

# RAÚL CASTRO AND CUBA'S GLOBAL DIPLOMACY

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Cuba's global relations are on the upswing. In the two years since Raúl Castro took power in July 2006, he has ushered in subtle but important changes in Cuba's foreign policy while benefiting from a widely-shared desire on the part of many foreign countries to reach out to Cuba during its moment of transition away from the historic rule of Fidel Castro. While the tension in U.S.-Cuban relations remains deeply entrenched and appears unlikely to abate anytime soon, Cuba's ties with the European Union and Latin America have shown signs of improvement, and Asian countries are playing an increasingly important role in boosting the island's fortunes. This gradual rapprochement between Cuba and many of its foreign partners began when Raúl Castro was elevated to provisional president of Cuba in the summer of 2006, following Fidel's serious health crisis, and has been sustained since Raúl formally became president in February 2008. Moreover, Raúl has continued close and positive ties with Venezuela, despite widespread speculation that cast doubt on his ability to manage this critical alliance. While it is true that Raúl Castro has not yet faced a major international test as the president of Cuba, he appears to be adeptly overseeing a process of sustaining and deepening Cuba's international relationships while advancing a more modest and pragmatic foreign policy vision.

In short, Raúl Castro has overseen slight changes in the style and organization of the Cuban government while concentrating primarily on preserving the system that he and his brother Fidel administered for the last half-century. While the small-scale domestic economic reforms of early 2008 and the government's efforts to weather the hurricane season have defined his

administration so far, Raúl's foreign policy profile differs from his older brother's in several ways. He is neither as outspoken nor as provocative as Fidel and has delegated much of the responsibility for external affairs to the Council of Ministers. Vice President Carlos Lage, Foreign Minister Felipe Pérez Roque, and President of the National Assembly Ricardo Alarcón have traveled and spoken for the regime on matters of foreign policy now that Fidel is incapacitated. During his time in office, Fidel was a world traveler, but, as of November 2008, Raúl had not left Cuba since taking charge of the island's government more than two years earlier. These stylistic changes may be indicative of a shift in Cuba's foreign policy away from revolutionary ideology, once the cornerstone of any diplomatic relationship with Cuba, towards a new diplomatic pragmatism driven by economic cooperation and diversification of significant partners. This essay examines key developments in some of Cuba's most important international relationships over the past two years, focusing principally on Latin America, Asia, and the European Union, and offers some tentative conclusions on the future trajectory of Cuba's foreign policy under Raúl Castro.

## LATIN AMERICA'S FRIENDLY EMBRACE

In recent years, Fidel Castro had developed a tempestuous relationship with Cuba's neighbors in Latin America. On the one hand, Castro had sealed an important alliance with Hugo Chávez in Venezuela and was hailed as a hero in countries like Argentina, Bolivia, Ecuador, and Nicaragua. On the other, he quarreled openly with presidents from Costa Rica, Mexico, Peru, and Uruguay, and clashed with many Latin American countries on basic questions of democracy and human

rights. By contrast, Raúl Castro has ushered in a period of renewed warmth in Cuba's relations in the Americas, whereby Havana has mended ties with previously estranged countries while maintaining strong alliances with the left-leaning countries favored by Fidel. Still, Cuba's allies in Latin America can still be broken into two broad categories: Venezuela's Hugo Chávez, and everybody else.

### Venezuela and the Pro-Cuba Left

There is little question that it is Venezuela, above all other countries, that has become the critical political and economic backer of communist Cuba, as well as the apparent heir to the revolutionary causes espoused by Fidel. In a rare recorded conversation with Fidel in late 2007, Venezuelan President Hugo Chávez recalled the indefatigable spirit of the Cuban leader and the progress of his life's work. "You will never die," he said. "You will live forever in this continent and in these peoples, and that revolution is more alive today than ever." Then he acknowledged the reality of Fidel's illness. "Fidel," he said, "you know that we will take care of fanning the flame across the entire region and among all these peoples." Castro affirmed the passing of the torch. "It must be fanned," he said.<sup>1</sup> With Fidel confined to the pages of *Granma*, Venezuelan President Hugo Chávez has filled the vacuum of his most notorious position, that of principal bogeyman and adversary of the United States in the western hemisphere. Fidel often speaks with Chávez over the phone, and the Venezuelan president is usually the first person to break new information about the health of the aging Cuban leader. President of Venezuela since 1999, Chávez has groomed himself in Fidel's image as a provocateur, and by late 2006 his attitude toward the U.S. coupled with an oil-generated windfall made it clear that with Chávez as president, Venezuela would remain Cuba's most important ally in Latin America and the world.

Raúl Castro has been careful not to disrupt this relationship, even if it occasionally meant allowing Chávez

to make statements that appeared to infringe on Cuban sovereignty. Questions soon emerged over whether Hugo Chávez would capitalize on Cuba's financial dependence on Venezuelan oil in order to usurp some control over Cuba. These concerns were amplified in late 2007, when Chavez visited Havana to tout his "Confederation of Bolivarian Republics." Cuba and Venezuela are essentially "the same country," he proclaimed. Rather than dispelling the rumors of a Cuba-Venezuela union, Cuban officials like foreign minister Felipe Pérez Roque instead fueled the fire by saying that Cuba was "willing to renounce its sovereignty and flag" to form a "grand bloc of Latin American nations."<sup>2</sup> However, Ricardo Alarcón, the president of Cuba's National Assembly, injected a note of caution by explaining that both Chávez and Pérez Roque spoke of integration in terms of a European model that would retain nationalist sovereignty and added, "We are still far away from accomplishing it."

