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## Interest Groups and U.S. Foreign Policy towards Cuba: the Restoration of Capitalism in Cuba and the Changing Interest Group Politics

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# Interest Groups and U.S. Foreign Policy towards Cuba: the Restoration of Capitalism in Cuba and the Changing Interest Group Politics

## Abstract

The Cuban-American lobby successfully influenced Congress and various presidential administrations from the early 1980s until nearly the end of the century on U.S. foreign policy towards Cuba. Although two major events, the passage of the Trade Sanction Reform and Export Enhancement Act of 2000, and the Elián González affair of the same year, dramatically reduced the power of this conservative ethnic interest group, its influence continued during the George W. Bush presidency. Despite the lobby's active role, since 2008 the opposition of several political actors towards the sanctions regime, such as the agribusiness lobby, the administration of Barack Obama, and a significant number of Congressmen from both major parties, created an environment of major competition between two camps with distinct policy agendas. With the focus on the parallelism between the economic reforms on the island, and the changing American interest group politics, this paper seeks to study the determinants of the embargoes continuity in the 21st century, and the conditions that shape the new policy announced by the Obama administration in late 2014.

## Keywords

interest groups, foreign policy, Cuba, United States, economic reforms

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## **Introduction**

Although the USSR no longer exists and Cuban socialism no longer poses a threat to the world from a Western perspective, the embargo has continued through the various U.S. administrations—Democratic and Republican—until today. The U.S. has normalized its relations with several countries, such as China and Vietnam, but Cuba has ended up being forgotten in the attention of the United States. The ‘thaw’ in Cuba-U.S. relations began only in December 2014, reaching its peak in July and August 2015 with the opening of embassies in Havana and Washington, D.C. Nevertheless, the future of relations between the two countries remains uncertain.

Washington has shown no serious sign of a desire to change the situation until December 2014 despite the instrumentalization of the U.S. sanctions by the Cuban government to justify the weak points of its economy and despite the opposition of different sectors among American society like several members of the U.S. Congress—not only a large share of the Democrats, but also a small part of the Republican party—as well as important sectors of the business community, academics, moderate Cuban-Americans, and humanitarian and religious groups.

The main reason for this unproductive policy was the role played by the powerful anti-Castro Cuban-American lobby, which is constituted of Cuban exiles and immigrants settled mainly in Miami since the early years of the Revolution, and which opposed any attempt to normalize relations. Its strength became apparent in the formulation of the U.S. foreign policy towards Cuba in the 1980s, with the efforts of their exemplary organization, the Cuban American National Foundation (CANF). Nevertheless, the loss of power of this organization in the late 20th century, the agribusiness lobby’s entry into the scene with its allies in Congress, and the arrival of a President sympathetic to the cause of the normalization of the relations between the two countries in 2009 resulted in a change in the direction of U.S. policy towards the island. With the focus on the parallelism between the economic reforms on the island and the changing American interest group politics, this paper seeks to study the determinants of continuity of the embargo in the 21st century and the conditions that shape the new policy announced by the Barack Obama administration in late 2014.

## **The Evolution of the Cuban-American Lobby**

Unlike most other countries, the U.S. legislature plays an essential role in the foreign policy decision-making process. This—combined with the strength of civil society in the United States—results in the active participation of various interest groups in legislative discussions. Owing to the high socioeconomic status of its components and their organizational skills, the Cuban-American community weighs in on the political processes related to their country of origin, despite the community members’ limited demographic strengths when

compared to the Mexican and Puerto Rican immigrants settled in the United States.

The entry of the Cuban ‘exiles’ onto the American political scene took place in the early 1960s, with the first wave of migration that followed the Cuban revolution. These early immigrants were those who were more committed to the dictatorship of Fulgencio Batista, such as the officials and members of bourgeois families. A second wave, called the Camarioca exodus in 1965, included the rest of the bourgeoisie and the middle class frightened by the revolutionary radicalism of the new Cuban government (Alfonso, 2012: 73).

Over these first two flows, Washington D.C. knew how to use the migration issue as an instrument of pressure and destabilization vis-à-vis the young revolution. Although migration persisted in the 1970s, the prosperity of the Cuban economy prevented an exodus during that decade. However, the Mariel boatlift changed the direction of that trend in 1980. In this flow, 125,000 Cubans from different professional backgrounds left the island, seeking to reach the Florida coast mainly due to economic reasons. As a consequence, the 1980 exodus resulted in the integration of a new generation that spent much of its life under the revolutionary discourse of the Cuban-American community and meant the beginning of the community’s transformation in its relations with the island (Bobes, 2012). The last migratory crisis occurred in 1994, with the departure of thousands of Cubans from the island. The number of migrants, however, started to increase again after the Raul Castro government lifted travel restrictions in 2013.<sup>1</sup> All these new migrants contributed to the transformation of the community, which would later help moderates and agribusiness groups to affect the legislative and executive branches in order to soften the sanctions without fearing an electoral defeat in Florida.

