

Trade, Tourism and Hypocrisy

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So far, there have been many achievements concerning Cuba: the general condemnation by the European Union of the regime, diplomatic sanctions, the development of a common opposition, international awards and recognition of internal peaceful dissidents. Yet the regime is still standing strong. One important question, and the question I shall concentrate on here, is: who is financing the regime?

Under the current conditions in Cuba, foreign investment and tourism only serve to maintain the repressive regime. All investors must comply with international labor standards in order to be in line with the European Union's political stance which professes to support civil democratic developments on the island.

Following the arrest and condemnation in April 2003 of 75 peaceful dissidents, and the execution of three poor black people who attempted to hijack a ferryboat, the entire EU protested for the first time in history and announced political sanctions against the Castro regime. Diplomatic and cultural contacts were restricted and dissidents were officially welcomed to national days at EU embassies. The announcement of this diplomatic step by Europe inspired Castro to deliver a fierce tirade against his former European friends whom he now referred to as 'the mafia'. But only days later, he invited Spanish and Italian investors to the island and told them that these minor 'political problems' with their governments would definitely not affect their economic activities in Cuba — on the contrary, they would always be welcome.

This is exactly where politics is failing: on the one hand, we are protesting against the regime's violation of human rights, whilst on the other hand our entrepreneurs are continuing to do business with the regime under conditions that simply mock international labour legislation rules. Furthermore, we are stimulating investment and subsidizing the regime with a variety of export credits and trade credit insurance. This scheme, which has major advantages for entrepreneurs, is intended to benefit the population and encourage democracy in a developing country. But in Cuba the people have no opportunity whatsoever to take the initiatives supposedly designed for them, and there is not the slightest hint of democratic reform.

Like all EU members, Cuba has signed and ratified the agreements set down by the International Labour Organization (ILO) where governments, employers and trade unions agreed to the minimum requirements for good business practice. Whilst in our own country we are expected to comply with these basic conventions, they are completely ignored in Cuba. Foreign investors may work exclusively in 'joint ventures' with the totalitarian regime and accept total dependence on rules set by the Cuban government. It is the state that serves as an employment agency and recruits and pays the staff, checking not the skills of the employees but their political reliability. The dollar wages that the foreigner pays for the Cuban worker go directly to the state which, in turn, pays the Cuban worker approximately 10% in worthless pesos. Furthermore, many European investors are supported by their governments through the application of export subsidies, financed by the Ministry of Cooperation. Thus, in the field of international development cooperation, we are in fact supporting a military dictatorship. The investor is well aware that the regime does not permit free trade unions, collective bargaining, free association, or private initiatives of any significance, and investors are forced to allow government security services into their company to spy on their colleagues. To some degree, this serves the interests of the foreign investor. But by complying with these violations of international labour rights, they are indirectly implicated in the system of internal repression.

Europe is one of the most important investors in Cuba. The Netherlands serves as its second most important

export country (nickel being an important product), and around 30 Dutch firms operate on the island. Combined with Spanish, Italian and French investors, they constitute a powerful force in Havana that finances the corrupt and virtually bankrupt regime.

Decades of European trade relations, silent diplomacy and political protests have not succeeded in bringing about democratic reforms. On the contrary, the Party nomenklatura have been able to build themselves up considerably and guarantee a financially sound future for themselves after the change of power. As far as export subsidies are concerned — with our public resources, we have not only turned a blind eye to a dictatorship, but have also presented the dictatorship with a gift. Is that what Development Cooperation is supposed to be about? And what will it be like after the inevitable transition, when those who are currently oppressed and imprisoned will be in power? What will their view be of those Europeans who — while arguing that they want to offer an alternative to US policy — kept the former oppressor in the saddle for so long?

It is high time that European investors, labour unions, human rights NGOs and ILO experts came together to discuss how foreign investment and tourism could be turned into instruments of development that would benefit the Cuban people themselves rather than the military regime. Yet the question is: would they be willing to use their power collectively and enforce changes to contribute towards justice? The Dutch entrepreneurs have already expressed their position: ‘Our business is business and not Human Rights’. The Spanish were panic stricken when approached with the idea of a debate on the matter; they are aiming for a new diplomatic approach to actually increase investment. The French businessmen are also eager to strengthen their relations with Havana. These developments only emphasise the necessity of a debate on European investment, with all the parties concerned. If the entrepreneurs continue to feign deafness, then a collective naming-and-shaming campaign should seriously be considered. However, at the moment, Castro can still ignore the political condemnation of the entire EU since ongoing foreign investment, on his terms, is guaranteed.