

# American Economic Warfare Continues to Suffocate the Cuban Economy

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*On March 17, 2024, a demonstration comprised of a few hundred people spontaneously broke out in Santiago de Cuba, along with a few smaller protests in some other Cuban cities.*

This is not entirely surprising, as Cubans have been enduring one of their worst shortages of basic necessities, like food, medical supplies, and fuel, in recent months.

The fuel shortage has been particularly problematic, causing regular power outages, which makes it extremely difficult to work, and produce, transport, and distribute goods across the island. In fact, the severity of the current economic crisis has led the Cuban government to request assistance from the UN World Food Program for the first time, when it sought help in [‘providing milk to children under seven years of age’](#) on February 29, 2024.

Although the demonstrations were clearly motivated by the current economic crisis in Cuba, western mainstream media outlets were quick to falsely describe them as massive ‘anti-government’ protests. This was entirely predictable, as the mainstream press have entrenched themselves deep into the Western political establishment by consistently serving the imperialist, neo-colonial, neo-liberal, and globalist agendas.

A number of factors have contributed to the current economic crisis in Cuba, including a slow recovery of the tourism industry from COVID restrictions. This is significant, because this sector generates about \$4 billion annually and represents an important source of foreign currency.

Another factor is the elimination of the dual currency, which has continuously resulted in high inflation. That said, it is ultimately the American financial and economic blockade that is by far the main issue holding back the economic growth and development of Cuba.

After being initially formalized by the Kennedy administration in 1962, it has turned out to be the longest and most cruel, coercive, inhumane, and shameful economic and financial blockade in human history. Since its imposition, successive American governments and various special interest groups in the US have hoped that the hardships associated with the blockade would eventually bring about social unrest and massive protests in Cuba, which, in turn, would result in the demise of the socialist government. Ideally, this regime change would install a pro-American puppet government or dictator.



When Italy was hit very hard at the start of the corona pandemic, they were assisted by a brigade of Cuban doctors. Photo: Italian Development Cooperation Agency

The current economic crisis is just the latest in a series of significant hardships that Cubans have been forced to endure since the triumph of the Revolution, on account of repeated American attempts to engage in economic warfare against the island in order to destroy its socialist regime. Previously, Cubans were hit particularly hard by the dissolution of the Soviet Union, which produced what came to be known as the 'special period' from 1989 to 1995. During that time, the Cuban economy essentially collapsed and its citizens experienced significant shortages of basic supplies, including food and medicine. These hardships led the Cuban government to formerly request assistance in ending the blockade from the United Nations (UN) in 1991. Since then, the UN General Assembly has overwhelmingly passed a resolution criticizing the impact of the embargo and calling for it to be lifted on an annual basis. In the most recent vote, which was held on November 2<sup>nd</sup>, 2023, 187 countries supported the non-binding resolution, with only '[United States, Israel](#)' voting against it and the Ukraine abstaining. This was '[the thirty-first time the United Nations voted to end the embargo.](#)'

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According to Bruno Eduardo Rodríguez Parrilla, Cuba's Minister of Foreign Affairs, in 2022 alone, ['the economic damage from the blockade amounted to \\$4.867 billion and has meant a dearth of goods, long lines, high prices and devalued salaries, causing suffering among Cuban families, including, sometimes, devastating blackouts.'](#) He further added that ['children and pregnant women, are damaged by the choppy supply of medicines...people have difficulties acquiring insulin, antibiotics, pain killers and other medication.'](#) He accused the American government of ['lying when it asserts that the blockade does not prevent access to medicines or medical equipment.'](#)

In response to the latest vote at the UN General Assembly, the US representative stated that while the American government opposes [the resolution, 'the United States stands resolutely with the Cuban people and strongly supports their pursuit of a future with human rights and fundamental freedoms.'](#) He claimed that one of the main reasons for the US opposition to the resolution was because ['approximately 1,000 political prisoners remain behind bars in Cuba, more than at any point in Cuba's recent history, and nearly 700 of those detentions are from the historic 11 July 2021 protests.'](#) However, that seems disingenuous, as more than 240 new sanctions were introduced during the Presidency of Donald Trump, whose term ended well before the so-called 'historic 11 July 2021 protests.'