The institutionalization of the contact between the community and the administration, however, became possible only with the creation of the CANF in 1981 by Jorge Mas Canosa during the administration of Ronald Reagan. Meanwhile, the election of a President to the White House who was determined to destroy the Socialist bloc—of which Cuba was part—was the beginning of a new era for the Cuban ‘exiles.’ After becoming an active and effective lobby in the 1980s, more and more members of the community were elected first at the local and then at the national levels. The creation of the CANF by the businessman Jorge Mas Canosa in 1981 was a major step in this process. Inspired by that famous organization, the American Israel Public Affairs Committee (AIPAC), the CANF has quickly become an influential interest group, thanks to its wealthy members. Unlike the traditional lobbies of other ethnic groups, the Cuban-American lobby was not seeking to defend the

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<sup>1</sup> See Pew Research Center website for the number of Cubans entering the U.S. from 2005 to 2015: <http://www.pewresearch.org/fact-tank/2015/12/10/cuban-immigration-to-u-s-surges-as-relations-warm/>

interests of the government of their country of origin, but was aiming to overthrow it. With the efforts of this organization, two principal anti-communist propaganda tools—Radio Marti and TV Marti—were founded, respectively in 1983 and in 1990, by the Washington, D.C. administration. The election of several members of the community to the U.S. Congress followed this activism, including the election of Republican Ileana Ros-Lehtinen, in 1989, to the House of Representatives as the first Cuban-American legislator at the national level.

Through a Political Action Committee—Free Cuba PAC—CANF's leaders distributed hundreds of thousands of dollars among the campaigns of several candidates from both parties in the last decade of the century.<sup>2</sup> Despite their limited population compared to the total population of the United States, this conservative community became the second strongest ethnic group—following the Israeli lobby—when the funds spent were considered.

The CANF lobbied successfully to pass two laws that strengthened the embargo against the island, the first by the Torricelli Act in 1992, and then by the Helms-Burton Act in 1996. The law of 1992 can be named the most important success of the CANF, whereas the role of the organization was much less during the entry of the 1996 Act into force. Until February 1996, President Clinton had opposed the Helms-Burton Act, arguing that the law contradicted international law, and that it would harm the relations of the country with its main allies because of the proposal's extraterritorial clauses. Only in February 1996, when Cuban fighter planes shot down two small civilian aircraft of the Cuban-American organization *Hermanos al Resgate*, which were scattering anti-government propaganda flyers on the island, the Cuban-American community was mobilized and the island attracted the attention of public opinion, forcing President Clinton to change his position and tighten the sanctions against Havana (LeoGrande, 1998:80-1).

Over the decades, Cuban-Americans who have obtained U.S. citizenship constituted a bloc of voters in Florida and New Jersey in favour of the Republican Party. For instance, in 1992, only 18% of Cuban-American voters voted for Bill Clinton in Florida, in spite of the hardliner position of this candidate against the Castro government. Unlike their loyalty to Republicans that lasted until Obama's election in 2009, Cuban-Americans have contributed more money to the campaigns of the Democratic candidates than to those of the Republicans because of the connection between the Democratic Party and the two big families of Cuban origin, Road and Ceja (Vagnoux, 2007: 193). In this way, the lobby was able to influence many Democratic representatives and Senators in the direction of its own agenda—against the leadership of Fidel Castro.

One of the most notable cases was the Democratic representative from New Jersey, Robert Torricelli. He was a liberal on many political issues,

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<sup>2</sup> See Center for Responsive Politics website for the details of Free Cuba PAC's spendings: <https://www.opensecrets.org/pacs/lookup2.php?cycle=2000&strID=C00142117>

including the issue of the embargo at the beginning of his political career. However, being aware of the growing number of Cuban voters in New Jersey, he approached the CANF and its leader, Mas Canosa, who later began to finance his election campaigns (LeoGrande 1998: 74). Torricelli thus became the sponsor of the Cuban Democracy Act of 1992, which would strengthen the embargo against the island whose economic situation had already become perilous because of the dissolution of the USSR and the Socialist bloc.

Vagnoux (2007: 195) points out that in the late 1990s, it was no longer possible to speak of an alliance between Washington and CANF, but ‘a relationship of interest, sometimes a little forced.’ The power of the lobby in Miami started to be reduced during this period in favour of the interests of agricultural and commercial groups, with the efforts of the American Farm Bureau Federation and U.S. Chamber of Commerce-related organizations, which supported the lifting of the sanctions against the island in order to develop trade between the two nations.

