



# CUBANEWS

[www.cubanews.com](http://www.cubanews.com)

## In the News

### Gross on agenda

Josefina Vidal, Roberta Jacobson discuss fate of USAID subcontractor .....Page 2

### Better Mexican ties?

Diplomat says Cuba-Mexico relations will improve under Peña Nieto .....Page 3

### Political briefs

'People's cardinal' relocated to Cienfuegos; 22% of residential water wasted .....Page 5

### Provinces

An in-depth look at Cuba's 2 newest provinces, Artemisa and Mayabeque .....Page 6

### Executives on trial

Could ongoing corruption trial scare away potential foreign investment? .....Page 8

### Tourism plans

Marrero unveils long-term plan to dramatically boost hotel rooms, tourist amenities over next 7 years .....Page 9

### HughesNet pulls plug

Hughes Network System cuts satellite link to access Internet in Cuba .....Page 11

### Cuba vs. Guatemala

What Cuba can learn from ultra-productive Guatemalan sugar sector .....Page 12

### Bookshelf

'What I Learned About Cuba,' 'Che Wants to See You,' 'My Lost Cuba' .....Page 15

*CubaNews* (ISSN 1073-7715) is published monthly by CUBANEWS LLC. © 2013. All rights reserved. Annual subscription: \$398. Nonprofit organizations: \$198. Printed edition is \$100 extra. For editorial inquiries, please call (305) 393-8760, fax your request to (305) 670-2229 or email [info@cubanews.com](mailto:info@cubanews.com).

## State Department tones down criticism but keeps Cuba on terrorist list for now

BY ANA RADELAT

While its condemnation of Cuba was muted this year, the State Department has decided to keep the island on its annual list of terrorist-hosting nations.

Placed on that blacklist for the first time in 1982, Cuba remained there for decades because it harbored a dozen members of the Basque separatist group ETA and members of the Revolutionary Armed Forces of Colombia (FARC).

But these reasons are losing force. In its latest terrorism report, released May 30, the State Department noted that "in November, the Government of Cuba began hosting peace talks between the FARC and Government of Colombia."

It added that "reports in 2012 suggested that the Cuban government was trying to distance itself from Basque Fatherland and Liberty (ETA) members living on the island by employing tactics such as not providing services,

including travel documents to some of them."

Furthermore, said the report, "there was no indication that the Cuban government provided weapons or paramilitary training to terrorist groups."

But it also said "the Cuban government continued to harbor fugitives wanted in the United States" — a reference to a tiny group of Americans that includes Joanne Chesimard, a left-wing militant who shot and killed a state trooper on the New Jersey Turnpike 40 years ago.

Washington-based attorney Robert Muse said there's no reason to keep Cuba on the list — which also includes Iran, Syria and Sudan — just because it harbors American fugitives.

He points to dozens of other nations that haven't signed extradition treaties to the United States, including Indonesia, China, Kuwait, Vietnam and Cambodia.

"None of those countries are on the State

See **Terrorism**, page 3

## Cuba's growing network of cybercafés isn't all it's cracked up to be, says critic

BY VITO ECHEVARRÍA

The Cuban government is trying to play Santa Claus six months before Christmas. It just announced — with much fanfare — an expansion of Internet access for locals by opening 118 cybercafés throughout the island.

But Baruch College professor Ted Henken, who was declared *persona non grata* two years ago by Cuban security agents for interviewing dissident bloggers, isn't buying any of it.

Speaking earlier this month at New York University, Henken — who moderated an event featuring visiting Cuban bloggers — detailed why this "news" shouldn't be taken too seriously.

Given that users will pay \$5 an hour for full Internet access, Henken said authorities use pricing to limit access, since they know the average salary for locals is only \$20 a month.

"A user who seeks to go online for just one hour each day over the course of a month would have to shell out \$150 — more than seven times Cuba's \$20 average monthly wage," he said.

Referring to a BBC report, Henken said each cybercafé (or *telepunto*) has just three computers, limiting access for locals.

"There will be only 354 of these public access computers in the entire country," he lamented. "This amounts to one cybercafé for every 65,000 people. And this will allow each user, of those 65,000 people, exactly one hour of access every five years — assuming everyone on the island would want to use these cybercafés."

Henken also said that such "wider access" comes with strings attached.

Through state telecom monopoly ETECSA's local server Nauta, the Castro regime will still snoop on all communications by local customers, as well as filter all content.

"The new Cuban telecom law all but declares publicly that users will be monitored, with the government reserving the right to block users who engage in activities that 'undermine public safety, or the country's integrity, economy, independence and sovereignty,'" he said. Such users

See **Internet**, page 4

## POLITICS

# Gross case on the agenda during Vidal-Jacobson meeting

BY ANA RADELAT

Recent talks between a State Department official and a high-level Cuban diplomat have breathed new life into talks over jailed American subcontractor Alan Gross.

Josefina Vidal, director of the North American bureau at the Cuban Foreign Ministry, spent a week in late May in Washington, where she met with Roberta S. Jacobson, assistant secretary of state for Western Hemisphere affairs, and other U.S. officials.

Since twice-a-year talks between Cuba and the United States have been suspended, the meeting between Vidal and Jacobson served as an opportunity to raise issues that were normally discussed in those talks.

They included joint efforts against drug trafficking, migration issues and measures to prevent oil spills.

Gross, 64, was a subcontractor for the U.S. Agency for International Development when he was arrested in December 2009 and later convicted of subversion.



Roberta S. Jacobson

He's serving a 15-year jail sentence in Havana; since his incarceration, the Maryland resident has lost more than 105 pounds.

The U.S. continues to reject the idea of trading Gross for four Cuban intelligence officers convicted of espionage in 1998 and held in a Florida jail since then, said the official.

René González, a fifth Cuban convicted of spying, was released in October 2011 and given three years of probation, which was required to be completed in the United States. But González was allowed to return to Cuba for his father's funeral in April and a federal judge allowed him to stay there, provided that he renounce his U.S. citizenship.

## STATE DEPARTMENT 'PLEASED' WITH VIDAL VISIT

While the release of any other Cubans convicted of espionage is unlikely, the State Department could make a humanitarian gesture — such as granting U.S. visas for the wives of the jailed men — that could open the door to Gross's release.

The official said nothing definitive has been put on the table, but noted "movement" in the case, which has put relations between Washington and Havana in a deep freeze since Gross's arrest three and a half years ago.

The official also said the State Department was pleased with Vidal's low-key visit. The

last time she got a visa to come to the United States, in April 2012, Vidal participated in rallies aimed at freeing the jailed Cuban spies.

Low-key or not, the visit provoked anger from Cuban-American lawmakers, who wrote Jacobson demanding to know why Vidal had been given a U.S. visa.

"Given her rank at the Ministry of Foreign Affairs, her sole mission is to promote the Cuban regime's propaganda, undermine U.S. interests and justify brutal oppression against pro-democracy activists in Cuba," wrote Reps. Ileana Ros-Lehtinen (R-FL), Mario Díaz-Balart (R-FL) and Albio Sires (D-NJ).

"In addition, she has been at the forefront defending the Cuban regime's unjust holding of a U.S. citizen and harboring U.S. fugitives. With that in mind, we would like you to answer the following questions: What was the purpose and intent of Vidal's trip to Washington? What issues were discussed during your meeting with Vidal? Can you provide us an update on the Alan Gross case?"

The State Department has yet to respond to the letter.

## GROSS FAMILY SETTLES LAWSUIT WITH DAI

A few days after Vidal returned to Havana, the Castro government agreed to allow a U.S. doctor to travel to Cuba to examine Gross, who is said by family members to be in poor health. Cuba disputes this and says its prisoner been treated very well at the military hospital that has served as his jail.

Under contract with a Bethesda, Md., company called Development Alternatives Inc., Gross traveled undercover to Cuba five times before his arrest, distributing high-tech communication equipment to the island's small Jewish community and to dissidents.

In November, Gross and his wife Judy sued DAI and the federal government for \$60 million, saying he had been sent to Cuba without proper training, protection or information about tough Cuban laws against USAID-funded activities.

A federal judge dismissed the lawsuit against the United States. Gross had hoped the lawsuit would prompt the Obama administration to escalate its efforts for his release.

Gross did agree to settle with DAI, though the amount of the settlement wasn't disclosed.

Jim Boomgard, DAI's chief executive officer, said in a statement that neither party admits fault in the settlement. He also said the settlement allows DAI to work with the Gross family to bring him home.

Boomgard described Gross as "a committed development professional with many years of experience providing humanitarian and development assistance worldwide." □

*Washington-based journalist Ana Radelat has been covering Cuba-related issues on Capitol Hill for CubaNews since the newsletter's birth in 1993.*

## Party dumps leaders in Artemisa, Matanzas

The Cuban Communist Party (PCC) has replaced top leaders in two provinces — Artemisa and Matanzas — following rather contradictory patterns.

In Artemisa, provincial first secretary Ulises Guilarte de Nacimiento was abruptly booted out without any explanation.

In his place, authorities selected José Antonio Fariñas, who until this latest promotion was head of the Industry and Construction Department at the PCC's Central Committee.

This was surprising because no one ever criticized Guilarte publicly. A young professional from the former province of La Habana, this rising star was known for being popular, efficient and straightforward.

He distinguished himself during the Sixth Party Congress and its debates over the *Lineamientos* (guidelines).

When Guilarte was named to head the PCC apparatus in the new province of Artemisa, there was unanimous approval, and many saw him as a potential Politburo member. His implementation of reforms in Artemisa and his handling of the Mariel port project made him even more visible, and foreign observers began praising him.

But not to worry.

On Jun. 10, Cuban media announced that

Guilarte has been named head of a committee to plan for the 2014 congress of the Confederation of Cuban Workers (CTC).

Perhaps that means Guilarte is back in the game and in good standing. Maybe he'll even be nominated as CTC's general secretary at some point or named to a Politburo position in charge of controlling mass organizations or some other key position.

One thing is clear: his replacement, Fariñas, doesn't measure up in any way.

He's much older and for many years now has been disconnected from current reforms going on in Artemisa and the neighboring province of Mayabeque, which were both spawned by the dissolution of La Habana province.

Having been a department head at the Central Committee implies that Fariñas follows a strong bureaucratic style where taking orders is standard procedure.

A few days later, the first secretary of the PCC in Matanzas province, Omar Ruíz Martín, was appointed to the Secretariat of the Central Committee. Replacing him is Manuela Teresa Rojas Monzón, an industrial engineer with 20 years of grass-roots Party experience who did not come from the Central Committee's bureaucracy.

— DOMINGO AMUCHASTEGUI



## POLITICS

# Envoy: Mexican-Cuban ties will improve under Peña Nieto

BY VITO ECHEVARRÍA

Mexico's up-and-down relationship with Cuba is now on a more secure footing than it's been in years, claims Mexican career diplomat Roberta Lajous Vargas.

Speaking last month at New York's CUNY Graduate Center, Lajous — Mexico's ambassador to Cuba from 2002 to 2005 — said that with President Enrique Peña Nieto now in power, her country's ties with Cuba will take a positive turn.

"I am sure they are already changing under Peña Nieto's administration," she said, noting that an encounter between Mexico's new leader and Cuban President Raúl Castro during January's CELAC (Community of Latin American and Caribbean States) summit in Chile went very well.

