



# Cuba's Political Succession: From Fidel to Raúl Castro

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## Summary

Cuba's political succession from Fidel Castro to his brother Raúl has been characterized by a remarkable degree of stability. On February 24, 2008, Cuba's legislature selected Raúl as President of the 31-member Council of State, a position that officially made him Cuba's head of government and state. Most observers expected this since Raúl already had been heading the Cuban government on a provisional basis since July 2006 when Fidel stepped down as President because of poor health. On February 19, 2008, Fidel had announced that he would not accept the position of President of the Council of State. Cuba's stable political succession from one communist leader to another raises questions about the future direction of U.S. policy, which currently can be described as a sanctions-based policy that ties the easing of sanctions to democratic change in Cuba. For developments in U.S. policy toward Cuba, see CRS Report RL33819, *Cuba: Issues for the 110<sup>th</sup> Congress*; and CRS Report RL31139, *Cuba: U.S. Restrictions on Travel and Remittances*. For background and analysis in the aftermath of Fidel Castro's stepping down from power in July 2006, see CRS Report RL33622, *Cuba's Future Political Scenarios and U.S. Policy Approaches*.

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## Cuban Developments

### Stable Succession

Fidel Castro ceded provisional control of the government and the Cuban Communist Party (PCC) to his brother Raúl on July 31, 2006, because of poor health. While initially many observers forecast Raúl's assumption of power as temporary, it soon became clear that a permanent succession of political power had occurred. Fidel's health improved in 2007, but his condition remained weak, and most observers believed that he would not resume his role as head of the Cuban government. That proved true when on February 19, 2008, Fidel announced that he would not accept the position of President of the Council of State when Cuba's legislature, the National Assembly of People's Power, was scheduled to meet on February 24, 2008, to select from among its ranks the members of the 31-member Council. Many observers expected Raúl to be selected by the legislature to be the next President, a role that he held provisionally for the previous 19 months.

Even before Fidel provisionally stepped down from power in July 2006, a communist successor government under Raúl was viewed as the most likely political scenario. As First Vice President of the Council of State, Raúl had been the officially designated successor pursuant to Article 94 of the Cuban Constitution, and in the past, Fidel publicly endorsed Raúl as his successor as head of the PCC. Moreover, Raúl's position as head of the Revolutionary Armed Forces (FAR), which essentially controls Cuba's security apparatus, made him the most likely candidate to succeed Fidel.

So while it was not a surprise to observers for Raúl to succeed his brother officially on February 24, 2008, what was surprising was the selection of José Ramón Machado Ventura as the Council of State's First Vice President. A physician by training, Machado is 77 years old, and is part of the older generation of so-called *históricos* of the 1959 Cuban revolution. He has been described as a hard-line communist party ideologue, and reportedly has been a close friend and confidant of Raúl's for many years.<sup>1</sup> Machado's position is significant because it makes him the official successor to Raúl, according to the Cuban Constitution. Many observers had expected that Carlos Lage, one of five other Vice Presidents on the Council of State, would have been chosen as First Vice President. He was responsible for Cuba's economic reforms in the 1990s, and at 56 years of age, represents a younger generation of Cuban leaders. While not rising to First Vice President, Lage nevertheless retained his position as a Vice President on the Council of State, and also will continue to serve as the Council's Secretary.

Several key military officers and confidants of Raúl also became members of the Council, increasing the role of the military in the government. General Julio Casas Regueiro, 72 years of age, who already was on the Council, became one of its five vice presidents. Most significantly, Casas, who had been first vice minister in the FAR, was selected by Raúl as the country's new Minister of the FAR, officially replacing Raúl in that position. Casas also is chairman of GAESA (Grupo de Administracion Empresarial, S.A.), the Cuban military's holding company for its extensive businesses. Two other military appointments to the Council were Gen. Alvaro López

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<sup>1</sup> Daniel Dombey, Richard Lapper, and Andrew Ward, "A Family Business, Cuban-Americans Look Beyond the Havana Handover," *Financial Times*, Feb. 27, 2008.

