THE CUBA-US RELATIONS AFTER THE TRIUMPH OF THE CUBAN REVOLUTION: AN ANALYSIS OF AN UNRESOLVED INTERNATIONAL CONFLICT

BY Roberto M. Rodriguez

A THESIS PRESENTED IN PARTIAL COMPLETION OF THE REQUIREMENTS OF The Certificate-of-Training in United Nations Peace Support Operations



Peace Operations Training Institute®

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World Mediation Centre

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TABLE OF CONTENTS

Page

Introduction	4
Chapter I - Theoretical Analysis	6
Brief Historical Background of the Conflict	6
The Conflict Spiral Conflict	6
Structural Change Theory	14
Cooperation and Competition Theory	15
Social Exchange Theory	18
Intergroup Conflict Theory	20
Reciprocity Theory	23
Chapter II - Potential Normalization of Relations	26
Chapter III - Post-Normalization Future	30
The reality: Cuba's Current Situation	30
The ideal: Cuba's post socialist transition - a future scenario	33
Concluding Comments	40
Bibliography	44

ABSTRACT

The relations between Cuba and the United States were broken in 1961, just about a year and a half after the triumph of the Cuban revolution under the leadership of Fidel Castro. Since then, for over 50 years, the two nations have had unfriendly and antagonistic relations, punctuated by a US-supported invasion of Cuban soil (the Bay of Pigs invasion in April 1961), the nervewrecking experience of the Cuban Missile Crisis in October 1962, the exportation of the Cuban revolution first to Latin America and later to Africa, and finally the active participation of Cuban troops in Angola and the establishment of Cuban military advisors in over a dozen African countries.

This paper analyzes the main turning events in the history of the Cuban-US relations from the perspective of several theoretical orientations, such as the conflict escalation theory, the structural theory, the cooperation and competition theory, the social exchange theory, the intergroup conflict theory and the reciprocity theory. More than anything, the escalation of the US-Cuban conflict reflects the conflict spiral model, with the two parties becoming more antagonist and hostile over time, intensifying its tactics and expanding the conflict to other areas. In this respect, the US-Cuban conflict resembles other intractable conflicts, such as the Israeli-Palestinian conflict or the Indian-Pakistani conflict over Kashmir, both unresolved conflicts which as the US-Cuban conflict, have lasted five or more decades, although the US-Cuban conflict has had no direct military confrontation between the parties.

The eventual potential re-establishment of diplomatic, political and economic relations between the two nations are discussed and analyzed; a potential roadmap for the normalization of relations is suggested and a post-normalization future, which could be beneficial both to the United States and to Cuba, is described.

In a study of this kind, the opinions of the author are likely to influence the ideal characteristics of the Cuban state and these should be disclosed to the reader. The author would like to see a democratic Cuba, where the Communist Party is only one among many parties competing for power and influence. This does not necessarily mean the elimination of the social advances made by the Cuban revolution in the areas of public health, education and recreation, but by necessity, will require a substantial increase in the individual personal freedoms that have been greatly reduced during the so far 60-year long Castro regime. Social justice is not incompatible with democracy, in fact, there can be no real democracy without social justice.

The Cuba-US relations after the triumph of the Cuban Revolution: An analysis of an unresolved international conflict

INTRODUCTION

In this paper, I will use several theories of conflict to analyze the stages of the US-Cuban conflict. According to Webster (1983) the term conflict originally meant a "fight battle, or struggle," that is, an overt confrontation between parties (Pruitt & Kim, 2004, p. 7). An international conflict is a conflict between peoples and organizations in different nation-states, although the term has been recently applied to inter-group conflicts within one country as long as there are at least two opposing parties, such as in Chechnya or Kosovo (Malek, 2010, p. 1). Every conflict entails both substantive and relationship issues (Ting-Toomey, 1999, p. 392). More than anything, the escalation of the US-Cuban conflict reflects the conflict spiral model, with the two parties becoming more antagonist and hostile over time, intensifying its tactics and expanding the conflict to other areas. In this respect, the US-Cuban conflict resembles other intractable conflicts, such as the Israeli-Palestinian conflict or the Indian-Pakistani conflict over Kashmir, both unresolved conflicts which as the US-Cuban conflict, have lasted five or more decades, although the US-Cuban conflict has had no direct military confrontation between the parties. However, it is also possible to analyze parts of the US-Cuban conflict using the lens of other theories, such as the structural theory, the cooperation and competition theory, the social exchange theory, the intergroup conflict theory and the reciprocity theory. In addition, the eventual potential re-establishment of diplomatic, political and economic relations between the two nations are discussed and analyzed; a potential roadmap for the normalization of relations is suggested and a post-normalization future, which could be beneficial both to the United States and to Cuba, is described.

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Chapter I - Theoretical Analysis

Brief Historical Background of the Conflict

On December 31, 1958, while Cubans expected the arrival of a new year, Cuban dictator Fulgencio Batista fled the country together with his family and a few dozen of his most important collaborators. A few hours later, when this event was known to the public, Cubans gathered in the streets of all of Cuba's major cities to celebrate the end of an eight-year bloody dictatorship and the beginning of a new era. The rebel forces led by Fidel Castro started a victorious march from the mountains of the Sierra Maestra, where they had been fighting for the previous two years, toward Havana, the capital, where they arrived on the first days of January 1959.

In one of his first speeches, Castro promised free elections within 18 months. When asked by foreign journalists about the presence of a few communists in his guerrilla, he said that the Cuban Revolution was not red, but "green as our palm trees". The objective of his government was to implement a program of social justice: employment for everybody willing to work, schools for all children – rich and poor, black and white, medical care for all sick people, agrarian and urban reforms, and other social initiatives. The Cuban government also would establish diplomatic and commercial relationships with all countries of the world, and pursue an independent foreign policy.

The Conflict Spiral Theory

By the time that Castro arrived in Havana, some nations had already recognized the new government of the Cuban Revolution. The first country to recognize the new revolutionary government was Mexico, on January 3, 1959, followed by most Latin American countries. On January 5, 1959, the former Soviet Union and the People's Republic of China recognized the

Cuban revolutionary government, although none of these governments ever had diplomatic relations with Cuba. The United States did not "recognize" the new Cuban government until January 7, almost after the whole world had already acknowledged that the Batista dictatorship had been overthrown, and that the rebels led by Castro had taken over the helm of the Cuban government. Although the delay in the recognition of the Cuban revolutionary government by the United States was still within just a week from the triumph of the revolution, it was interpreted by the Cuban leadership as an arbitrary delay in their rightful recognition.

The government of the United States, since the very beginning, pressured and coerced the Cuban government to become aligned with the interests of the US. The American Ambassador in Havana expected the Cuban government to be docile and cooperative as most other Latin American governments at the time. Castro, an idealistic man in his 30s, made it very clear that his country was independent. The United States started to behave as a shark – "sharks try to overpower opponents by forcing them to give in... tactics used to force the other to yield include making threats, imposing penalties that will be withdrawn if the other concedes and taking preemptive actions designed to resolve the conflict without the other's consent" (Kriesberg, 2003, p. 384). What happened in the following months was a rapid escalation of hostilities between the two countries, with each step taken by the United States been reciprocated by another step by the Cuban government. Erbe (2003) mentions that "common experience shows the downward spiral of reciprocating 'tit for tat'" (Erbe, 2003, p. 119). Opotow (2006) mentions that "reactive aggression is striking back in response to perceived provocation" (Opotow, 2006, p. 413). Pruitt & Kim (2004) mention that "contentious tactics are more often than not employed in an escalative sequence, moving from light to progressively heavier" (Pruitt & Kim, 2004, p. 64).