"There are issues to iron out, such as the Cuban debt with Mexico [which reportedly stands at \$400 million], and the renewal of Cuban trade with Mexico [bilateral trade in 2011 came to \$373 million]," she continued.

"Mexico had been a main supplier of industrial goods to Cuba, since we were the geographically closest country to Cuba, and there was a U.S. embargo."

Lajous said relations hit a low point in the early 2000s, when then-President Vicente Fox told Fidel Castro — who was attending an international conference in Monterrey — to arrive, give his speech, eat and leave his country as soon as possible. This led Fidel years



Mexican President Enrique Peña Nieto shares a laugh with Raúl Castro.

later to call Fox "despicable and treacherous."

But she said other factors were also at play.

"As of today, because of humanitarian reasons, trade between United States and Cuba [after 2000] is larger than between Cuba and Mexico," she said.

Before the explosion of U.S. food exports into Cuba, Mexico was one of many countries supplying Cuba with consumer goods. The most conspicuous of those goods was Coca-Cola, which was canned by Mexican bottler FEMSA and readily found at Havana "dollar stores" and resorts.

In the early 2000s, despite the bad blood between Fox and Fidel Castro, Femsa report-

edly considered setting up a bottling facility in Cuba before backing away from the idea.

One area of Mexican-Cuban commercial activity hit hard by the diplomatic spat was oil exploration.

By the time Mexican state oil monopoly Pemex had signed a non-binding letter of intent in 2012 to search for petroleum off Cuba's Gulf of Mexico coast, various foreign oil companies had already started their own exploration efforts.

Lajous suggested, however, that Pemex has other priorities.

"What we're looking for is more U.S. technology and capital to develop Mexico's oil industry," she said.

That means Pemex needs more advanced U.S. deepwater drilling know-how in order for the Mexican oil sector to move forward — thereby slowing down, if not halting, any real Pemex participation in future Cuban oil exploration projects due to the U.S. trade embargo.

Russia's Zarubezhneft, which had planned to drill offshore in 2012, was forced to delay its efforts because it had to find a rig with minimal U.S.-made components — in order to avoid embargo-related legal hassles. □

## Terrorism — FROM PAGE 1

Department's list of terrorist-sponsoring nations," Muse said. "So there is obviously no requirement that countries that do not extradite fugitives to the U.S. be listed as terrorist-sponsoring countries. But can it nevertheless be a valid reason for inclusion on the list? The answer, as a matter of U.S. law, is no."

Muse also said the Castro regime refuses to extradite U.S. citizens as a direct response to U.S. rejections of its requests for Cuban citizens to be returned to the island.

Although it said Cuba has "deficiencies" in combatting money laundering, the State Department praised Cuba for joining the Financial Action Task Force of South America against Money Laundering (known by the Spanish acronym GAFISUD) last year.

This contrasts with the 2011 report, which sharply criticized Cuba for "[refusing] to substantively engage directly with the FATF."

The State Department is required by law to give Congress an annual assessment of trends and events in overseas terrorism.

Muse said the latest report's change in tone is aimed at making it easier for the White House to take Cuba off the list if it wants to. "It seems to me, the Obama administration is

opening the door," he said.

During the Organization of American States General Assembly, held May 4-6 in Guatemala, the White House came under fire for classifying Cuba as a state sponsor of terrorism.

In addition, anti-embargo groups and liberal lawmakers have been trying to convince the administration that the island nation poses no threat to Washington.

### ARGUMENTS AGAINST TAKING CUBA OFF LIST

But there are still good reasons for the United States not to delist Cuba just yet.

Among those is Cuba's continued imprisonment of Alan Gross, a subcontractor for the U.S. Agency for International Development who was convicted of subversion and sentenced to 15 years in jail.

"There's no upside to it," said Eric Farnsworth, a former State Department official and now vice-president of the Americas Society. "In the current environment, I don't see what good it would do."

And there would be plenty of downside. Not only would delisting Cuba provoke a large segment of the Cuban exile community, said Farnsworth; it would also send a conflicting signal to other countries the United States is trying to push towards democracy.

"We have a broad democratic agenda in the Western Hemisphere," he said.

The Latin American Working Group disagrees. It reminded its supporters in a May 31 letter that Obama can take Cuba off the terrorist list at any time, despite the report.

"We don't believe that Cuba's inclusion in the 2012 report means that the Obama administration has discarded the possibility of delisting Cuba; we are not throwing up our hands in despair," said Mavis Anderson, senior associate at LAWG.

"Removing or adding a country to the list is not tied to the publication of the annual report, and other major issues of importance to the president may well delay but not derail this decision."

It's unclear how strongly Cuba feels about its placement on the terrorist list.

All countries on the list are subject to strict sanctions — but those are no more strict than the longstanding U.S. trade embargo against Cuba, which can only be ended by an act of Congress.

Farnsworth said the designation gives Cuba "a black eye" and could make other nations queasy about dealing with the island's communist government, adding that "I don't think they want the United States always looking over their shoulder." □

## POLITICS

# Council of Ministers addresses economic ills, corruption

BY DOMINGO AMUCHASTEGUI

At a special meeting of Cuba's Council of Ministers in early May, key leaders addressed some of the biggest long-term threats to Cuba's economic health.

Adel Yzquierdo Rodríguez, minister of economy and planning, named three factors that keep the economy from expanding: continued losses and waste in state-run entities, the lack of necessary leadership by government investors, and the inadequacy of contracts among entities and institutions.

Yzquierdo said Cuba's new investment law — now under review — will define the role of foreign investment in the state, private and mixed sectors.

Rodrigo Malmierca, minister of foreign trade and investment, said that medical and other services "continue to be the main source of hard currency for the country, and has great potential keep increasing."

Gladys Bejerano, general comptroller and vice-president of the Council of State, discussed corruption under the euphemistic title of "detected irregularities," focusing on how the violations of contracts by certain foreign companies have "affected the economy."

She also talked about one of Cuba's most persistent corruption scams: the theft of fuel from refineries, storage facilities and gas stations, and the sale of that fuel to the private sector at a 60% discount off the official price.

Bejerano described some of the measures the government has put in place to stop this never-ending scam, including automated

technologies, the use of GPS and, in particular, a program to sell fuels to the private sector but without raising transport fares.

She urged her audience to look at the "true causes" of corruption that allow such serious scams to flourish in the first place.

But the real news was a report submitted by Salvador Pardo Cruz, Cuba's new minister of industry. Since 1990, he said, some 2,000 factories and other entities have suffered serious deterioration, breakdown or outright paralysis due to lack of maintenance and obsolete or deficient equipment.

As a result, he said, between 2001 and 2010 the island had to import more than \$680 million worth of commodities and items that had previously been produced in Cuba.

## GETTING RID OF WHITE ELEPHANTS

Despite Pardo Cruz's insistence that renovating these plants and seeking to prolong their life span is of utmost importance, a solution is virtually impossible.

That's because most of the equipment and machinery he's referring to was made in the former Soviet Union and his allies and purchased by Cuba through barter deals.

Even then, the equipment was largely considered obsolete, based on outdated technology from the 1940s and 1950s.

Those countries knew they were selling junk to Cuba, whether it was weapons, transport equipment or cement plants. Some of this machinery is so old that any talk of "recovery" is, in most cases, out of the question.

Furthermore, as *Perfeccionamiento Empresarial* was implemented, it became crystal-clear by the early 2000s that of the 3,700 industries and services in Cuba's state sector, fewer than 1,000 would qualify as productive entities. Most of the rest were simply dragging on in a state of bankruptcy that had existed for 30 or 40 years, surviving only thanks to huge and non-productive subsidies.

These "white elephants" — the focus of Pardo Cruz's analysis — are for the most part impossible to save, and today represent an insurmountable burden.

What will the government do, keep subsidizing them for another 50 years? Transfer them to cooperatives that might use them to produce something else in the form of cottage industries? Declare a firesale of some sort?

The most expedient solution is to follow the only example at hand, that of the sugar industry: close them. This isn't entirely an IMF or "shock-therapy" recipe but a step-by-step dismantling operation, as was done with the obsolete sugar sector in 2002.

The closing down of non-productive entities is spelled out in black and white in the Party's *Lineamientos* (guidelines). But will they do it?

The report by Pardo Cruz, despite his urge for recovery, is a blunt reminder that Cuba needs to face this old and costly challenge. □

*Former Cuban intelligence officer Domingo Amuchastegui has lived in Miami since 1994. He writes regularly for CubaNews on the Communist Party, Cuba's internal politics, economic reform and South Florida's large Cuban exile community.*

## Internet — FROM PAGE 1

risk having ETECSA cut off their web sessions, he added, if it deems they "violated any of the ethical norms of behavior which the Cuban state has established."

Even with upgraded Internet links to the outside world, thanks to the new fiberoptic cable linking Cuba to Venezuela, he said, local connection speeds will remain agonizingly slow, lowering the value of that \$5/hour fee.

Henken also laughs off Cuba's insistence that market forces will not regulate access to knowledge through the web — in supposedly putting government-controlled educational, research and health uses of the Internet over the general public's demand for wider access.

"The high price placed on this new avenue of public access is nothing if not based on market rates — monopolistic ones at that."

Still, one of the guest speakers at NYU, feminist blogger Yasmín Portales, said even this small opening "will change the dynamic of access to the web throughout the country, as much to establish blogs and social network profiles as it is to inform and [form] opinions."

She also said that Cuba's evolving blogosphere "will not stop being a fascinating subject in the short term." □

## Official: EU-Cuba accord likely by year's end

The European Union expects to reach a "contractual framework" agreement with Cuba by year's end, said a top EU official. To date, 14 of the EU's 27 member states have signed cooperation agreements with the Cuban government.

Christian Leffler is director for the Americas at the European External Action Service (EEAS) — an agency that's particularly close to the European Commission and Lady Ashton.

Following a recent visit to Havana to negotiate the future characteristics of the EU-Cuba accord, he spoke of a "consensus to move forward" and noted that Cuba is the only country in Latin America lacking such an agreement with Brussels.

"We came with our ideas and expressed them," Leffler told reporters. "We discussed our discrepancies to understand each other's views and to look for areas of convergence in which we can cooperate bilaterally or at a multilateral level."

Leffler said the EU remains one of Cuba's

top trading partners and ranks first when it comes to foreign investment in Cuba.

He added that the island's proposed new investment law will significantly encourage European investment, and that both parties are working jointly on projects connected to CELAC (Comunidad de Estados de Latinoamérica y el Caribe).

In mid-May, Rogelio Sierra, vice-minister of Cuba's Ministry of Foreign Affairs (Minrex), signed an accord with his Dutch counterpart, Karen Van Oosterom. This bilateral treaty encompasses trade, investments, agriculture, water management, health, biotechnology, culture and sports.

The imminent signing of this overall "contractual framework" between the EU and Cuba will render the 10-year-old Posición Común sponsored by former Spanish President José María Aznar obsolete.

It'll also represent Havana's full normalization of ties with the EU and its member states — further isolating Washington when it comes to the Cuba issue.

— DOMINGO AMUCHASTEGUI



## POLITICAL BRIEFS

### U.S., CUBA TO RESUME MIGRATION TALKS IN JULY

The United States and Cuba will resume migration talks Jul. 17, the State Department announced.

Reuters said the announcement was a tentative sign of a new thawing in relations after more than two years of heightened tensions over the jailing of an American government contract worker.

It came as Cuban and U.S. officials were meeting in Washington for two days of technical discussions exploring the possibility of restoring direct mail service for the first time since 1963.