Miera, the army's chief of staff, and Gen. Leopoldo Cintra Frías, who commanded the Western army, one of Cuba's three military regions.<sup>2</sup>

What is notable about Cuba's political succession from Fidel to Raúl is that it has been characterized by political stability. There has been no apparent evidence of rivalry or schisms within the ruling elite that have posed a threat to Raúl's new position. In the aftermath of Fidel initially stepping down in 2006, Raúl mobilized thousands of reservists and military troops to quell a potential U.S. invasion. He also reportedly dispatched undercover security to likely trouble spots in the capital to deal with any unrest, but the streets remained calm with a sense of normalcy in day-to-day Cuba.<sup>3</sup>

## Prospects for Change

As Raúl stepped into his new role as head of government, a number of observers predicted that he would be more open to economic reform than Fidel, pointing to his past support for opening up farmers' markets in Cuba and the role of the Cuban military in successfully operating economic enterprises. Many have speculated that Cuba under Raúl might follow a Chinese or Vietnamese economic model. To date, however, there have not been any significant economic changes to indicate that Cuba is moving in the direction of a Chinese model.

Nevertheless, with several minor economic policy changes undertaken by Raúl, there are some signs that more substantial economic changes could be coming. Under Raúl, the Cuban government has paid off its debts to small farmers and raised prices that the state pays producers for milk and meat; customs regulations have been relaxed to allow the importation of home appliances, DVD players, VCRs, game consoles, auto parts, and televisions; and private taxis have been allowed to operate without police interference.<sup>4</sup> In a speech on Cuba's July 26, 2007 revolutionary anniversary, Raúl acknowledged that Cuban salaries were insufficient to satisfy basic needs, and maintained that structural and conceptual changes were necessary in order to increase efficiency and production. He also called for increased foreign investment. For some, Raúl's call for structural changes was significant, and could foreshadow future economic reforms such as allowing more private enterprise and a shift away from state ownership in some sectors.<sup>5</sup> In his first speech as President in February 2008, Raúl promised to make the government smaller and more efficient, to review the potential reevaluation of the Cuban peso, and to eliminate excessive bans and regulations that curb productivity.<sup>6</sup>

Cuban public expectations for economic reform have increased. In the aftermath of Raúl's July 2007 speech, thousands of officially-sanctioned meetings were held in workplaces and local Communist Party branches around the country where Cubans were encouraged to air their views and discuss the future direction of the country. Complaints focused on low salaries and housing

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<sup>2</sup> Pablo Bachelet, "New Cuban Leader Adds Military Loyalists to Team," *Miami Herald*, Feb. 25, 2008.

<sup>3</sup> Brian Latell, "Raúl Castro: Confronting Fidel's Legacy in Cuba," *The Washington Quarterly*, Summer 2007, p. 55.

<sup>4</sup> James C. McKinley Jr, "Cuba's Revolution Lurches Forward Under Two Masters," *New York Times*, July 27, 2007; Anita Snow, "Interim Ruler Raúl Castro Takes Small Steps to Improve Cubans' Lives, But Are They Enough," *Associated Press Newswires*, September 11, 2007.

<sup>5</sup> Philip Peters, "Will Raúl Castro Reform Cuba's Economy?" *Cuba Policy Report*, Lexington Institute, September 25, 2007; "Cuba: Raúl Hints at Economic Liberalisation," *Oxford Analytica*, August 3, 2007.

<sup>6</sup> "Cuba: Full Text of Raúl Castro's National Assembly Address," *Cubavisión*, Havana (as translated by Open Source Center) Feb. 24, 2008.

and transportation problems, and some participants advocated legalization of more private businesses.<sup>7</sup> Raised expectations for economic change in Cuba could increase the chance that government actually will adopt some policy changes. Doing nothing would run the risk of increased public frustration and a potential for social unrest. Increased public frustration was evident in a clandestine video, widely circulated on the Internet in early February, of a meeting between Ricardo Alarcón, the head of Cuba's legislature, and university students in which a student was questioning why Cuban wages are so low and why Cubans are prohibited from visiting tourist hotels or traveling abroad. The video demonstrates the disillusionment of many Cuban youth with the dismal economic situation and repressive environment.

Several factors, however, could restrain the magnitude of economic policy change in Cuba. A number of observers believe that as long as Fidel Castro is around, it will be difficult for the government to move forward with any major initiatives that are viewed as deviating from Fidel's orthodox policies. Other observers point to the significant oil subsidies and investment that Cuba now receives from Venezuela that have helped spur Cuba's high economic growth levels over the past several years, and maintain that such support lessens the government's impetus for economic reforms. Another factor that bodes against rapid economic policy reform is the fear that it could spur the momentum for political change. Given that one of the highest priorities for Cuba's government has been maintaining social and political stability, any economic policy changes are likely to be smaller changes introduced over time that do not threaten the state's control.