In mid 1959, Castro traveled to the United Nations to participate in the General Assembly. At this point, the hostility of the United States toward the Cuban government was already quite open. The Castro delegation was turned down by every hotel of the city of New York. The hotel owners and managers were following instructions of the US government, which wanted to make evident its repulsion to the Cuban revolutionary government. Castro decided he and his delegation would sleep in Central Park. However, at the last minute, the Cubans were able to obtain a hotel reservation in Harlem, the Afro-American neighborhood of New York City, where Castro and his delegation stayed until they returned to Cuba after the end of the General Assembly.

One of Castro's purposes in traveling to the US was to meet with President Eisenhower, but the American President decided that it was a better use of his time to play golf rather than meeting with Castro. Eisenhower left Vice-President Nixon in charge of meeting with the Cuban leader. This meeting was short and unfriendly. At the end of the meeting, Vice-President Nixon declared to the press that he had never met any head of state who was so out-of-touch with reality, naive and ignorant. Such derogatory comments about the leader of a nation would be unthinkable today except in the very rare case of an enemy country, but they were not uncommon practice five decades ago. Opotow (1995) mentions that "negative remarks, sarcasm, and criticism on sensitive points are common triggering events, as is the feeling of being deprived, neglected, or ignored" (Opotow, 1995, p. 38). Castro's patience with the United States had reached an end. Research shows that "feelings of shame often produce a desire for revenge" (Scheff, 1994; James Gilligan, 1996, cited by Pruitt & Kim, 2004, p. 95). The conflict spiral model is a bilateral reaction model, because each party is reacting to the other party's prior actions (Pruitt & Kim, 2004, p. 96).

Almost immediately after Castro returned to Havana, he ordered the nationalization of the 300 largest American companies, including the electric utilities, the phone company, about a dozen banks, and almost the totality of the sugar refineries and plantations. In addition, Cuba signed its first business treaty with the former Soviet Union, including the purchase of a large amount of crude oil, which would be refined by the still un-nationalized foreign oil refineries. However, when the first Soviet oil tankers arrived to Havana, the refineries were not cooperative and refused to refine the Soviet oil. Castro then ordered all the foreign managers and technicians of the oil companies to leave the country within 24 hours, and nationalized all foreign refineries, including those owned by American companies. By this time, it was obvious that irreconcilable differences existed between the two countries, and each party would do as much as possible to undermine the other. Wilmot & Hocker (2001) said, "when power itself becomes the main focus of thinking and discussion, the parties are likely to be involved in an escalating power struggle" (Wilmot & Hocker, 2001, p. 99).

In the next 30 months, the Cuban and American governments would break diplomatic relations and hundreds of thousands of unhappy Cubans would start fleeing to Miami and other foreign destinations. The Eisenhower administration would start preparing a military invasion of the island of Cuba, which took place in April 1961, the Bay of Pigs invasion, but which when carried out was a complete failure, because the newly inaugurated Kennedy administration eliminated the air and navy support to the invaders. As Pruitt & Kim explained, "contentious behavior, especially in its more severe forms, runs the risk of alienating the Other and starting a conflict spiral" (Pruitt & Kim, 2004, p. 52). In addition, "every conflict is intertwined with many others" (Kriesberg, 2003, p. 376). In the US-Cuban conflict, the two parties fought in every human area: diplomatically, economically, politically, militarily, and probably even in sports, as

when Castro declared a national holiday after a Cuban victory in a baseball game against a team from the US.

A few hours before the imminent disembark of the US-supported troops of Cuban exiles in the island in April 1961, Castro admitted for the first time that the Cuban revolution was socialist, telling his supporters: "Go and fight for your Socialist Revolution!" The conflict spiral continued. On October 1962, Soviet missiles were detected on the island by American reconnaissance planes, and the world observed with anxiety as the two superpowers came close to nuclear war. Later on, Cuba will attempt to export its revolution to Latin America and when these attempts failed they turned to Africa. Cuban troops played a significant role in the civil war in Angola which retained in power President Antonio Agostinho Neto, the leader of the Popular Movement for the Liberation of Angola (MPLA). Throughout the decade of the 1970s, Cuban troops strengthened the Marxist government of Mengistu Haile Mariam in Ethiopia. Cuban military advisors found their way into about a dozen African states.

Today, the conflict remains unresolved, Cuba still advocating communism although it was proven a failure everywhere; the United States, still advocating a trade blockade which has existed since 1960, probably because "the longer each side has clung to an intransigent position, the more compelled it will probably feel to justify this position through continued intransigence" (Pruitt & Kim, 2004, p. 168). A party's position, however, is only what it says it wants, they are not their interests (Erdmann, 2011, p. 123). Maybe both parties are stuck in what Fisher calls entrapment "justifying the costs already incurred by continuing expenditures in pursuit of victory" (Fisher, 2006, p. 175). Although both parties exchanged "groups of interest" in 1977 during the Carter administration in, no formal diplomatic relations has been re-established between the two countries.

This escalation model is very similar to Erbe's model of escalating conflict, which is composed of root expectations (baseline behaviors – beliefs about how other people should behave toward us), triggers (all stimuli and experiences which lead to disappointment) and hooks (reactions to triggers) which eventually lead conflict to a peak. Both models explain the escalation of conflict making an emphasis on the progressiveness of the conflict toward a peak or climax.

Popular history is a story about politics and war, and historical symbols are part of a cultural narrative that can be used to mobilize public opinion about such things as national identity (Liu, 2008, p. 2). In Cuba, the revolutionary leadership adopted a militant posture in relation to history, bringing to light a large number of issues that had been dormant in the minds of the Cuban people for a long time. Pre-revolutionary history books, for example, mentioned that the United States had intervened on the side of the Cubans toward the end of the Cuban independence war to accelerate the process and grant independence to the island. Now, the American intervention in the island was portrayed in more realistic terms. The American intervention in Cuba was part of the expansion of the incipient Yankee imperialism. The end result of the United States joining Cuba in the war against Spain was not to give freedom to the Cubans but to tie the economy of the island to the powerful economic interests of the United States. The end of the war of independence brought a transient American military government and the shameful incorporation into the Cuban constitution of the Platt Amendment, a clause which granted the United States the right to intervene in the island affairs whenever there was any threat to the new nation's stability. The same amendment to the Cuban constitution forced upon the Cubans the lease on perpetuity of a portion of Guantanamo Bay for the construction of a US naval base.

When social representations of history are polemical or in serious disagreement across different groups, they indicate the presence of historically rooted conflict. If history is a summary of the wisdom and experience of past generations, then it is clear that the main lessons from history concern behavioral tendencies of other groups when it comes to conflict (Liu, 2008, p. 7). One group may have an historical grievance against another group which may require special treatment to resolve. Polemical representations indicate "fault lines" in society where the relationships between groups may become tense or break (Liu, 2008, p. 9). The Cuban revolutionary leaders used history to attempt to demonstrate that the interests of the United States in the island were purely economic. The United States had recognized dictator Fulgencio Batista and provided his military with the weapons that were used to fight against the revolutionaries in the mountains of Cuba. The Cuban revolutionaries claimed that the United States did not mind that during the regime of Batista a large majority of the peasant population was illiterate, or that they did not receive any health care, or that their children did not have schools. The revolutionaries reminded the population that, during the dictatorship of Batista, Havana was ruled by gangsters and mafia elements operating from the United States and which controlled gambling, prostitution and other activities in the island.