In this direction, Cuba benefited from some trade concessions, such as the suspension of the application of extraterritorial provisions (Title III) of the Helms-Burton Act<sup>3</sup> for six months and the renewal since then of this suspension by all presidents in office. Clinton also used his prerogatives to delimit the efforts of members of Congress whose position was close to the Cuban-American lobby. The passage of The Trade Sanction Reform and Export Enhancement Act (TSRA)<sup>4</sup> of 2000 in his last year in office can be considered the first major victory of the anti-embargo groups.

Despite the strengthening of the lobby during the two terms of George W. Bush, it should be underlined that the power of the conservative lobby had already been considerably reduced by two major events before the arrival of Bush in the White House. The first was the death of the founder of the CANF, Jorge Mas Canosa, in 1997, which generated divisions within the community. Then the case of Elián González exposed the differences of opinion and interests between the Cuban-American community and the rest of American society. Elián's return to his country at the end of the June 2000 was a major defeat for CANF, which had fought to keep the boy in the U.S., against the opinion of the majority of the American public, which refused to separate the child from his father (Egozcue 2008: 62). These two events not only damaged the reputation of the CANF and the community, but also caused a sharp divide within Cuban-Americans, opening up a political space to the more moderate and liberal wings of the community. It was in this context that the TSRA of 2000 was passed, which authorized the exportations of some agricultural and medical products from the U.S. to Cuba, despite the (unsuccessful) opposition of the already weakened CANF. This new panorama that appeared at the turn of the century, and the conflict between the Cuban-American lobby and

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<sup>3</sup> See the full text of the Helms-Burton Act:  
<https://www.govtrack.us/congress/bills/104/hr927/text>

<sup>4</sup> See the full text of the TSRA:  
<http://uscode.house.gov/view.xhtml?path=/prelim@title22/chapter79&edition=prelim>

recently developed interest groups will be analysed in the next section in light of the existing literature on interest group politics.

### **Interest Groups in American Politics**

Interest groups are categorized as those that are based on affiliation and those that are institutional. Both have advantages and disadvantages. The organizations which have a social base include ethnic interest groups that instrumentalize the votes of its members or followers to influence the political processes, while business lobbies that are considered institutional groups have significant financial strength, without necessarily having a large number of members. An organization can have the characteristics of both categories. Even social-based groups can use some individuals who have economic and political strengths to overcome financial challenges and the collective action problem of the organization (Paul and Paul 2009:11-2).

The main political activities of these interest groups can be summarized as influencing and mobilizing citizens, financing election campaigns, lobbying the legislative and executive branches through letters, visits and phone calls, going to court, and finally trying to convince international actors to exert pressure on states (Potters and Sloof 1995: 407). Helen Milner (1997: 23) emphasizes that in addition to exerting pressure on decision-makers, interest groups play another role, which is to provide them essential information in their respective areas of expertise.

Our case study is primarily interested in two different kind of lobbies: the conservative Cuban-American lobby, which defends the status quo on the embargo, and the agribusiness lobby, represented mainly by the Chamber of Commerce and Farm Bureau-related groups, which try to affect the decision-making processes in order to ease sanctions against Cuba.

Apart from these groups, which represent the agribusiness and ethnic lobbies, other organized interests also try to influence the foreign policy decision-making process. Among many, we can mention foreign governments, companies, political parties and other foreign individuals, although these actors are not allowed to make contributions to electoral campaigns. Also, scholars, think-tanks, ideological groups, religious, environmental, labour and human rights organizations try to shape the 'policy debates and legislators through technical reports, expert testimony and academic publications' (Paul and Paul, 2009: 171-2).

The literature identifies several features of interest groups and the determinants of their influence capacities (Dür and Bièvre, 2007: 3, Paul and Paul, 2009: 165; Rytz, 2013: 8, Holyoke, 2009: 371; Potters and Sloof 1995: 433; Rubenzer and Redd, 2010: 770-2). Firstly, the influence of an interest group depends on the institutional structure of the government or state. In this sense, the American political system provides a large activity zone to these groups. Through campaign contributions and lobbying, they are able to change the behaviour of a legislator, especially if the proposed law is a technical one

with reduced public visibility. That is why the existence of a Political Action Committee is essential for an organization that aims to influence the U.S. legislative process. Through PACs, the organizations basically raise money in order to spend them in favour or against a candidate or legislation. Then the strategy of ideological groups like the conservative Cuban-American lobby is oriented to support legislators, who already have a position close to the groups, while business groups like the Chamber of Commerce and agricultural lobby tend to change the position of legislators. Furthermore, the larger the organization of a group, the greater is its political influence. The high electoral mobilization of an ethnic minority and its concentration in a few electoral districts help overcome its numerical disadvantages and cultural dissimilarities. The presence of an 'enemy' and a historical trauma may also contribute to the mobilization of such ethnic communities. On the other hand, an electorate that is well informed on an issue reduces the influence of interest groups. Another important point is that the parallelism between the political goals of the group and the current government policy also contributes to a group's success. In this sense, the group must adapt its discursive strategy to changes in the official foreign policy discourse. Finally, the presence of a second strong group that aims to influence the political process in the opposite direction reduces the influence of the first group, while a third ally group may serve to increase the influence of the first one.