While some degree of economic change under Raúl Castro is likely over the next year, few expect there will be any change to the government's tight control over the political system, which is backed up by a strong security apparatus. Some observers point to the reduced number of political prisoners, from 283 at the end of 2006 to 230 as of mid-February 2008, as evidence of a lessening of repression, but dissidents maintain that the overall situation has not improved. For example, the government arbitrarily detained more than 300 people for short periods in 2007. Of the 75 activists imprisoned in March 2003, 55 remain jailed; four were released on February 16, 2008, but sent into forced exile to Spain. Some observers contend that as the new government of Raúl Castro becomes more confident of ensuring social stability and does not feel threatened, it could move to soften its hard repression, but for now the government is continuing its harsh treatment of the opposition. The selection of José Ramón Machado as First Vice President also appears to be a clear indication that the Cuban government has no intention of easing tight control over the political system.

## **U.S. Policy Implications**

Cuba's peaceful political succession from one communist leader to another raises questions about the future direction of U.S. policy. Current U.S. policy can be described as a dual-track policy of isolating Cuba through comprehensive economic sanctions, including restrictions on trade and financial transactions, while providing support to the Cuban people through such measures as funding for democracy and human rights projects and U.S.-government sponsored broadcasting to Cuba. The Cuban Liberty and Democratic Solidarity Act of 1996 (P.L. 104-114) sets forth a number of conditions for the suspension of the embargo, including that a transition Cuban government: does not include Fidel or Raúl Castro; has legalized all political activity; has released all political prisoners; and is making progress in establishing an independent judiciary

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<sup>7</sup> Frances Robles, "Cubans Urged to Vent Views," *Miami Herald*, October 2, 2007.

and in respecting internationally recognized human rights. The actual termination of the embargo would require additional conditions, including that an elected civilian government is in power. The dilemma for U.S. policy is that the legislative conditions could keep the United States from having any leverage or influence as events unfold in a post-Fidel Cuba and as Cuba moves toward a post-Raúl Cuba.

The Bush Administration has made substantial efforts to prepare for a political transition in Cuba. In 2004 and 2006, the Administration's Commission for Assistance to a Free Cuba prepared two reports detailing how the United States could provide support to a Cuban transition government to help it respond to humanitarian needs, conduct free and fair elections, and move toward a market-based economy. A criticism of the reports, however, has been that they presuppose that Cuba will undergo a rapid democratic transition, and do not entertain the possibility of reform or economic change under a communist government. On the basis of these reports, critics maintain that the United States may be unprepared to deal with alternative scenarios of Cuba's political transition.

Over the past several years Congress has often debated policy toward Cuba, with one or both houses at times approving legislative provisions that would ease U.S. sanctions on Cuba. President Bush has regularly threatened to veto various appropriations bills if they contained provisions weakening the embargo, and ultimately these provisions have been stripped out of final enacted measures. In 2007, the lack of any significant policy changes in Cuba under Raúl appeared to diminish the impetus in Congress for any major change in policy toward Cuba, although Raúl's official installation as President could alter that.

## **Raúl's Overtures**

Since assuming power, Raúl Castro has made several public offers to engage in dialogue with the United States that have been rebuffed by U.S. officials who maintain that change in Cuba must precede a change in U.S. policy. In an August 2006 interview, Raúl asserted that Cuba has "always been disposed to normalize relations on an equal plane," but at the same time he expressed strong opposition to current U.S. policy toward Cuba, which he described as "arrogant and interventionist."<sup>8</sup> In response, Assistant Secretary of State for Western Hemisphere Affairs Thomas Shannon reiterated a U.S. offer to Cuba, first articulated by President Bush in May 2002, that the Administration was willing to work with Congress to lift U.S. economic sanctions if Cuba were to begin a political opening and a transition to democracy. According to Shannon, the Bush Administration remains prepared to work with Congress for ways to lift the embargo if Cuba is prepared to free political prisoners, respect human rights, permit the creation of independent organizations, and create a mechanism and pathway toward free and fair elections.<sup>9</sup>

