

Trump administration issues new restrictions on US travel to Cuba

By Alexander Fangmann
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On Tuesday, the US government published new rules restricting cruise ships as well as some types of educational tours from traveling to Cuba. The aim is to exacerbate an economic crisis on the island that has already produced shortages and rationing of food and energy.

The clampdown on travel was announced nearly two months ago at high-profile events by National Security Advisor John Bolton and Secretary of State Mike Pompeo as part of a more aggressive posture for US imperialism throughout Latin America.

The new travel restrictions include a ban on group travel to Cuba for “people to people” educational purposes, one of the blanket licenses through which Americans nationals can be exempted from the US embargo and allowed to spend money on the island. Family visits and some other types of group tours, including those for “support for the Cuban people,” are not affected.

More significantly, the new measures prevent cruise ships from stopping at the island, effective Wednesday, June 5, affecting 800,000 bookings. Major cruise lines Carnival, Royal Caribbean and Norwegian have all announced that they are no longer making stops in Cuba, even on ships already underway, some of which are being rerouted to other destinations. The Cruise Lines International Association issued a statement saying, “The new rules effectively make it illegal to cruise to Cuba from the United States.”

Aside from cruise ships, all other boats, as well as non-commercial aircraft, will be forbidden from traveling to Cuba.

A previously announced restriction on remittances has not yet been imposed, likely due to its overwhelming unpopularity among Cubans and Cuban-Americans in South Florida.

Pavel Vidal, a Cuban economist in Colombia, told the *Wall Street Journal*, “This is a big blow for the economy, which was hoping for growth in tourism, the only part of the economy which could help Cuba make up for the loss of the Venezuela shock.” He added, “It’s very probable that Cuba will go into recession.”

Cuba has been under severe economic stress largely due to the pressures being put on its closest ally and economic benefactor, Venezuela, by American imperialism, which is attempting to oust Venezuelan President Nicolas Maduro and replace him with the right-wing US puppet Juan Guaido. The Trump administration is even threatening military intervention.

The ongoing crisis in Venezuela has resulted in a severe drop in the output of state oil company Petroleos de Venezuela (PDVSA), which has been reflected in a fall in shipments to Cuba. Shipments of oil from Venezuela to Cuba have fallen from 105,000 barrels per day (bpd) in 2012 to 47,000 bpd as of March, with Cuban demand at roughly 160,000 bpd. Venezuela has been forced to find tankers not subject to US sanctions in order to make planned shipments.

Where it was previously able to resell some of this fuel on the market for hard currency to finance imports, Cuba has been forced to set aside money for additional imports of fuel. Although it has been purchasing oil from Algeria, Russia, Iran, Angola and Trinidad and Tobago, it is still somewhat short of its needs, leading to shortages of gasoline and reduced energy use at state facilities.

Increased demand for fuel imports has also led to shortages of other imported goods, including food. Cuba imports about \$2 billion in food per year, or two-thirds of its food supply, and about \$5 billion in both food and fuel. A month ago, Commerce Minister Betsy Diaz said the Cuban government would begin

rationing eggs, rice, beans, peas, chicken and soap in addition to other basic products.

Notably, Diaz said on television, “We are calling for calm,” indicating the sharp nature of the social tensions that are raised by memories of the “Special Period” after the dissolution of the USSR, which produced widespread shortages and hunger throughout the country. There have been reports of crackdowns on public parades or gatherings that the government feels could grow into larger protests, and censorship regarding the term “Special Period” itself.

Although energy needs are certainly a factor in the shortages, Cuba’s own economic problems are also a factor, with Diaz noting that production of eggs in April fell 600,000 short of the 5.7 million consumed daily, although that was an improvement from March, when it fell 900,000 below, while pork production is hundreds of tons short of demand. Diaz additionally indicated that imports of products from the US, which had been allowed provided Cuba paid in cash, have become more difficult.

Cuba has reached out to other countries such as Malaysia to forge direct trade ties, even through barter, with Cuba providing vaccines in exchange for food, though it is \$1.5 billion in debt to suppliers of food and equipment necessary for food distribution.

With falling production of sugar and nickel, much of Cuba’s paltry growth has been made up through an increase in tourism, which is sure to fall with the recently announced restrictions. Any significant drops will result in cutbacks to social spending and jobs by the Cuban bureaucracy, which, despite all the shortages, has still managed to set aside enough to pay \$2 billion in debt service per year to Russia, Japan and the so-called “Paris Club.”

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