Despite the focus of the majority of scholars on the decision-making process to analyse the level of the lobbies' influence, Mearsheimer and Walt (2009: 205) do not ignore their attempts to determine the dominant public discourse on the relevant issue—in their case, it is the Israeli lobby—through influencing the media, academia and think-tanks. Taking the example of the Israeli lobby and its exemplary organization: the American Israel Public Affairs Committee, the Cuban-American community intended to determine the public discourse on the Cuban issue in the United States. For instance, in the last decade of the 20th century, the Cuban American National Foundation organized a boycott of *The Miami Herald* that opposed the objectives of the Foundation. The CANF also created a fund to encourage Cuban studies at a public university—Florida International University. However, after a long battle, FIU refused to open the programme; it would later be opened within a private university—the University of Miami (Haney and Vanderbush 2005: 45-6).

Even if it could never attain the level of influence of AIPAC, CANF was able to determine the discourse in the United States towards Cuba for nearly two decades. However, their influence began to wane in the late 1990s. It was the end of the Cold War, which opened up more space for other interest groups and that facilitated the efforts against the traditional U.S. policy towards the island. Moreover, the U.S.-born Cuban-American generation and the new immigrants divided the community ideologically. In the media, academia, and think-tanks, they began to make their voices heard increasingly in favour of a change in the relations between the two countries. New NGOs

from different tendencies, such as the Cuba Study Group, appeared and participated in the anti-embargo wave. Humanitarian and religious organizations also joined the agribusiness lobby, which was represented mainly by the Chamber of Commerce and Farm Bureau-related groups, in order to ease the embargo—if not to end it.

The executive branch, the business groups and the media exert more influence than any ethnic group, according to a study conducted by Paul and Paul (2009: 203), in which the authors measure the perceived influence of the actors in the area of U.S. foreign policy. In the same study, the authors identify four patterns of organization for ethnic groups (2009: 53–68). The first is the AIPAC model that was followed by the CANF for about two decades. This model ‘consists of developing of separate funding, research and lobbying organizations.’ Although AIPAC does not contribute directly to the election campaigns of the candidates by organizing a Political Action Committee (PAC), CANF used the Free Cuba PAC in order to directly finance campaigns.

The second form for the groups is to function mainly as a Political Action Committee, which means that the essential function of these groups is to contribute to candidate campaigns. Furthermore, they can also establish contacts with legislators and their staff. U.S.-Cuba Democracy PAC, which represents the community’s conservative wing since 2003, can be considered to belong to this category.

The not-for-profit 501(c)(3) advocacy model is the third pattern. The Cuba Study Group fits in this model. In many cases, individual contributions to these organizations are tax-deductible. Despite their advocacy activities, these organizations are prohibited from funding lobbying campaigns, and they also cannot work in election campaigns. They dedicate their resources more to education, and collecting and diffusing information parallel to the group’s mission. Besides, these groups serve as information providers for legislators. Such information may be important at the stage of the preparation of law proposals. Despite not having authorization for direct lobbying, which is the most effective method to communicate directly with legislators in order to influence the decision-making process, these groups regularly contact the members of Congress and their staff. However, groups can attend Capitol Hill only if the lobbying is not the main goal of the organizations and only if they do not spend money in order to influence the legislators. In contrast, business groups can finance the campaigns indirectly forming PACs and other types of 527 organizations. The PACs may contribute up to \$5,000 in each phase of elections for each candidate. In other words, a candidate can receive up to \$5,000 in the primaries, another \$5,000 in the first tour of the elections, and a final \$5,000 in the second round from each PAC.

The entrepreneurial model is the last pattern, wherein a limited number of individuals concentrates all functions in itself, such as fundraising, advocacy, public relations, contacting members of Congress and their staff. CubaNow, with its small elite structure, may be considered to belong to this category.