Since Fidel stepped down in July 2006, Chávez has visited Havana nearly a dozen times, typically meeting with Fidel and Raúl, as well as other top Cuban officials. The two countries have signed cooperation agreements or memoranda of understanding on issues ranging from agricultural cooperation to the telecommunication industry.<sup>3</sup> While Raúl has not yet made the return trip to Caracas, several members of the Council of Ministers have gone in his stead, including Vice President Carlos Lage, who visited in January 2007 and signed 16 cooperation agreements, including one that calls for a 1552 km fiber-optic cable to link Cuba and Venezuela directly, which will reportedly be completed by 2010.<sup>4</sup> In December 2007, Chávez officially opened the Cienfuegos oil refinery, the product of a joint venture between PDVSA and CUPET, the state oil companies of Venezuela and Cuba, respectively. By July 2008, the refinery had processed 9 million barrels of crude oil.<sup>5</sup> Through Petrocaribe, Chavez's plan to forge Caribbean alliances with oil, Venezuela provides oil on generous terms, giving a much-needed

1. "Full text of Castro video broadcast during Chavez's 'Hello, President,'" BBC Monitoring Latin America—Political, October 14, 2007.

2. "Cuba's 'Grand Fatherland' with Venezuela," *Caribbean & Central America Report*, November 15, 2007.

3. "Chavez in Cuba after defusing crisis," Agence France Presse, March 8, 2008.

4. Jorge Rueda, "Venezuela's Chavez says Fidel Castro recovering, up and walking," Associated Press Worldstream, January 25, 2007.

5. "Trade with Venezuela keeps climbing," *Cuba News*, July-August 2008, 16.

boost to the island's economy, as it struggles to satisfy a population that lives on an average of \$17 dollars a month. In 2007, trade with Venezuela totaled \$2.9 billion, almost 30% of Cuba's total trade and 5.6% of the island's estimated GDP.<sup>6</sup> In the first five months of 2008, officials at the Cuban Embassy in Caracas reported that trade with Venezuela reached \$1.8 billion, a 180% increase over the first five months of 2007. Trade with Venezuela far outpaces trade with any other Latin American nation, accounting for over 60% of Cuba's trade with Latin America. The volume of Cuba's trade with Venezuela is significant, but so is its one-sidedness. Cuba generally receives more goods than it produces, but trade with Venezuela exacerbates an already troubling trade deficit. Almost 99% of trade in commodities flows northward, from Venezuela to Cuba, and Venezuela accounted for 42% of Cuba's total trade deficit of \$6.5 billion in 2007. The exact terms of the Petrocaribe oil agreement are ambiguous, but it is clear that Cuba is not paying full price for the oil it receives, meaning much of the almost \$3 billion that Cuba owes on an annual basis is paid for with credit, and medical services.

In return for subsidized oil, Cuba has sent almost 40,000 doctors, educators, and sports trainers to Venezuela to provide the medical expertise behind Chávez's "Barrio Adentro" program which is intended to bring health services to the poor of Venezuela. Even outside Venezuela, Cuba's primary export to Latin America and the world is medical services. Cuba not only sends a significant percentage of its medical personnel overseas, but it also train students from all over the world at the Latin American School of Medical Sciences, a converted military base just outside Havana. Through "Misión Milagro," Cuba has opened eye-surgery centers in Venezuela, Bolivia, Guatemala, Honduras, Ecuador, Panama, Nicaragua, Mali, and Haiti, claiming to have restored eye-sight to 700,000 so far.<sup>7</sup> But Cu-

ba's medical exports are not always well received. Since the Barrio Adentro program began filling Venezuelan clinics with Cuban doctors, the Venezuelan medical community has staged several protests, complaining that the Cubans lower their wages and cause a shortage of equipment. Critics within Cuba have also raised the point that Cuba's medical resources are spread thin by this form of diplomacy, and they fear that health care in Cuba has suffered as a result.

Venezuela is Cuba's closest ally, but the recent election of three left-leaning presidents added significantly to Cuba's tally of friends in Latin America. Evo Morales, the indigenous leader and coca advocate, was elected in Bolivia in December 2005. Rafael Correa, the charismatic leftist economist and former finance minister, was elected president of Ecuador in November 2006, as was Daniel Ortega, Nicaragua's historic Sandinista leader. Now these nations, united in their state-led economic policies and their disdain for U.S. power, have become strong Cuban allies. Their leaders meet frequently in Havana, Caracas, or other capitals to discuss continuance of what Chávez calls the "Bolivarian Revolution." On the world stage, they often speak in tune. When U.S. President George Bush criticized the human rights situation in Cuba at the UN General Assembly in September 2007, Nicaraguan President Ortega spoke up on behalf of Cuba, saying that President Bush had "a total lack of respect when he spoke of Cuba."<sup>8</sup> Bolivian President Morales used his time at the podium similarly, pointing out that Cuba "sends troops to other countries to save lives, not like the president of the United States who sends troops to take lives."<sup>9</sup> Ecuadoran participation in this group has been less than expected; Ecuador has not signed on to Chavez's trade agreement, *Alternativa Bolivariana para las Américas* (ALBA), and is not as vocal in its support of Cuba as the others. Nonetheless, Ecuador-

6. Data compiled from the International Monetary Fund Direction of Trade Statistics (IMF DOTS). Includes value of merchandise exports (free on board) and imports (cost including insurance and freight) as reported by each country. Data is supplemented with the UN Statistical Division COMTRADE figures.

7. "Operation Miracle," Latin America & Caribbean, *New Internationalist*, January-February 2008.

8. Alexandra Olson, "Nicaraguan Leader Rails at U.S. Hegemony," Associated Press Online, September 25, 2007.

9. Edith M. Lederer, "Cuba's foreign minister says Bush has 'no moral authority' over world," Associated Press Worldstream, September 26, 2007.

an Vice President Lenin Moreno Garces visited Cuba in May 2007, focusing on medical cooperation and soon after Cuba agreed to open a third ophthalmologic center in Ecuador, where Cuban officials say "Misión Milagro" has carried out over 16,000 eye operations in two years.

