U.S.-CUBA NORMALIZATION: ENTERING A NEW, CHALLENGING PHASE

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President Obama’s visit to Cuba last month and President Castro’s report to the 7th Communist Party Congress were the capstones to the government-to-government phase of U.S.-Cuba normalization, set in train by the 17 December 2014 announcements the two presidents made in Washington and Havana. Their recent speeches largely hewed to two politically comfortable lines: Obama clarified that his policy is to encourage change in Cuba by other means, and Castro clarified that his policy was to preserve the Cuban revolution by other means.

- Stressing themes that have kept the two countries apart, the presidents seemed to be trying to tamp down expectations of new breakthroughs in the relationship. Indeed, although to different degrees, they flagged skepticism of each other’s intentions. The speeches may portend a downshifting in the normalization process, but their rhetoric did not obscure that both governments can—and probably will—continue to do more to promote closer ties.

Both Presidents have moved government-to-government relations closer to normal than ever before. The opening of embassies, creation of a binational commission to coordinate contacts, exchanges of ministerial visits, increased cooperation in security matters (including military-to-military), Obama’s visit to Cuba, and their face-to-face meetings have been historic steps. For the first time ever, the two countries have open diplomatic channels based, at least in principle, on mutual respect and interests. Both have put up strong, talented teams to manage the relationship.

The areas in which both governments can do more to facilitate broader, more normal relations and to accelerate progress are well known.

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A number of U.S. policies and legal restrictions on non-governmental engagement—including some that legal experts say are still within the President’s purview to change—continue to limit the pace and scope of normalization. Trade and investment are still strictly circumscribed. The President’s appeals to the Cuban people to take charge of their own future—by implication, to the exclusion of the current government and the ruling party—and the Administration’s continued emphasis on “democracy promotion” programs are fueling anxieties in key sectors on the island that his outreach to Cuba is the old Cold War-era regime-change policy by a new means, which is slowing trust-building in the normalization process.

Orthodox currents within Cuba’s political system, the country’s antiquated regulatory framework, inflexible institutions, and deteriorated physical infrastructure also limit progress. The continuing use of multiple currencies; government monopoly in hiring workers; the lack of robust financial institutions; and shortfalls in basic services are all problems that, when compounded by U.S. regulatory hassles, have tempered U.S. businesses’ enthusiasm to trade and invest. Last month’s Party Congress fell short of bold new policies and, while using important, new language (such as favorable references to small and medium-sized private enterprise), mostly reaffirmed commitment to previously planned reforms without timelines.

After the dramatic bilateral changes of the past 16 months, the pace of the government-to-government phase of normalization is winding down, but non-governmental players eager to build on and expand mutual interests can (and will) press for the political space for doing so themselves. Successes in people-to-people relations, business dealings, and other interactions appear the most likely path to building trust, maximizing mutual benefit, driving regulatory and legislative change, and propelling the relationship into the future.

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Presidents Obama and Castro both clearly want normalization to be “irreversible,” but neither has abandoned the strategic objectives that have kept the two countries apart over the years. As Obama said repeatedly while in Havana, he wants to see a Cuba that hews more to U.S. interpretations of democracy, and Raúl Castro clearly wants to see a Cuba with significant
change but within its current political system—and a United States that stops breathing down Cuba’s neck to adapt its political system to Washington’s values.

- Obama and Castro leave office in a year and two years, respectively, and the prospects for bilateral ties are not entirely clear beyond their terms. Much of the progress is “reversible” in theory. Obama changed policies and implemented executive actions within an unchanged legislative framework. His successor could, in principle, undo many of the actions. The formal embassies almost certainly will not be downgraded to “Interests Sections” again, but the level of representation may suffer. The U.S. Senate has shown a penchant for failing to confirm ambassadors when even one or two members are unhappy with policy, as is almost certain in gridlocked Washington.

With President Obama’s visit to Havana serving as the crown jewel of governmental rapprochement, an increasingly important guarantee of “irreversibility” from this point on will be robust, broad non-governmental interaction based on the two countries’ strategic interests. But even that is not assured. The two governments are allowing broader non-governmental collaboration, but a lot of work remains to make those relationships “normal.”