Since the defeat of the CANF in the Elián González and TSRA cases in 2000, no other organization could replace it in order to represent all—or most—of the Cuban-American community. This was not only because of their lack of organizational capacity, but also because of the impossibility of uniting the entire community due to its generational and ideological divisions. Despite the appearance of new moderate organizations that seek to influence the decision-making process towards a normalization of relations between the two countries, the Cuban-American conservative core in Congress continues to play a significant role in this process, with the advantage of having a PAC concentrating on the Cuban issue. The U.S.-Cuba Democracy PAC contributed \$214,000 in 2004, \$569,624 in 2006, \$767,500 in 2008, \$471,000 in 2010, \$304,000 in 2012, and \$264,500 in 2014 to federal candidates from both parties.<sup>5</sup> These amounts show a significant drop in contributions of the conservative wing of the Cuban community since 2008. It should be added that even the contributions from pro-Israel PACs—the ethnic lobby with the highest contributions—represented less than 1% of the PAC universe in the 2004 and 2006 election cycles (Paul and Paul 2009: 99). This means that the capacity to influence the decision-making process of the ethnic lobbies—including the Cuban-American lobby—through campaign financing has considerable limitations. Moreover, the moderate organizations and the agribusiness lobby—though the latter does not have a focus on the Cuban issue—with the help of many legislators and a President sympathetic to the cause of lifting the embargo are able to counterbalance and somehow overcome the conservative Cuban American lobby. Besides, the foundation of a new Political Action Committee, called the New Cuba PAC, which is seeking to help the campaigns of candidates who oppose the sanctions, might have some effects on the composition of the future Congress.

Finally, the pro-embargo lobby has also lost its base in academia and media. The critical voices on the new policy announced by President Obama on December 2014 were weak among the scholars in American universities. The media, too, played an important role in this process. The new Post-Cold War era, in which different opinions may be discussed more easily, had an impact on the media, which exerts considerable influence on American society and politics. The editorials published by *The New York Times* between October and December 2014 coincided with the announcement of the new policy and served as a preparation of American public opinion for the ‘Cuban thaw’.<sup>6</sup> However, not all newspapers supported the Obama administration on the issue. *The Miami Herald* has retained its position of scepticism, while *The Washington Post* and *El Nuevo Herald* opposed the new pro-normalization

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<sup>5</sup> See the website of the Center for Responsive Politics: <https://www.opensecrets.org/>

<sup>6</sup> See the editorials of the NYT which coincided with the new policy towards Cuba: <http://www.nytimes.com/interactive/2014/12/15/opinion/editorial-cuba-new-start.html?action=click&contentCollection=Opinion&module=RelatedCoverage&region=Marginalia&pgtype=article>

policy of the Obama administration.<sup>7</sup>

### **Capitalist Restoration in Cuba**

The passage from capitalism to socialism took nearly ten years following the revolution that took place on the island in 1959. Rodriguez (2013:26-7) explains the changing property relations as follows:

*The most important structural transformations in property ownership took place between 1959 and 1963. The Agrarian Reform Law approved in May 1959 changed the nature of Cuba's economy. It gave about 40% of the arable land to the state and to small farmers. A second Agrarian Reform Law in 1963 eliminated capitalism in Cuban agriculture[...]*

*The result of these changes in property ownership was that by the end of 1960, foreign trade, banking, and wholesale trade were 100% state-owned, while construction and industry were each 85%, transportation was 80%, retail trade was 52%, and agriculture was 37% nationalized. By 1968, all of these branches were entirely state property, except for agriculture, which was about 70% state-owned.*

Despite some small-scale liberal reforms during the 1980s and especially during the Special Period in the early 1990s, the reforms that are taking place since Raul Castro ascended to power have an essential difference with their antecedents. During Fidel Castro's leadership, all the liberalization incentives were reversible, limited and under strict control of the State, even if it is undeniable that those early reforms prepared the legal and social bases for future economic policies. In this sense, the large-scale reforms announced and applied by Raul Castro's administration are considerably loosening the State's role in the economy while provoking the emergence of a new class constituted by hundreds of thousands of people who will become potential opposition members of the government, with the aim of enlarging their property rights and increasing profits. In this paper, we define this process that started in 2006 as the restoration of capitalism in Cuba, and we claim that this new Cuban economic policy is the main factor which makes the normalization of the relations between two countries possible. This is a case similar to the United States' other normalization processes with, for instance, Vietnam and China,

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<sup>7</sup> See the editorials of the main journals after the President's declaration on December 2014:  
- Miami Herald: <http://www.miamiherald.com/opinion/editorials/article4585921.html>;  
- NYT <http://www.nytimes.com/2014/12/18/opinion/a-new-beginning-with-cuba.html>;  
- Washington Post [https://www.washingtonpost.com/opinions/the-obama-administration-extends-the-castro-regime-in-cuba-a-bailout-it-doesnt-deserve/2014/12/17/a25a15d4-860c-11e4-9534-f79a23c40e6c\\_story.html](https://www.washingtonpost.com/opinions/the-obama-administration-extends-the-castro-regime-in-cuba-a-bailout-it-doesnt-deserve/2014/12/17/a25a15d4-860c-11e4-9534-f79a23c40e6c_story.html)

especially if the target country does not represent any considerable threat against the United States.<sup>8</sup>