### Brazil and South America

Brazil, the heavyweight power in South America, has also drawn closer to Cuba under Raúl Castro. Due to Fidel Castro's longstanding friendship with Brazilian President Luiz Inácio Lula da Silva prior to his election in 2002, many Cubans believed that Brazil would be poised to become a close ally once Lula took power. Instead, Brazil mainly held Cuba at arm's length, although Brazil has stuck firmly to the principle of non-interference on the human rights issue, often abstaining in UN votes critical of Cuba. Brazilian dignitaries visiting Havana have refrained from meeting with dissidents and in the summer of 2007, and when two Cuban boxers defected from the Pan-American Games held in Rio de Janeiro, Brazilian authorities were quick to find and return them to Cuba.

Under President Lula, Brazil has been able to maintain steady relationships with both the United States and Cuba by staying away from explosive issues. Nonetheless, Brazil was a target of one of Fidel Castro's most scathing "reflections" written in *Granma*. When President Bush toured Latin America in March 2007 touting his cooperation with the region on alternative energy (specifically ethanol production), Fidel Castro and Hugo Chávez both reversed formerly favorable opinions on ethanol. In March 2007, Castro wrote that "more than 3 billion people are being condemned to premature death from hunger and thirst" through food-into-fuel initiatives like the one launched by President Bush and President Lula.<sup>10</sup> This rhetoric from a bedridden Fidel did little to damage Cuba-Brazil relations, however. When Lula visited Havana in January 2008 for his second trip since becoming presi-

dent, Fidel issued four lengthy, rambling "reflections" of over 10,000 words explaining the depth of his relationship with President Lula, the differences between Brazil and Cuba, and placing the blame for the ethanol initiative on the United States.<sup>11</sup> Lula later returned to Cuba in October 2008 to promote business interests and offer support to Cuba's hurricane recovery efforts.

The economic relationship is booming. Trade between Brazil and Cuba has increased five-fold since President Lula was elected, from just under \$100 million in 2002 to over \$500 million in 2007, and Brazil is now Cuba's second largest trading partner in Latin America, though still far behind Venezuela.<sup>12</sup> At a meeting of the Forum for East Asia and Latin American Cooperation in August 2007, Pérez Roque met with Brazilian Foreign Minister Celso Amorim and arranged to increase Cuba's special line of credit from Brazil to \$200 million (from \$90 million) and expand investment in transportation, tourism, nickel, and oil exploration. During his January 2008 visit to Havana, President Lula signed several grants for food and infrastructure in Cuba and filmed a video with Fidel Castro. Brazil is also one of Cuba's top prospects for cooperation in oil, and Lula signed an agreement to begin drilling for oil off Cuba's coast by 2010. When Brazil announced the discovery of the 5–8 billion barrel Tupi oil field just off its shores in late 2007, Cuba no-doubt recognized the potential to diversify its oil portfolio away from Venezuela. Recently, comments by Brazilian foreign minister Celso Amorim suggested an uptick in Brazil-Cuba relations. Between 2006 and 2007, trade between Cuba and Brazil increased by about 25% from \$409 million to \$507 million, but in May 2008, Amorim said he wanted Brazil to become Cuba's number-one trade partner.<sup>13</sup>

In the rest of South America, periodic flare-ups in relations with Cuba have been gradually reduced. Uruguay broke relations with Cuba in April 2002 when Fidel Castro called Uruguayan President Jorge Batlle a

10. Fidel Castro, "Condenados a muerte prematura por hambre y sed más de 3 mil millones de personas en el mundo," *Granma*, 29 March, 2007.

11. Fidel Castro, "Lula," *Granma*, January 24–February 1, 2008.

12. IMF DOTS.

13. "Brazil wants to be Cuba's main trade partner," *NoticiasFinancieras* (Latin America), May 30, 2008.

“hungover, abject Judas,” for putting forth a measure calling for human rights monitoring in Cuba by representatives of the 53-member U.N. Human Rights Commission.<sup>14</sup> Ties were restored in March 2005 upon the inauguration of newly elected President Tabaré Vázquez. Peru experienced a similar escalation in tension and went so far as to withdraw its ambassador to Cuba after Castro harshly scolded the Peruvian government for voting to condemn the human rights situation in Cuba. In recent years, however, South America has stayed out of the fray on human rights, and in return, Cuba has stayed out of tense South American issues. When Colombian forces invaded Ecuadorian territory to bomb Fuerzas Armadas Revolucionarias de Colombia (FARC) forces on the run there, Fidel issued a fiery rebuke in *Granma*, but Raúl remained quiet other than a phone call to Ecuador’s President Correa. On the Andean crisis and other regional issues, Raúl has remained even keeled when Fidel might have started another war-of-words. In the Southern Cone, Chile retains cordial relations with Cuba, while Argentina holds a sympathetic view towards Cuba although official governmental collaboration is modest.

#### **Mexico, Central America, and the Caribbean**

Relations with Mexico, one of Cuba’s oldest allies in Latin America, have steadily improved following the departure of Mexican President Vicente Fox and the retirement of Fidel Castro. In April 2002, Cuba-Mexico relations reached a nadir when President Fox attempted to disinvite Castro from a UN meeting in Monterrey, reportedly asking him to leave early to avoid interaction with the U.S. President George W. Bush. A month later, when Mexico joined a Uruguay-sponsored effort to send UN human rights inspectors to the island, Castro broke diplomatic decorum to prove that Mexico explicitly follows the U.S. on foreign policy issues, airing a tape of his March 19 conversation with President Fox in which the Mexican leader can be heard admonishing him not to “attack the United States or President Bush.”<sup>15</sup> Two years later, in

May 2004, the two nations recalled their respective ambassadors briefly following another row over Mexico’s vote to condemn Cuba’s human rights situation at the UN. In October 2002, Cuba suspended payment on a debt of some \$380 million owed to Mexico’s Foreign Trade Bank (Bancomext), attributing their inability to pay to the decline in tourism, though the public spat between the two leaders just months earlier probably factored into the equation.<sup>16</sup> The trade relationship also stagnated during the Fox administration, with two-way trade dipping below \$200 million for the first time since 1994. Relations were no better near the end of Fox’s term in 2006, when Mexican authorities sat idly by as the U.S. invoked obscure embargo provisions to refuse Cubans the right to stay in an American-owned Sheraton in Mexico City for a meeting to discuss Cuba’s oil prospects, citing Helms-Burton legislation.

