

# Dealing Complexities Are Hindrance

*Multiple Dollar Conversions Runs Prices Up For Cubans; Costs U.S. Sales*

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**R**oger Johnson, President of the National Association of State Departments of Agriculture (NASDA), and North Dakota Agriculture Commissioner, supports a straightforward policy on the opening of trade with Cuba.

nately the Cubans who fled the country and landed in America largely in south Florida were among the upper class on the island. They were property owners and their property was lost as a result of that, so you can imagine there are some bitter feelings that remain even though it's now two generations removed. There has been much longing for the day when the government changes their policy on the part of some of the



**Roger Johnson (left) and Pedro Alvarez (right), the Chairman and CEO of Alimport, Cuba's National Food Buying Agency, signing an agreement in 2005 for the Cubans to buy North Dakota agricultural commodities.**

"We favor lifting the embargo, the travel restrictions and all that and we're in favor of open trade with Cuba," Johnson said. "We should just flat out lift the entire embargo."

Like most officials, Johnson feels it will take a change in U.S. administration to bring about a change in policy.

"I don't mean that to sound partisan because the embargo has survived under both Democrats and Republicans all these years," he said. The embargo was put in place by the Kennedy administration in the 1963 as a means to isolate the Cuban government economically and deprive it of U.S. dollars. "Still, it's very clear that the Bush administration, especially in the second term, has really tightened down on restrictions related to the embargo. The opening of trade for food and agricultural products which was passed in 2001 actually worked. It was difficult, it was inefficient, but people had become reasonably accustomed to it. Then about 2005 the Bush administration put its strange definition on 'cash sale.' For about six months they refused to even say they had changed the definition. During that period of time there were boats out on the water, sitting waiting to unload. In fact we know there was food that was spoiled, chicken in particular that was loaded on these boats has a reasonably short shelf life and some of it was spoiled. So for about six months they changed the definition and they publicly denied having made the change. Ultimately at the end of the six months it was admitted that 'oh yes, we did change the definition of "cash sales" and now the money has to be in the hands of the U.S. seller before the product is allowed to leave our soil.' That was viewed as a very, very large diplomatic slap in the face to the Cubans. Their almost immediate reaction said, 'O.K. no longer are we going to use U.S. dollars.' We had been using U.S. dollars in advance of that as the currency of preference actually. So now when you go to Cuba you change your dollar into a convertible and you suffer about a 20 percent discount on it. That was a great way for Fidel Castro to suck up a little extra American money without giving anything."

Johnson said the feelings of Cuban-American legislators is understandable.

"There were obviously some very hard feelings when Castro came into power and overthrew the Batista regime," Johnson agreed. "Predomi-

Cuban-Americans who believe they have real estate claims that they will try to exercise to get some of that property back. I can't imagine how legally entangled that process is going to be. Castro's government has not been a model government in terms of civil rights and free speech. It's rather oppressive and NASDA didn't take the position on that, nor should we. Our argument is that we trade with lots of countries all around the world and if we really expect to influence what's going on inside of a country it seems there may be better luck if there's a relationship with them and you talk with them and you trade with them. Perhaps in that fashion the United States could further those changes more rapidly than would otherwise be the case. That is exactly the policy we've employed in China and Vietnam but for whatever reason, some folks just have the opposite view toward Cuba. To me it just makes little sense."

People of North Dakota where Johnson is from have visited Cuba on several occasions and have been favorably impressed with the Cuban people.

"I've been down there seven times with trade delegations from North Dakota and every one of us have come back really pleased with the trip," Johnson reported. "Any frustration that has been expressed has been with the complexity of dealing with the requirements of trading under the embargo. The Cuban buyers, ALIMPORT predominately, has been very straightforward, very businesslike, very professional in terms of buying products. They want to get the best deal they can, just like you and I, and my experience with them is that their word has been good and their dealings have been straightforward. I think we all recognize there is also a political motivation on the kind of sales that are done because the Cubans very much want the embargo lifted. As a matter of policy, when I and my counterparts go there we are careful to keep what we say to what we would say back home. Number one and number two we focus mostly on the business at hand, the trade we're involved in. Although I will say that my position on the embargo has been consistent and clear for many years and the Cubans all know that." Δ

*The seventh part in this continuing series "Engage With Cubans," will be published on July 4, 2008. The article will focus on an interview with Senator Blanche Lambert Lincoln from the state of Arkansas.*