

Nation and emigration: Cuba bets on its exile community



The IV Congress "Nación y Emigración" took place on November 18 and 19 at the Palacio de Convenciones in Havana (Source: [Cubadebate](#))

In its search for ways out of the current economic crisis, Cuba is betting on its growing population abroad. For the first time since 2004, the "[Nation and Emigration](#)" conference took place last weekend on the island, which was attended by more than 300 representatives of Cuban exile communities from 40 countries.

The persistent lack of electricity and fuel, the rising cost of living, and the declining quality of the social systems have prompted more than half a million Cubans, especially younger ones, to turn their backs on the island over the past four years. The current wave of migration has had "the greatest historical impact in terms of demographics due to its composition", explained Ernesto Soberón, Director of Consular Affairs at the Cuban Ministry of Foreign Affairs. Today, Soberón estimates the number of Cuban expatriates and their children at 2.5 million, many of whom emigrated immediately after the 1959 revolution, and around 90 percent of whom live in the US state of Florida.

Cuba's government now sees the community as an opportunity for the island's economy. For years, expatriate Cubans have been involved in the Cuban private sector, be it through remittances to relatives, or more or less direct investments in private rooms for rent or small hotels, restaurants, bars, or other businesses, some of which are de facto run by expatriate Cubans with the connivance of the authorities. The expansion and lower cost of internet access, which became affordable for broad sections of the population for the first time with the introduction of the LTE network in 2019, has further simplified cross-border business contacts in recent years. The Trump administration tried to put a stop to this during the pandemic by restricting money transfers, but this was eased again by Biden last year. This March, the remittance service provider Western Union finally resumed operations.

The exile community was a red flag in Cuba for a long time. After the 1959 revolution, emigrants were labeled "traidores" (traitors) or "gusanos" (worms), whose primary goal was to overthrow the government and recover expropriated property. Acts of terror launched from exile, such as the bombing of a Cuban civilian airliner in 1976 in which all 73 people on board were killed, made this interpretation appear not entirely unjustified. After precisely that low point, however, the status quo began to change. Two years after the attack, in 1978 during Jimmy Carter's presidency, the first edition of the "Nation and Emigration" conference was held on Fidel Castro's initiative, which made family visits possible for the first time. With the end of the Cold War, Cuba took further steps to break down the once crystal-clear border between Cubans on the island and the exile community - whose dollars were very welcome in the crisis of the time. After the opening up of tourism, Cuban investments were also theoretically possible later on, but did not materialize in practice for fear of a "fifth column of Washington", as the example of Saúl Berenthal shows, who wanted to build a tractor factory in the special economic zone of Mariel in 2016 and was rejected by Havana.

With the onset of the current crisis and Díaz-Canel's "new economic strategy", there has been renewed movement on the issue. Cuban investors from abroad were included in the development plans, and actively promoted. For example, a "Business Forum for Cubans Living Abroad" met for the first time in Havana in November 2021 and new, small-scale projects with a local connection were specifically advertised for investment by Cubans living abroad. "We are looking for ways to combine their interests with ours," explained Rodrigo Malmierca, Minister of Foreign Trade at the time. At the FIHAV trade fair this year, a separate pavilion was set up for Cubans abroad for the first time. Hugo Cancio, who migrated to Miami in 1980 and has been running an online store on the island for several years, presented the first US-Cuban food brand there and has recently been authorized to sell US vehicles in Cuba. In July of this year, the validity of the Cuban passport was extended to 10 years, which benefits Cubans abroad with dual nationality in particular. Cancio is the second US citizen with a corresponding license after John Kavulich, who received an exemption from the US Internal Revenue Service (OFAC) in May 2022. "Today, Cubans abroad can participate fully in the economic life of their country," explained Soberón at the conference, which this time was attended not only by Cuban members of foreign solidarity organizations but also by business people and economists who are at least not hostile to the Cuban revolution.

The socialist brother countries China and Vietnam, which also relied on investments from the diaspora when reforming their economies, provide role models for this step: without capital from Taiwan, the development of the Chinese electronics industry in the 1980s would have been almost inconceivable. And Vietnam's reform policy would probably not have been able to get the country growing so quickly without investment from exile, especially from "boat people" in the USA. Through close family ties and good knowledge of local conditions, they financed companies in difficult circumstances, when the country was still largely unattractive to international investors. In the latter case, too, the start was made under the conditions of massive US sanctions, which were largely lifted in the economic field in 1994 and not completely until 2006. Cuba's main aim in opening up to investment from exile is to "raise the standard of living so that Cubans stay on the island instead of emigrating", said Soberón.

"It was necessary to overcome doubts and prejudices and to know how to distinguish between the interests and concerns of Cubans living in the USA and the hostility of the US government towards Cuba," explained President Díaz-Canel at the closing session of the conference. Today, most people leave the island for economic reasons, and relations between Cuba and its foreign community are "more active, more open and more frequent" than in previous times. He referred to recent statements by Republican Senator Marco Rubio from Florida, who recently questioned the special status of Cuban migrants in the USA as political refugees, which is associated with privileges. Many would "spend their summer vacation in Cuba again just one year later and fly to Cuba six to eight times a year", said Rubio. Now the dividing line between Cubans at home and abroad from Cuba should no longer be expressed in terms of passport or nationality, but exclusively in political terms: "We insist on Martí's formula of one Cuba with all and for the good of all, making it clear that this 'all' does not include those who conspire against the nation to attack and insult it, who call for invasion [...] to make us the 51st state of the American Union [...]. Our arms will be open in grateful recognition to receive and embrace those who risk their personal integrity and even their lives to defend and support the homeland in difficult times," Díaz-Canel said, addressing the expatriate community.

Hugo Cancio, who used to support dissident groups but also admired many things about Fidel Castro and now wants to "build bridges", could provide the template for an acceptable partner on both sides of the Florida Strait in US-Cuban economic relations, which have expanded significantly in stark contrast to political relations. With the establishment of new small and medium-sized enterprises (SMEs) in the private sector, trade between Cuba and the US has increased by around 60 percent this year. However, these companies are still unable to trade with US partners beyond the exemption lists due to the financial sanctions. ([Cubaheute](#))