The conflict spiral model of escalation is found in the writings of many theorists (North, Brody & Holsti, 1964; Osgood, 1962, 1966; Richardson, 1967). This model holds that escalation results from a vicious circle of action and reaction, that a party's contentious tactics encourage a contentious response from Other, which contributes to further contentious behavior from Party, completing the circle and starting it on its next iteration (Pruitt & Rubin, 2006, p. 4). The production of escalation includes the processes that encourage the use of heavier tactics which

cause issues to proliferate and produce increasing absorption in the struggle (Pruitt & Rubin, 2006, p. 2).

Two broad classes of conflict spirals can be distinguished. In retaliatory spiral, each party punishes the other for actions that it finds aversive. An example is an argument followed by a shouting match followed by a fist fight. In a defensive spiral, each party reacts so as to protect itself from a threat it finds in the other's self-protective actions. An example is an arms race. In a defensive spiral, each party can be thought as an alternately the aggressor and the defender (Pruitt & Rubin, 2006, p. 4).

Most theories of escalation can be classified under one of three broad conflict models: the aggressor-defender model, the conflict spiral model and the structural change model (Pruitt & Rubin, 2006, p. 3). The Cubans have always attempted to portray the conflict between the United States and Cuba as predominantly following the aggressor-defender model, pointing to the almost constant attacks on the part of the United States on the Cuban revolution and their responses as necessary acts of defense. The participants in the conflict attribute the cause of the conflict exclusively to their adversary's aggression. It is also often missed by involved observers who assign the cause of the conflict to actions of the side with which they have weaker relations or the side that has employed the heavier, less defensible tactics. However, a careful analysis usually reveals that causation has flowed in both directions (Pruitt & Rubin, 2006, p. 5). Conflict spirals produce escalation of tactics when, as is often the case, each reaction is more severe and intense than the action it follows, and each retaliatory or defensive action in the spiral provides a new issue - a new grievance for the target of this action, producing a growing sense of crisis in the mind of this party (Pruitt & Rubin, 2006, p. 4).

Structural Change Theory

Structural theory focuses on the conflict situation and asks how different variables in the situation are impacting behavior (Furlong, 2005, p. 136). Conflict generates its own structure, and once these structures are in place, they are difficult or impossible to eliminate. The Cuban government mobilized all men younger than 45 years of age to serve in its military service. The US government spent millions of dollars trying to isolate and overthrow the Cuban revolutionary government. The US recommended Cuba's expulsion from the Organization of American States in January 1962, and the same resolution that expelled Cuba from the regional organization also stipulated that all countries in the hemisphere should break diplomatic and commercial relations with Cuba. All countries submissively complied, with the exceptions of Canada and Mexico. According to OAS records, Cuba's membership in the hemispheric organization was "suspended" from January 21, 1962 until June 3, 2009 in which the 39th General Assembly of the OAS in San Pedro Sula, Honduras, voted to lift's Cuba's suspension. Nevertheless, on June 8, 2009, the Cuban government declared that while Cuba welcomed the Assembly's gesture, in light of the organization's historical record "Cuba will not return to the OAS" (Granma International, 2009, p. 1).

The structural change model assumes a cycle of escalation. A party's implementation of hostile policies against another "produces structural changes that encourage reciprocal tactics from Other, provoking changes that encourage Party to employ further heavy tactics" (Pruitt & Kim, 2004, p. 151). These structural changes, once formed, tend to endure and make it hard for the disputants "to climb down the escalation ladder once they have climbed up" (Pruitt & Kim, 2004, p. 153). The struggle itself created a group of individuals which, because of their expertise or responsibility, benefited from the ongoing conflict, such as the army in Cuba and the Central

Intelligence Agency (CIA) in the United States. These institutions substantially increased their budgets, because "the struggle itself creates a vested interest for some people to continue the fight... the process of entrapment tends to lock some people into persisting in a destructive course of action. Fighting on seems to justify what has already been expended in money, honor, or blood" (Kriesberg, 2003, p. 372). Entrapment is a process in which a party, "pursuing a goal over a period of time, expends more of its time, energy, money, or other resources than seems justifiable by external standards" (Pruitt & Kim, 2004, p. 165).

Cooperation and Competition Theory

To resolve a conflict, there are two basic orientations that people adhere to when engaging in negotiations: cooperative or competitive (Sprangler, 2008, p. 1). Obviously, to attempt to neutralize the conflict between Cuba and the United States some kind of cooperative behavior is necessary. Cuba's expectations are full diplomatic recognition and the establishment of diplomatic relations with the United States followed with the complete elimination of the economic blockade which has been in force for over five decades. The United States would like to see in Cuba some progress toward democracy, the establishment of free press and a market economy. The Cubans have not moved toward democracy but they have toyed with the idea of a market economy, or at least a Cuban version of the Chinese model. It is possible that the United States may be willing to accept the establishment of free markets as a transition phase toward a potential democratic state, as is the US expectation in its dealings with China. The Cubans may think that they can accept the benefits of the capitalist markets as long as they control at least 51% of the foreign companies operating on Cuban soil, which has been the rule up now. The United States would want to get full ownership of some enterprises, some guarantees that such capital will not be nationalized and the ability to export capital and profits. The goals seem quite antagonistic, until it is realized that communist Cuba, without the former Soviet Union, is no longer a threat to the security interests of the United States. Furthermore, Cuba's exportation of its revolution is not as appealing to underdeveloped countries as it was during the Cold War. There is a lot of nationalism going on presently in Latin America, but it is unlikely that any state will implement Castro's model, because everybody knows that the model has failed miserably. Some of the system's socialist ideas may endure. The virile opposition to the powerful United States is still an image that has great appeal to the masses and the leaders in Latin America and other parts of the world, but the communist model of state ownership of all means of production is unlikely to become the norm anywhere in the world, and the most likely evolution of the Cuban communist model is become some kind of mixed economic model, maybe even with the government still in communist hands, but with the economy following capitalist norms as has occurred in China and Vietnam.

Before the triumph of the Cuban Revolution, the relations between the US and Cuba had been friendly. The US was Cuba's first economic partner, and about a quarter of the Cuban economy was owned by American companies and monopolies. Cuba's economic dependence on the United States was quite high. Almost the totality of the Cuban sugar production, its main export product, was destined to US ports. Cuba imported almost everything from the US. The two countries were interdependent to some extent. Deutsch (2000) explains that the theory of cooperation and competition "has two basic ideas. One relates to the type of interdependence among goals of the people involved in a given situation. The other pertains to the type of action taken by the people involved" (Deutsch, 2006, p. 22).

At that time, there was a cooperative relationship between the two governments, and as would be expected, "among the typical effects of a cooperative relationship are positive attitudes,

perception of similarities, open communication, and orientation toward mutual enhancement" (Deutsch, 2006, p. 30). Cuba was economically dependent on the United States, although the United States was not dependent on Cuba. However, the pre-revolutionary relations were oriented toward cooperation, which "implies the positive attitude that "we are for each other", "we benefit each other", and in its extreme form "you are not out to harm me" (Deutsch, 2006, p. 24).