The new round of migration talks will take place Jul. 17, but they do not appear to represent a significant change in U.S. policy towards Cuba.

"Continuing to ensure secure migration between Cuba and the United States is consistent with our interest in promoting greater freedoms and increased respect for human rights in Cuba," a State Department official told Reuters.

Migration between the two countries has long been a thorny issue due to several mass exodus events over the years that brought hundreds of thousands of Cuban exiles to south Florida.

Migration talks were revived by the Obama administration in 2009, but suspended again in 2011 when subcontractor Alan Gross was sentenced to 15 years for installing Internet networks for Cuban Jews in a program Cuba considers subversive.

### CUBA-L SERVICE NEEDS YOUR HELP — URGENTLY

The University of New Mexico, where the Cuba-L Direct server is housed, is asking the news service to pay — once again — \$1,500 for housing its equipment at the UNM Computing Center.

Listerv administrator Nelson Valdes is seeking donations to help make this annual payment.

"As you know, we do not charge for our service. And we request a donation once a year. We are doing so now," said Valdes in a Jun. 7 note to subscribers. "If we do not cover our minimal computer costs, we will have to end our service within the next three weeks. Please be generous."

Checks should be made payable to Cuba-L's parent organization, ZunZun Project Inc. All contributions, gifts and bequests are tax-deductible.

*Details: Nelson P. Valdes, Cuba-L Direct, ZunZun Project, 619 Girard NE, Albuquerque, NM 87106. Tel: (505) 255-1131. Email: nvaldes@unm.edu.*

### LEAKY PIPES WASTE 22% OF HOME WATER SUPPLY

The Castro regime's past agricultural policies blocked needed growth in production, and 22% of the water that reaches Cuban homes is wasted because of leaks, according to a 2,700-word report published Jun. 3 in the daily newspaper *Granma*.

Inés María Chapman, head of the National Institute for Hydraulic Resources, admitted that the plumbing in Cuba homes is so deteriorated that one-fifth of the water that reaches them is wasted.

The main sources of the waste, Chapman said, are leaks in the homes' pipes and rooftop water tanks — which most families have installed to capture water when it is available and save it for the many other times when the supply is cut off.

Chapman said the government has budgeted money to update the only island enterprise that makes plumbing supplies, 30 years old and producing only 40% of the country's needs because of its "high level of deterioration and obsolescence."

## “In their own words ...

"The reason we're doing this is because it's, of course, good for the Cuban people. This is something we feel is good for us, but it's not meant to be a signal of anything or indicate a change in policy."

— **State Department spokeswoman Jen Psaki**, commenting Jun. 20 on the resumption of talks in Havana on direct mail service between the United States and Cuba, which was suspended in 1963. Separate talks on immigration issues are to resume Jul. 17.

"The measures that have been put in use for managing the land for decades have not led to the necessary increase in production. We must put all producers on the same level, unleash their productive forces and boost their efficiency."

— **Cuban Vice President Marino Murillo**, telling the Council of Ministers in a Jun. 4 meeting that Cuba must "rectify the distortions that have impacted economic results."

"These actions and any direct or indirect help hurt the unity of Latin America and the Caribbean, diminish independence and hurt the efforts of Venezuela and other states in favor of peace."

— **Cuban Foreign Minister Bruno Rodríguez**, speaking Jun. 2 after Venezuelan politician Henrique Capriles met Colombian President Juan Manuel Santos in Bogotá, sparking claims by Venezuelan President Nicolás Maduro they were plotting to overthrow him.

"This is a great opportunity. A minimal one for now, but it exists."

— **Ariel Valdes**, a 38-year-old artist, speaking Jun. 4 to the Associated Press about the Cuban government's establishment of new Internet centers throughout the island.

"For us, this is a service that opens doors to the Internet and to a lot of information that was a little difficult to reach before."

— **Alberto Tamargo**, a 33-year-old dentist who was quoted in the same story above.

"After I finished school, I did my two years of social service at a radio plant. Now I'd like to keep working as an engineer. It's humiliating to work fixing cell-phones, but this is the way to earn money. I have to think of my family."

— **Alexei**, a young man sitting at a table on Calle Real in downtown Cárdenas. Alexei was quoted in a Jun. 1 article in *Global Post* under the byline of Boston University professor Stephen Kinzer, who took a group of journalism students to Cuba for a week.

"Even in a restricted environment, I think we could probably get more business by letting people who are legally allowed to go know that instead of going down to Miami, you'd probably have a better time if you come through Tampa."

— **Joe Lopano**, CEO of Tampa International Airport, upon his return from a May 29-June 2 trade mission to Cuba organized by the Greater Tampa Chamber of Commerce.

"I have not lived here for so many years. But every time I come here, I am amazed [by] the amount of concerts, lectures, and presentations. It is such a cultured and educated country!"

— **Solomon Miekłowsky**, a Havana-born professor who teaches at New York's Manhattan School of Music. Miekłowsky was recently quoted in "Dissident Voice."

"Cuba is one of the 16 countries of the world which have already reached the 1996 World Food Summit's goal of halving the total number of their undernourished. This was made possible by the priority the government has set on ensuring the right to food and the policies it has implemented."

— **José Graziano da Silva**, director-general of the Food & Agricultural Organization.

"There are really only 600 or 800 Jews in the whole country. The rest have converted to Judaism so that they can get matzo and kosher meat."

— **Jaime Suchlicki**, director of the University of Miami's Cuba Transition Project.

"The island has been scoured from end to end. There aren't very many hidden Jews left to find."

— **Ruth Behar**, a Cuban-American anthropologist who estimates that, given the island's unusually high rate of conversions and mixed marriages, there are no more than 25 Cubans with what she considers fully Jewish roots.

## GEOGRAPHY

# Artemisa and Mayabeque — Cuba's 2 newest provinces

*This is the 10th installment in a series of monthly articles on Cuba's provinces by Cuban-born cartographer Armando H. Portela, who has a Ph.D. in geography from the Soviet Academy of Sciences. Portela, a resident of Miami, has written for CubaNews since its birth in 1993.*

BY ARMANDO H. PORTELA

**A**rtemisa and Mayabeque, Cuba's two newest and smallest provinces, were created in 2010 by the breakup of the old La Habana province, and by seizing a big lump of neighboring Pinar del Rio province.

To some extent, Artemisa and Mayabeque are the backyard of the capital, producing most of the food consumed in Havana. They are also home to key industries serving the island's needs and employing Havana's abundant skilled manpower, as well as some of the island's most dense transport and communications infrastructure.

Artemisa and Mayabeque also hold much of Havana's freshwater reserves and carefully hide the island's main defense systems.

Not surprisingly, the provinces' agricultural output far exceeds their own needs.

With only 7% of Cuba's total inhabitants, Artemisa and Mayabeque produce nearly 20% of all roots, tubers and plantains, which are the main staples of the Cuban diet.

They also grow 8% of the island's garden vegetables, but they lag way behind their potential to grow food for a market of nearly three million consumers (that's more than 25% of the entire population of Cuba, not including the 1.3 million tourists who visit the capital every year).

Together, the two provinces produce only 4% of Cuba's rice, 6% of its corn, 7% of its beans and 6% of its fresh milk. Production of other staples — from meat to eggs and dairy products — is extremely low considering the potential offered by the best soils on the island, as well as the provinces' flat terrain, plentiful groundwater resources

and abundant labor force. This poor performance is rather due to the same reasons that have crippled agriculture nationwide for decades, and has little to do with the local geography.

The two provinces have nearly 80,000 acres of vacant cropland, a surprisingly high figure for a country where food demand is chronically high and soils are good. But it isn't clear whether the reported 434,400 acres of grassland is really used for cattle or simply to hide abandoned croplands under a misleading classification — a common practice in Cuba.

## INFRASTRUCTURE

While the two provinces together consume only 2% of all electric power generated in Cuba, they have 20% of all generating capacity, largely in the thermal power plants at Mariel (Artemisa) and Santa Cruz del Norte and Energas-Jaruco (Mayabeque).

Large cement plants at Mariel and Artemisa produce more than 860,000 metric tons of gray cement annually, equivalent to 50% of Cuba's output (see *CubaNews*, March 2012). This key industry is vital for the island's investment projects.

Oil and natural gas fields along the northern shore of Mayabeque — from Canasí in the east, near the border with Matanzas province, to Guanabo in the west, at the edge of the city of Havana — produce roughly half of Cuba's total output of hydrocarbons.

Compared to the rest of Cuba, population growth is relatively stagnant — 4.3 per 1,000 inhabitants for Artemisa and 0.8 per 1,000 for Mayabeque from 2007 to 2011. However, the 2012 census resulted in a downward correction. It showed Artemisa's population to be 487,339 (3.8% less than what was estimated in 2011), and Mayabeque at 371,198 (down 2.6%).

Since nearly all births in Cuba take place in state-run hospitals and funeral services are centralized, there's little room for mistakes in the natural growth of the population. That means unregistered migration — most likely emigration abroad — accounts for the drop.

Both Artemisa and Mayabeque suffer from serious, long-term environ-

— See *Provinces*, page 7

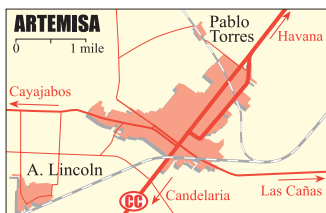


Top, antiquated gas station in Mariel, a port in the province of Artemisa; bottom, historic building in city of Artemisa.





## THE FUTURE CAPITAL TOWNS



Founded in 1818 thanks to the surrounding lush coffee plantations in the zone, the town of Artemisa grew as a key trade hub along the old road from Havana to Pinar del Río. Today the “Villa Roja”, named after the intense red color of the local soil, is the heart of an important agricultural zone producing sugar, bananas and cattle.



Located just 15 miles from downtown Havana, San José grew as an agricultural and industrial town providing key services to the nation's capital. It is not the largest city in the future province (Güines is more populated) but the town of San José, founded in 1748, is more significant economically.

### ARTEMISA Area: 1,538.1 sq. miles

**POPULATION: 502,392 (2009)**

#### Top 3 municipalities

Artemisa	82,917
San Cristóbal	70,940
San Antonio de los Baños	49,942

#### Bottom 3 municipalities

Candelaria	20,283
Guanajay	28,750
Alquízar	32,501

#### LAND USE (Thousand hectares)

Croplands	158.7
Grasslands	95.5
Vacant lands	19.1
Forests	72.2
Unfit for agriculture*	52.7

\* Includes developed areas, water reservoirs, quarries, roads, military, swamps, etc.

#### INDUSTRY (2008)

Electric power generation [Mw capacity]	600
Electric power consumption [Gw/h]	166.7
Electric power consumption per capita [Kw/h]	331.8
Active sugar mills [Units]	4
Construction & Investment [Millions of pesos]	109.3
Water in reservoirs [Million cubic meters]	316.3
Cement production [Thousand metric tons]	863.4
Textiles production [Thousand square meters]	2.8
Assembled buses [Units]	195

SOURCE: Oficina Nacional de Estadísticas

NOTE: As the final draft of the proposal would include unspecified parts of Ciudad de La Habana province, the areas and population figures are only preliminary.