Raúl Castro reiterated an offer to negotiate with the United States in a December 2006 speech. He said that "we are willing to resolve at the negotiating table the longstanding dispute between the United States and Cuba, of course, provided they accept, as we have previously said, our condition as a country that will not tolerate any blemishes on its independence, and as long as said resolution is based on the principles of equality, reciprocity, non-interference, and mutual respect."<sup>10</sup> More recently, in his July 26, 2007 speech, Raúl reiterated for the third time an offer to

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<sup>8</sup> "No Enemy Can Defeat Us," interview of Raúl Castro by Laszar Barredo Medina, *Diario Granma*, August 18, 2006.

<sup>9</sup> U.S. Department of State, "U.S. Policy Toward Cuba," Thomas Shannon, Assistant Secretary for Western Hemisphere Affairs, August 23, 2006.

<sup>10</sup> "English Transcript of Raúl Castro's Speech," *Miami Herald*, December 2, 2006.



engage in dialogue with the United States, and strongly criticized U.S. economic sanctions on Cuba. This time, Raúl pointed to the future of relations with the next U.S. Administration, and stated that “the new administration will have to decide whether it will keep the absurd, illegal, and failed policies against Cuba, or accept the olive branch that we extended.” He asserted that “if the new U.S. authorities put aside arrogance and decide to talk in a civilized manner, they will be welcome. If not, we are willing to deal with their hostile policies, even for another 50 years if necessary.”<sup>11</sup> A U.S. State Department spokesman responded that “the only real dialogue that’s needed is with the Cuban people.”<sup>12</sup> In the aftermath of Fidel’s announcement that he would step down as head of government, U.S. officials maintained there would be no change in U.S. policy.

## **U.S. Policy Approaches**

In the context of Raúl Castro’s succession, there are two broad policy approaches to contend with political change in Cuba: a stay the course or status-quo approach that would maintain the policy of isolating the Cuban government with economic sanctions; and an approach aimed at influencing Cuban government and society through an easing of sanctions and increased contact and engagement.

Advocates of continued sanctions argue that the Cuban government under Raúl Castro has not demonstrated any willingness to ease repression or initiate any political or economic openings. Secretary of Commerce Carlos Gutierrez asserts that “the succession from Fidel to Raúl is a preservation of dictatorship” and that “the regime needs to have a dialogue with the Cuban people before it has one with the United States.”<sup>13</sup> Other supporters of current policy maintain that easing economic sanctions would prolong the communist regime by increasing money flowing into its state-controlled enterprises, while continued sanctions would keep up the pressure to enact deeper economic reforms.<sup>14</sup>

Those advocating an easing of sanctions argue that the United States needs to take advantage of Cuba’s political succession to abandon its long-standing sanctions-based policy that they maintain has had no practical effect in changing the policies of the Cuban government. They argue that continuing the status quo would only serve to guarantee many more years of hostility between Cuba and the United States, and reduce the chances for positive change in Cuba by slowing the pace of liberalization and reform.<sup>15</sup> Others argue that the United States should work toward engaging and negotiating with Cuba in order to bring incremental change because even the smallest reforms can help spur popular expectations for additional change.<sup>16</sup>

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<sup>11</sup> “Raúl Castro Presides Over Rebellion Day Ceremony,” Open Source Center [Cubavisión], July 26, 2007.

<sup>12</sup> Frances Robles, “Raúl Again Offers ‘Olive Branch’ to U.S.,” *Miami Herald*, July 27, 2007; “U.S. Government Rejects Dialogue with Cuba,” *EFE*, July 27, 2007.

<sup>13</sup> Department of Commerce, “Commerce Secretary Carlos M. Gutierrez Remarks at the Heritage Foundation, Washington, D.C.,” September 17, 2007.

<sup>14</sup> Jason Poblete and Jamie Suchlicki, “When Should the U.S. Change Policy Toward Cuba,” Institute for Cuban and Cuban-American Studies, University of Miami, *Cuba Brief*, August 13, 2007.

<sup>15</sup> Julia E. Sweig, “Fidel’s Final Victory,” *Foreign Affairs*, January/February 2007.

<sup>16</sup> Mario Loyola, “After Fidel,” *The Weekly Standard*, October 15, 2007.



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