Up until now, we have been unable to actually train entrepreneurs, work with entrepreneurs on the island, or act as ambassadors of the United States for change among the Cuban people. And that's what this opening entails.


 Mauricio: [81:42] At the 2001 Quebec Summit, the Summit of the Americas process, it was agreed to by 34 out of 35 countries in the Western Hemisphere that democracy was a key to this, to the summit process. It was a key condition to the summit process.

The Obama administration has now decided that we're going to break that 2001 commitment to democracy by now allowing Cuba, a sole dictatorship, the sole hold out, into this summit process and to break that key commitment to democracy.

Once you break that spigot open, I'm not sure we're going to be able to close it again. I think that's a huge disservice to our hemispheric policy overall. If the goal here of, of, of the chamber and others is essentially to train and to educate uh Cubans, and Cuban entrepreneurs as we've heard over and over again, that's great.

And there's nothing in the law that has frankly ever prohibited that. So we're having kind of a, another conversation.

Now, if the goal is what people are advocating for, which is to allow US businesses to go in there under the rules of the game, of the Castro regime, which is as minority partners of the Castro regime, which is of having the Castro regime have to hire
Not allowing them to freely who they want in violation of every international labor organization convention. Of keeping 92 percent of every, of every dollar that they, that they pay in those investments.

If the conditions are those conditions that violate all international courts, that's what we're seeking, then obviously I'm against that. What we're seeking, what we're seeking, is frankly what has worked, and what has lead democratic transitions everywhere else in the world. Support the game changers.

Support those aggregates, and I know I sound like a broken record here, but they're my heroes. The Havels, the Walesas, the Mandelas, the Suu Kyis, those are game changes.

None of those, they were a poet, a labor leader, you know, a political activist, et cetera. None of them were, you know, working in a [foreign word] which is kind of a small stand, or an entrepreneur, or anything of the sort.

That's just a fact. You know, so let's support the game changers, the future leaders. US policy has essentially said this. We're going to hold the billions and billions of dollars that entails trade, investment, and tourism, and we're going to save it for the Cuban people.

What we're advocating now by prematurely lifting that, is to say we're going to have those billions, that trust, we're going to hand it over to the monopolies of the Castro brothers. I have never known in history or in business, or anywhere else, where a monopoly is broken by doing more business with the monopoly. If so, this would be the United States of Rockefeller. Unfortunately, there is no anti-trust laws in Cuba.

You don't break a monopoly by doing more business, you don't break a mafia by doing more business with it. Unfortunately you need to have certain, uh, uh, consequences in that regards. So let's support the good guys. Stand by them, and not reward their oppressors. That's the way forward, and history has proven that.

Jon: Thank you, and Orlando.

Orlando: And very briefly, I think yeah, in fact free markets need free people, to, to, it's not possible to other way, any way. If investment in Cuba is not considered interference, and there are many good will American into this move, then why, what I am requesting, or it's like, uh, make it political also, political inference of the Cuban government, call it, should not be criminalized, should not be considered interference.

That this, the diffusion, the spread of the freedom of thought and freedom of what, eh, a society like the United States is in, within Cuba is important for us.

It's not only important for us to know what, what the Coca-Cola tastes like or, eh, about the, the new jobs that could be created in Cuba with investment, but also something that has to do with moral values. The, the perception that it's a totalitarian system, that it's
a system that has one fifth of its population elsewhere.

[85:48] Eh, uh, it's not a normal system. And so, normal, the normalization with this abnormal system can move, maybe it is strategically to move forward now. I could be working in either scenario, but keeping in mind that the purpose is political. We want the political change in Cuba, not an economical change in Cuba, because we don't want solvency. We want a, a society where Cubans doesn't need to, to migrate generation after generation.

**Jon:** [86:14] Thank you, Orlando. Thank you all for, uh, coming out. It was bad weather this morning. It ended up being a nice day after all. Uh, it's an informative debate, as all debates are here at the McCain Institute.

[86:23] Thank you to Ambassador Volker. Thank you to Senator McCain who's, who, uh, managed to make it over here. Thank you for your service to our country. And, uh, again, thanks a lot for showing up for this, uh, very informative debate. Have a good evening.

[86:36] [applause]

**Kurt:** [86:39] Thank you very much and let me ask you if you would give one more round of applause. Thank you to each of our debaters. This is the most educated, informative, thoughtful debate about Cuba policy that I think I've heard.

[86:52] And I think that we've all been treated to something very rare. And also, thank you to Jon Decker who did a great job moderating.

**Jodi:** [86:58] Thanks, Jon.

[86:59] [applause]

**Kurt:** [87:06] Thank you, and follow us at McCainInstitute.org.

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