Following the close victory of Felipe Calderón over the left-leaning Andrés Manuel López Obrador in July 2006, the new Mexican president reached out to the provisional Cuban government in what he said was an effort to improve relations with all of Latin America. The first step was taken by Mexico, when Luis Alfonso de Alba, the Mexican chairman of the newly elected U.N. Human Rights Council oversaw the removal of the mandated human rights reporter for Cuba, showing that U.N. human rights votes would not come between Cuba and Mexico under Calderón. In July 2007, Cuban legislators responded when they met with their Mexican counterparts in Havana, finding common ground long enough to condemn the U.S. for building a wall on its southern border. Two months later President Calderón sent a senior political ally, Gabriel Jiménez Remus, as ambassador to Cuba, a sign that he intended to improve upon the rocky relations that characterized President Fox’s administration.

A rebound in the economic relationship soon followed. In 2007, trade jumped by almost 25% to \$265 billion and in early 2008 Mexico’s Foreign Trade Bank (Bancomext) agreed to open a \$25 million line of cred-

14. Raúl Garces, “Uruguay Breaks Ties with Cuba,” Associated Press, April 26, 2002.

15. David Gonzalez, “Castro Defies Fox of Mexico as Once-Warm Ties Sour,” *New York Times*, April 23, 2002.

16. Marc Frank, “Cuba said to miss Japan, Mexico debt payments,” Reuters, October 25, 2002.

it to spur further trade and investment between the two countries.<sup>17</sup> By December of 2007 Mexican Foreign Minister Patricia Espinosa announced that Mexico had restored relations of respect and dialogue with Cuba for the first time since 2002. In March 2008, Espinosa visited Havana where she and Pérez Roque announced several areas of cooperation for the future, including migration, counter-narcotics efforts, agriculture, tourism, and joint development cooperation. Pérez Roque was scheduled to travel to Mexico City in September to personally invite Calderón to Havana on behalf of Raúl Castro, but the trip was delayed due to hurricane damage in Cuba. Nonetheless, if all goes as planned, Calderón will visit Cuba in 2009—and be the first Mexican president to do so since Vicente Fox's ill-fated trip to Havana seven years earlier.

Looking at Cuba's relationship with Central America and the Caribbean, observers must recognize the elephant in the room—the United States. In Central America, where close relationships with the United States have historically limited interactions with Cuba, a combination of diplomacy, elections, and declining U.S. influence in the region have resulted in a warming of relations with Raúl Castro's government. In early 2007, Felipe Pérez Roque spent two days each in Honduras and Panama, working to improve sour relationships. Following the disaster of Hurricane Mitch in Central America in 1998, Cuba sent a medical team to Honduras, a country with which it had no formal relations since 1961. Formal meetings followed this act of medical diplomacy and resulted in a significant warming of Cuba-Honduras relations. In 2001 the two nations renewed formal ties, and in late 2007, Raúl hosted Honduran President José Manuel Zelaya Rosales in Havana. Cuba's relationship with Panama had cooled in 2004 when outgoing Panamanian President Mireya Moscoso pardoned Luis Posada Carriles, an anti-Castro militant charged with masterminding a plot to assassinate Fidel Castro during the Ibero-American Summit in Panama City in 2000. Nonetheless, relations improved when Martín Torrijos was elected president in 2004 and during a visit from Pérez

Roque in February 2007 the two nations exchanged ambassadors for the first time since 1962. In April 2008, Torrijos visited Havana, and two months later their Supreme Court reversed the pardon of Posada Carriles, as a sign of solidarity with Cuba.

Central America also claims the only two Latin American countries that do not have normal diplomatic relationships with Cuba: Costa Rica and El Salvador. Costa Rican President Oscar Arias has repeatedly criticized Cuba for its lack of democratic ideals and in August 2006 he was one of the first Latin American officials to comment on the transition in Cuba, calling for full democratization in an article entitled "La Hora de la Democracia en Cuba."<sup>18</sup> Because of its proximity to the United States, Central American countries have historically chosen not to bear the political or economic cost of good relations with Cuba, but against the backdrop of declining U.S. influence in the region, Cuba now has regular diplomatic links with most Central American nations.

Cuba's ties to the Caribbean are characterized by historically good relations, frequent high-level contacts, and cooperation in areas of health, education, energy, and natural disaster relief. In July 2006, Foreign Minister Frederick Mitchell of the Bahamas met with Pérez Roque in Havana at which time the Bahamas became the 8<sup>th</sup> member of CARICOM with an embassy in Cuba. Over 1,200 people have reportedly taken advantage of the free eye surgery offered by Cuban doctors in the Bahamas in the last few months. In March 2007, Raúl received Denzil Douglas, the Prime Minister of St. Kitts and Nevis, and in September of that same year he met with Trinidad and Tobago Prime Minister Patrick Manning who presided over the opening of Trinidad's first commercial office in Havana. In June 2008 the Jamaican Foreign Minister visited Cuba. In December 2008, Cuba will host the third CARICOM-Cuba summit, a meeting of the heads of state of the Caribbean Community with Cuban leaders that takes place every three years.

