



Cuba: U.S. Policy Overview

Cuba remains a one-party authoritarian state with a government that has sharply restricted freedoms of expression, association, assembly, and other basic human rights since shortly after the 1959 Cuban Revolution. Over the past six decades, U.S. policy has generally sought to isolate the Cuban government to promote change on the island and limit Cuba's ability to engage in malign activities abroad. Congress has played an active role in shaping U.S. policy toward Cuba, including by enacting legislation related to U.S. sanctions and appropriating funding to support access to information and promote democracy and human rights in Cuba.

Political and Economic Developments

Miguel Díaz-Canel succeeded Raúl Castro as president in 2018 and as head of the Cuban Communist Party (PCC) at its eighth party congress in 2021. Cuba's National Assembly elected Díaz-Canel to a second and final five-year presidential term in April 2023. The departure of Castro and other older leaders from the PCC's Politburo reflects the generational change in Cuban leadership that began in the early 2000s. While in power from 2006 to 2018, Raúl Castro (who succeeded his brother, longtime leader Fidel Castro) relaxed restrictions on private economic activities, but his government's slow, gradualist approach did not produce major economic improvements. Cuba adopted a new constitution in 2019 that introduced some reforms but maintained the state's dominance over the economy and the PCC's predominant political role.

Socioeconomic Conditions

The Cuban economy has yet to fully recover from the economic shutdown associated with the COVID-19 pandemic. Cuba reported that the economy contracted by 10.9% in 2020 and grew by 1.3% and 2% in 2021 and 2022, respectively. The Cuban government estimated a contraction of 1%-2% in 2023. According to the Economist Intelligence Unit (EIU), Cuba's economic output will not return to its pre-pandemic level until after 2025. Recovery reportedly has been slowed by fuel oil shortages due to reduced imports from Venezuela, a slower-than-expected return of hard currency-wielding foreign tourists, hurricane damage, continuing distortions and inefficiencies in the centrally planned economy, and the effects of U.S. sanctions. A major importer of food, Cuba has struggled with declining agricultural production and rising global food prices, resulting in shortages and concerns about food insecurity. In late 2023, Cuba made an urgent request to the United Nations for additional food aid for children.

Increased Repression

Beginning in November 2020, the Cuban government cracked down on the San Isidro Movement (MSI), a civil society group opposed to restrictions on artistic expression. On July 11, 2021, anti-government demonstrations broke

out in Havana and throughout the country, with thousands of Cubans protesting economic conditions (including food and medicine shortages and blackouts) and the lack of political freedoms. The government responded with harsh measures, including widespread detentions of protesters, civil society activists, and bystanders. Hundreds of the July 2021 protesters have been tried and convicted, and many others reportedly have been forced into exile. In response to renewed protests in March 2024, the Cuban government reportedly took some steps to address food shortages and power outages while implementing short-term internet shutdowns and arbitrarily detaining some protesters. The human rights group Prisoners Defenders reported that there were 1,067 political prisoners at the end of February 2024 (up from 152 on July 1, 2021).

Increased Cooperation with China and Russia

Amid Cuba's domestic challenges, the country has sought to increase ties with China and Russia. The Biden Administration asserts that China has had an intelligence collection facility in Cuba since at least 2019. Some press reports suggest that Cuba and China have discussed additional security cooperation. Cuba also has strengthened its diplomatic and commercial ties with Russia. Among other reported agreements, Russia has pledged to deliver 32,000 barrels of oil and oil products per day to Cuba and Cuba has offered to provide 30-year land concessions to Russian firms in Cuba.

U.S. Policy

Since the early 1960s, when the United States imposed a trade embargo on Cuba, the centerpiece of U.S. policy toward the country has consisted of economic sanctions aimed at isolating the Cuban government. The Obama Administration initiated a policy shift away from sanctions and toward engagement and the normalization of relations. Policy changes included the rescission of Cuba's designation as a state sponsor of international terrorism (May 2015); the restoration of diplomatic relations (July 2015); and eased restrictions on travel, remittances, trade, telecommunications, and banking and financial services (2015-2016). The Trump Administration reversed course, introducing new sanctions in 2017, including restrictions on transactions with companies controlled by the Cuban military. By 2019, the Trump Administration had largely abandoned engagement and significantly increased sanctions, particularly on travel and remittances.

In its initial months, the Biden Administration announced it was conducting a review of policy toward Cuba, with human rights as a core pillar. In the aftermath of the Cuban government's harsh response to the July 2021 protests, the Biden Administration criticized Cuba's repression and imposed targeted sanctions on those involved, including financial sanctions on three Cuban security entities and

eight officials, and visa restrictions against 50 individuals involved in repressing protesters.

