

U.S. political class looks away as Cuba details impact of U.S. blockade

By Tom Whitney

Politicians whose job is to save crisis-ridden U.S. capitalism steer clear of wealth distribution; therefore, they won't be solving the climate – change problem or fixing inequalities in health care, education, and housing. They exalt the U.S. military as a profit-center and a brake on rival power centers. And they beat up on a Cuba working on a better way.

Voices of those desperate for solutions are barely heard in mainstream circles now. Circus-like distraction prevails, put in play by a skilled performer in a theater of the absurd masked as a presidency. Adept with venom, lies, and bullying, he monopolizes attention.

Meanwhile, projects of the extreme rightwing advance via executive actions and President Trump's opponents lack focus on solving big problems. U.S. maltreatment of Cuba, perceived as a lesser one, must inhabit the back region of their consciousness.

Now, information is recently available concerning the U.S. economic blockade of Cuba, particularly the toll it exacts in money and suffering. In different circumstance the story of terrible abuse of the Cuban people might rank as a big issue. Actually, when the circus leaves town and if struggle for decent relations with Cuba comes into its own, sure knowledge about a dreadful impact will be an essential tool.

Cuba made facts and data available ahead of November 1, 2017, the day when the United Nations General Assembly, for the 26th consecutive year, will vote on a Cuban resolution calling for an end to the U.S. blockade. Before the vote, Cuba's foreign ministry invariably issues a report detailing the blockade's adverse effects. Now there is a trail of documents testifying to these realities.

In truth, Cuba generates these annual reports less to persuade members of the Assembly than to use the occasion for informing world opinion about the blockade. Cuba by now can be confident about how the vote will go. The General Assembly has always approved Cuba's resolution overwhelmingly. Last year all nations voted Yes, except for the United States and Israel, who abstained.

All 47 pages of the [2017 report are accessible here](#). It begins: "The economic, commercial and financial blockade imposed by the Government of the United States against Cuba for almost 60 years still persists, continues to cause suffering to the Cuban people, and obstructs the economic development of the country." This report centers on Cuba's experience between April 2016 and June 2017.

According to the report, Cuba's "situation began to worsen" under the Obama administration, despite diplomatic relations with Cuba having been restored. The U.S.

Treasury Department imposed frequent fines “on foreign companies that maintained commercial relations with Cuba.” Fearing sanctions, many international financial institutions opted to not engage with Cuba. The Treasury Department finally in early 2016 allowed Cuba to use dollars in international transactions, but implementation was lacking.

According to Cuba’s calculations, the blockade over the decades has caused Cuba to lose \$822.2 billion, figured in terms of devaluated dollars, or \$130.2 billion, expressed as their current value. Since April 16, 2016, the blockade has cost Cuba \$4.3 billion. These totals represent extra costs associated with obtaining goods in places other than the United States, income lost due to the unavailability of U.S. goods and supplies, and earnings unrealized due to the U.S. ban on imports from Cuba. That these losses exceed the billions of dollars Cuba receives as direct foreign investment suggests the extent to which financial drain jeopardizes Cuba’s economic development.

President Obama’s reforms had their limitations. State enterprises were still barred from exporting to and importing from the United States. New allowances for telecommunications equipment represented only a tiny exception. U.S. travel still faced restrictions. Cuban financial entities were still unable to open accounts in U.S. banks. Cargo ships visiting Cuban ports still faced a six-month-long ban on docking in a U.S. port.

The report cites 18 “main blockade measures” imposed since May 2016. Here’s an example: “On June 8, 2017, [the U.S. Treasury Department] imposed a 87,255 dollar fine on the company American Honda Finance Corporation (AHFC) because one of its subsidiaries in Canada -- Honda Canada Finance Inc. -- approved and financed 13 vehicle leasing agreements between the Cuban embassy in Canada and a concessionary of Honda in Ottawa between February of 2011 and March of 2014.”

The report documented eight instances of U.S. interference with the “Right to Health and Food.” For example, “Cuban hospitals cannot have any state-of-the-art technology or equipment that is exclusively manufactured in the United States ...Cuba [therefore] had to send a group of patients and their companions to foreign hospitals, at a cost of 1,066,600 dollars.” Unable to import drugs and medical equipment from the United States, Cuba must find them in third countries. That obligation entails marked-up prices and extra charges for insurance, freight, storage, and payments to intermediaries. Extra spending on healthcare, due to the blockade, amounted to \$87 million during one year.

In the same year, Cuba’s food sector lost almost \$348 million. Cuban food manufacturers import 70 percent of the equipment and raw materials they need. Having to rely on distant sources adds expense and requires Cuba to have large inventories on hand.

Importation of education supplies from countries other than the United States adds almost \$3 million to Cuba’s costs. The blockade still hinders educational exchanges, deprives schools and universities of U.S. - licensed computer software, and causes

shortages of laboratory equipment. Much equipment needed for Cuba's sports, cultural, and artistic programs is also obtainable only in third countries -- at great cost -- and often is unavailable.

The report provides dozens of examples of impediments to Cuba's development. New equipment for refashioning the island's water system in the face of severe drought is usually off limits. Cuba's large biomedical industry must cope with shortages of materials and equipment. Cuba's mining, chemical, alternative energy, telecommunications, metallurgy, construction, and aviation industries lack access to U.S. sources of new or replacement equipment. They have to look elsewhere, and pay more.

Cuba's relations with third – country banks and corporations went awry long ago. The report emphasizes that the “blockade is not a bilateral issue between the United States and Cuba. Its extraterritorial character persists and is fully implemented, with absolute impunity and in open violation of International Law.”

Interconnections pervade today's global economy. Many U.S. corporations are multi-national in scope and have banking relationships throughout the world. These are circumstances calling the blockade into play, especially when a foreign subsidiary serves Cuban needs.

The report offers dozens of examples of interventions such as foreign banks being sanctioned for handling Cuba-related transactions, or Cubans not receiving pay for what they do overseas or goods they provide, or Cuban biomedical products being unavailable to U.S. hospitals and physicians.

The authors are clear: “The blockade continues to be a massive, flagrant and systematic violation of the human rights of all Cubans and qualifies as an act of genocide.” Furthermore, “The economic, commercial and financial blockade imposed by the Government of the United States against Cuba is being tightened.” And, “This policy continues to be the only obstacle to the development of the Cuban economy.”

In contrast with previous reports, this one doesn't speak much of national sovereignty or of international law. It does hint at the Geneva Conventions, which say that combatants in a war must assure that non-combatants survive, especially civilians. But the U.S. government, not even waging war with Cuba, purposefully has visited great harm upon Cuban civilians.