17. IMF DOTS.

18. Oscar Arias Sánchez, "La hora de la democracia en Cuba," *El País* (Madrid), August 29, 2006.

A review of Cuba's ties with Latin America over the past two years reveals that Cuba's regional relations have improved significantly under Raúl Castro and there are several forces behind this paradigm shift. Raúl's pragmatic, low-key approach contrasts sharply with Fidel's penchant for picking high-profile fights. Many Latin American countries have become emboldened to conduct their foreign policies with greater independence from Washington, and they have identified the Cuban transition as an opportunity to set their relations with Cuba onto smoother footing. Relations with Cuba, as a set of domestic political issues, are not as polarizing as they once were in Latin America. The absence of Fidel Castro has given the Cuban government the chance to craft a new foreign policy strategy that is less antagonistic towards the U.S. Latin America, with few exceptions, has responded by soft-pedaling issues of human rights and democracy in Cuba. Cuba has also benefited from the widespread opposition to broader U.S. foreign policy initiatives, such as the Iraq War and the decision to use Guantánamo Bay as a holding center for suspected terrorists.

Historically, Cuba under the Castro regime has treated Latin America as the launching point for global diplomacy. Today, Raúl has again placed Latin America at the center of his foreign policy priorities, but is pursuing more modest means and goals such as the stabilization of the Cuban economy and warding off international criticism of Cuba's human rights situation in multilateral bodies such as the United Nations. While Venezuela indisputably remains the linchpin of Cuba's hemispheric outreach, the island is also improving its ties with other regional powers such as Brazil and Mexico. At the same time, Raúl Castro's government is seeking to shore up Cuba's relations with the world beyond Latin America. Raúl Castro has embraced the rise of Asia and the Far East, and approved negotiations to restore ties with the European Union, while at the same time trying to improve its status in the developing world through demonstrations of solidarity and cooperation.

## EMBRACING THE RISE OF ASIA

Asia has been a primary target of Cuba's effort to diversify its list of friends and trading partners. Increased economic cooperation tops the agenda, but diplomatic visits and cooperation within multilateral institutions have been equally important as Cuba seeks to gain political and economic advantage from the rapid growth and development of Asia. Of course, ignoring Asia has become less of a possibility, even for an island in the distant Caribbean, as China and India continue to post impressive economic growth rates and evolve into significant players in world affairs. It appears that Cuba's shift towards Asia since Raúl Castro took power is primarily driven by the rise of Asian powers seeking new markets, although Havana is clearly open to strengthening these ties and may attempt to curry political leverage with its benefactors in the Far East.

### The People's Republic of China

The emergence of China as an economic powerhouse has provoked a mixed response on the part of the Cuban regime. Fidel Castro, on his last visit to China in February 2003, expressed his thoughts on China's development to the head of the Chinese legislature. "I can't really be sure just now what kind of China I am visiting," he said, "because the first time I visited your country appeared one way, and now when I visit it appears another way."<sup>19</sup> Observers who have witnessed the rapid growth of the Chinese economy on the heels of deregulation and the sale of government enterprises see many similar changes that could be made within the Cuban system, but the regime's leaders appear to fear that embracing a "China model" of economic reform would undermine the Cuban Revolution. However, Raúl Castro signaled potential openness to this possibility when he said, "the island [...] is very anxious to learn from China its experiences in the subject of development, and will continue to strengthen exchanges and cooperation at all levels with the Asian country." Irrespective of Cuba's hypothetical interest in following the Chinese development path, the government in Havana has clearly chosen to embrace China as part of the larger effort to diversify and expand worldwide economic partnerships, overcoming a his-

19. Elisabeth Rosenthal, "China's Sparkle Bedazzles a Visiting Castro," *New York Times*, February 28, 2003.

tory of distance and estrangement to convert China into a top trading partner and valuable international ally. Beijing's expanded relationship with Havana is most clearly demonstrated in the dramatic increase in trade flowing between the two countries, but equally important are high-level diplomatic visits and cooperation on international issues.

Trade between Cuba and China has spiked considerably since 2003, increasing over 500% from just under \$400 million in 2003 to over \$2 billion in 2007.<sup>20</sup> In that time, China has become Cuba's second most important trading partner, although it remains second to Venezuela. Chinese and Cuban ministers meet regularly to discuss trade at the Intergovernmental Commission on Economic and Commercial Relations, which met for the 20<sup>th</sup> session in Beijing in December 2007, and focused on energy issues. Perhaps the area of largest cooperation with the Chinese has been in transportation. During the economic crisis of the 1990s, Chinese bicycles were imported to help alleviate Cuba's mobility woes, but after a 2006 bilateral transportation accord was signed, China began supplying Yutong buses to replace Havana's famously overcrowded "Camellos." By the end of 2007 Lage reported that Cuba would receive some 1,142 buses and by early 2008 the tractor-trailer driven "Camellos" had all but disappeared from the streets of Havana (although they remained in use in the provinces).<sup>21</sup> China is also supplying Cuba with locomotives, in addition to televisions, ovens, and a range of other manufactured goods in the non-transportation sector. In return, Cuba meets a high percentage of China's need for nickel, a crucial input for China's manufacturing sector. Oil is an area of potential cooperation, and the Chinese state oil company SINOPEC has several agreements with Cuba's CUPET to explore for oil resources in Cuban waters. Despite frequently voiced concerns in Washington that Chinese oil companies have commenced drilling in Cuban waters, Cuban of-

ficials report that Chinese companies have done nothing more than tests off the coast of Cuba, and are not yet actively engaged in exploration.<sup>22</sup> Cuba also provides medical services to the Chinese, and several medical cooperation agreements have resulted in the construction of an ophthalmic hospital in Qinghai Province, staffed by 52 Cuban eye doctors. A team of 35 doctors was also sent to China in 2008 following the May 12 earthquake which killed tens of thousands in Sichuan Province.