Among the damaging policies enacted during the Trump administration was [the US Department of State webpage listing 180 'entities' in Cuba with whom financial business would be immediately forbidden as of November 2017. Twelve months later, on November 14, 2018, 26 new entries were added to the list.](#) Additionally, the activation of Title III of the Helms-Burton on April 17, 2019 made it extremely difficult for foreign companies to invest in Cuba, as it allows for lawsuits against companies that benefit from co-operating with Cuban state-owned businesses. Then, on October 9, 2019, the Trump administration decided that ['banking institutions subject to U.S. jurisdiction are not permitted to process "U-turn" transactions, i.e., funds transfers originating and terminating outside the United States, where neither the originator nor the beneficiary is a person subject to U.S. jurisdiction.'](#) In other words, the US does not allow transactions with Cuba even if the transfer is initiated by a non-Cuban bank and passes through the U.S. system (i.e., the U-turn) on the way to another non-Cuban bank.

In 2020, the sanctions imposed by the Trump White House resulted in a total of [407 Western Union offices](#) closing in Cuba, which basically halted remittances from family members in the US and other countries. Fincimex, an important entity of the Cuban financial system and the main partner of Western Union in Cuba, confirmed that the shuttering of so many Western Union offices in Cuba directly attacks ['family remittances even when Washington spokespersons lie and try to make it look like the limitations are only on a specific entity.'](#)

In January 2021, the Trump administration placed Cuba back on the US list of State Sponsors of Terrorism, along with [‘the Taliban or the territory of Afghanistan controlled by the Taliban.’](#) That means [‘no United States person may provide payment or financing terms for sales of agricultural commodities or products to Cuba or any person in Cuba, except in accordance with the following terms: \(A\) Payment of cash in advance. \(B\) Financing by third country financial institutions \(excluding United States persons or Government of Cuba entities\).’](#) Furthermore, any payments [‘involving a debit or credit to an account of a person located in Cuba or of the Government of Cuba maintained on the books of a United States depository institution’](#) is not allowed. A few weeks after Cuba was placed back on the US list of State Sponsors of Terrorism, concerns about being targeted with fines, sanctions, and legal proceedings led to many banks and financial institutions cancelling or limiting their activities and services in the country, while a number of shipping and delivery companies suspended many of their shipments to the island. Many Cuban businessmen also had their bank accounts closed in the US, while [‘several payment and e-commerce platforms such as PayPal and Airbnb’](#) refused [‘to provide their services to these businessmen.’](#) Clearly, the strengthening of the embargo that took place during the Trump administration resulted in the cancellation of significant commercial operations and foreign investment projects in Cuba.

The Trump administration also reimposed travel restrictions on educational and cultural exchanges, banned cruises, and curtailed direct flights from the US to Cuba. Moreover, it imposed sanctions on shipping firms and vessels transporting Venezuelan oil to Cuba, placed strict limits on remittances from the US, and implemented restrictions on Cuba’s importation of life-saving medicines. Ultimately, the activation of Title III of the Helms-Burton Act and the other sanctions enacted by the Trump administration not only penalized Cuba’s banking and financial systems, they impacted every sector of its economy. It is evident that such measures enacted to strengthen the economic blockade deliberately intended to suffocate the Cuban economy, severely punish ordinary Cubans, and create discontent and despair among Cubans, with the hopes of eventually leading to regime change.