As Spadoni (2014: 169-70) describes:

*In November 2010, the government published the lineamientos, which is a comprehensive policy blueprint detailing Cuba's plans for future economic changes that were to be placed for consideration before the Sixth Congress of the CP of Cuba in April 2011. Held in Havana on April 16-19, 2011, the Sixth Congress of the CP of Cuba approved 313 guidelines, paving the way for far-reaching reforms to Cuba's system of economic management. The final document with all ratified proposals and a companion booklet with a summary of the changes from the draft version of november 2010 and the official reasons for those changes were published in may 2011 and widely distributed across the island.*

The restoration is much more evident and advanced in the agricultural sector. While the State is still the biggest land-owner on the island, with ownership of slightly over 6.1 million hectares of the nearly 11 million total hectares (Oficina Nacional de Estadística, 2015a), the rate of State ownership of agricultural land—especially cultivated land—has increasingly been reduced. As Wong and Dominguez (2013: 282-3) point out, state-owned farm rates have dwindled from 75% in the 1992 to 20.7% in 2010, while the *Cooperativas de Créditos y Servicios* (CCSs) and private farmers' shares have increased from 15% to 33% in the respective years. The rest of the cultivated lands belong to two other cooperative forms—*Unidades Básicas de Producción Cooperativa* (UBPCs) and *Cooperativa de Producción Agropecuaria* (CPAs). The authors adds as follows:

*In 2010, the 2,200 UBPCs farmed 37.5% of the agricultural surface area in Cuba. The entire nonstate agricultural sector – consisting of UBPCs, the roughly four thousand preexisting cooperatives (Credit and Service Cooperatives CCSs and Agricultural Production Cooperatives CPAs) and an increased number of individual farmers –together accounted for 79,3 % of the total area[...]*

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<sup>8</sup> The rapprochement between China and the U.S. became possible in the early 1970s due to the Sino-Soviet conflicts in various areas. However the normalization of the diplomatic relations occurred in 1979 only one year after the economic reform program announced by the Communist Party of China. On the other hand, the normalization with Vietnam had to wait until the end of the Cold War due to its alliance with the USSR. In 1986, the 6th National Congress of the Communist Party of Vietnam decided to implement a liberal economic reform program and the two countries normalized their diplomatic relations during the Bill Clinton administration in 1995.

*The state is no longer the main actor at the micro-economic level, and economic laws play a more active role in the regulation of production[...]*

*The Cuban government enacted Decree-Law 259 in mid-2008, which conveys idle farmland in usufruct to individuals or groups who commit to return it to production. By the end of 2010, 1 million hectares have been turned over for cultivation to 108,000 individuals and 2,000 cooperatives.*

Besides agriculture, the structural reforms include many other sectors of the economy. Albeit not defining the new economic policy as a restoration, but as pragmatic, Mesa-Lago and Pérez-Lopéz (2013:23) resume those reforms as follows:

*de-collectivization; decentralization of decisionmaking; larger role for the budget and its relation with fiscal and monetary policies, with tax reform aimed at increasing government revenues; eradication of voluntary work and of construction brigades because of their inefficiency; gradual elimination of the rationing system and increased role of market prices in resource allocation; expansion of self-employment to cover 181 occupations, permission for private transportation service providers –including taxis—to operate, and creation of cooperatives in production and services; permission for producers to sell their output directly at free agricultural markets; criticism of egalitarianism, virtual elimination of moral incentives, and predominance of material incentives; and reduction in social expenditures, which must be based on economic criteria and availability of fiscal resources.*

Estrada (2014: 27) concedes the risks of the decentralization for a socialist economy, referring to “a strengthened class of entrepreneurs with semi-absolute decision-making powers, which in decentralization in Eastern European ex-socialist models served as a catalyst for capitalist restoration.”

Finally, as Ritter (2014:124) notes, “the political and media stigmatization has been reversed.” The official negative discourse against the private property disappeared, and, in fact, it started to be incentivized. The Party’s official newspaper’s transmission (Granma 2016) of Raul Castro’s speech in the 7th Congress of the Communist Party is suggestive of how different the administration’s attitude towards private entrepreneurship is compared to Fidel Castro’s approach to it as a necessary evil. After underlining the importance of the increasing number of people working in the non-state sectors, the First Secretary of the Party, Raul Castro, adds that “the cooperatives, the medium and small businesses are neither anti-social, nor counter-revolutionary.” According to the ONE’s 2015 report on employment

and wages in the previous year, the number of the workers employed in cooperatives and the private sector increased by more than 241,000 people since the announcement of the *lineamientos* by the Cuban administration in 2011 (Oficina Nacional de Estadística, 2015b). The government's intention is to accelerate this trend.