- Several rounds of changes in U.S. regulations, including a package announced just before the President’s trip, have significantly loosened embargo implementation, opening the doors to increased travel, augmenting business opportunities, and consolidating the Administration’s new direction in the bilateral relationship. The laws comprising the U.S. embargo remain in place, however, and the Administration already appears nervous about political and, potentially, legal challenges to its regulatory adjustments. It is understandably unenthusiastic about implementing more. This predicament has created a mishmash of policies that, for example, allow imports from a Cuban private sector that totally lacks the means to export, and blocks imports from state enterprises eager to trade.
- Cuba has reciprocated most of the U.S. gestures and, within its economic and institutional constraints, opened the door to an array of new contacts. U.S. business delegations
report that Cuban negotiators are eager to make deals—several important ones have been signed—but that gaps and rigidities in Cuba’s laws and regulations hinder many mutually beneficial schemes.

Understanding Change

The continued underlying assumption of U.S. policy—that Cuba needs U.S. pressure to change—is not supported by the historical record. A chronology of the experimentation and change in Cuba shows that the country today is significantly different from the past in both economic and political terms, and, although falling short of many people’s expectations, is headed toward a sort of openness that is conducive to further change. The processes of change predate normalization and are driven by internal leadership and debate over how to overcome fundamental weaknesses in the Cuban economic order. Continued change will inevitably result from the country’s grappling with those needs, and there is little ground for supposing that this trend will be responsive to U.S. pressure or even the inducement of prospective benefits that normalization might entail.

- Most observers agree that debate and dialogue “within the revolution”—that is, within approved organizations—are more robust and inclusive than ever before. Cuban official media remain overwhelmingly rigid, but academics and journalists in a handful of government-approved and -tolerated organizations have steadily growing influence. (That is not to say, of course, that academics with a penchant for challenging analysis and policy prescriptions as well as extensive international projection don’t get slapped back, as recently happened to a University of Havana professor.)

- Non-governmental information vehicles, most notably el paquete (TV and movie programing widely circulated by hard drive and thumbdrives) represent a great expansion of the flow of information and ideas through Cuban society that, while not officially sanctioned, is generally accepted. The government has not even tried to shut it down.

- Government opponents, including bloggers who receive significant political and financial support from external sources, face clear pressures but, by most accounts, have more operating space than ever before. Jockeying for attention in the run-up to Obama’s visit, activists escalated protests considerably—and the government did not hesitate to suppress
them—but detentions were brief and harassment was low-key compared to the past. Cuba’s human rights performance remains poor and acceptance of the legitimacy of non-party voices seems far off, but critics’ contention that U.S. pressure will accelerate liberalization lack evidence. In fact, in the past it has been counterproductive.

In the economic realm, although state control over the economy remains pervasive (and counterproductive to efficiency), most observers note that ordinary citizens now have more space to resolve economic needs. Times are no doubt tough, especially for citizens dependent on meager state salaries and pensions, and the ration book of subsidized foods is growing stingier. But a half-million Cubans are now self-employed, providing goods and services to a growing number of individuals. During the congress, party leaders acknowledged the significance of these cuentapropistas’ contribution to the economy.

The pace of change in Cuba, despite certain-to-increase anxieties among officials, is going to accelerate. Cuban officials mince no words when they argue that the country needs to drastically increase production, even if they are significantly less clear on how and how fast to reform the economy.

There is no evidence to doubt that Raúl Castro will fulfill his commitment to step down as President and party head in February 2018—an event that Cubans readily agree has deep implications even if, as some speculate, he remains as First Secretary of the Communist Party, a post to which he was just reelected for another five-year term. After 55 years in which institutions have been configured around the vision, discipline, and personal adjudication of two brothers, new leadership and management systems entailing greater dialogue and give-and-take will emerge regardless of U.S. policy. “Revitalization” of the National Assembly, which is scheduled to move from the Havana suburbs back into the Capitol building downtown, could bring subtle but important shifts in Havana policymaking.