Unfortunately, the situation did not improve very much after Trump left the White House, as [‘the economic, commercial and financial blockade against Cuba has remained the backbone of U.S. policy towards the island, and has been opportunistically intensified at unprecedented levels’](#) for much of the Biden presidency. Even though Latin American leaders have repeatedly called on the Biden administration to change its harsh policies towards Cuba, none of the sanctions that were implemented or strengthened during the Trump presidency were eased or cancelled until very recently. Sadly, the changes made by the Biden administration proved to be very minor. For example, on May 28, it was announced that

[‘The Department of the Treasury’s Office of Foreign Assets Control \(OFAC\) is amending the Cuban Assets Control Regulations \(the “Regulations”\) to further implement elements of the policy announced by the Administration on May 16, 2022, to increase support for the Cuban people. Among other things, these amendments increase support for internet freedom for the Cuban people and independent Cuban private sector entrepreneurs by expanding authorizations for internet-based services and a range of financial transactions.’](#)

Additionally, the OFAC permitted [‘independent private sector entrepreneurs in Cuba...to maintain and use a U.S. bank account to conduct authorized or exempt transactions,’](#) while



also authorizing [“U-turn” transactions to help the Cuban people, including independent private sector entrepreneurs, by facilitating remittances and payments for authorized transactions in the Cuban private sector.](#)’ These recent changes only affect a small portion of the Cuban population, amounting to about [‘11,000 private businesses.’](#) Also of note, the U.S. removed Cuba from its list of countries ‘not cooperating fully’ on counterterrorism earlier this month, which also includes Iran, North Korea, Syria and Venezuela. However, it remains on the US list of State Sponsors of Terrorism. Given their limited scope, these changes do little to alleviate impacts of the coercive measures that were implemented during the Trump administration to suffocate the Cuban economy, which continue to be extremely destructive to the daily lives of all Cubans.

During the Cold War Era, Washington consistently maintained that regime change was a prerequisite for lifting the economic embargo on Cuba. At that time, the fear of communism spreading throughout the Americas was prevalent in the US. This was evident when [President Kennedy](#) claimed that Fidel Castro’s ‘anti-American and pro-Communist messages are carried in books and newspapers shipped to every corner of the hemisphere – often concealed in diplomatic pouches – and handed out together with Soviet propaganda by the Cuban embassies.’ He also stated that ‘Presna Latina, Latin America’s largest news agency, controlled from Havana,’ attacks ‘the United States and the leaders of every Latin American democracy.’ According to [President Kennedy](#),

‘Castro’s campaign has met with success in almost every country – in Brazil, where both Presidential candidates found it politically expedient to appeal to pro-Castro and anti-American elements in the electorate – in Mexico, where anti-American riots followed pressure on a pro-Castro spokesman – in Guatemala, where Castro-equipped revolutionaries are a real menace -in Uruguay, where a general strike was threatened if Castro was not supported at the San Jose Conference.’

In the 1980s, president Ronald Reagan stated that

[‘The Soviet Union owns Cuba, lock, stock, and barrel. We blockade it, now it’s a grave logistical problem for them.... We blockade Cuba, which could not afford that blockade, and we say to them: ‘Get your troops out of Afghanistan and we give up the blockade.’](#)

However, both the Democrats and Republicans have maintained and strengthened the economic blockade for decades following the collapse of the Soviet Union. One of the possible reasons for this is that they are seeking to placate certain political interest groups, including vindictive Cuban-Americans, ambitious anti-socialists, and anti-communist ideologues of the Cold War Era, who are afraid that the battle of ideas has not yet ended. If that is the case, then that means the demands of powerful interest groups outweigh Cuba’s right to exist and operate as a sovereign country in the eyes of the US.

Presently, Cold War Era rhetoric is rarely employed by American officials, who mainly pretend to care about liberal values and principles, as well as humanitarian conditions in Cuba. They often state that they use sanctions as tools [‘to advance democracy and promote respect for human rights and fundamental freedoms in Cuba,’](#) even though the economic blockade itself is illiberal and inhumane, as it relies on illiberal and anti-democratic measures. These officials further claim that Cuba’s human rights record is the main obstacle to the full re-establishment of diplomatic and economic relations between the two nations. However, history and current world events serve as testaments to the hypocrisy of the American government’s position in this regard. The US has a long record of consistently

violating or ignoring fundamental human rights and democratic principles when it serves to further its ideological and economic interests.