### MAYABEQUE Area: 1,455.5 sq. miles

**POPULATION: 381,446 (2009)**

#### Top 3 municipalities

San José de las Lajas	74,186
Güines	67,919
Santa Cruz del Norte	34,216

#### Bottom 3 municipalities

Melena del Sur	20,646
San Nicolás	20,695
Jaruco	25,135

#### LAND USE (Thousand hectares)

Croplands	180.3
Grasslands	80.3
Vacant lands	12.0
Forests	58.4
Unfit for agriculture*	45.8

\* Includes developed areas, water reservoirs, quarries, roads, military, swamps, etc.

#### INDUSTRY (2008)

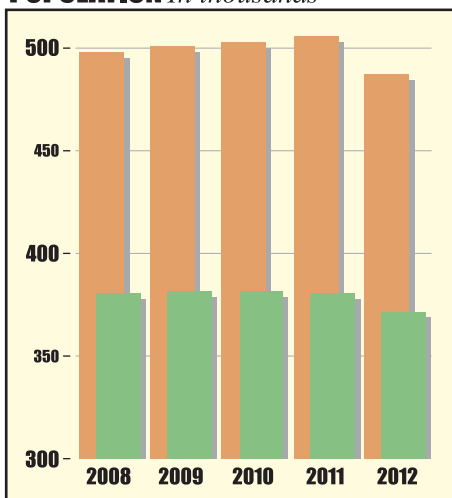
Electric power generation [Mw capacity]	475
Electric power consumption [Gw/h]	199.5
Electric power consumption per capita [Kw/h]	523.0
Active sugar mills [Units]	4
Construction & Investment [Millions of pesos]	55.0
Water in reservoirs [Million cubic meters]	373.7
Crude oil production [Million barrels]	11.5
Natural gas production [Billion cu. feet]	24.2
Alcoholic beverages [Million gallons]	1.0
Electric wires production [Thousand feet]	118.4
Telephonic wires production [Thousand feet]	37.6
Tires [Units] (2004)	81,788

## Provinces — FROM PAGE 2

mental problems. This ills include the depletion of freshwater resources, salinization of agricultural soils, deforestation — especially in the critical coastal mangrove forests — wastewater mismanagement, soil erosion, unsustainable mining practices and the intensive use of military infrastructure in a relatively small area. □

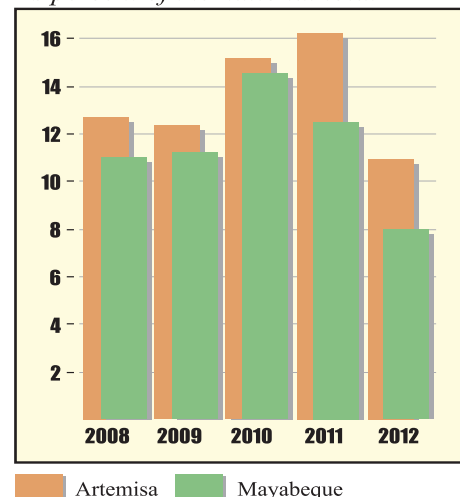
**TO OUR READERS:** From time to time, CubaNews receives requests for back issues of our newsletter. In our office, we keep print copies going back to September 1993. If you would like an old issue, please email a request to [larry@luxner.com](mailto:larry@luxner.com) or send a note to Larry Luxner, Editor, CubaNews, PO Box 1345, Silver Spring, MD 20915-1345 — USA.

## POPULATION In thousands



Source: O.N.E. Statistic yearbooks

## ROOTS, TUBERS & PLANTAINS As percent of the national total



Artemisa Mayabeque

## FOREIGN INVESTMENT

# Are Cuba corruption trials scaring off potential investors?

BY VITO ECHEVARRÍA

**R**isk capital, which can translate to financial losses in most countries, means far more in Cuba: possible jail time.

Media reports on the criminal trials of foreign businessmen ensnared in Raúl Castro's anti-corruption campaign have sparked a debate among Cuba experts on the future of joint ventures on the island.

In late June, Sarkis Yacoubian, the owner of Canadian importing firm Tri-Star Caribbean, was found guilty of bribery and other related charges, and sentenced to nine years in jail. His cousin, Krikor Bayassalian, got a four-year prison sentence. Two other men, Amado Fahkre and Stephen Purvis, top executives of the British firm Coral Capital Ltd., were released for time already served (*see story below*).

A trial date for Canadian entrepreneur Cy Tokmakjian, owner of the Tokmakjian Group, has yet to be set.

Ever since all the men were arrested back in 2011, rumors had spread about what kinds of corrupt practices they were charged with.

By the time the trial began for Yacoubian, those details were reportedly revealed: bribery, tax evasion and "activities damaging to the economy" — with the first charge involving thousands of dollars in payouts to woefully underpaid Cuban officials.

One of them, for example, allegedly involved a \$50,000 bribe to grease a 2008 deal on earthmoving equipment.

Some wonder if Cuba's anti-corruption trials will hurt or actually help the country's future efforts to attract foreign investment.

"I think the trials will cast somewhat of a shadow over FDI in Cuba as it has taken so long for these cases to be brought to trial," said one foreigner, speaking on background.

The plight of these unlucky Canadians has led at least one prospective investor to put Cuba on hold.

"Right now, we feel much safer investing in Haiti than Cuba, said Douglas Clayton, CEO of Cayman Islands investment firm Leopard Capital, which has ventures in Haiti, Cambo-

which took seven years to put together — may indicate at least one guarantee of trouble-free investing in Cuba: conducting such ventures on the Castro regime's slow timetable.

Some people suggest businessmen like Yacoubian were compelled to bribe local officials in order to guarantee major transactions in the foreseeable future. Yet officials of firms like Esencia Group have been adept at avoiding such traps.

*"Right now, we feel much safer investing in Haiti than Cuba. The risks to foreign investors in Cuba go beyond financial, and are hard to assess ... The world is full of exciting frontier opportunities, and capital flows to wherever it's most welcomed."*

— DOUGLAS CLAYTON, CEO OF CAYMAN ISLANDS-BASED INVESTMENT FIRM LEOPARD CAPITAL

dia, Laos, Burma, Thailand and Bangladesh.

"The risks to foreign investors in Cuba go beyond financial and are hard to assess," he told *CubaNews*. "The world is full of exciting frontier opportunities, and capital flows to wherever it's most welcomed."

Regardless of the outcome of Tokmakjian's trial, it's likely that whatever assets Tri-Star, Tokmakjian Group and Coral Capital had in Cuba will stay in the hands of local officials.

Meanwhile, Cuba's recent announcement that it will proceed with a multimillion-dollar golf and luxury real estate venture involving the U.K. investment outfit Esencia Group —

"I don't think Esencia 'conducted this venture' under the Cuba timetable because they wanted to, but rather because they had to, just like all the other groups looking at the same type of opportunities," said a prospective foreign investor who asked not to be named.

"If anything, it has taken Esencia longer than some of the other players as they started earlier. I don't think there is anything Esencia could have done to really influence the timetable," said the investor.

Arch Ritter of Ottawa's Carleton University is a veteran observer of Canadian investments

— See *Corruption*, page 9

## Canadian gets 9-year jail term despite spilling the beans

**F**or almost two years as he sat in a Havana prison awaiting trial on corruption charges, businessman Sarkis Yacoubian held out hope that by collaborating with the Cuban authorities and fingering a wide web of foreign and domestic corporate intrigue, he would get some leniency.

"They are going to bring down my sentence, provided that I go along with them," he had told the *Toronto Star* in a series of exclusive jailhouse phone interviews.

But that didn't happen.

Three weeks after he was put on trial in late May, Yacoubian finally got word he has been sentenced to nine years in jail.

"We were shocked," said his brother, Krikor Yacoubian. We were anticipating less with the collaboration, but they did not budge much."

Krikor says his jailed brother was stunned when he got the news from his Cuban lawyer.

"He was silent for awhile, for a good minute," he said. "Not tearful or angry. He said, 'OK let's go to the next step.'"

That next step, the family says, will be a protracted battle to try to get the 53-year-old

Yacoubian transferred to Canada to serve out his sentence back home.

"To my knowledge it is the first time that any Canadian businessman has been sentenced for corruption," said John Kirk, a professor at Dalhousie University's Department of Spanish and Latin American Studies who has written several books on Cuba.

"Clearly this is intended to send a message to Cubans and foreign investors alike," he said. "Several deputy ministers in Cuba and dozens of bureaucrats have also received heavy sentences."

Yacoubian's cousin and business associate, a Lebanese citizen named Krikor Bayassalian, was sentenced to four years as a co-defendant.

The details of the key Canadian connection to Cuba's widening corruption scandals were revealed last month in a joint investigation by the *Toronto Star* and Miami's Spanish-language newspaper *El Nuevo Herald*.

Arrested in July 2011 and detained without charges, Yacoubian — a McGill University graduate who operated a \$30 million trading company called Tri-Star Caribbean — was for-

mally accused in April of bribery, tax evasion and "activities damaging to the economy."

Yacoubian disputed many of the specifics of the case but he said he decided to cooperate with the Cubans, exposing what he called the "black forces" of corruption and naming more than a dozen foreign firms and executives.

"I told them how these schemes were done," he told the *Star*. "It was just eating me alive. Maybe in my conscience I wanted my company to be brought down so that I could tell once and for all things that are going on."

In September 2011, Cuban authorities arrested Cy Tokmakjian, 73, whose \$80 million Tokmakjian Group company is one of the largest foreign operations in Cuba. His family told the *Star* he has still not been charged.

Krikor Yacoubian says the family won't appeal his brother's sentence but to immediately start the lengthy legal and diplomatic maneuvers to get Sarkis transferred to Canada under a treaty Canada signed with Cuba in 1999.

"I don't want my brother to rot in Cuba," said Krikor Yacoubian.

— THE TORONTO STAR



## TOURISM

## Marrero reveals tourism growth plans

BY DOMINGO AMUCHASTEGUI

Twenty years ago, when Cuba's tourism industry was still in its infancy, a well-known Dominican economist attending a Havana conference declared: "Thank God for the U.S. embargo. If it's lifted, the Caribbean will have to meet its biggest rival."

These days, Cuba has indeed become a serious competitor — not just for the neighboring Dominican Republic but many other major Caribbean tourist destinations from Barbados to the Bahamas.

Cuba's tourism industry is aiming ever higher, well above figures published as recently as a month ago (see *CubaNews*, May 2013, page 1). Officials say they're working to offer a variety of services and leisure activities, as well as sophisticated luxury options and some significant mega-projects.

Marrero's ministry now expects Cuba to have 85,500 hotel rooms by 2020, up from the previous estimate of 78,000.

In addition to what's already been reported, Cuban and European companies will develop



LARRY LUXNER

Historic buildings bask in the late afternoon glow of Havana's seafront Malecón, a favorite of tourists.

Argentina's *Palermo Business Review* says "Cuba has reaped the benefits of tourism to improve its economic status in recent years. Its growth has been phenomenal." In a recent edition, the *Guía de El Viajero* [Traveler's Guide] published by Spain's influential newspaper *El País*, called Havana "the safest city in Latin America and the Caribbean."

And earlier this year, the Barbados-based Caribbean Tourism Organization ranked Cuba second in overall value, exceeded only the Dominican Republic.

Last year, Cuba's tourism income reached \$2.6 billion, up 4.4% from 2011 figures. That's according to Tourism Minister Manuel Marrero Cruz, speaking at last month's FIT 2013 tourism fair in Varadero. Significantly, 570,000 local Cubans stayed at island hotels last year.