Change will continue to be controlled. Raúl did not use the Party Congress to showcase major new reforms and introduce processes and personnel upon which he is going to

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2 The U.S. Intelligence Community says that it expects the “presidential transition” to proceed in 2018. Briefing the U.S. Congress in February, Director of National Intelligence James Clapper predicted that “Cuban leaders will remain focused on preserving political control as they prepare for a probable presidential transition in 2018.” He added that “economic reforms to reduce the state role in the economy and promote private economic activity will continue at a slow pace.”
entrust his legacy of controlled change. His speech about forever rejecting capitalism and multi-party democracy and the re-election of 85-year-old Vice President Machado Ventura as Second Secretary of the Party were meant to assuage anxieties of conservative factions reluctant to give up their familiar, if failed, models. They were sops to the aging right as the country inches each day to its biologically imposed transition, as Fidel Castro made explicit in his closing remarks to the Congress.

➢ As Raúl pursues his policy of revolution by other means, several objectives remain central. Nationalism—including Cuba’s brand of anti-imperialism—some form of rough egalitarianism and a durable social safety net appear to be key elements. What the President is struggling to do is figure out how to keep new elements that Cuba needs to grow the economy, such as private enterprise and foreign direct investment, from crowding out those core tenets of the revolution. Events of recent years suggest that Castro and the Party can tolerate contradictions between those new factors and their rhetoric, but allowing them to threaten control is not on the agenda.

Shifting Emphasis from Ideology …

President Obama’s rhetoric about democratic change in Cuba, which Washington political analysts say is intended to blunt attacks from critics in Congress, probably does not help the normalization process: it animates official Cuban recalcitrance toward change while offering scant prospects of changing any Congressional votes on matters such as the persistence of the embargo. What is needed to move the needle in Washington is not gestures from Havana but political gumption from U.S. legislators.

➢ Obama’s homilies to the “Cuban people” about democracy and human rights are consistent with U.S. ideals, even if they obscure other important U.S. interests in the bilateral relationship. A recent regulatory provision partially restoring U.S. citizens’ right to travel to Cuba, for example, was billed as intending to “promote the Cuban people’s independence from Cuban authorities.” He has said that Cuba’s future is for the “Cuban people”—implicitly not the government, military, or party—to decide, and he has been equally clear on what he wants that decision to be.
The Cuban government rises to the bait. After the visit, *Granma* published an angry critique of Obama’s speeches by Fidel Castro entitled “Brother Obama,” and Foreign Minister Bruno Rodriguez, an architect of the rapprochement, called Obama’s visit “an attack on the foundation of our history, our culture, and our symbols.” More than just rhetoric, the party has used Obama’s approach to rationalize a go-slow approach on opening to normalization opportunities and on reform in general. In his speech to the party congress, Raúl Castro called Washington’s efforts to drive political change in Cuba “a perverse strategy of political-ideological subversion against the very essence of the revolution and Cuban culture, history, and values.” He said, “We are neither naive nor ignorant of the desires of powerful external forces that are betting on what they call the ‘empowerment’ of non-state forms of management as a way of generating agents of change in hopes of ending the revolution and socialism in Cuba by other means.” Castro said that U.S. officials recognize the failure of past policy toward Cuba but “do not hide that the goals remain the same and only the means are being modified.”

In short, both governments’ ideologically driven rhetoric risks slowing the normalization process. Capitalizing on Obama’s policies, Cuban skeptics of normalization—arguing that the offer of better relations is a trap—have gained the ideological upper hand at least for the short term. For a party that has always approached change with extreme caution, such concerns may not sap important leadership energy, but they waste valuable time. The internal drivers of change probably will remain strong, and most likely will prevail, but each day of delay in making essential reforms has political costs.

Certain ongoing U.S. policies and programs are irritants that further undermine Cuban confidence that Washington has truly put the Cold War behind it. The U.S. “democracy promotion” initiatives directed at Cuba are particularly aggressive and well-funded. They have cost more than $250 million since the George W. Bush Administration, which called them “regime-change programs,” ramped up funding.