Image: Afghans stand in the sewage ditch outside Abbey Gate as they attempt to show documents to Marines processing evacuees on Aug. 25. Credit: Mirzahussain Sadid for Alive in Afghanistan



The 20<sup>th</sup> and 21<sup>st</sup> centuries are littered with numerous examples of the US government citing the violation of human rights and democratic principles as pretexts to justify interference in the domestic affairs of sovereign countries, often in the form of military interventions. There is a long list of governments who were overthrown or destabilized by the US, some on multiple occasions, for refusing to fully adhere to its dictates, including Guatemala (1953-1954, 1960), Indonesia (1957-1958, 1965, 1975), the Dominican Republic (1960-1966), Chile (1964-1973), Cambodia (1955-1973), Laos (1957-1973), the Congo (1960-1964), Greece (1964-1974), Bolivia (1964-1975), Zaire (1975-1978), Iraq (1990-1991, 2003), Afghanistan (1979-1992 and 2001-2021), Libya (2011), and Syria (2014-). Furthermore, history has shown that American governments have rarely hesitated to cooperate with and prop up despotic and corrupt regimes whenever it suited their interests. Specific examples include Pinochet in Chile, the Somoza regime in Nicaragua, Suharto in Indonesia, the Shah in Iran, and the repressive House of Saud in Saudi Arabia, just to name a few. These partial lists of military interventions and support for repressive regimes clearly demonstrate that the administration in Washington will not hesitate to violate human rights and democratic principles if it is in its interest to do so. With respect to accusations of Cuba violating human rights, Fidel Castro (2007) stated:

Cuba is very different from the United States. The United States exploits other nations, has appropriated a large part of the world's natural resources and is making tens of millions of workers all over the world labour in the service of its caste of millionaires.

Cuba doesn't exploit other nations; Cuba hasn't appropriated. And is not struggling to appropriate, the natural resources of other nations, Cuba isn't trying to make the workers in other nations labour in its service...With our revolution, we are eradicating not only the exploitation of one nation by another but also the exploitation of one human being by another.

American propaganda aside, Cuba is actually widely-renowned for its commitment to peace, social justice, equality, and humanitarian aid. It has been very active in terms of providing foreign aid in spite of the US embargo, primarily in the form of sending highly-trained specialists to developing countries where such skills are needed, including teachers, doctors, and engineers. In fact, Cuba has been sending doctors to countries throughout Latin American and Africa, which are unable to meet the health care needs of their citizens, since its Socialist revolution in 1959.

On the island itself, all Cubans are regarded as equals and are afforded protection from discrimination based on race, colour, religious beliefs, sexual orientation, opinions, social status, etc. Moreover, despite the severity and longevity of the embargo, the Cuban government has managed to attain higher life expectancy, and lower rates of child mortality, child malnutrition, and poverty, compared to many other countries in Latin America. One of the main factors behind these successes is that Cuban Socialism has prioritized universal health care and free access to education for all of its citizens. In fact, Cuba's socialist government accepts the right to work, the right to housing, free and equal access to education and professional training, cultural activities, and health care services as human rights. According to Cuban socialism, without such rights being guaranteed, one cannot attain many forms of freedom, including economic freedom, the freedom of self-determination and self-development, political freedom, as well as civil liberties. It could be argued that Cuba's interpretation of human rights goes well beyond the reductive version defended by its American counterparts.

Contrary to statements made by American officials, the US embargo not only violates the human rights of Cubans, it also goes against the United Nations Charter and international law.

The trade embargo directly violates articles 2, 3, 19, 22, 23, 25, and 30 of [the Universal Declaration of Human Rights](#). Additionally, the economic blockade has created '[shortages, hardship and suffering for all Cuban people](#),' violated their right to '[self-determination](#),' '[generated significant losses in monetary terms and have also affected the rights of Cubans, especially the poorest](#).' It has directly impeded the economic and technological development of the island, thereby lowering the living standards of all Cubans. The demonstrations consisting of a few hundred of people that transpired in many cities across Cuba in recent months were largely a reaction against the current shortages, which are ultimately outcomes of the longest economic embargo in history. However, despite enduring tremendous hardships, socialist Cuba remains a symbol of resistance to neo-colonialism, imperialism, capitalism, and western hegemony for much of the world.

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