While Marrero didn't disclose figures on import expenditures, he did say that daily income per tourist now exceeds 104 CUC.

He also revealed that Cuba's tourism transport fleet now consists of 350 first-class buses and 4,360 rental cars, and that 65% of the island's 60,552 hotel rooms are located in four- and five-star properties.

Meanwhile, eight hotels will be completed this year: Coralina and Flamingo II (Cayo Coco); Palacio de Iznaga and Panchito (Trinidad); Alabastro (Holguín); Piedra Movida (Cayo Santa María, Villa Clara), and two luxury hotels along Ancón Beach (Trinidad).

In addition, the following existing resorts will be expanded and upgraded: María La Gorda (Cabo San Antonio, Pinar del Río); Prado Costa Verde and Playa Pesquero (Holguín) and the Internacional and Paradisus Princesa del Mar (Varadero).

a 10,000-room project in the vicinity of Antilla (Las Tunas) at Peninsula de Ramón, along Carmona, Caimán and Baracutey beaches.

Frank P. Oltuski, marketing vice-president at Gaviota, recently announced that a huge, modern marina will be built at Punta de Hicacos, with berthing space for 1,300 yachts.

"This will be Gaviota's biggest investment and one of the most important in the Caribbean," Oltuski said, noting that the marina's location puts it close to Varadero's major hotels, protects it from northeasterly winds.

Next to that marina, Spain's Grupo Meliá will build the 423-room Hotel Marina Varadero, according to Francisco Camps Orfila, deputy director of Meliá Group Cuba.

A number of historic, boutique hotels in Old Havana — these include the Packard, New York, Red, Malecón and Prado — will be upgraded and remodeled, while the Manzana de Gómez will be completely remodeled.

In addition, large and famous hotels like the Habana Libre, Comodoro and Riviera are in line for major capital repairs. Finally, the Martí Theater and the legendary Sloppy Joe's are being completely restored.

In all, Cuba's strategy to develop its tourism industry between now and 2020 will require billions of dollars worth of investment by foreign partners. And a key component of this 2020 strategy is the coming investment law, soon to be enacted by the Castro government.

It isn't an accident that Cuban newspapers like *Granma* have recently praised the role of foreign investors throughout Latin America — something that would have been considered blasphemy only 10 years ago. □

## CARIBBEAN BRIEFS

## PUERTO RICO TO HOST ONE-DAY CUBA SEMINAR

The Puerto Rico Manufacturers Association is planning an educational forum Aug. 1 on the timely topic "Cuba: Reality Today and Opportunities in the Future."

The event, to take place at Fajardo's El Conquistador Hotel & Casino, will feature Larry Luxner, editor of *CubaNews*, on a panel with Ted Piccone of the Brookings Institution and the University of Miami's José Azel discussing "Reform and Change in the Cuban Economy."

Also on the agenda: Gerardo González of Inter-American University; Roberto Orro of Caribbean Analysis Unit; economist José Villamil of Estudios Técnicos; Henry Chiles of Crown Orchard in Charlottesville, and Todd Haymore, Virginia Secretary of Agriculture.

The Cuba event's afternoon session features Miami attorney Tim Ashby; Jay Brickman of Crowley Maritime; José Raúl Perales, executive director of the American Association of Chambers of Commerce of Latin America; Philip Peters of Antilles Resources and David Lewis, vice-president of Manchester Trade.

Details: Puerto Rico Manufacturers Association, PO Box 195477, San Juan, PR 00919-5477. Tel: (787) 641-4455. URL: [www.prma.com](http://www.prma.com).

## JAMAICA, CUBA SIGN CULTURAL AGREEMENT

Jamaica and Cuba have signed a cultural cooperation and exchange accord that builds on an earlier pact dating from the 1970s.

The agreement was signed Jun. 7 in Havana by Lisa Hanna, Jamaica's minister of youth and culture, and by her counterpart, Rafael Bernal, Cuba's minister of culture.

Speaking at the signing ceremony, Hanna noted that Jamaica and Cuba are two of the world's strongest cultural brands — with Cuba known for its resilience and artistic strength, and Jamaica for music and sports.

"We are promoting and advancing a cultural revolution in Jamaica, and Cuba can help us to make that happen," she said, adding that opportunities exist for both countries to share best practices and exchange talent that can improve their cultural products.

"It is a pleasure for Cuba to sign this cooperation agreement with Jamaica which strengthens the collaboration between our two countries as part of one family for the benefit of Jamaicans and Cubans," said Bernal.

## Corruption — FROM PAGE 8

in Cuba. He says these trials will better define what the Cuban authorities view as prosecutable "corrupt practices" but says more can be done to avoid future problems.

"I think that a clearer definition of what is legal and illegal would be of benefit to foreign investors and governments," Ritter said. "For a couple of decades, it was illegal but tolerated for foreign companies, embassies and international institutions to make under-the-table salary supplements for their employees. Clearing this up would be beneficial." □

## AGRICULTURE

# Vivero Alamar offers insights into urban organic farming

BY IVET GONZÁLEZ / INTER PRESS SERVICE

The people are the only thing that matters," says agronomist Miguel Ángel Salcines, who then lists a series of other "secondary" factors that have turned Vivero Alamar — an urban cooperative farm on Havana's outskirts — into a rare success story in Cuba's depressed agricultural sector.

"We offer flexible hours, relatively high wages and professional upgrading among other benefits that make the co-op an attractive option. This is how we attract high quality human resources, which are crucial today in order to produce more organic food," said Salcines, president of Vivero Alamar, where production has been chemical-free since 2000.

The co-op's recipe for success also includes transparent accounting, equitable profit sharing, interest-free loans for the workers, free lunches and support for women workers with young children or others in their care: they are allowed to arrive up to an hour later than the official beginning of the work day, at 7 a.m., Salcines said.

Human capital played a decisive role in raising production at this urban agriculture venture, founded in 1997 on an initial 800 sq meters of land in Alamar, 15 km east of downtown Havana.

This is why Salcines believes that the key to achieving food security in Cuba lies in agricultural workers with a "vocation" for farming, as well as training.

## COOPERATIVE PRODUCES 230 CROP VARIETIES

In 2012, world food prices skyrocketed as a result of poor crop yields in the United States and other centers of agricultural production. The Caribbean countries, which are net food importers, suffered the greatest impact in the region, says the Economic Commission for Latin America and the Caribbean (ECLAC).

Less than 5% of Cuba's population suffers from malnutrition, but the country was forced to spend over \$1.6 billion on food imports last year, an unsustainable expenditure for an economy in crisis for more than 20 years.

Reducing this massive expenditure by raising domestic food production remains a challenge for the Castro regime. In fact, in the first quarter of 2013, Cuba's National Office of Statistics reported a 7.8% drop in agricultural production other than sugarcane.

"There's a big demand that needs to be met, which is why we're able to sell everything we grow," said co-founder Salcines.

The co-op now covers 10 hectares and produces more than 230 crop varieties (primarily garden vegetables, as well as fruits, grains and tubers) in greenhouses and open fields.

In the midst of a generally inefficient agricultural sector, Vivero Alamar has achieved consistent growth for more than 15 years, thanks to the constant upgrading of its organic farming methods. That's earned it praise

from José Graziano da Silva, the director-general of the UN Food and Agriculture Organization, who visited the co-op in May.

In 2012, it produced 400 tons of vegetables, 5.5 tons of medicinal and spiritual plants used in religious rituals, 2.6 tons of dried herbs and spices, and 350 tons of worm manure.

It also produced 30,000 ornamental plant and fruit tree seedlings and three million vegetable seedlings, some for their own planting needs, others for sale to other farmers.

Fresh vegetables, especially lettuce, are the products most sought after by locals in Alamar, who have begun to learn in recent years — like people in the rest of Cuba — about the benefits of including more greens in the traditional Cuban diet of rice, beans, "viandas" (starchy tubers and plantain) and pork.

"The first time we planted cauliflower, in 2000, it all got left in the fields because nobody knew what it was," said plant health engineer Norma Romero. In her view, one of the most important contributions made by the more than 33,000 urban and suburban farms in Cuba has been the expansion of access to and consumption of vegetables.

## VIVERO ALAMAR NOW A TOURIST ATTRACTION

Thanks to a new initiative at Vivero Alamar, recipes for the preparation of different vegetables and mushrooms accompany the lists of products available at the coop's sales outlet, as part of its business and educational strategy. The shelves also stock pickled vegetables, fruit preserves and garlic paste, produced through its own small industry sideline.

Although organic produce can be prohibitively costly in other countries, the organic fruits and vegetables sold by Vivero Alamar

are actually priced lower than those produced with agrochemicals and sold in private farmers markets, where the prices are set in accordance with supply and demand.

"The affordable prices are the biggest attraction. A head of lettuce costs four pesos (5¢) here, and everywhere else they charge 10 pesos," said customer Sonia Ricardo. "The vegetables here are fresh, they have no pesticides, and the service is really fast."

Despite these low prices, the cooperative is able to earn good profits. Production chief Gonzalo González said 85% of its products are sold directly to the population, and the rest go to restaurants like La Bodeguita del Medio.

Since it first started out with just five people, Vivero Alamar has progressively moved towards a closed-loop farming system that reduces waste and environmental damage.

"We try to buy as few inputs from outside as possible," said González. "That's what led to the idea of producing our own manure and various bio-pesticides and fertilizers."

The co-op has also established links with 17 scientific centers for the incorporation of new organic farming techniques and products.

Today, the 149 men and 46 women who work here are striving to raise production by 40% to reach the farm's full potential output.

They've also expanded into raising rabbits and sheep, in order to include meat in its sales to the public and improve protein consumption among the 30,000 nearby residents.

The staff — 175 co-op members and 20 employees — boasts a high overall level of education, with 92 university graduates and 42 technical college graduates.

"A farm can do much more than produce food," said Salcines, as he watched tourists enjoy an organic lunch at Vivero Alamar. □

## Private co-op to open produce market

A wholesale fruit and vegetable market run by a private cooperative will open Jul. 1 in Havana, the first such market since Cuba monopolized wholesale operations in the '60s, Reuters reported Jun. 21.

The opening of this wholesale market is part of a new system of produce sales in Havana and Artemisa and Mayabeque provinces," said a TV newscast, adding that three others would follow in the capital.

The government will own the premises, but the market will be leased to a cooperative that will operate it "on the basis of supply and demand," the report said.

The private co-op will be the first to operate in Cuba outside of farming and is one of some 200 privately run wholesale markets of all types set to open in coming months, ranging from food services and construction to transportation and shrimp breeding.

President Raúl Castro began agricultural reforms in 2009 as part of a broad effort to modernize Cuba's Soviet-style economy.

With the country importing 60% of its food and private farms outperforming state farms on a fraction of the land, authorities are gradually deregulating the sector and leasing fallow land to would-be farmers.

At the same time, the state is licensing private truckers and vendors as part of an opening to small businesses. Some 400,000 people now work in the "non-state" sector.

The state says it'll hold onto medium-sized establishments or lease them to privately run co-ops free of state control and setting of prices, which it views as preferable to businesses owned by individuals.

Farmers and consumers have long complained that Cuba's state monopoly on food sales discourages production, is wasteful and leads to poor-quality produce.



## TELECOMMUNICATIONS

# HughesNet cuts off satellite link for Cuban Internet users

BY VITO ECHEVARRÍA

Residents of Havana and other Cuban cities who were quietly using a U.S.-based broadband satellite link for clandestine Internet access suddenly found themselves cut off in late May, according to an entrepreneur who declined to be identified.