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3 There is debate in Washington over whether discussion of these policies is too one-sided, i.e., whether altering them constitutes concessions for which Cuba should reciprocate. As Obama has adjusted controls on trade and travel, for example, it is common to hear criticism among a small number in Congress based on the challenging question, “What have the Cubans done for us?” While Havana surely could do more to promote normal relations, this section deals with active measures that are deliberate U.S. irritants that keep the bilateral relationship off balance.

The Obama Administration signaled the importance it gives to continuing these programs by announcing an initiative just days after the President’s visit to Havana to train “independent” individuals in a “set of leadership tools and skills to manage and grow civil society organizations that will actively support democratic principles in Cuba.” The program is designed to appear like an authentic people-to-people contact, although there are no provisions for the sort of transparent selection processes, local consultation, and public accountability that make real people-to-people programs successful elsewhere around the world. (All participants are subject to State Department approval.) As conducted, the programs taint participants and give ready excuses for the Cuban government to oppose them and for recalcitrant factions within the Cuban regime to oppose normalization altogether.

If the Administration is serious about creating a normal bilateral relationship and helping the Cuban people, redirecting its formidable cash resources toward less politicized programs as the U.S. government does in other countries, with open doors and greater inclusiveness, would probably be less counterproductive. A robust Fulbright Program, with inputs by both governments on candidate selection, can operate with fewer political objectives and filters. True U.S. NGOs dealing directly and openly with Cuban counterparts in areas of mutual interest, such as education and health care, are better positioned to assess needs and interests than are bureaucrats and contractors, and their non-political agenda will be much easier for Cubans to embrace. If the U.S. government feels it needs to spend money, there is no shortage of credible NGOs that could use the assistance productively.

Washington’s immigration policy toward Cuba is another non-normal aspect of the relationship.

Consecutive Administrations’ implementation of the Cuban Adjustment Act (CAA), including the famous “dry-foot” policy welcoming any Cuban who enters the United States overland or by air, brings tens of thousands of undocumented Cubans into the United States each year. This creates a drain on U.S. community resources and on Cuban
human capital at a time that the country and possible foreign partners need it. Tales of family separation, abuse by rapacious alien-smugglers, difficult resettlement in Miami, and other challenges are frequent.

- The President has not used the authorities that the CAA gives him to adjust implementation of the law, nor has the Administration worked to reduce the illegal flow by expanding legal channels. If the Administration is convinced that the current level of immigrant visas (a minimum of 20,000 per year) issued by the U.S. Embassy in Havana is insufficient to meet demand, it might consider seeking a doubling of the number. Such an effort would probably win support among some in Congress, and—combined with an end to dry-foot policies—would reduce the incentives for Cubans to turn to illegal, dangerous ways of reaching the United States.

Another anomaly is that the Helms-Burton law states that the U.S. government shall oppose Cuban membership in and access to the funds of the international monetary institutions.

- This puts the United States at odds with one of its own stated objectives—supporting economic reform in Cuba. Cuban unification of its currencies, for example, is made far more difficult by its inability to draw on assistance from the International Monetary Fund. Some legal experts have determined, however, that the statement that President Bill Clinton made when signing the law in 1996—construing this and other provisions to be “precatory”6—indicates that he and his successors could attempt to lift U.S. objections if the U.S. national interest required. The banks would still face U.S. dollar-for-dollar retaliation if they lent to Cuba, but U.S. opposition would not be a foregone conclusion.

- Havana has not shown strong interest in membership in the IMF, World Bank, and Inter-American Development Bank, its most obvious partners for major reforms such as currency unification, but its outreach to experts in them indicates interest in at least

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5 Analyses of Cuban migration over the years have shown that the “pull factors”—especially the benefits of the CAA as implemented—and the “push factors” of Cuban political or economic conditions are both powerful determinants of migrant flow.

6 Upon signing the “Libertad Act” on March 12, 1996, Clinton said: “Consistent with the Constitution, I interpret the Act as not derogating from the President's authority to conduct foreign policy. A number of provisions—sections 104(a), 109(b), 113, 201, 202(e), and 202(f)—could be read to state the foreign policy of the United States, or would direct that particular diplomatic initiatives or other courses of action be taken with respect to foreign countries or governments. While I support the underlying intent of these sections, the President's constitutional authority over foreign policy necessarily entails discretion over these matters. Accordingly, I will construe these provisions to be precatory.”
preparing for accession to them. It has engaged with the CAF (Corporación Andina de Fomento), a regional bank founded in 1970, owned by 17 countries, and headquartered in Caracas, but that organization’s funds and loan mix are not well matched to Cuba’s needs.