While expanding trade and economic cooperation, Cuba and China have maintained a high-level of diplomacy characterized by frequent visits and international cooperation. Cuba was one of the first countries to recognize the People's Republic of China and to denounce Taiwan as a renegade province in 1960. Beijing responded a month later by establishing diplomatic relations with Havana. The end of the cold war has seen a flurry of activity between Havana and Beijing which continued unabated with the rise of Raúl in 2006. Ministry officials meet frequently in Havana and Beijing to discuss military, economic, and cultural cooperation. Cuban Foreign Minister Pérez Roque visited China in early 2007 where he oversaw the opening of a Cuban consulate general office in Guangzhou and met with his Chinese counterpart in Beijing. When Chinese Politburo member Wu Guanzheng met with Fidel Castro in Havana during the same month, the press was treated to a rare photo of the sick leader. In February 2008, China announced the operation of three television channels in Cuba. In June 2008, He Guoqiang, member of the Political Bureau of the Central Committee of the Chinese Communist Party and Secretary of the Central Discipline Inspection Commission met with Fidel Castro while on a visit to Cuba.<sup>23</sup> In November 2008, a planned visit to Havana by Chinese president Hu Jintao was expected to once again highlight the deep levels of Sino-Cuban cooperation.

20. There are three sources for trade between Cuba and China: Cuba's Oficina Nacional de Estadísticas, China's Xinhua State News Agency, and the IMF DOTS. Each of these sources shows dramatic growth, even as specific levels reported do vary.

21. "Cuba Praises High Quality of Chinese-Made Buses," Xinhua News Agency, October 2, 2007.

22. Erika Bolstad and Kevin G. Hall, "GOP claim about Chinese oil drilling off Cuba is untrue," McClatchy Newspapers, June 11, 2008.

23. "China's He Guoqiang meets Fidel Castro in Cuba 24 June," BBC Monitoring Asia Pacific—Political, June 26, 2008.

### Other Partners in the Far East

Cuba has also maintained and expanded relationships with the rest of Asia. Japan and South Korea are Cuba's top trading partners in Asia after China and cooperation with India has expanded of late. Foreign Minister Pérez Roque made his first visit to India to follow up on a successful series of meetings on the margins of the Non-Aligned Movement Summit that took place in Havana in September 2006. Following this visit, Cuba awarded two offshore exploration blocs to the Indian oil company ONGC Videsh Ltd. India reciprocated when, for the first time in 19 years, a parliamentary delegation visited Havana in January 2008 to meet with Lage, Alarcón, and Pérez Roque. Following the meetings, Lower House president and delegation leader Somnath Chatterjee said that India would be willing to cancel Cuba's \$64 million dollar debt.

Cuba's relationship with Japan is hampered by the nearly \$2 billion owed to both the public and private sector in Japan by the Cuban government. Despite several restructuring agreements since the late 1990s, Cuba has yet to make consistent payments, and when Japanese Foreign Minister Taro Aso met with Pérez Roque in August 2007, the Cuban Foreign Minister said that assistance from the International Monetary Fund would be needed in order for Cuba to pay off Japan in the near future. Japan has also tested Cuba's resolve by standing firm on issues of democratization and human rights in Cuba. When Fidel stepped down in early 2008, the Japanese Foreign Ministry issued a statement saying "Japan hopes that democratization in Cuba will move forward."<sup>24</sup> Nonetheless, Japan remains a significant trading partner of Cuba. In 2007, Pérez Roque reported that trade with Japan amounted to \$300 million, and said the relationship had "gained new momentum."<sup>25</sup>

Cuba has had an especially strong relationship with other Asian countries, especially those that have a history of fraught relations with the United States. Since 2006, Vietnam has been one of Cuba's top ten trading partners, and in 2007 trade reached almost \$350 million. In April 2007 Vietnamese Deputy Prime Minis-

ter Pham Gia Khiem visited Havana to discuss the participation of the Vietnam Oil and Gas Group in oil exploration in Cuban waters. The top Communist Party official of Vietnam visited Havana two months later to sign a finalized oil agreement granting exploration rights to the Vietnamese company. Cuba also has good relations with Asian members of the US-defined "outposts of tyranny," North Korea and Myanmar. Pérez Roque hosted the Foreign Minister of Myanmar in 2007 to sign several bilateral accords and arranged to hold a third intergovernmental commission in 2009 in Myanmar. Two delegations from North Korea have visited Havana since Fidel fell ill, and the Korean Peninsula was the primary subject in a series of Fidel's "reflections" in July 2008. Fidel wrote, "With South Korea, we are developing more and more ties. With North Korea, these have always existed and we shall continue to strengthen them."

There is little question that Cuba's trade ties with Asia have continued to boom since Raúl Castro took power, fitting with a trend that began in the last years of Fidel Castro's rule. For example, in 2004, 13% of Cuba's trade was with Asia, but by 2007 this share grew to almost 25%. Most of this can be attributed to China alone, but Cuba has maintained strong relationships with the rest of Asia, even if the economic ties have not yet matured. While it appears unlikely that Raúl Castro will embrace widespread market reforms in the manner of China or Vietnam, the Cuban government is clearly seeking to bolster its economic and political partnerships with the Far East.

### THE EUROPEAN UNION: TOWARDS DÉTENTE

Cuba has long enjoyed a "love-hate" relationship with the European Union, which has fashioned a foreign policy towards Havana that maladroitly straddles strong levels of trade and foreign investment and criticism targeting the repression of political and civil liberties on the island. The European Union is, collectively, Cuba's largest economic partner, exceeding even the deep support provided by Venezuela, although Vene-

24. "Japan hopes for Cuba's democratization under Raúl," Agence France Presse-English, February 26, 2008.