However, once the conflict arose and deepened, both parties saw themselves as fighting for a just cause. Trust did not exist anymore and little truthful information was shared with each other "disclosure or open sharing of important information is necessary to some degree of effective conflict collaboration" (Erbe, 2003, p. 75). The United States advocated the defense of democracy and freedom against the tyranny of communist dictatorship. The leaders of the Cuban revolution advocated a social system that, in their eyes, was more egalitarian and just. As Petrocik & Sidanius (2001) says, "the contentious parties draw from available cultural resources to construct the other as a villainous foe" (Petrocik & Sidanius, 2001, p. 19). As the conflict intensified, it became "a power struggle or a matter of moral principle and is no longer confined to a specific issue at a given time and place" (Deutsch, 2006, p. 26). Cuba soon started to export its revolution to other countries of the world, mainly to Latin America, but also to Africa. In addition, as soon as diplomatic and commercial relations stopped, the communications between the two countries ceased. The international news agencies Associated Press (AP) and United Press International (UPI) were expelled from Havana, and the two countries entered into a stage of autistic hostility, which "involved breaking off contact and communication with the other" (Deutsch, 2006, p. 26).

Social Exchange Theory

Exchange theory is based on the premise that human behavior or social interaction is an exchange of activity, tangible and intangible, particularly of rewards and costs. It treats the exchange of benefits, notably giving others something more valuable to them than is costly to the giver, and vice versa, as the underlying basis or open secret or human behavior and so a phenomenon permeating all social life (Zafivovski, 2005, p. 3). Developed by Keller and Thibaut, social exchange theory states that people evaluate their interpersonal relationships in terms of their value, which is created by the costs and rewards associated with the relationship (Wilmot & Hocker, 2001, p. 124). This theory assumes that people choose their behaviors due to self-interest and a desire to maximize rewards while minimizing costs (Wilmot & Hocker, 2001, p. 129). Social exchange theory's fundamental premise is that human behavior is an exchange of rewards between actors (Zafirovski, 2005, p. 1). The basic premise of exchange theory is that individuals establish and continue social relations on the basis of their expectations that such relations will be mutually advantageous (Zafivovski, 2005, p. 3). A principal socio-psychological or behavioral-motivational assumption of exchange theory is that of human behavior as a function of reward and punishment, pleasure or pain, cost and benefit, gain and loss, pay-off, and the like (Leary, 2006, p. 12).

The social exchange theory is another lens that can be used to analyze some aspects of both the pre-revolutionary and the post-revolutionary eras of this conflict. In the pre-revolutionary era, the two governments exchanged not only products and services, but had supported each other in foreign policy, because "reciprocity is a social norm that undergirds all social exchange processes" (Folger, Poole & Stutman, 2000, p. 104). Cuban soldiers participated in World War II, together with American troops. The Cuban foreign policy was strongly aligned with the

American foreign policy. Sympathetic to the United States, Cuba had no diplomatic or commercial relations with the Soviet Union, the People's Republic of China, or any other communist nation. The social exchange theory asserts that "resources obtained from relationships... liking, and self-esteem, are critically important sources of rewards and costs" (Folger et al, 2000, p. 78). In exchange for its pro-American position, Cuba obtained capital, modern technology, and a safe market for its export products. Cuba was the first country in Latin America to have color TV using American technology.

Exchange theory is said to center on "enduring long-term social relations" as distinguished from "one-shot transactions" in the market realm (Zafivovski, 2005, p. 4). For exchange theory, the inverse association between power and dependence characterizes their relations, so nonreciprocity in the latter generates the problem of "(in)equality or (a)symmetry in power" (Zafivovski, 2005, p. 7). Actors can exercise both reward and punishment or coercive power, though the first is a more likely strategy for powerful actors, and the second for the weak, in exchanges (Zafivovski, 2005, p. 8). Social exchange theory posits that all human relationships are formed by the use of a subjective cost-benefit analysis and the comparison of alternatives. This theory has roots in economics, psychology and sociology (Miller, 2005, p. 20). Some studies suggest that some social exchanges are induced by value imperatives rather than naked greed (Zafivovski, 2005, p. 21).

In trying to deal with an unfriendly Cuba, the United States attempted to use the same strategies and tactics that had worked for them before. Up to that moment, every time there was a government in Latin America that did not align closely to the interests of the United States, the normal strategy was to get rid of the unfriendly government and replace it with a friendly regime. In 1954, American troops overthrew the popular regime of Jacobo Arbenz in Guatemala. In the

previous fifty years, American troops, at one time or another, had intervened militarily in several countries in the continent, including twice in Cuba. On the other hand, Castro's army, accustomed to fighting in the mountains for two years, also thought that this was the way in which they could defend themselves from an American military intervention. It is possible that both parties were using some kind of trained incapacities. Folger , Poole and Strutman (2000) mention that "when confronted with conflict, the parties often fell back on behaviors that have proven effective in other contexts" (Folger et al, 2000, p. 83). Kenneth Burke (1935) termed this "catch" a trained incapacity. Burke argued that individuals "become so well-trained in their strategies that the strategies begin to serve as blinders" (Folger et al, 2000, p. 83).

Modern exchange theory is neither a completely original nor satisfactory paradigm for social science in virtue of being a mixture of elements from psychological behaviorism and orthodox economics as more or less discredited theoretical traditions, as well as (unwittingly) restating and misinterpreting some classical sociological and anthropological ideas (Kurtz, 2006, p. 2). The social exchange theory is quite limited to analyze all aspects of the US Cuban conflict. This theory, "like other perspectives... provides a suggestive, but incomplete view of conflict" (Folger et al, 2000, p. 80). The same authors added that "different theories can complement, inform or compete with each other" (Folger et al, 2000, p. 115).

Intergroup conflict theory

According to the intergroup conflict theory, conflict is caused by an incompatibility of goals regarding material resources (Liu, 2008, p. 3). The struggle between the revolutionary Cubans and the United States was, at its crude base, a fight for economic resources. The Cuban government believed that it could manage the assets of the American corporations doing business in Cuba and that they could reinvest the profits of such activities for the sole benefit of

the Cuban people. The massive nationalization of all American businesses was perceived by the United States as an immoral expropriation of their assets without proper compensation and with the purpose of introducing communism in the island. The economic loss because of the nationalization was indicative of powerful changes that could menace the powerful economic interests of the United States not only in Cuba but also in Latin America if the cancer of communism expanded throughout the hemisphere. The political and economic backing of the Cuban revolution by the former Soviet Union convinced the American leadership that the fight was for much more than the mere nationalization of the assets in Cuba. It was a complete transformation of an economy on socialist grounds which was also presented to the poor in Latin America as a solution to the serious social, economic and political problems of the continent.

The spiral of antagonism between the US and Cuban governments continued to escalate after the Bay of Pigs fiasco (1961) and the October Missile Crisis (1962). Once assured that the US would not intervene in the country (a promise made by President Kennedy to Soviet Premier Nikita Khrushchev during the Missile Crisis), Castro decided to get even with the US government by exporting revolutionary guerrillas all over Latin America. Castro saw himself as a new Bolivar, freeing the exploited masses of Latin America from the oppression of Yankee imperialism. Intergroup conflict theory predicts that "high power persons, organizations, or nations, may develop altered views of themselves and other parties" (Wilmot & Hocker, 2001, p. 115). Axelrod (2006) mentioned that "misunderstandings often occur because we assume that everyone sees things from the same perspective as we do" (Axelrod, 2006, p. 418). At this time, the conflict was not only military, but ideological and philosophical. Both parties perceived that there was no way out of the conflict except by the complete extermination of the other, because

"once two groups have been in conflict for some time, they develop intergroup ideologies to justify their positions" (Folger et al, 2000, p. 95).