Radio and TV Martí have never achieved a significant following in Cuba, but they have irritated the Cuban government since their launching in 1985 and 1990, respectively.

- Costing the United States about $27 million a year, they are “surrogate” stations that are not required to meet the standards of the Voice of America (VOA) and operate practically independently of the U.S. government. Many Cubans are offended that these stations are named after their national hero, José Martí. The stations’ presence in Miami, with the bulk of their 116 employees, and weak oversight from Washington have repeatedly fueled concerns about their objectivity and management practices.

- A number of ways to improve Radio and TV Martí have been proposed over the years, but their political defenders have successfully blocked each. Support for legislation to zero out the stations’ budgets entirely has been weak, but the Administration could easily give a push to other reforms—such as moving them back to Washington and putting them under VOA standards and supervision—that would make them more relevant and less gratuitously irritating to the bilateral relationship.

Returning Guantanamo Naval Station to Cuban sovereignty, as Washington would do if relations were truly normal, entails a number of complications beyond the U.S.-Cuba relationship, but failure to do so is another thorn in the side that the U.S. government could at least talk privately about removing in the future. The turnover of the canal and U.S. military bases in Panama in 1999—26 years after the Kennedy Administration agreed to adjustments to “lesser measures” in implementation of the Canal Treaties—demonstrates that persistence can prevail even in the face of nationalist demagogy.

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7 Numerous studies have found that the transmissions have few listeners and no viewers. The stations’ metrics of success are unclear. Martí programs often report that Cubans lack inadequate internet access, but the stations’ self-evaluation suggests that Cubans are among the 180,000 to 200,000 visitors to its website per month. No other reporting substantiates this claim.
The successful efforts of Obama’s political opponents to block his determined efforts to close the prison housing alleged terrorists in Guantanamo obviously complicate discussion of reversion strategies. A major push by the President to circumvent the Congress would be fruitless and would risk enabling opponents of his opening to Cuba to rally to their side the larger group of Congressional leaders and state governors who have stymied the prison closures.

Private discussions and planning, however, should not be off limits. The bilateral benefit would be subdued until discussions moved into public, but precedent has shown that the U.S.-Cuba diplomatic channel is well capable of discretely managing difficult issues, even if solutions are not yet feasible. The U.S. military should also reaffirm its consensus that the United States does not need the facility, and should begin adjusting long-term planning for turnover strategies.

**… To Concrete Interests**

Although the Presidents sometimes resort to ideological appeals, both have also continued to premise the rapprochement on practical national interests. Rightly, they have defended normalization—albeit much less frequently—as justified on the basis of the interests of their own respective citizenries and state interests. They have praised joint security initiatives, medical collaboration against common threats, environmental cooperation, and other shared interests. (President Obama has spoken, moreover, of how moving beyond the Cold War mindset has improved the United States image throughout Latin America.) The space for greater, more formal government-to-government cooperation on a range of issues is large.

On **global health** issues, collaboration dealing with the threat of Ebola in Africa was beneficial because Cuba chose to set aside—for a time—its objections to a Bush-era U.S. program to encourage Cuban doctors to defect that Obama has left in place. Combatting the mosquito-borne Zika virus is an obvious potential area of cooperation.

A “Memorandum of Understanding” that has already been signed formalizing cooperation in **counternarcotics** efforts signifies the importance of such collaboration but falls short of the more formal agreements with countries that Washington has more “normal” relations with, such as Mexico and almost all of Central America. Washington
has nothing to fear, and much to gain, from entering into a more formal agreement on counternarcotics and counterterrorism with Cuba. It builds communications and trust among agencies and improves operational readiness.