25. "Japanese official in Havana for Talks on UN, Korea and trade," Agence France Presse-English, May 2, 2007.

zuela's trade with Cuba is greater than that of any single European country.

In the earlier part of this decade, Cuba's relations with Europe appeared to be warming up when the European Commission opened its first delegation in Havana in March 2003, but only weeks later Cuba orchestrated a massive crackdown on Cuban dissidents that placed a chill on the relationship when 75 leading opposition figures were arrested and sentenced to long prison terms. In response, the European Union introduced a series of diplomatic measures (often referred to as "sanctions" in the press) that called for freezing diplomatic contact with Havana while allowing trade and investment to continue. In 2005, the EU suspended these sanctions but relations remained icy as Cuba demanded that the sanctions be lifted permanently. A split soon emerged between Spain (under the leadership of Prime Minister Zapatero, elected in 2004), which favored normalizing ties with Cuba, and the post-communist countries of Eastern Europe, such as the Czech Republic, Hungary, and Poland, which favored a tougher approach to Havana and professed solidarity with the island's beleaguered dissidents. During the freezing of relations from 2003–2008, the United Kingdom and Sweden also voiced strong support for change in Cuba, which irritated the government. In 2006 Cuba did not renew the visa of Czech diplomat Stanislav Kazecky, calling him a lackey of the U.S. when he called for improvement in the human rights situation. While these nations do not support the U.S. embargo on Cuba, they remain some of the strongest allies of Cuban dissidents outside Miami. As such, they receive little attention from the Cuban government, and have little to show in the way of trade or democratic exchange. Nonetheless, Cuba's relations with Europe as a whole have warmed significantly over the last two years, marking a major foreign policy success for Raúl Castro that would have likely eluded Cuba if his brother Fidel had remained in power.

The Spanish government of Zapatero was a strong proponent of normalization with Cuba, and—in conjunction with European allies such as Greece, Italy, Portugal—worked through a series of meetings and

diplomatic channels to see the diplomatic sanctions fully lifted in June 2008. In particular, the new governments in Italy and Spain proved more disposed to improving European ties with Cuba, brushing aside pleas from the Bush administration to maintain the diplomatic pressure on the island. The process towards normalization took a major step when Pérez Roque visited Europe in March of 2007, where he met with Portuguese Foreign Minister Luis Amado and his Spanish counterpart Miguel Angel Moratinos. These meetings were reported to be positive, and this momentum led the vice president of the European Parliament Miguel Angel Martínez to visit Cuba in June. During the June 2007 vote on the EU sanctions on Cuba, foreign ministers voted to maintain the status quo, but offered to have dialogue with Cuba on the issue. A significant turning point occurred when the EU's top development aid official, Louis Michel, spent four days in Cuba in early 2008, saying at the end of the trip, "In my opinion, the time and moment is right to have a dialogue with Cuba."<sup>26</sup> The breakthrough came on June 9, 2008, when the members of the European Union unanimously called for the sanctions to be removed, with the caveat that this decision was subject to reconsideration upon a review of Cuba's human rights situation the following year. While significant in the fact that Cuba and Europe can now classify their relationship as "normal," this change in status will likely have little effect on the tangible aspects of diplomacy and will not affect the economic relationship.

In recent years, Russia has re-emerged as a formidable ally of Cuba, and ties with the island during the administration of Vladimir Putin appear to have strengthened. Cuba is reported to be deeply in debt to Russia (to the tune of \$20 billion owed to the old Soviet Union), but Russia continues to trade and grant credit to the Cuban government. In September 2006, Russian Prime Minister Mikhail Fradlov visited Havana and signed an agreement opening up a \$355 million line of credit over ten years for Cuba. Cold War tensions were raised anew in July 2008 when Russia was reported to be considering using Cuban military bases to refuel nuclear bombers in retaliation for the

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26. "EU Commissioner says time is right to renew Cuba dialogue," Agence France Presse–English, March 8, 2008.

Bush administration's use of Poland to house a missile defense shield. Comparisons to the Cuban Missile Crisis were quickly picked up by the international press, despite the fact that Russian authorities have said, "Russia is not creating military bases at the borders of other states."<sup>27</sup> Fidel Castro wrote a cryptic note that neither confirmed nor denied the reports, saying only that "Raúl did very well keeping a dignified silence" on the issue and that Cuba was not obligated to collaborate with Russia.<sup>28</sup> Still, the recent conflicting signals on the issue coming out of Moscow indicate that Russia and Cuba may be drawing closer today than at any point since the end of the Cold War.

### RAÚL'S FOREIGN POLICY: STAYING THE COURSE

Raúl Castro is an unlikely leader to oversee the revitalization of Cuba's foreign relations. He is not known for having a global vision, lacks the charisma and grand sense of strategy that personified his older brother, and has not even bothered to leave Cuba since rising to occupy the position of president in July 2006—although two potential trips to Brazil and Russia appear to be on the horizon. Moreover, it is clear that U.S.-Cuban relations remain as frozen as ever, although the possibility exists that Barack Obama's victory in the 2008 presidential election will herald more flexible U.S. travel policies and the initiation of low-level dialogue.

Indeed, much of Cuba's foreign policy appears to be operating on an old formula that has been in place for years, such as the island's use of multilateral organizations to improve its position on the world stage. At the United Nations, for example, Cuba is no longer condemned for its human rights record now that the Human Rights Council has replaced the Commission on Human Rights. In May 2006, Cuba was elected to serve on the Council along with China, Russia and other nations often criticized on human rights issues. Since then, Cuba has been more open to UN inspections on human rights and in November 2007 the Cuban government invited Jean Ziegler, the UN special

reporter on the right to food, to visit Cuba setting the stage for Cuba to sign to major international human rights treaties. In February 2008, Cuba signed the Covenant on Civil and Political Rights and the International Covenant on Economic, Social, and Cultural Rights, but will wait for parliament to ratify them. The international perception of Cuba's human rights record has improved due to Cuba's strong campaigning and the declining role of the United States at the UN. The U.S. embargo is the other issue that Cuba has brought to the international stage. Each October, Cuba presents a resolution to condemn the embargo, and recently it has passed easily. In October 2008, 185 nations voted to condemn the embargo with only Israel, Palau, and the United States voting against it. Still, Cuba's shrewd politicking at the United Nations is merely a continuation of a strategy that has been in place for decades, not a new innovation devised by Raúl.