Che Guevara, one of the most popular figures of the Cuban Revolution, started a revolutionary group in Bolivia, with the idea of expanding its operations throughout the Andes Mountains across South America. Cuban-sponsored guerrillas were formed in Colombia, Peru, El Salvador, Nicaragua, Guatemala and a new type of "urban" guerrillas (The Tupacamarus), were created in Uruguay. The Cubans were committed to expand communism throughout Latin America. They saw this approach as the only alternative to deal with a powerful and hostile neighbor because "when parties are overcommitted to a particular solution, they neglect to analyze the situation they are confronting and to consider other possible solutions" (Folger et al, 2000, p. 89). A roughly similar explanation is given by attribution theory, which states "that people act as they do in conflict situations because of the conclusions they draw about each other" (Wilmot & Hocker, 2001, p. 126), and by game theory, which assumes that "people act in conflict situations from a position of self-interest, and that moves and countermoves are chosen to maximize rewards and minimize costs" (Wilmot & Hocker, 2001, p. 129).

Concepts of identity were also important in the antagonism. The United States saw itself as a champion of freedom and democracy in the world against the tyranny of the Soviet imperialism. The Cubans saw themselves as part of a new social force that would eventually, in their view, make the world more humane. At the roots of intergroup conflict "lies the basic human need for identity" (Folger et al, 2000, p. 90). In addition, "aspirations are also quite rigid when either party regards its goals as legitimate or just" (Pruitt & Kim, 2004, p. 19).

Dahrendorf (1959) specified three conditions that allow the mobilization of conflict groups and encourages inter-group conflict. One is the capacity for communication among the people in question. The second and most important is the availability of leadership to organize the conflict group and formulate a program for group action, and the third condition is group legitimacy in the eyes of the broader community (Pruitt & Kim, 2004, p. 33-34). All these conditions were present in the US-Cuban conflict on both sides.

Reciprocity Theory

The social norm of reciprocity is the expectation that people will respond to each other in similar ways - responding to gifts with kindness from others with similar benevolence of their own, and responding to harmful, hurtful acts from others with either indifference or some form of retaliation, even eye-for-an-eye rule, responding in kind: positive for positive, negative for negative. The norm of reciprocity thus requires that we make fitting and proportional responses to both the benefits and harms we receive (Axelrod, 2006, p. 12). Reciprocity is a behavioral response to perceived kindness and unkindness, where kindness comprises both distributional fairness as well as fairness intentions (Falk & Fischbacher, 2006, p. 294). There is ample evidence that the perceived kindness of an action depends on the consequence of the outcome of that action and the underlying intention (Falk & Fischbacher, 2006, p. 299). Reciprocity means a behavior that cannot be justified in terms of selfish and purely outcome-oriented preferences; reciprocity is sharply distinguished from 'reciprocal altruism.' A reciprocal altruist is only willing to reciprocate if there are future rewards arising from reciprocal actions (Falk & Fischbacher, 2006, p. 294).

As the conflict with the US intensified, the Cuban government increased its oppression of people inside Cuba who favored friendly relations with the US. In Cuba, the rights of people opposing the revolutionary government were ignored. These "reactionaries" and "worms" were incarcerated, provided with no attorneys, and kept in jail even without a trial. Hundreds of them

were executed. These people had been excluded from the scope of justice. The same occurred in the United States, with the incarceration of Angela Davis, Pedro Albizu Campus, Malcolm X and other figures friendly to the Cuban revolution. In both countries there was a community polarization which produced escalation: neutral community members were recruited by participants in the controversy, who demanded that non-participants decide whether they were "with us or against us" (Pruitt & Kim, 2004, p. 118-119).

Opotow (1995) mentioned that "social categories that have been excluded from the scope of justice and have experienced harm as a result include people who are women, aged, black, Jewish, prisoners of conscience, slaves, children, or retarded" (Opotow, 1995, p. 348). The same author added that "targets of exclusion do not tend to be equal, worthy opponents of principled competition, but instead are often groups at the margin of society (Opotow, 1995, p. 363). Negative attitudes toward those excluded were intensified, because "the excluded are perceived as psychologically distant; the community feels no sense of moral obligation toward them; the excluded are viewed as nonentities, expendable, or undeserving; and the community approves procedures and outcomes for them that would not be acceptable for those inside the scope of justice" (Opotow, 1995, p. 350). In another article, the same author mentions that "aggression and violence, justified by moral exclusion, can be seen as deserved, fair and furthering the greater good" (Opotow, 2006, p. 417).

The only advance made in the restoration of diplomatic relations was during the presidency of Jimmy Carter, when the two nations exchanged "groups of interests" in their respective capitals. These groups of interests were initially located in the Embassy of Switzerland in Havana and in the Embassy of Czechoslovakia in Washington, DC. After the end of the Cold War and the collapse of the former Soviet Union and its Eastern European satellites, including the breaking apart of Czechoslovakia into the Czech Republic and Slovakia, the Cuban group of interest has operated in the Embassy of Switzerland in Washington, DC. However, if anybody wanted to know where the position of Cuba was in relation to any international affair, you could find out which was the American position and find the Cuban position just 180° opposite to the American. It was reciprocity in reverse.

Chapter II - Potential Normalization of Relations

The US-Cuban conflict is ongoing. After 52 years in power and after communism almost has been eradicated from the face of the earth, the Castro regime still endures isolation and perpetuates a regime of oppression. On the other hand, in the United States, the policies against Cuba remain almost intact. Attackers always see "those they assaulted as disinterested, cold, uncaring, and hostile. Attackers felt humiliated, or put-down. In short, attackers saw themselves as victims" (Erbe, 2003, p. 119). Although the conflictive spiral seems to have stopped and reached a peak, the parties still persevere in their antagonist positions in the same way that they did five decades ago. Erbe also mentions that "it is common to hear that value disputes cannot be negotiated", but challenges people to describe a conflict that is not a value dispute (Erbe, 2003, p. 146).

It was speculated that Castro's release of power to his brother Raul in mid-2006 could change the policy of the Cuban government versus the United States. Although this has not happened, a proposed response technique would be an attempt to de-escalate a conflict that has existed for almost half a century. A constructive approach that can be used is to define the conflict as a mutual problem to be resolved (Pruitt & Kim, 2004, p. 404). At this point the parties are probably in stage four of Erbe's model of escalating conflict, in which the parties need to stay connected (respectfully) and at the same time start disengagement. However, as Fisher correctly noted "de-escalation is not simply the reverse of escalation, because of the residue and resistance built up through a history of antagonistic interaction" (Fisher, 2006, p. 176).

The Cuban government could make an attempt to settle some of the outstanding claims made by the US government, such as the non-payment for the properties that were expropriated without compensation in the early 1960s. The Cuban government could pay those companies

partly in cash and partly with bonds payable in a certain number of years. The payment itself, based on depreciated values retroactive at the time of the expropriation plus a nominal interest, would not be very detrimental to the Cuban economy, especially if the United States reciprocates by lifting the economic embargo of the island. A possibility could be that the US government unfreezes the Cuban funds that were frozen by the Eisenhower administration at the beginning of the Castro regime. These funds could then be released as a partial payment for the expropriated American companies. Both parties should be aware of the other's "need for security, identity, recognition, participation, distributive justice, and so on" (Fisher, 2006, p. 179). In addition, the same author said that "a wise agreement... is based on principles that can be justified on some objective criteria" (Fisher, 2006, p. 410).