- **Military-to-military** relations are another area of potential growth—at little or no political cost to either side. Improved communications between the U.S. Coast Guard and Cuban *Tropas Guardafronteras* have yielded major benefits to both sides since regularization in the late 1990s. Cuban participation in a Caribbean regional security conference hosted by the U.S. Southern Command in Jamaica this past January showed the potential for cooperation as well. A visit in May by Cuban security officers to the U.S. Southern Command’s counternarcotics center in Key West was another step forward. The “fenceline talks” at the Guantanamo Naval Station have enabled effective problem-solving and helped improve communications.

**The Real Driver Ahead**

While the governments can continue removing obstacles to normal relations and building on shared interests, the process of cultivating more normal relations between Cuba and the United States is increasingly going to fall onto the shoulders of U.S. business and non-governmental organizations. Travel service providers have taken the lead already, using the greater regulatory space for travel to drive a boom in visitors to the island. Indeed, business interests can become the most powerful drivers toward normal relations by setting precedents, pushing for flexible interpretations of laws and regulations, and—as successes mount—building the case for legislative and institutional changes in both capitals.

- As noted above, adjustments in U.S. regulations have created opportunities for trade between U.S. businesses and carefully circumscribed Cuban counterparts—limited so far to Cuban *cuentapropistas* (small, private businesses that lack the infrastructure for significant trade) and, on a case-by-case basis, Cuban state enterprises that sell products that U.S. exporters can assert “meet the needs of the Cuban people.”

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8 On January 26, 2016, the Bureau of Industry and Security of the U.S. Department of Commerce announced it was “creating a case-by-case licensing policy … of items to meet the needs of the Cuban people, including exports and reexports for such purposes made to state-owned enterprises and agencies and organizations of the Cuban government that provide goods and services to the Cuban people.” Examples include items for “agricultural production; artistic endeavor (including the creation of public content, historic and cultural works and preservation); education; food processing; disaster preparedness, relief and
Administration also created case-by-case licenses for the importation of products made by Cuba’s “private sector,” while continuing to block all exports from government- or, apparently, cooperative-operated enterprises.  

➢ Trade premised on essentially the one-way flow of goods and services is not normal and alone will not be powerful drivers of normal relations, but diverse reports suggest that both governments are prepared to allow a little wiggle room in their approach to this commerce. By allowing Cuban state enterprises to purchase U.S. “residential construction and renovation” materials, for example, Washington has in theory given the Cuban government an incentive to open stores like Home Depot or Lowes, which would provide a desperately needed distribution channel across the Cuban economy. The Cuban government, which heretofore has rigidly monopolized all imports and exports, is reportedly considering the creation of transportation, warehousing, customs, and other infrastructure for allowing more fluid trade, including by private individuals.

➢ Individuals on both sides, including directors of Cuban state-dominated companies, are going to have to push in their respective capitals to expand this space. Semantic flexibility will allow a U.S. exporter, for example, to demonstrate that selling products to a Cuban state company, the only Cuban interlocutor with the capacity to do business on an appropriate scale, will benefit the Cuban people. The Cubans, for their part, stand to benefit by designating that, in U.S. semantics, their cooperatives—in which individuals hold greater sway in decision-making than does the government—can engage in trade as “private” entities.

Several small but precedent-setting deals reflect the sort of flexibility and creativity that companies on both sides can further hone.

response; public health and sanitation; residential construction and renovation; public transportation; and the construction of infrastructure that directly benefits the Cuban people (e.g., facilities for treating public water supplies and supplying energy to the general public).”

9 In April 2016, the State Department updated its webpage on changes in import regulations intended to “further engage and empower the Cuban people,” authorizing the importation into the United States of certain goods and services produced by independent Cuban entrepreneurs.” At http://www.state.gov/e/eb/tsf/spi/cuba/515582/237471.htm, the Department publishes a long list of products that cannot be imported from Cuba, including animal products, foodstuffs, beverages (including alcohol), tobacco, metal products, electrical and electronic equipment, transportation equipment, and weapons.
➢ A small U.S. manufacturer of tractors apparently has all the necessary approvals to establish an assembly plant in the Mariel Special Development Zone, and a U.S. hotel firm is going to refurbish and manage several Havana hotels. Neither country’s laws and regulations made the negotiations easy, according to reports, but the deals were made possible by an awareness on both sides that setting precedents, compromising, and building trust served their interests better than orthodoxy. As the deals bear fruit, they will encourage greater flexibility and trust in the years ahead.