That source mentioned that an undisclosed number of Cubans previously had their friends and relatives in the United States and elsewhere set up accounts for them with HughesNet, a unit of Hughes Network Systems LLC based in Germantown, Md.

Once those accounts were set up, it was simply a question of getting the needed equipment to these residents.

"Lots of people [in Cuba] have been using this provider to access the Internet," the businessman told *CubaNews*. "So what people did was to buy the equipment in the U.S. and bring it to Cuba. Hundreds of units have been installed in Cuba. This was their way of getting Internet access outside of [Cuban] government control."

Independent news reports report that up to 30,000 satellite dishes have been smuggled into Cuba and are being used throughout the island — in part to get unbridled access to U.S. and other TV channels they'd otherwise not be able to access.

One report illustrated an ingenious scheme to disguise satellite dishes as colorful boogie boards normally used by young surfers, complete with convincing artwork and catchy slogans like "Local Motion" and "Life Is Better When You Surf.com."

In the past, local authorities have cracked

down on illicit satellite use to prevent Cubans from watching TV Martí — the U.S. government-sponsored anti-Castro station — and other unauthorized activities like broadband Internet access.

Hughes Network told *CubaNews* "no comment" when asked for clarification, though one legal expert suggested that it may have cut off service for accounts it suspected were being used in Cuba was to avoid penalties by the U.S. Treasury Department's Office of Foreign Assets Control (OFAC).

If Hughes shut the service down, it must have thought that providing it was illegal under the embargo," said Hal Eren, a former OFAC official who now advises U.S. firms hoping to conduct business in Cuba, Iran and other countries subject to OFAC sanctions.

## CONFUSION OVER WHAT'S LEGAL, WHAT'S NOT

"Even if it was illegal, it sounds like it would have been licensed by OFAC, given the overarching U.S. policy *vis-a-vis* Cuba in this area," said Eren.

"Cutting the service off could mitigate any applicable penalties. If the service was illegal, Hughes could face a civil penalty from OFAC if it knew or had reason to know that the services were going to Cuba. In this case, it apparently did not know and it is quite probable that it would not have had reason to know."

Eren's remarks highlight the confusion over the legality of this activity at the U.S. end.

Back in 2009, President Obama explicitly directed the secretaries of state, treasury and commerce to do whatever was needed to authorize American telecom firms "to estab-

lish fiberoptic cable and satellite telecommunications facilities linking the U.S. and Cuba," as well as to "license persons subject to U.S. jurisdiction to activate and pay U.S. and third-country service providers for telecommunications, satellite radio and satellite television services provided to individuals in Cuba."

Yet, according to legal experts who have followed this issue, Washington hasn't amended any policies to make this into a reality. That's ultimately why Cubans have suddenly found themselves without HughesNet's service.

"If Hughes was providing services to residents inside of Cuba or any Cuban national, that requires compliance with OFAC licensing and clearance from the Bureau of Information and Security at the Department of Commerce," said New York-based attorney Antonio Martínez II, whose practice includes U.S.-Cuba issues.

There is a general OFAC license for telecommunications-related transactions under 31 CFR 515, the Cuban Assets Control section of the Code of Federal Regulations that regulates all sanctions related to Cuba.

"Without knowing the details, Hughes may have decided it was simply not worth the compliance hassles or there may have been unknowingly a missed compliance step."

Martínez told *CubaNews* that the State Department's designation of Cuba as a state sponsor of terrorism prevents U.S. telecom firms from being able to legally offer their services to Cuban nationals.

"As long as Cuba is on the terror list, the Terrorism Risk Insurance Act is triggered, depriving Cuba of sovereign immunity in U.S. courts and subjecting it to lawsuits and enforcement of judgments," he said.

"This spurs the cottage industry of suing Cuba in U.S. courts and obtaining large default judgments."

For example, in 2002, authorities seized more than \$100 million in long-distance fees owed to Cuban telecom firms. This caused a spike in long-distance costs, bringing the average cost of U.S.-to-Cuba phone calls to \$1 per minute, and more than \$2.50 per minute from Cuba to the U.S.," said Martínez.

"So, if we are going to be sincere in the effort to establish more telecommunications and Internet with Cuba, we have to look at the environment we are operating in, [which is] hostile to basic business if all parties have to operate in fear. The provider payor has to worry if it is in compliance with a myriad of regulations and reports, and the recipient payee has to worry if it will even receive the payment for the services or goods rendered, or see it seized in a judgment execution." □

*Vito Echevarria, a New York-based freelance journalist, has written for CubaNews since our establishment in 1993 about business, music, culture and sports, and more recently e-commerce.*

## Reader responds to story on charter flights

**R**e: "Cuba's hope for U.S. travel boom hitting roadblock with charter flights declining," there was a lot of useful information in your article, but I think your title was misleading and incorrect.

I have attached current scheduled flights to Cuba from the U.S. which do not include all the extra flights put on by all the charter companies during June and July.

There are certainly 60 or more flights weekly — including new flights to Santa Clara and Manzanillo.

While ABC and Xael reduced flights from Tampa, Island Tours increased their schedule and Xael introduced its new flight from Fort Lauderdale to Santa Clara in addition to its new flights to Havana.

CTS has always suspended its Los Angeles flight during 'off-season' when there are far fewer people-to-people programs (from June through October).

The authorization of many additional 'gateway cities' in the United States was always

problematic. Travel between our two countries is not 'open' to a 'free market' since it is still highly restricted.

Even the general license for Cuban-Americans does not permit travel if there are no close relatives to visit.

People-to-people programs are required by their U.S. license to be highly structured and are generally quite expensive to operate.

Even so, more than 400 of these licenses have been issued, which reflects increased demand. There is also an increasing number of university programs which have now been set up since the general license for academic travel was issued in 2011.

Next season, I believe it will be more challenging to find enough hotel space in Cuba for all the groups which have requested programs than it will be to find the charter flights to bring them.

— Bob Guild, Vice-President  
Marazul Charters Inc., North Bergen, NJ

## AGRICULTURE

# What can Cuba learn from Guatemala's sugar industry?

BY LARRY LUXNER

It's a 30-minute helicopter ride from the shiny glass skyscrapers of Guatemala City to the sprawling La Unión sugar mill in Guatemala's department of Escuintla, not far from the country's Pacific coast.

A few months ago, I got the chance to take such a trip, as a guest of two powerful organizations — the Guatemalan Sugar Producers

they should be grateful for their jobs.

Or a social worker in the nearby town of Santa Lucia Cotzumalguapa using handmade puppets to teach expectant single mothers how to care for their new babies.

But I did see all those things, and more, in the company of Fundazucar's assistant director, Griseldo Say López, and ASAZGUA spokesman Otto René Estrada.

come close to Guatemalan standards, at least as long as the Castro regime is in power.

"Our industry's competitiveness is based on three elements: productivity, R&D and technology. We offer the best working conditions possible because this translates into better productivity," said Estrada, whose organization was founded in 1957 to represent Guatemala's wealthy sugar interests.



ALL PHOTOS BY LARRY LUXNER

Santiago Pérez Suy earns Q21.60 per hour cutting cane at Ingenio La Unión, which has 8,700 workers and ranks as Guatemala's third-largest sugar exporter.

Association [Asociación de Azucareros de Guatemala, or ASAZGUA] and its social welfare arm, Fundazucar.

Upon arrival at La Unión, I expected to find dozens of cane-cutters working the fields, filling containers with *caña* and maybe later eating lunch in a communal cafeteria.

What I didn't expect were colorful cartoons on the walls of their army-like barracks, instructing these *campesinos* how to go to the bathroom and use toilet paper.

Or posters trying to convince them why

What became clear after a morning tour of Guatemala's third-largest sugar operation — followed by a presentation at the Centro Guatemalteco de Investigación y Capacitación de la Caña (Cengicaña) and a later meeting with ASAZGUA President Armando Boesche back in Guatemala City — is that when it comes to efficiency and productivity in the sugar industry, Cuba sure has a lot to learn.

There's also an element of exploitation in the industry that's made such high productivity possible — which is why Cuba will never

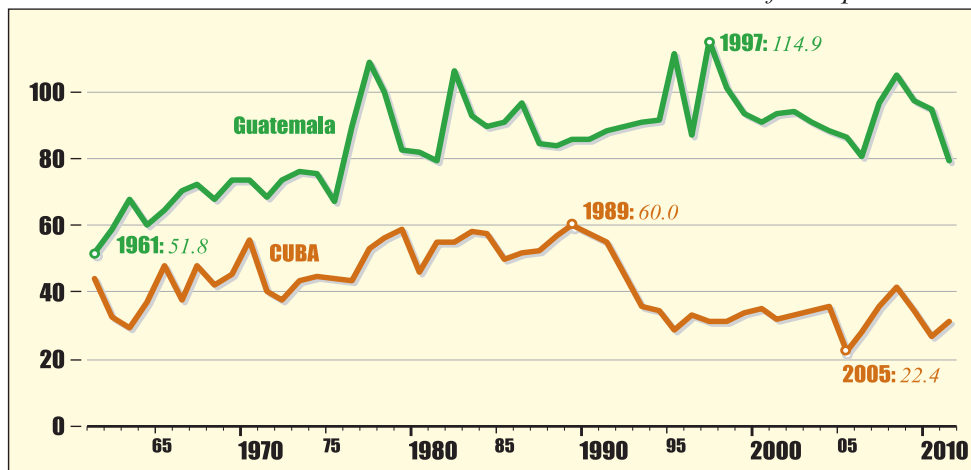
"All this is based on social responsibility. In an industry as competitive as sugar, we have to respect our workers. This is fundamental."

Fernando Letona should know. As human resources manager at La Unión, he's in charge of the well-being of 8,700 workers.

"They're very graphic," Letona said as we gazed at the huge banners tacked on the walls of Tehuantepec barracks, home to some 400 cane-cutters (known in Spanish as *cortadores*). La Unión has four more barracks just like

See *Guatemala*, page 13

## SUGARCANE AGRICULTURAL YIELDS 1961-2011 *In thousands of tons per hectare*



Source: FAOSTats

Sugarcane yields in Guatemala —which is blessed with rich volcanic soils and an ideal climate— have exceeded those of Cuba for more than 50 years. But the gap has widened substantially since the collapse of Cuba's sugar industry in the early 1990s.



Poor single mothers in Santa Lucia learn infant-raising skills through Mejores Familias, a national program funded by the sugar industry's Fundazucar.



## Guatemala — FROM PAGE 12

Tehuantepec, each with their own dormitories, clinics, dining rooms and exercise areas.

"All these workers have come from the *altiplano*," he said. "Work hours are 6:30 a.m. until 3 p.m., with a 15-minute rest in the morning and half an hour for lunch. Breakfast and dinner are served in the *comedor*, while lunch is served in the field, from food trucks."

Letona said that feeding workers well has resulted in dramatically higher yields.

"Before we invested in all this, each *cortador* was cutting 2.5 tons per day. Now they cut six to seven tons, and some up to 12 tons," he explained. "It's evident that this investment has had positive effects on productivity."

Workers normally earn 3,800 *quetzales* per month (\$485), which translates into Q21.60 or around \$2.75 an hour, he said. That doesn't

include fringe benefits, which come to 42% of wages. After taxes and social security, workers keep an average of Q3,500 (\$450).