On the other hand, it is also likely that a Democrat administration could take the initiative of lifting the embargo as a gesture of good will toward Cuba, but this is less likely as long as Castro's brother remains in power. The reduction of conflict could be easier to accomplish if new leaders were to emerge in the island, even if they still continued to embrace the policies of Marxism-Leninism. A new Cuban administration could follow the development model used by China and Vietnam, and make an attempt to attract foreign capital to the island by lifting all the many restrictions that still remain, by allowing capital movements in and out of the country without limitations, and by dropping the requirement that foreign companies cannot own more than 49% of any Cuban-based company. The main idea is that the countries take steps that are not expected by the other party. While the relatively powerful Cuban exile community in Miami and New Jersey could still attempt to influence negatively any rapprochement between the two countries, just a more liberal travel policy to and from Cuba on the part of the United States could neutralize some segments of the Cuban-American community.

Of course, the first party to take steps toward a de-escalation of conflict should be prepared to endure the potential unresponsiveness of the other party and persevere in these efforts, which probably can be taken without losing face just by reaffirming a policy of principles. Brown & Levinson mentioned that people experience two kinds of face needs: positive face, or the desire to be liked and respected and negative face, the desire to be free from constraints and impositions (Kriesberg, 2003, p. 295). The Cubans – for example – never have said that they would not pay for the expropriated American companies. Doing so may not amount to an abandonment of the communist ideology. At the same time, the U.S. government has never maintained that they want to keep confiscated in perpetuity the Cuban assets frozen in the United States. This again would give the U.S. an opportunity to pursue its dear-to-heart policy of respect to contract obligations and business agreements. Those theories which have focused on outcomes, such as game theory, predict that people who choose to cooperate fare much better than those who decide to compete (Furlong, 2005, p. 133). If a position of cooperation is maintained long enough, the parties will start to trust each other. Trust is the belief that another is honest toward the other person (Furlong, 2005, p. 137). Eventually, the parties will embrace the norm of reciprocity (that a party should return the same benefit or harm given him or her by the other party) and the norm of equity (that the benefits received or the costs assessed should be equal to both parties) (Kriesberg, 2003, p. 389).

Another possibility would be for the US to drop its restriction on American citizens to travel to Cuba. The elimination of this restriction on the liberties of American citizens could be justified as the end to a repulsive limitation on Americans right to travel. Americans will probably welcome any policy changes that are made with the purpose of restoring rights that may have been violated. Cuba's present position may appear strong and stubborn, but Cuba no longer has the economic aid from the former Soviet Union and the Eastern European countries. It also does not have to justify an Anti-American position when other communist nations, such as China and Viet Nam have also changed their policies toward the US and capitalism in general. Right now, Cuba's political allies are Chavez' Venezuela, and the tiny and unimportant economies of Nicaragua (under Daniel Ortega – reinstated to power in the 2006 elections) and Bolivia (under Evo Morales). The de-escalation of conflict makes sense for both parties.

Chapter III - Post-Normalization Future

As recent as at the beginning of the 1980s, approximately one third of the population of the world lived under communism. By the end of the decade, the Soviet Union had collapsed, the Eastern European communist countries had embraced free market economies, and China, while still maintaining a communist regime, allowed competitive markets and opened its doors to foreign capital in ways never seen before. The only communist countries still refusing change are North Korea and Cuba, remaining as an anachronism in the modern world.

In the 1950s, Cuba was among the richest and most prosperous countries in Latin America, although this wealth left large segments of the population poor, but today Cuba has a per capita GNP of only about one third that of Chile, and about one sixth that of Argentina, while increasing numbers of Cubans are driven to black marketeering and other illicit activities to survive in a dysfunctional economy.

The reality: Cuba's Current Situation

Cuba's current situation is quite tragic. The Cuban population has been estimated at 12 million as of June 30, 2010 (Donate, 2010, p. 481). The country's economy practically collapsed after the end of the Soviet subsidies in the early 1990s, which motivated the Cuban Government to allow, for first time since the triumph of the Cuban Revolution in 1959, foreign investments in the island. However, there have been so many restrictions to foreign capital that since the Cuban government began to accept it in the early 1990s, "there has been relatively little foreign investment" (Maybarduk, 2004, p. 99). Most foreign investors have been Europeans, with Spaniards leading the group of foreign investors with 104 joint venture agreements signed by 2002 (Spadoni, 2002, p. 163). Most of these European companies have been more interested in positioning themselves in the island before the end of the Castro era in the expectation that great

profits could be made in a post socialist Cuba (Competitiveness Monitor, 2004, p. 7). According to several of those foreign investors, the real reason to locate in Cuba today is to be already in position for the end of the US embargo and the expected rush of American capital and tourists that would follow (Maybarduk, 2004, p. 100).

Foreign investments, although small compared with other countries in Latin America, have provided some benefits for the Cuban economy, especially in the areas of tourism and recreation (Brudenius, 2008, p. 5). The Cuban economy would have been worse in the absence of these few foreign investments. The Cuban government also has allowed self-employment, which now constitutes about 22.5 percent of the labor force or close to one million people (Betancourt, 2009, p. 215). The Cuban state enterprises are practically bankrupt, producing at only a fraction of their capacity because of the scarcity of raw materials and spare parts, a situation that has produced the underemployment of between 800,000 and a million workers in the state enterprises (Betancourt, 2010, p. 199).

The Cuban economy continues having a perennial instability, because it is dominated by the production and export of a few primary commodities in a highly competitive world market. The government statistics, like the statistics of all former communist countries, have little validity, because they are used for propaganda purposes. In addition, Cuba does not publish statistics that can be compared to the statistics published by most other countries. For example, rather than computing the country's gross domestic product as other countries do, Cuba computes its "gross social product" (GSP). Mesa Lago (2002) has expressed that "the comparison of the Cuban GSP with the GDP in the rest of Latin America and other capitalist countries in the world would be like matching up elephants and peanuts" (Mesa Lago, 2002, p. 451). The government's reported unemployment of 3.3% (UN Reports, 2010b, p. 8) is believed to be grossly understated.

The government media is constantly praising the great technological advances and innovations being made (Academia de Ciencias de Cuba, 2008, p. 1), but little actual progress actually occurs. Cuban companies advertise services in the Internet probably more as government propaganda than in the expectation of obtaining any customers. A website for a Cuban consulting and business-services provider, for example, advertises "four decades of experience in marketing" (IICT, 2010b, p. 2), a subject unknown to Cubans and never taught at Cuban universities. In addition, a Cuban company advertises in the Internet for the provision of new product development consulting services (IICT, 2010a, p. 1), and another site offers for sale an Internet dictionary in three languages (IICT, 2010, p. 3). While such efforts are greatly publicized, few successful innovations are produced (Cordova, 2010, p. 2). A recent example of an unsuccessful innovation was an attempt to substitute surgery thread with the thread obtained from a local plant (henequen) without making any previous experiments with animals, which created an epidemic of monstrous proportions among the inmates of an experimental hospital in the province of Pinar del Rio (Punales, 2001, p. 13).

However, while financial capital has been scarce, and has slowed down Cuba's GDP, the country has made some progress in the development of human capital. Cuba's educational system, while politically constrained, has provided both broad access to basic education and extensive higher education in the fields of study considered important by the regime (UNESCO, 2004, p. 2). Literacy rate is estimated at 95%, and attendance to primary school is 92% (US State Department, 2008, p. 1; UN Reports, 2010, p. 5). In 2010, secondary school enrollment was about 85% and tertiary school enrollment 24% of the population (UN Reports, 2010a, p. 2; 2010c, p. 4). These indexes are quite high when compared of those of most Latin American nations.

