

# U.S. firms redraw a Cuba without Castro

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While Cuban leader Fidel Castro's recent illness peaked the interest of major U.S. firms, which once had grandiose dreams of investing in a free Cuba, they are not rushing to return to the drawing board of the 1990s, a leading Cuba expert said earlier today.

Speaking at the Miami Herald's annual America's Conference, John Kavulich, senior policy advisor, U.S. Cuba Trade & Economic Council, said even if Castro were to die, life in Cuba would not change drastically thanks to the Cuban government's relationship with Venezuela.

"Venezuela is absolutely the key," Kavulich said during discussion moderated by Miami Herald Chief of Correspondents Juan Tamayo, who formerly covered Cuba. "Financially as long as (Chávez) backs Cuba, Cuba doesn't have to change."

Kavulich said between 1994 and 2002, major U.S. firms created Cuba teams, which reported directly to the CEOs, to explore business opportunities on the island. But after Cuba signed agreements with Venezuela and China, and the Bush administration hardened its policy toward the Castro government, these companies lost interest and began to look elsewhere.

"That permitted the (Cuban) government to return to its roots and reverse economic reforms of the early '90s," Kavulich said of Cuba's newfound alliances with Venezuela and China.

However, the scenario could change if Venezuela were to cut Cuba off or if the island were to develop its own energy source, making it much more financially independent.