➢ Travel is another area in which, building on the governments’ limited flexibility, business-oriented interests in both countries created more political space toward building normal relations. The Obama Administration lifted the requirement that U.S. travelers doing “people-to-people educational travel” to Cuba do so under the auspices of approved organizations, and travel providers have been creative in fashioning trips for them. Carnival Cruise Lines persuaded Cuba to abandon a restriction they had on allowing Cuban-Americans to enter Cuba by sea, thereby avoiding a public relations mess and establishing an important precedent for future travel opportunities. In these and other cases, the profit-oriented voices prevailed over the orthodox.

Success on the ground in people-to-people relations, including trade and travel, will not guarantee success in the political and policy realms, but it is a necessary condition for it. Normal bilateral trade, robust investment, and the exchange of more services will build trust and strengthen arguments in both countries to change legislation and regulations. For example, the flow of Cuban imports to the United States (beyond the extremely limited circumstances already authorized) would make trade mutually beneficial and strengthen voices in Havana in favor of creating institutions and mechanisms to promote exports.

Another significant driver of change—steadily growing sectors of the Cuban-American community favoring engagement—are likely to continue playing a key role as well.

➢ Powerful Cuban-American entrepreneurs have supported Obama’s opening and are pushing for more. Carlos Gutierrez, who was U.S. Commerce Secretary under President George W. Bush, is now chairman of the U.S.-Cuba Business Council, under the auspices of the vigorously anti-embargo Chamber of Commerce. Influential, successful business
families have pronounced for continued change in U.S. policy toward Cuba. Potential flashpoints lie ahead—including the particularly thorny issue of compensation for properties that Cuban-Americans still claim—but Cubans on both sides of the Florida Strait appear prepared to let these people continue being a motor for evolutionary change in Cuba. The eventual death of Fidel Castro, closing a significant part of the grudge match between Cuban-Americans and the revolution, will further increase their numbers and energy.

- Also compelling are the many thousands of families who are investing in relatives’ small businesses in Cuba. With remittances, cash, and business necessities physically carried to Cuba in bulging suitcases, ranging from business cards to small appliances, U.S.-based Cubans are strengthening their families, expanding commerce, and building a new future for the island.

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Both countries have in place what appear to be immutable obstacles—legislative, structural, and ideological—to truly normal bilateral relations. But if events since 17 December 2014 have shown us anything, it is that change is possible, and that positive change fuels further positive change.

- The two governments clearly have the option of reducing irritants and finding workarounds to those obstacles, or of keeping the brakes on the process for one or another illusory domestic political benefit. The “people” of both countries—in and out of government and, in the Cuban case, government-owned businesses—also clearly have the option of using what space they have, pushing for flexible interpretations of existing laws and regulations, and helping political leaders and legislators eliminate the remaining obstacles.

- Both societies stand to benefit from establishment of a new norm for making decisions that affect the relationship. If normalization is to mature and bear fruit, the key criterion for policies, regulations, and laws should be whether they are consistent with how each country pursues its interests with others—how, for example, the United States would deal with Mexico on an issue, or how Cuba would deal with Brazil. That litmus test, perhaps
more than any other, would help the two countries overcome years of dysfunctional relations, suspicion, and miscommunications.

Presidents Obama’s shift on Cuba reflected the keen analysis that it was time, politically as well as in terms of the U.S. national interest, to put a final end the Cold War in Latin America and seek the “new beginning” in relations with Cuba that he spoke of while first campaigning for the Presidency in 2007. President Castro also saw the historic opportunity. By breaking the mold that defined relations for five decades of tension and acrimony, the Presidents have arguably already done the hardest part of normalization. Ideally, they would drive harder for legislative change and remove bilateral irritants to allow relations to progress even faster. It is fair to expect, however, that non-governmental actors—who are ready to move ahead with a pragmatic, non-ideological agenda—move the ball forward themselves. The people of both countries are ready for more normal relations.