However, this does not mean that the Cuban educational institutions produce the human capital needed or of the right kind. Most of the human capital in Cuba is underutilized and has no opportunity to engage in productive activities. President Clinton (1997) said that "with an estimated 40% of the Cuban labor force unemployed or underemployed; with much of the industry running at only 20% of its former capacity; with agriculture reflecting the poor productivity typical of highly state-controlled economies; and with individual rights, initiative, and creativity repressed; it is not difficult to recognized the tremendous underutilization of Cuba's natural and human resources" (Clinton, 1997, p. 15).

The disastrous Cuban economic situation at present is characterized by the country's low level of development; small markets, insufficient energy infrastructure; inadequate transportation and communications grids and distribution networks, as well as limited productive resources. However, the country has other forms of capital: relatively abundant land availability; an educated work force; a relatively low population level; a benign climate; and a favorable topography (Jorge, 2006, p. 242).

The Ideal: Cuba's post socialist transition – a future scenario

All scholars agree that Cuba's future will not be communist. However, it is difficult to speculate what kind of capitalism the country may develop, because pure capitalism no longer exists anywhere in the world and countries with free markets have a wide variation in the roles played by private and public capital (Lotterman, 2005, p. 1). In addition, "there is a growing sense among professionals and lay observers that capitalism may require considerable re-design, including expansion of the concept beyond fiscal capital" (Harkins & Tomsyck, 2005, p. 6). A trend extrapolation of the current conditions would lead to a similar uncertain future. In this pessimistic scenario, after Castro's death, the country will continue under the dictatorship of

Castro's brother Raul and official successor, with a continuation of the present conditions. A polling of experts (the opinions of all available academics and scholars in the field), on the other hand, would predict the demise of communism in the island and the gradual institutionalization of democracy and free markets (Maiese, 2003, p. 2). This optimistic future scenario will link the country to the new realities of the 21st century. The country will use some forms of capital it already has and develop others. In this scenario, the institutional underpinning of successful market economies will be based, among other factors, on the availability of educated people, the state of health, economic diversification and "getting prices right", and the quality of macroeconomic policy (Pfeffermann, 2006, p. 11).

The first favorable outcome of a post socialist transition will be the elimination of the US trade embargo. The estimated increase of yearly US exports to Cuba would range between \$ 1 and \$ 1.5 billion (Maybarduk, 2004, p. 97). A post-normalization transition in Cuba will set in motion the process for Cuba's reintegration into the regional and international organizations that can provide important financial resources for economic restructuring. Restoration of membership in the International Monetary Fund (IMF) should be an early priority, both to gain access to IFM credits and as a necessary step toward renegotiation of Cuba's external debts. Cuba has over US \$ 12 billion hard currency debts (Domo, 2008, p. 2). Renegotiation of the external debt will result in renewed credits from official and private sources. Readmission to the Organization of American States will allow Cuba to become a member of the Interamerican Development Bank (IDB). IDB and World Bank membership will allow Cuba access to structural adjustment loans.

The smaller size of the heavy industry sector in the Cuban economy relative to most of the former Soviet bloc countries should reduce the amount of economic dislocation due to adjustment problems common to this sector. Cuba's proximity to the United States market, and
its location in the heart of a rapidly growing trading region, can provide an impetus to vigorous economic growth.

However, one of the most complex and lengthy tasks facing transition countries is establishing the rule of law (Clinton, 1997, p. 8) A democratic Cuba with a market economy will require considerably more judges than the country has at present, and they will need the skills and knowledge to adjudicate cases efficiently and fairly in accordance with new commercial laws and procedures. Today, there are probably an insufficient number of Cubans who operated within the former legal system to replace Cuba's current judges in masse (Diaz Cruz III, 2006, p. 304). The effective administration of justice will also require training of attorneys and other judicial personnel, and the establishment of efficient administrative procedures and systems. Cuba, like other transition countries, will need to develop a legal and institutional framework to provide a supportive, fair, transparent, and predictable business climate. Unless new rules are introduced and enforced very early, an institutional vacuum could develop, which is most likely to be filled by a combination of oligarchs tied to the new government and mafia enforcers (Pfeffermann, 2006, p. 13), as has happened in Russia.

The education and training of the population will be vital in the transition process. A few concepts necessary to a deep understanding of constitutional democracy must be taught and learned. These are: "rule of law, limited government, representative government, individual rights, popular sovereignty, political participation and civil society" (Gomez, 2002, p. 86). Other educational objectives of the transition government must include the expansion of the present unique Marxist-Leninist perspective to include all schools of thought in the historical, philosophical, and social science content of the curriculum in both secondary schools and universities. In addition, there should be a pedagogical shift from transmitting information to

passive students to prompt inquiry and active learning. The encouragement of interactive, learner-centered methods is an essential component in the promotion of quality education (Erdman, 2011, p. 16). Education should be geared to train and produce knowledge workers because "increasing the productivity of manual workers in manufacturing, in farming, in mining, in transportation, can no longer create wealth by itself" (Drucker, 1993, p. 40).

Obviously, education in a post-communist country will continue to face many problems and obstacles for some time. The challenge to Cuban educational authorities following a transition will be to preserve the positive aspects of Cuba's education system while adapting it to meet the educational needs characteristic of a democracy and a market economy. Assistance may need to be provided by foreign governments or universities to the Cuban government in developing or revising academic programs in areas such as market economics, finance, accounting, business management, law, sociology and history. Assistance may also be needed to train teachers in methodologies that encourage critical thinking, creativity and innovation. In addition, as private educational institutions spring up to meet particular needs not met by the public educational system, assistance may be provided to help develop accreditation and oversight procedures.

The post-socialist universities will have to become (as soon as possible) more coupled with businesses and other organizations in the outer environment, and businesses in particular will tap into the creative potential of the students while training them in some kind of synergistic interaction, where both parties benefit. Successful colleges and universities also will need to move from being strategic campuses and start moving toward leapfrogging campuses, creating hyper realities (Harkins, 2004, p. 2).

Gomez (2002) also suggested that in the area of education, the efforts should be focused on the following aspects: a) physical reconstruction; b) ideological reconstruction; c) psychological

reconstruction; d) provision of materials and curricular reconstruction, and e) human resources. In addition, the same author suggested the implementation of a flexible system of lifelong learning and the adaptation of an educational system that takes into consideration the "everyday" needs of society (Gomez, 2002, p. 91).

The technology world is re-invented every seven to 12 months, and the exchange of ideas across national boundaries is instantaneous due to the Internet. Fortunately, the flow of capital towards worthy projects is no longer tightly controlled by bankers with political agendas, but by venture capitalists with an eye for first mover positions and maximum returns (Font, 2006, p. 466). A post-normalization Cuba will need to explore and develop opportunities in new technologies, such as software, by exploiting the inefficiencies and lack of technology infrastructure endemic in Latin America, by exploiting the demand that is developing for Spanish language software in the US market created by the growing Hispanic population, as an offshore Spanish and English language software development center for established world-class technology companies, and by exploiting the existing business connections held by Cuban exiles in the US. A future scenario of a post-normalization Cuba may be no less than to become the premier software development center in Latin America (Font, 2006, p. 467).

Efforts will have to be made to strengthen financial management control and accountability systems, develop depoliticized merit-based personnel systems, and reform tax administration (Clinton, 1997, p. 7). In Cuba, the government is not prepared to collect taxes and the citizenship is not ready or accustomed to pay them (Betancourt, 2010, p. 198). The tax administration should be improved to develop a tax system able to obtain adequate revenues through broad compliance and enforcement of reasonable tax rates on consumers and the emerging private sector (Clinton, 1997, p. 12).