In May 2022, the Biden Administration announced several policy changes aimed at increasing support for the Cuban people. It expanded immigrant visa processing at the U.S. Embassy in Havana and eased travel restrictions by reauthorizing scheduled and charter flights to cities beyond Havana and reinstating group people-to-people travel (e.g., for educational purposes). It also eased restrictions on sending cash remittances by eliminating the dollar and frequency limits for family remittances and reauthorizing donative (i.e., non-family) remittances to Cuban nationals. Additionally, the Administration announced plans to increase support for Cuban entrepreneurs, including by authorizing access to expanded cloud technology, application programming interfaces, and e-commerce platforms and working to expand access to microfinance; many of these changes have yet to be implemented.

U.S. and Cuban officials also have resumed meetings on selected issues of bilateral concern that were suspended during the Trump Administration. These include the U.S.-Cuba Law Enforcement Dialogue and semiannual talks to review implementation of bilateral migration accords.

Selected U.S. Sanctions

The Biden Administration thus far has opted to maintain several other policies implemented during the Trump Administration, including the following measures.

Transactions with the Cuban Military. In 2017, the State Department published a list of entities controlled by the Cuban military, intelligence, or security services “with which direct financial transactions would disproportionately benefit such services or personnel at the expense of the Cuban people or private enterprise.” This “Cuba restricted list” includes 231 entities (ministries, hotels, businesses).

Travel and Remittances. Since 2019, U.S. restrictions have prohibited travel to Cuba by cruise ships and by private and corporate aircraft. Since 2020, most U.S. travelers have been prohibited from staying at over 400 hotels and private residences identified as owned or controlled by the Cuban government.

Terrorism Designations. On January 11, 2021, pursuant to several laws, the Secretary of State redesignated Cuba as a state sponsor of international terrorism, citing its harboring of several U.S. fugitives and members of Colombia’s National Liberation Army. The Secretary of State also has included Cuba on an annual list of countries certified as *not cooperating fully* with U.S. anti-terrorism efforts, pursuant to the Arms Export Control Act (22 U.S.C. § 2781), since 2020.

Irregular Migration

Driven by Cuba’s difficult economic conditions and political repression, irregular Cuban migration to the United States has surged over the past three years. U.S. Customs and Border Protection encountered more than 200,000 Cuban migrants annually in FY2022 and FY2023, a fivefold increase over FY2021. Most of those encounters occurred at the Southwest land border. U.S. maritime interdictions of Cubans also have increased, with the Coast

Guard reporting 6,182 interdictions in FY2022 and at least 6,897 in FY2023. Repatriation flights of Cubans ordered removed from the United States, which had largely been suspended by Cuba since 2020, resumed in April 2023.

As part of its broader efforts to stem irregular migration, the Biden Administration has sought to increase legal pathways for migrants to enter the United States. In January 2023, for example, the Department of Homeland Security launched a new humanitarian parole program allowing up to 30,000 individuals per month from Cuba and other selected countries to enter and remain in the United States for two years with work authorization, subject to sponsorship and vetting requirements. As of November 2023, nearly 60,000 Cubans had arrived in the United States under the program.

118th Congress: Selected Actions on Cuba

The 118th Congress has continued to shape U.S. policy toward Cuba through oversight, appropriations, and other legislation. The explanatory statement accompanying the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2024 (P.L. 118-47, Division F), designates \$25 million for the Office of Cuba Broadcasting (OCB) and \$25 million for Cuba democracy programs. The act stipulates that the democracy funding may not be used to support business promotion, economic reform, or entrepreneurship in Cuba. The act also directs the Secretary of State to report on countries and international organizations that are paying the government of Cuba for “coerced and trafficked labor of Cuban medical professionals” and to impose sanctions on officials from such countries and organizations, with certain exceptions.

The National Defense Authorization Act for Fiscal Year 2024 (P.L. 118-31; NDAA) extends through FY2024 a prohibition on the use of funds to close or relinquish control of U.S. Naval Station, Guantánamo Bay, Cuba. The NDAA also requires the Secretary of Defense to report on the activities of the Russian and Chinese militaries in Cuba, their potential impact on U.S. national security, and U.S. policy response options.

Congress has begun to consider the Biden Administration’s FY2025 budget request, which includes nearly \$16 million for OCB and \$20 million for democracy programs in Cuba. Congress also could consider various other legislative initiatives related to Cuba that have been introduced in the 118th Congress. These include bills to ease (e.g., S. 653) or tighten (e.g., S. 504/H.R. 1120) sanctions, codify the state sponsor of terrorism designation (e.g., H.R. 314/S. 538), and counter alleged military and intelligence cooperation between Cuba and China (e.g., S. 3225). Among bills that have advanced, S. 376, passed by the Senate in June 2023, would rename the street in front of the Cuban Embassy in Washington, DC, after Cuban democracy activist Oswaldo Payá, and H.R. 1505, passed by the House in November 2023, would modify the bar against U.S. courts enforcing or validating trademarks that were confiscated by the Cuban government.

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