The same can be said for Cuba's outreach to developing countries such as the members of the Non-Aligned Movement or the poverty-stricken countries of sub-Saharan Africa. Just after Fidel turned over the presidency to Raúl in 2006, Cuba hosted the 14<sup>th</sup> Summit of the Non-Aligned Movement (NAM) in Havana. Over 60 heads of state attended and many met with Raúl Castro and other ministers as Cuba was named chair of the NAM. Despite the absence of Fidel, Cuba seems to continue to garner significant respect from the non-aligned group mostly for its stand against the U.S. United by disdain for U.S. foreign policy in general, Cuba has long held favorable relationships with Iran, Syria, Palestine, Yemen, and Egypt. With the election of Mahmoud Ahmadinejad as president of Iran in 2005, Cuba added an outspoken opponent of the United States to their list of allies in the Middle East. In return for years of cooperation with Iran on biotechnology and telecommunications fronts, Iran began to steadily expand the credit lines from Iranian banks to the Cuban government from €20 million in 2005 to a reported €500 million in 2008.<sup>29</sup> In addition, Cuba has used the leadership of NAM to add

27. Luke Harding, "Russia 'may use Cuba to refuel nuclear bombers,'" *Guardian*, July 25, 2008.

28. "Cuba silent on Russian bomber report: Fidel Castro," Reuters, July 24, 2008.

29. "Iran mulls over opening €500m L/C for Cuba," Mehr News Agency, June 15, 2008.

heft to their argument defending Iran's right to develop nuclear power.

Much of the support that Cuba receives within the context of the NAM comes from African nations, who are strong allies of Cuba. While the trade relationship between Cuba and Africa may be weak, high-level diplomacy and Cuba's medical outreach have maintained strong ties across the Atlantic. Most of Africa's heads of state visited Cuba in September 2006 for the NAM summit. In 2007, the vice president of Zimbabwe, the president of Angola, and the president of the Republic of Guinea Bissau visited Cuba along with ministers from South Africa. While Cuba once spent money and lives fomenting revolution in Africa, the bread and butter of its diplomacy now is medical relief. In his address to the African Union Summit in July 2006, Pérez Roque said there were 2,000 Cuban doctors, nurses, and health technicians working in Africa.<sup>30</sup> In May 2008, in his first speech as chief of the Cuban Interests Section in Washington, DC, Jorge Bolaños said, "thousands of Cuban teachers and physicians offer humanitarian assistance in Africa. The African nations praise Cuba as a brother."<sup>31</sup> Again, Cuba's focus on Africa is a foreign policy legacy of Fidel, not a new initiative begun by Raúl.

Still, it is apparent that Raúl Castro's foreign policy has led to substantial improvements with a number of countries in Latin America and Europe, as well as deepening ties with East Asia. Politically, Cuba's foreign relations seem more secure today than was true when Fidel Castro was stricken with illness two years ago. However, this has not resolved the island's deep economic problems, which have only worsened as a result of the onslaught of powerful hurricanes that hit Cuba in the fall of 2008. Moreover, after the economic upheaval caused by the collapse of the Soviet Union in the early 1990s, the Cuban government remains intellectually aware that it should not depend on any one country or one region for support—although it still finds it hard to resist the temptation. Despite Cuba's attempts to diversify its economic relationships

around the world, Raúl Castro's administration has seen only modest results. Foreign direct investment in Cuba has increased, as have venture revenues and profits for these companies, but the number of joint ventures and cooperative production agreements has decreased since Raúl took the presidency provisionally in 2006. Raúl has repeatedly called for more FDI from a broader array of sources, but so far most agreements have been with Venezuela or contracts for oil exploration.<sup>32</sup> While trade has expanded dramatically under his leadership, most of that expansion has been due to China and Venezuela. In 2005, China and Venezuela accounted for 31% of trade with Cuba, and by 2007 that share increased to 38%, making Cuba's economy less diverse and more dependent on those two countries for continued economic growth.<sup>33</sup>

Still, improved diplomatic ties may have future economic payoffs. Trade with Mexico has increased since normalization of relations under President Calderon. Brazil expressed the desire to become Cuba's top trading partner and if oil is discovered off the coast, Cuba has a number of allies it can call upon for investment capital and expertise. Cuba will continue to hedge its resources from Venezuela with increased engagement with China. Since 2006, Raúl Castro has continued to lay the diplomatic groundwork to allow for greater diversification of their economic resources in the future. This progress has been aided by the desire of European and Latin American countries to better position themselves to play a role in Cuba's post-Fidel future, as well as the rising economic power of the Asian giants that has given them the resources to deepen ties with Latin America as a whole, and Cuba in particular. While Raúl Castro will never be able to rival the international stature of his brother Fidel, his foreign policy is benefiting from the range of newly empowered actors in Latin America, Asia and elsewhere that seek to lessen the island's international isolation at the same moment that his government is attempting to build a broader base of political and economic ties with the world.

30. "Gambia; Cuba Grateful to AU leaders," *Africa News*, July 19, 2006.

31. Larry Luxner, "Cuba's New Envoy Lashes Out at 'Genocidal' U.S. Embargo," *Diplomatic Pouch*, May 21, 2008.

32. "Foreign Investment in 2007, A Mixed Bag," *Cuba News*, July-August 2008, 16.

33. IMF DOTS.