Administrative corruption is rampant in Cuba and should be substantially reduced or completely eliminated early in a transition government. Corruption arises from the use of public office for private gains, and includes bribes "grease payments" and misdirection of public property by state officials to their own benefit or that of their families (Diaz-Briquets & Perez-Lopez, 2007, p. 145). Properly designed, transparent and well implemented liberalization, privatization and competitive procurement policies will help control corruption and check oligarchs' attempts to capture the state. In addition, other steps should be taken to strip government officials of discretion and the power to extract bribes, such as lowering and eliminating tariffs, quotas and other barriers to international trade as well as eliminating exchange rate restrictions, price controls and unwarranted permit requirements (Diaz-Briquets & Perez-Lopez, 2007, p. 146).

Overseas Cuban entrepreneurs represent a most powerful source of know-how and resources that, if encouraged properly to participate in the Cuban reconstruction, could make the Cuban case an exceptional transition success story (Betancourt, 2010, p. 535). According to the 2007 US Economic Census, there were 135,273 Cuban-owned firms in the United States, of which around 70% were located in Florida (Betancourt, 2010, p. 553). The existence of a Cuban Diaspora, which owns US enterprises with yearly sales of over US \$ 28 billion, is a very favorable situation not found in any of the former members of the Soviet bloc, perhaps with the exception of Armenia (Betancourt, 2010, p. 523). The Cuban exiled community (about 1.2 million people) currently sends remittances to Cuba in excess of \$ 700 million per year, and its GDP is greater than that of the Republic of Cuba (Font, 2006, p. 477). The existence of this relatively wealthy overseas community, which is already the largest source of net foreign

exchange revenues, could make a significant contribution to the process of establishing new small and medium enterprises in a post-socialist Cuba (Betancourt, 2010, p. 527).

During the post-normalization transition, important norms and policies will have to be implemented, including the following: clear and legally enforceable definition of property rights; establishment of rational price systems; designing of policies of austerity and stabilization (including tax reform, reduction in public expenditures, phasing out of subsidies, introduction of hard budgetary controls and a restrictive monetary policy); implementing limited convertibility of the national currency; determination of a flexibly managed rate (or rates) of foreign exchange geared to the control of the current account and fiscal deficits, as well as compatible with an export oriented commercial policy and an activist developmental strategy of the domestic sector; the formulation of patterns to be followed in the interweaving of business, projects, activities, industries, and sectors of the economy, and in the allotment of resources for implementing the corresponding strategies; the creation of private financial, banking, and credit systems (in a period of perhaps three to four years), and "many other issues which, due to their circular character, would seem to frustrate any rational and efficient solution of the conundrum facing former socialist societies traveling the road to market" (Jorge, 2006, p. 244).

As we have seen with the post socialist transition of the former communist countries in Europe, the transition will not be easy, short, or cheap. It has been estimated that the formal conversion to a market economy in Cuba may take from five to ten years (Betancourt, 2010, p. 197). In addition, the total value of the investment needed to complete the process will most likely exceed the US \$ 50 billion figure (Jorge, 2006, p. 247).

Concluding Comments

The US-Cuba conflict has affected not only the two countries directly, but had regional and international repercussions. The United States compelled most nations in the hemisphere, with the exceptions of Canada and Mexico, for a long time, to break diplomatic and commercial relations with Cuba. The active voice of the Cuban revolution in international organizations helped to mobilize world public opinion against the excesses of the American imperialist policies. The military participation of Cuban troops, initially in Angola and later in as military assessors in a number of African nations, also strengthened the Cuban position among the underdeveloped nations. The frontal resistance of Cuban troops against the racist regime of South Africa under apartheid rule won the Cubans the admiration and sympathy of the African people and most of their governments. The European capitalist nations and Japan demonstrated their independence by continuing relations with the communist island. The economic blockade against Cuba has persisted for almost six decades, although its significance has been greatly exaggerated. At no time have Cuba been deprived of obtaining goods and services from Canada, Europe and Japan.

However, some kind of changes are inevitable as the old Cuban leadership eventually will have to turn the reigns of the government to younger leaders. Even in the absence of a radical change in the policy of the Cuban government, the potential elimination of the American blockade and the reestablishment of diplomatic and economic relations between the United States and Cuba could generate political and economic changes in the policy and the structure of the Cuban government. So far, even without American participation in the Cuban economy, the Cuban government has opened its doors to European capital, mostly from Spain and Italy, invested in hotels and the tourism infrastructure of the island. Some private participation also has

been allowed in other areas of the economy. The collapse of the former Soviet Union has compelled the Cuban government to accept foreign capital, although still in smaller amounts and with important limitations.

Nobody knows what type of transition will be seen in Cuba. Most likely, it will greatly differ from the radical changes observed in the former communist nations of Eastern Europe and Russia. However, the Cuban transition can benefit from the accumulated transition experiences of other former Soviet bloc countries. In addition, Cuba has a number of other forms of capital that many of the former Soviet bloc countries lacked. The country has a relatively wellintegrated society with a single language. Although there are racial tensions in Cuba, they are not comparable to the serious ethnic divisions that have plagued a number of transition countries. Cuba has a relatively educated, flexible, and mobile workforce that can be readily absorbed into new economic activities, and the Cuban people demonstrate a strong entrepreneurial spirit.

Clinton's (1997) report about the economic prospects of a post-Castro Cuba concluded that "the amount of available financing, official and private, for Cuba's transition appears to be quite large, certainly larger than what was available on a per capita basis to any of the countries of the former Soviet Union" (Clinton, 1997, p. 15).

Cuba will also be able to draw upon the support of a large overseas Cuban community with extensive business and technical expertise, market connections, investment capital and a commitment to help their families and fellow Cubans on the island. In addition, a postnormalization Cuba can count on the strong bilateral and multilateral support from the United States due to the clear U.S. national interest in having a stable, prosperous and democratic neighbor.

The Cuba-US conflict is not unique. Many other countries have had serious policy and political disagreements with the United States. In addition, few people have died in the struggle, because, with the exception of the Bay of Pigs invasion and the brief encounter of Cuban troops in Granada during the American invasion in 1983, there is no armed conflict between Cuba and the United States. The conflict has been political and diplomatic more than military. However, what makes this conflict unique is the endurance of the conflict throughout five decades, the consistency of the approach followed by both parties and the few efforts made on both sides to neutralize this situation. While Switzerland has played a spectacular role by hosting the respective groups of interests of both nations at the Swiss Embassy in both Washington, DC and Havana, no country has attempted to mediate the ongoing conflict, probably because of the unresponsiveness of the two leaderships to talk to each other. While some conflicts require outside intervention, finding a solution is extremely time-consuming and difficult (Erdmann, 2011, p. 83). However, it is not impossible, especially if new leaders in Cuba emerge with new ideas and with a new vision that Cuba cannot continue burdened by its lack of access to American capital, expertise and technology.

The era of the romantic dreams of the 1960s, when Cuba attempted to become a beacon for the rest of the countries in Latin America by serving as an example of an alternative system of governance has passed. Communism has failed to provide what it promised, not only in Cuba but everywhere in the world. It is time to start working toward some kind of rapprochement, some negotiations based on principles and respect which could eventually bring Cuba into the 21st century. The United States also has an obligation to serve as an example. Cuba does not represent a threat to US interests any more. With the collapse of the Soviet Union and its Eastern

European satellites the world is no longer what it used to be. Cuba and the United States should work a solution to their problems.

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