In the light of these structural changes and by observing the tendency of Cuban economic indicators through the years, we assume that the process through which the island is passing should be named 'the restoration of capitalism.' Furthermore, we argue that the restoration is the main condition to normalize relations. The next section will analyse the interaction between the economic factors and the changing interest group politics, which is one of the domestic determinants of U.S. foreign policy along with the legislative and the executive branches.

### **Interest Groups and Two Tactics on the Cuban Issue**

This study divides American interest groups active on the Cuban issue into two categories in accordance with their tactical policy preferences towards the island. The first tactic—used by the hardliners—is to impose economic sanctions and restrict diplomatic relations as much as possible until the conquest of the political power on the island by the opposition, which is going to return the confiscated properties to their ex-owners—leaders of the conservative Cuban-American lobby—and establish a liberal democratic system. On the other hand, a second tactic—adopted by the moderates—is lifting the sanctions, establishing normal diplomatic relations and increasing the contact between the two societies without demanding an immediate withdrawal of the Castros from power in order to create an internal environment that is going to provoke political change in the island. Not only the advocacy groups, but also other domestic actors of American politics, such as journals, think-tanks, members of the Congress and even the Presidents, come under one of these categories or take a position between these two. Apart from their differences, the components of these two categories share an ultimate objective: to create the best conditions for the superpower's economic expansion. However, this common point does not diminish the importance of their methodological differences, which virtually shape U.S. foreign policy towards Cuba.

As mentioned in the previous sections, with the end of the Cold War, interest groups gained more space and started to influence American foreign policy decision-making process. Even if the Cuban American National Foundation became active during the Cold War period, its successful efforts in the 1980s were not a surprise, when the parallelism between the Reagan administration's strategy towards the socialist countries and CANF's political goals are considered. It should be added that in this period there was no sign from Havana to improve the relations and there was no particular interest by American companies to invest on the island due to the lack of opportunities.

The main test for the Foundation that fits into the first category—until its division in the first years of the new century—began when the Communist threat ended in the beginning of the 1990s with the dissolution of the Socialist camp. However, the conservative CANF was still able to represent the Cuban-American community and successfully lobbied for the passage of the 1992 and 1996 laws that restricted the embargo. In the meantime, Cuba’s government—which was confronting serious economic problems in the country due to its loss of its main economic partners—started to adopt liberal measures in order to surmount its economic difficulties. These reforms contained some serious modifications of Cuban law, with the aim of attracting foreign capital to the island, while opening up new opportunities for foreign companies, including the American business sector. It was in this context that the agribusiness lobby, which saw the possibility of the conquest of the Cuban market by its Canadian and European rivals, started to get interested in the Cuban economy.

The American Farm Bureau Federation and U.S. Chamber of Commerce-related groups started to create lobbying organizations in an alliance with several humanitarian and religious groups and the moderate wing of the Cuban-American community, which started to make its voice heard since the Elián González affair. For instance, the Cuba Study Group—which played an important role in the preparation of the policy change toward Cuba in 2014—explains briefly in its website when and why it was founded.

*The Group was formed in 2000 in the aftermath of the Elián González incident. Realizing that policies based on strategic rather than reflexive considerations were needed, the Group committed to seeking more practical, proactive, and consensual approaches toward Cuba policy.*

After the George W. Bush administration, which was open to hardliners’ influence, the conservative Cuban-American community’s unique lobbying organization, U.S.-Cuba Democracy PAC, reduced its activities and expenditures with the arrival of Barack Obama, on whom it had no influence, whereas the moderates formed some influential lobbying organizations such as CubaNow, Engage Cuba Coalition, and New Cuba PAC during Obama’s presidency that coincided with the liberal reforms in Cuba. On the Congressional side, these two PACs in conflict focused their efforts on convincing mostly Republican representatives and Senators according to the share of their spending between members of the two parties in 2016.<sup>9</sup> Taking into account the changing context, the conservative lobby’s reduced funds, and that its PAC contributed more to Democratic candidates in the 2008 and 2010

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<sup>9</sup> See the amount of the contributions of the New Cuba PAC to federal candidates: <https://www.opensecrets.org/pacs/lookup2.php?strID=C00572628> ; and see the contributions of the U.S.-Cuba Democracy PAC: <https://www.opensecrets.org/pacs/lookup2.php?strID=C00387720>

election cycles, we may conclude that it passed to the defensive side, seeking at least not to lose its Republican allies since the 2012 election cycle.

