

Oct. 2003

Dear Congressman Baird,

I am writing today to express my views on a matter that recently caught my eye. While watching the CBC's (Canadian Broadcasting Company) nightly news program "The National," I was surprised to see US President George W. Bush holding the White House lawn speech, flanked by Secretary of state Colin Powell, to announce a new "enemy." He went on to espouse his now well-worn plans for regime change, increased economic sanctions and retribution should the sovereign nation not capitulate to his rather vague demands.

While I feel that much of the grandstanding was a political smoke screen to defray public attention from the economic and diplomatic morasses that seem to increase daily, the detrimental effects and missed opportunities alone are stunning. Additionally, these increased protectionist policies and stepped-up enforcement will be counter productive to his stated goal of "Liberating Cuba."

The CBC's news story focused on the potential impact on the Canadian airline and travel industry as well as discussing appropriate Canadian diplomatic response to the newest aggressive posturing by their powerful neighbor (currently a rather raw nerve in Canada considering the recent US/Canada conflicts over the invasion of Iraq, cannabis decriminalization, same-sex marriage etc.). "We have our own independent foreign policy," said Minister of Industry Allan Rock, "and it's important that we protect our interests." (www.cbc.ca - Bush promises crackdown on travel to Cuba – 10/10/03)

In his speech, Bush stated that "illegal tourism" was undermining US efforts to marginalize Cuba to the point of insurrection and subsequent ouster of Castro. "Our country must understand the consequences of illegal travel," Bush said adding that tourist money only helps to prop up Castro's government. (www.cbc.ca - Bush promises crackdown on travel to Cuba – 10/10/03)

Bush also has made clear that that Americans who travel to Cuba through a third country – such as Canada – would be prosecuted since it is illegal for Americans to

spend any money in Cuba. (www.cbc.ca - Bush toughens enforcement of Cuba embargo – 7/13/01)

In an effort to skirt the letter of the law, American tourists buy all-inclusive tour packages including meals and lodging from Canadian tour companies thus avoiding trading directly with the Cuban people. One Montreal based tour operator who specializes in Cuban vacations thought the US stance as an opportunity for his firm. He pointed out that while it has been illegal for Americans to visit Cuba for some time, the more the US government attempts to restrict travel, the more inclined Americans are to visit the forbidden nation. Indeed approximately 25,000 Americans travel to Cuba illegally every year flying through other countries. In 1999, 130,000 Americans visited Cuba legally with a license from the U.S. Treasury Dept.

Air Canada representatives were unconcerned about the potential impact saying the airline has already added 13 additional flights per week just to serve the growing Canadian market. (CBC National broadcast 10/10/03)

While Canada/Cuba relations have strained over the treatment of some prisoners, (Chretien criticizes Castro regime 3/15/99) investment continues. According to the US-Cuba Trade & Economic Council in New York, investment dollars between 1990-1999 in Cuba were as follows: Canada \$600 million; Mexico \$450 million; Italy \$387 million; Spain \$100 million; UK \$50 million; France \$50 million; Netherlands \$40 million; Chile \$30 million; Brazil \$20 million; Portugal \$10 million. (<http://www.cubatrainfo.com/cuba-travel-faq.shtml>)

This US/Cuba trade embargo began in 1962 and survives primarily due to vocal Cuban-American citizen lobbyist. Despite the past tensions and political differences, the US trades with Vietnam, Russia, Iran, China, and North Korea, but not with Cuba. In 1999, the Clinton administration added a few cracks to the wall by allowing money to move from US-Cubans to their relatives and occasional charter flights are allowed to the island nation from the US – for the time being only as Bush seems adamant about ending the program.

Despite the embargo, Americans are trading with Cuba. American corporations go through foreign partners or purchase stakes in foreign companies to trade. In 1994, the U.S. Treasury Dept. permitted American companies to profit from the Cuban holdings of their partners. Cuba buys about \$10 million worth of coca-cola every year from the Atlanta based company. It is obtained from Mexico where it is bottled, independent of the soft drink giant's home base in the USA. For instance, in 1997, a subsidiary of Bank America Corp. bought a 26% interest in Leisure Canada, a Vancouver- based resort developer. The California-based DHL Worldwide ships packages to Cuba through its Belgium office. In 1998, Citibank in New York bought Banco Confia, a commercial bank in Mexico, to handle credit-card transactions in Cuba. American Airlines is in partnership with British Airways and Iberia both of whom make regular flights to Cuba.

(<http://www.cubatravelinfo.com/cuba-travel-faq.shtml>)

Personally, growing up in the waning years of the “Cold War,” stories about the active black market in the former USSR were commonplace. It was accepted that significant sums were offered for imported items from blue jeans and cassette tapes to state secrets and weapons technology. Bribes were the commonly paid rather than normal customs duties.

The practical experience gained from trading gave a “taste” of the outside world to the Soviet would be merchants resulting in political and economic revolution in due time. Thus, it seems to me that both the introduction of unique commercial product and the exercise of the exchange of goods for currency itself were instrumental in educating the proletariat about the machinations of a market economy.

I feel that freedom from tyranny in both the political and economic spheres in Cuba will be hastened by openness in trade rather than sanction and mistrust.

Regards,

(signed) daveo in OlyWa