"They get paid every Saturday, in cash. And every Christmas and Holy Week, they can go back to their villages in the *altiplano*," Letona said. "We have a turnover of only 0.85% per month, and each harvest, nine out of 10 of our *cortadores* want to come back."

### PRODUCTIVITY COMES AT A STEEP PRICE

Not that they have much of a choice.

Guatemala, with the highest proportion of indigenous people anywhere in Latin America, also ranks as one of the region's poorest.

Its 15.2 million inhabitants have been ravaged by civil war, and its wealth is concentrated in the hands of relatively few families — as is the sugar sector, which (unlike the case in pre-1959 Cuba) was funded by local capital.

Under Guatemalan law, all workers have the right to form unions — as long as a minimum of 28 workers petition for one — but so far, only one of ASAZGUA's member companies, Palo Gordo, is unionized.

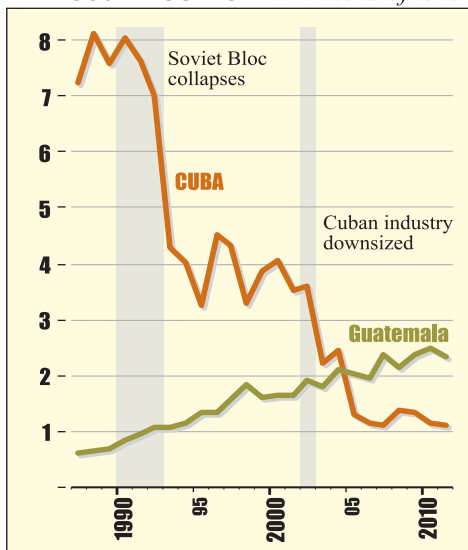
This is one factor, but only one, that explains how Guatemala has become — by far — the top sugar exporter in Central America, and the third-most productive sugar producer in the world after Colombia and Swaziland.

In the 2011-12 harvest, Guatemala exported 1.65 million metric tons of sugar — more than Cuba's entire sugar crop, and more than the sugar exports of El Salvador, Nicaragua, Honduras, Costa Rica and Panama combined.

Guatemala now ranks as the world's fourth-largest sugar exporter (after Brazil, Thailand and Australia), according to the International Sugar Organization, while Cuba ranks seventh, just ahead of Colombia.

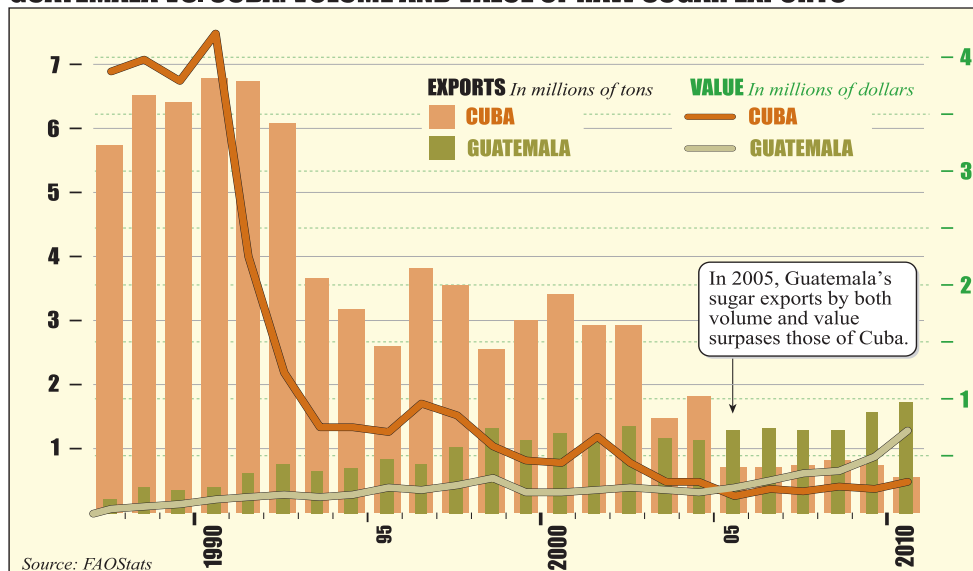
See *Guatemala*, page 14

### RAW SUGAR OUTPUT In millions of tons



Source: FAOStats

### GUATEMALA VS. CUBA: VOLUME AND VALUE OF RAW SUGAR EXPORTS



Source: FAOStats



Trucker loads raw sugarcane at Ingenio La Unión.

## Cuba ends sugar harvest at 1.51 million tons

Cuban raw sugar production weighed in at just 1.51 million tons for this season, Reuters reported Jun. 17 from Havana. That's 8% above the previous season but a far cry from the 1.68 million tons forecast.

"Mills opened and closed, opened and closed, opened and closed even though managers said they were ready for the harvest," Cuban Vice President José Ramón Machado Ventura was quoted on TV as saying.

Sandy also put a dent in the harvest before it began. The storm damaged mills and flattened cane in eastern Santiago de Cuba and Holguin provinces in late October. The two provinces produced 70,000 tons less than forecast before Sandy hit.

The harvest runs from December to April but often stretches into May and June. Only eight of Cuba's 56 mills were built after the 1959 revolution, the last in the 1980s.

Brazilian builder Odebrecht SA became

the first foreign company since the revolution to produce sugar when it began administering one of the eight mills this year.

Agreements with the other seven mills are under discussion, says the Cuban Chamber of Commerce. At least three other companies are negotiating management deals.

"We hope this will push the Cubans to allow more foreign participation in the industry," a representative of one company told Reuters, asking that his name not be used.

Theoretically, the state-run sugar industry has been open to direct investment since 1995, but in practice there's been little interest on the government's part except in a few joint ventures making sugar derivatives.

The Sugar Ministry was closed two years ago and replaced by state-run AZCUBA, with subsidiaries in each province.

AZCUBA hopes to reverse a decline in output from 8 million tons in 1990, with plans to produce 2.4 million tons by 2015.

## Guatemala — FROM PAGE 13

But when it comes to productivity, Guatemala's performance is even more impressive.

In 2008, according to ASAZGUA, Colombia led the world in productivity, with 14.6 tons of sugar per hectare under cultivation, followed by Swaziland (13.9) and Guatemala (12.2).

The next nine countries, in descending rank for productivity, were Australia, Sudan, China, Brazil, Mexico, United States, India, Thailand and South Africa.

Cuba wasn't even on the chart.

In 2012, sugar exports to the United States, Canada, South Korea, Mexico, Chile and other customers generated \$843.7 million in foreign exchange for Guatemala and employed 350,000 people, 73,000 of them directly.

That ranks just behind coffee (\$955.9 million) in terms of importance for the country, but well ahead of Guatemala's two other key agricultural exports: bananas (\$469.9 million) and cardamom (\$250.3 million).

Sugar today represents 14.4% of Guatemala's total exports, 27.1% of its agricultural exports and 3% of its GDP.

"Something elemental we've done is to give workers dignified, decent jobs so that they'll feel content with what they're doing," he said.

"You'll see the same at any *ingenio*. In Cuba, a *cortador* doesn't want to cut sugar because he won't earn any money. Here, he has the possibility to improve his standard of living."

In Cuba, by comparison, an average *machetero* earns the equivalent of \$40 a month, plus a "stimulus" bag containing two bars of soap, a bottle of cooking oil and some pasta.

Cengicaña's director-general, Mario Melgar, says Guatemala has the "recipe for success."

Melgar partly credits the 1992 establish-

ment of Cengicaña, which has 75 employees and operates on a \$2 million annual budget.

"Before that, each *ingenio* did its own R&D," he said, noting that Cengicaña is one of only six sugar research centers financed by the private sector (the others are in Australia, Brazil, Colombia and Ecuador). "Each sugar producer pays a quota depending on its production."



Aerial view of Guatemala's sprawling La Unión mill.

In the 21 years since Cengicaña's creation, it's introduced 1,875 sugar varieties to Guatemala (including 1,155 brought from Florida, 164 from Mexico, 120 from Brazil, 60 from Barbados, 58 from Australia and Louisiana each, 54 from Cuba and 53 from Puerto Rico).

### COULD CUBA COPY GUATEMALA'S SUCCESS?

Guatemala now cultivates 235,000 hectares of *caña*, mainly in the departments of Escuintla, Suchitepequez, Retalhuleu and Santa Rosa.

Unfortunately, said Melgar, the Guatemalan sugar industry "has learned nothing from Cuba" in the last 50 years.

"After the United States and Cuba broke relations, the U.S. began to distribute to Central America and the Caribbean its sugar quota. So the great majority of countries in Central America began their sugar boom after 1960, when many Cuban professionals came here to work in our sugar industry," he said.

"We have had some interchange with Cuba, and sometimes we've sent congresses there, but not very frequently," Melgar told *CubaNews*.

"Technologically, our best relations are with Florida, Colombia, Brazil and Argentina. With Cuba, there isn't really anything substantial because their sugar industry is dead."

Armando Boesche is general manager of ASAZGUA. We interviewed the 73-year-old executive at his wood-paneled office on the 19th floor of the swanky Euro Plaza skyscraper.

In the last 27 years he's headed the organization, Guatemala's area under cultivation has tripled, while yield has jumped from 66.3 tons per hectare in 1984-85 to 95.4 tons/ha today.

Daily milling capacity, meanwhile, has nearly tripled from 53,093 tons in the 1984-85 season to 151,673 tons in 2011-12.

"Guatemala is a small country, not like Brazil or Colombia, so productivity for us is very important," Boesche said proudly. "With what we export, we could supply all of Central America including Panama."

Around 2005, Guatemala's raw sugar output surpassed Cuba's. Since then, it's kept going up even as Cuba's sugar industry stagnates.

Yet even if Cuba could replicate Guatemala's success, it's not clear that it should — given the legacy of U.S. sugar barons controlling the island's economy, with Cuban complicity.

Luis Antonio Velasquez, Guatemala's ex-minister of economy, is now a private agribusiness consultant advising ASAZGUA.

"In February 1998, I was one of 40 Guatemalan businessmen invited by [then-President] Alvaro Arzú to accompany him to Cuba and re-establish diplomatic relations," he told us. "We invited Cuba's ambassador at the time to tour our sugar industry, and he said to me, 'I wish my country could be like Guatemala.'"

Our humble advice to that naive ambassador: Keep on dreaming.

"We would be happy to invest in Cuba," said Velasquez. "We have the technology, we have the money and we have the entrepreneurial spirit — but only when Cuba gives us clear rules. The problem is, they don't know how to run a business." □

Washington-based journalist Larry Luxner has edited *CubaNews* since 2002. In April, he spent a week in Guatemala researching the country's palm oil, sugar, banana, vegetable and coffee sectors.



"I like to work here," says propaganda poster at Guatemala's Ingenio La Unión (above).





## BOOKSHELF

# Personal memoirs of Cuba by Zamora, Bustos & González-Falla

Periodically, *CubaNews* presents reviews of books we think will interest our readers. This month, we offer three autobiographies: "What I Learned About Cuba By Going to Cuba," "Che Wants to See You: The Untold Story of Che Guevara" and "My Lost Cuba."

## WHAT I LEARNED ABOUT CUBA

This book is about one man's trips to Cuba and about the relationship between the United States and that nation. Born in Havana in 1941, Antonio Zamora — a Miami lawyer and part-owner of *CubaNews* — came to the United States in the early '60s. At the age of 20, Zamora took part in the failed Bay of Pigs invasion, was captured and imprisoned for nearly two years, and then was freed with most other prisoners in 1962 as a result of negotiations by the International Red Cross.

