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IT'S ABOUT TIME: NORMALIZED US-CUBAN RELATIONS

by Samuel George

A surprise prisoner swap this morning between the US and Cuba has triggered a new era—and a major thaw—in bilateral relations, which have been frozen for more than five decades. By noon, US President Barack Obama announced significantly broadened diplomatic, financial and technological contact with Cuba, and he encouraged Congress to address the legal embargo against the Caribbean country.

These are positive developments for both countries. The US stalemate with the island since the early 1960s had long lost its political efficacy. If anything, the unyielding US position proved counterproductive, leading to missed opportunities to normalize relations. A more open approach to the island will likely facilitate a more democratic Cuba.

Cuba's New Day... and New Generation

The Cuban people stand to emerge as the real winners of improved relations. On the one hand, closer ties with Washington suggest an opportunity to nurture Cuba's halting and unsteady, yet irreversible, progress over the past decade towards a more liberal political and economic society.

On the political front, *de facto* head of state Raúl Castro announced in early 2013 that he would surrender power in 2018. At the same time he appointed 54-year old Miguel Diaz-Canel as first vice president, implying that a man who had yet to be born when Fidel Castro took Havana would be Cuba's next leader. Raúl's exit, the emergence of a younger, less ideological generation of leaders, and the incessant, if slow transition to a market economy has created momentum for the reform-minded element of Cuban leadership. On the economic front, *The Economist* has reported that "[much of Cuban farming](#)" has been privatized, while *The New York Times* highlights [a burgeoning private sector](#).

Cuba's new-guard politicians and entrepreneurs will both need help. President Obama's approach, along with the potential easing of the embargo, would make the momentum of

private consumption difficult to stymie. The Castros' success in containing reform momentum owed much to personal allegiance and veneration. Their successors will not stand a chance against Beyoncé.

On the other hand, normalized relations with the US reflect an important insurance policy as Cuba's major benefactor, Venezuela, continues to unravel. Since 1999, the Bolivarian Republic has acted as Havana's sugar daddy.

Fifteen years later, Venezuela may be running out of sugar. Caracas has faced deteriorating macroeconomic conditions for years, [marked by spiking inflation](#), shortages and mounting debt. Social unrest and [plummeting oil prices](#) have rendered Venezuelan stability ever more tenuous. Soon enough, Caracas will be pushed towards fiscal consolidation, and the country's generous Caribbean energy policy could be on the chopping block.

Without Venezuelan support, the Cuban economy will face severe duress. The island needs help from somewhere. Today's breaking news suggests that somewhere is a mere 90 miles away, across the Strait of Florida.

What's In It for Washington?

For the US, the implications of the announcement will be on a different level. Normalized relations with Cuba will not create an economic bonanza, nor will they alter major geopolitical fault lines. But the move will resonate in the Western Hemisphere, where Latin America has long held in contempt the US approach to Cuba. This may make it easier for the US to assume leadership on controversial regional issues related to trade, narcotics and migration.

While normalized relations with Cuba may have marginally affected the average American, they could mark a defining moment for President Obama. The US saw today the leader whom they thought they elected in 2008: a man of principle, and a man of action. Just days after the release of a Senate Intelligence Committee report criticizing interrogation techniques employed during the Bush administration for being immoral and of limited effect, President Obama now offers a reconciliatory foreign policy as an option to achieve real, tangible results.

The president's announcement may rally his base, but it is no political slam dunk. The children of Cuban émigrés may be less opposed to normalization than their parents, but the move could still influence election results in Florida, where every vote counts. Nevertheless, Obama presented himself as a leader willing and able to take action on policy that is right and sensible, even if the political implications remain ambiguous.

The Time is Right

Soon Cuban policy will no longer be dictated by 1960s revolutionaries. The transition will not be easy, and it will not happen overnight. The process will also be fraught with errors. At the same time, the US's Cold War approach to the island is similarly outdated, and normalization will not come quickly. The embargo is ultimately in the hands of Congress, where some legislators remain deeply suspicious of Havana.

But the day's developments portend improved bilateral ties on a range of issues. Cuba will

enjoy exponentially improved odds of a successful political and economic transition if the *yanqui* is no longer the archenemy.

And who knows, maybe the US will be able to export a few more Che Guevara tee-shirts along the way.

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