Apart from these lobbying organizations, some other advocacy groups deserve to be mentioned, such as the Center For a Free Cuba, Cuban Liberty Council, *Directorio Democrático Cubano* and *Madres y Mujeres Anti-Represión* in the first category; and Washington Office on Latin America, Center for Democracy in the Americas, and Cuba Study Group in the second one. The only organization of considerable significance that does not fit into this division is the Cuban American National Foundation because of its mixed policy positions between the two camps.<sup>10</sup>

In sum, since the turn of the century, the Cuban-American community's members have been divided as their policy preferences have differed towards their country of origin. The hardliners started to get isolated in their efforts to retain the status quo towards Havana as the moderate wing of the community was strengthened as a consequence of this division, and the entry of the agribusiness groups into the scene, with their increasing lobbying efforts since the liberal economic reforms on the island. However, with the presence of a President sympathetic to their cause in office, the conservative lobby succeeded in resisting the pressures that came from the rest of the society during the George W. Bush administration. In the meantime, the arrival of Barack Obama, who had normalization of relations on his agenda with the support of the majority of the Americans for a new policy towards Cuba, created the worst conditions for the hardliners in Washington, D.C. since the beginning of their political activities in the United States. Taking into account the support of a vast majority of the Democratic Congressmen for the new policy, the main advantage for the hardliners is the Republican majority in both chambers of the Congress since the announcement of the new policy.

## Conclusion

After the dominance of the executive branch over the formulation of U.S. foreign policy toward Cuba until almost the end of the Cold War, the Cuban-American lobby became the main domestic actor that was able to influence relations between the two countries due to its influence on both executive and legislative branches. On the other hand, the role of the conservative community and its contact with both branches have become much more complex since the end of the 20th century.

Firstly, the Cuban-American community settled in the United States—particularly in Miami—has been transformed not only demographically but also ideologically. In other words, the rate of growth of the population of Cuban origin in Miami stopped increasing in the 1990s for the first time since

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<sup>10</sup> See CANF's declaration following the President Obama's announcement regarding the new U.S.-Cuba Policy: <http://canf.org/news-item/canf-responds-to-todays-announcement-regarding-u-s-cuba-policy/>

the revolution (Eckstein, 2009: 46). In addition, surveys carried out in the same period showed that the proportion of those Cuban-Americans who advocated a change in U.S. foreign policy toward Cuba increased its weight significantly, particularly among the most recent immigrants and younger generations who were born in the United States (Sung-Chang and Grenier 2004:1). Today, the Cuban-American community does not vote for the Republican Party as a block. In the 2012 presidential elections, around 50% of the electors of Cuban origin in Florida voted for Barack Obama who represented the liberal wing of the American business (Lopez and Taylor, 2012).

Secondly, various interest groups—other than the conservative ethnic one—have entered the scene. For instance, the agricultural lobby played a decisive role in the formulation and implementation of the Trade Sanction Reform and Export Enhancement Act, which authorized the sales of some agricultural and medical products to the island in 2000. At the same time, other sectors of American business also began lobbying to soften the embargo in order to increase the trade volume between Washington, D.C. and Havana. These agribusiness groups' activities increased with the Cuban economic reforms, which were initiated following the transfer of power from Fidel Castro to Raul Castro.

In addition to these determinants related to American interest group politics, some international factors deserve to be mentioned, such as the reducing influence of Venezuela in Cuba owing to the economic and political difficulties that this country is trying to overcome, improved relations between Havana and the Vatican, the isolation of the United States in the Hemispheric Summits, and the role of Canada and the European Union. All of these determinants helped to create the appropriate international environment, and the necessary pressure on the U.S. and Cuban governments to improve their relations.

Shortly, the success of the hardliners depend now largely on the Republican strength in the White House and Congress as they lost their capacity of influence on the Democrats, and in this sense, the victory of the Republican Donald Trump could be a last opportunity to implement their agenda. Although the newly elected Republican President Donald Trump has given the signals of being tougher on the Cuban issue such as the appointment of the hardliner Mauricio Claver-Carone to his transition team, the new direction of the relations between Cuba and the U.S. drawn by Obama administration is getting built on a solid base. The irreversible liberal reforms on the island guarantee the need to normalize relations while creating opportunities for American businesses and providing the necessary resources for the new Cuban economy. Even with a Republican majority in the Congress and a Republican administration in the White House, it would be difficult to turn back permanently to the old Cold War policy toward the island. Today, there are sufficient conditions to expect a full normalization of the relations between the two countries in a near future.

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