

# Report urges funding Castro foes

**A new U.S. government report recommended creating an \$80 million fund to boost opposition in Cuba and zeroes in on Cuba's close ties with Venezuela.**

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**WASHINGTON** - The commission that steers Bush administration policy on Cuba is recommending creating an \$80 million fund to boost opposition to Cuban leader Fidel Castro and tightening economic sanctions on the island, The Miami Herald has learned.

A draft of the commission's report also recommends a major diplomatic effort to offset the "Venezuela-Cuba axis" and identifies President Hugo Chávez as a key player whose oil wealth could help extend the communist system after Castro's death.

The report summarizes the work of more than 100 officials from 17 government departments and agencies on behalf of the Commission for Assistance to a Free Cuba, co-chaired by Secretary of State Condoleezza Rice and Secretary of Commerce Carlos Gutierrez, a Cuban American.

The recommendations must be approved by President Bush, although he approved virtually all the items on the commission's first report in May 2004. That led to tighter restrictions on travel to Cuba, especially by Cuban exiles.

Unlike the 2004 report, the current set of recommendations include an annex that will remain classified "for reasons of national security and effective implementation," according to the text. There was no immediate indication of what the annex might contain.

No major changes in U.S. policy toward Cuba are recommended, and the text repeatedly underscores that it is the Cubans, and not the U.S. government, who will decide the future course of their transition.

Government officials confirmed that the copy of the draft obtained by The Miami Herald is legitimate, but cautioned that some of its figures could change before the final text is presented to Bush. A formal unveiling is planned for next week.

The new report focuses on U.S. actions in the months that will follow the death or incapacitation of Castro, and calls for the creation of a two-year \$80 million "Cuba Fund for a Democratic Future."

The money is to "increase support for Cuban civil society, expand international awareness, break the regime's information blockade, and continue developing assistance initiatives to help Cuban civil society realize a democratic transition."

After the initial two years, the commission recommends adding at least \$20 million annually to the fund "until the dictatorship ceases to exist."

The draft recommends using \$31 million of the fund to support "civil society on the island"; \$10 million to finance academic exchanges and a new scholarship program for Cubans to study abroad; \$24 million to break the Castro government's "information blockade" by financing the transmission of anti-Castro broadcasts via satellite and distributing equipment on the island to receive international broadcasts; and \$15 million to support international efforts to aid the opposition and plan for a post-Castro transition to democracy.

The report does not specify if the money is on top of the aid the U.S. government already provides for anti-Castro programs. Radio and TV Martí already get \$35 million for their broadcasts to the island in 2006.

The draft also takes a conciliatory approach on hot-button issues such as the return of Castro-confiscated properties to their previous owners, many of whom live in the United States. The Cuban government criticized the 2004 report as a blatant disregard for Cuba's sovereignty.

"It is a change in tone more than a change in substance," said Phil Peters, a Cuba analyst with the Lexington Institute who has read the draft copy. Saying that the previous report suggested people would be evicted, Peters added, "This report tries to reverse the political damage by placing property decisions in the hands of the Cuban government and urging Cubans to consider property claims in the context of national reconciliation."

However, the text recommends "vigorously" enforcing Title IV of the 1996 Helms-Burton Act, which gives U.S. officials the power to recall or deny U.S. visas to company managers whose firms invest in confiscated properties -- a sanction that has been used only cautiously so far.

Companies investing in industries that provide the Cuban government with hard currencies like oil, tourism, nickel, tobacco and rum and will be especially targeted for sanctions, the report said.

The report also says there is growing evidence that "senior elements of the regime" are hiding their financial assets overseas, including properties and bank accounts. It recommends tracking down these assets and returning them "for the benefit of a Free Cuba Government."

According to the text, Castro and his inner circle "have begun a gradual but intrinsically unstable process of succession" working with "like-minded governments, particularly Venezuela, to build a network of political and financial support designed to forestall any external pressure to change."

Venezuela provides more than \$1 billion a year in energy subsidies to the island, it said, and there are indications that Cuba is using money from Venezuelan President Chávez to "reactivate its networks in the hemisphere to subvert democratic governments."