In 1963, he was commissioned as an officer in the Navy and in 1971 became a U.S. citizen.

Since his first trip back to his homeland in 1995, Zamora has been to Cuba more than 40 times, traveling not only under specific

license to attend meetings and conferences, but also under general license to conduct professional research, as well as on family visits.

It is unusual for a Cuban-American to travel to Cuba so often. In his case, it is even more strange because of Zamora's age and political background. As a result of all these comings and goings, he has accumulated a wealth of knowledge well worth sharing.

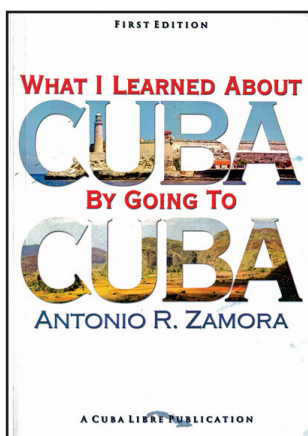
Simply put, this book — "What I Learned About Cuba By Going to Cuba" (ISBN 978-1484-82373-6, price \$15.00) — is about what he has learned about Cuba by going to Cuba.

In the immediate months and years ahead, the discussion within the United States and the Cuban-American community concerning "what to do about Cuba" is certain to increase significantly.

Without a doubt, this 140-page volume available through *CubaNews* will be contributing in a positive way to that important discussion.

Zamora frequently lectures on Cuban topics in national and international forums. He is an adjunct law professor at Florida International University, where his main course is Caribbean law and development.

Details: Antonio Zamora, Cuba Libre Publications LLC, 1408 Brickell Bay Drive, Suite #1211, Miami, FL 33131. Email: [info@cubanews.com](mailto:info@cubanews.com).



## CHE WANTS TO SEE YOU

For the first time, Ciro Bustos, Che's right-hand man in the struggle for Argentina, tells his story. As a young man inspired by the example of Cuba, Bustos was determined to bring revolution to the country he shared with his hero.

After a failed attempt to liberate Argentina, it wasn't until 1966 that he was again contacted by the Cubans and told, "Che wants to see you."

Under false papers, Bustos crossed the border into Bolivia, where Che Guevara was in hiding. It was here that Che first shared his plans for a continental revolution. Bustos was to be one of the few surviving members of Che's guerrilla force.

He was captured and interrogated by the CIA, and ultimately sentenced to 30 years in prison. After serving three of those years, he was unexpectedly pardoned by the short-lived government of a leftist Argentine general.

Though he lived in Chile and Argentina for several more years, Bustos ultimately had to flee to Sweden to escape the anti-leftist "dirty wars" that claimed the lives of many of his friends. Bustos suffered greatly for his decision to fight for his ideals.

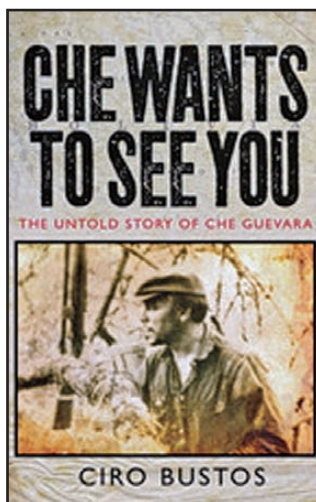
Though his experience was harrowing, he also came away with many precious memories of his time with Che. Bustos, who now lives in Malmo, Sweden; the Spanish version of his book, "El Che Quiere Verte," was published in Argentina in 2007.

Now available in English, "Che Wants to See You: The Untold Story of Che Guevara" (ISBN: 978-1-78168-096-4, \$34.95) is a testament to the revolutionary spirit of his times, as well as a highly important historical contribution that cuts through the myths and inaccuracies to shed a new light on Che's life and death.

This 496-page book tells a story only he is able to recount: what really happened in Bolivia in 1967 and why he did not betray Che.

"The last vital element that completes the jigsaw of Che Guevara's extraordinary life ... This long-awaited book is both an important contribution to history and a gripping read," says Richard Gott, author of "A New History of Cuba."

Adds Jon Lee Anderson: "The account of an extraordinary period in contemporary history



in which thousands of young men and women around the world, inspired by Che Guevara and his Cuban comrades, believed they could change the world through armed revolution ... the journal of a life lived to the limit in pursuit of an ideal, with all of its consequences."

Details: Jessica Turner, Verso Books, 20 Jay St., Suite #1010, Brooklyn, NY 11201. Tel: (718) 246-8160. Email: [jessica@versobooks.com](mailto:jessica@versobooks.com).

## MY LOST CUBA

In Cuba, during the late '50s and early '60s, many families fled as political exiles from everything they knew, finding themselves starting over from scratch in America.

Many people think they know what Cuba was like before Castro, and what it will be like after Castro — but nobody can truly know unless he or she lived it.

Celso González-Falla transports us there in a stunning new novel, "My Lost Cuba," which documents the life of a wealthy family who lives in Habana in 1958, a turning point in the country: the last year of Fulgencio Batista's dictatorship in Cuba.

Enriched by a cast of colorful characters and based on the events of his life, author González-Falla not only explores the everyday life of a family in Havana, but also pulls us in further with a look at the political, social and historical aspects of this fascinating time and place.

"Beautifully written, *My Lost Cuba* touches on the truth that Cubans love democracy; the importance of family life in Cuban culture; how Cubans work very hard, and play hard; why nobody believed Cuba would be converted to communism, and the drastic contrast between life in the city versus the country."

Celso González-Falla was born in Havana and attended both Colegio de Belén and Universidad Católica de Santo Tomás de Villanueva, earning a degree in civil law in 1958.

González-Falla became involved in the counterrevolution against Fidel Castro, avoiding arrest by seeking political asylum at the Chilean Embassy in April 1961 and coming to Texas two months later.

González-Falla is a member of the Texas Bar and a founding partner of the Porter Taylor & González law firm in Corpus Christi, Tex.

"My Lost Cuba" (ISBN 978-1-62087-467-7, price \$24.95) will be available in September.

Details: Jennifer Tucker, Smith Publicity, 1930 E. Marlton Pike, Suite #146, Cherry Hill, NJ 08003. Tel: (856) 489-8654 x303. Fax: (856) 504-0136. Email: [jennifer@smithpublicity.com](mailto:jennifer@smithpublicity.com).

"Bookshelf" is an occasional feature of *CubaNews* in which we summarize works we think will interest our diverse audience.

If you would like your book, report, novel or scholarly publication to be featured in an upcoming issue, please email a request to [larry@cubanews.com](mailto:larry@cubanews.com) or send a review copy to Larry Luxner, Editor, *CubaNews*, PO Box 1345, Silver Spring, MD 20915-1345 — USA.

## CALENDAR OF EVENTS

If your organization is sponsoring an upcoming event, please let our readers know! Fax details to *CubaNews* at (301) 949-0065 or send e-mail to [larry@cubanews.com](mailto:larry@cubanews.com).

**Jun. 26:** "Homenaje a Juan Manuel Salvat," Casa Bacardi, Miami. MCs: María P. Acosta and Carmen de Toro de Gómez. Panelists: Eduardo Zayas-Bazán (NACAE); Rogelio A. de la Torre (Círculo de Cultura Panamericano); Armando Cobelo (Editorial Cubana Luis J. Botifoll); Miguel Zaldivar (Fundación Padre Félix Varela); Pedro Corzo (Instituto de la Memoria Histórica Cubana contra el Totalitarismo); Angel Cuadra (Pen Club de Escritores Cubanos en el Exilio), Ángel de Fana (Plantados). *Details:* Institute of Cuban and Cuban-American Studies, University of Miami, 1531 Brescia Ave., Coral Gables, FL 33146. Tel: (305) 284-2822. Email: [iccas@miami.edu](mailto:iccas@miami.edu).

**Jun. 27:** A conversation with dissidents Guillermo Fariñas and Elizardo Sánchez, Center for Strategic & International Studies, Washington. Speakers: Carl Meacham, director of the CSIS Americas Program, and Tomás Bilbao, executive director of the Cuba Study Group. Free but seating is limited; to RSVP, send name and affiliation as soon as possible. Event to be conducted in Spanish; simultaneous translation not be available. *Details:* CSIS, 1800 K Street NW, 4th Fl., Washington, DC 20006. Tel: (202) 887-0200. Fax: (202) 775-3199. Email: [americas@csis.org](mailto:americas@csis.org).

**Jul. 20:** "The Art of Looting," Newman Alumni Center, Coral Gables, FL. One-day seminar featuring Christopher Marinello, executive director of the Art Loss Register; Willi Korte, co-founder of the Holocaust Art Restitution Project, and Chris Roach of Adams & Reese. "We'll discuss prospects for the recovery of Cuban collections as well as groundbreaking efforts to deter the sale and purchase of pre-Revolution items." Cost: \$130. *Details:* Mastrapa Consultants Inc., PO Box 248334, Coral Gables, FL 33124-8334. Tel: Email: [events@mastrapaconsultants.com](mailto:events@mastrapaconsultants.com).

**Aug. 1-3:** Association for the Study of the Cuban Economy, 23rd Annual Meeting, Hilton Miami Downtown Hotel. This year's theme: "Reforming Cuba?" ASCE officials say they are "working toward bringing Cuba-based economists and scholars to the conference." Invited speakers include Armando Nova (Centro de Estudios de la Economía Cubana); Karina Gálvez (Revista *Convivencia*); computer science professor José Luis Leyva Cruz (University of Camagüey); Lenier González and Roberto Viega (co-editors of *Espacio Laical*); independent lawyer Laritza Diversent (Jurisconsulto de Cuba) and mathematician and *Estado de Sats* coordinator Antonio Rodiles. Keynote speaker: Harvard economist George Borjas. Cost: \$75 for members, \$175 for non-members (rising to \$100 and \$200 after July 15). *Details:* Ted Henken, ASCE, PO Box 28267, Washington, DC 20038-8267. Email: [ascecuba@ascecuba.org](mailto:ascecuba@ascecuba.org). URL: [www.ascecuba.org](http://www.ascecuba.org).

**Aug. 2:** "Cuba: Reality Today and Opportunities in the Future," El Conquistador Hotel & Casino, Fajardo, PR. Hosted by the Puerto Rico Manufacturers Association, this one-day conference will feature *CubaNews* editor Larry Luxner; Ted Piccone of Brookings; University of Miami's José Azel; Gerardo González of Inter-American University; Roberto Orro, Caribbean Analysis Unit; Jay Brickman of Crowley Maritime; AACCLA Executive Director José Raúl Perales; Phil Peters of Antilles Resources and David Lewis, VP of Manchester Trade. *Details:* PRMA, PO Box 195477, San Juan, Puerto Rico 00919. Tel: (787) 641-4455. URL: [www.prma.com](http://www.prma.com).

## INTERNATIONAL STOCK PHOTOS

If your business needs high-quality photographs of Cuba — or anywhere else — to illustrate annual reports, articles, brochures or presentations, you've come to the right place. Luxner News Inc. has over 20,000 color images on file from 95 countries in North, South and Central America, the Caribbean, Africa, Europe, the Mideast and Asia, depicting a variety of topics ranging from agriculture and aerospace to tourism and zoology. For details, please call **Luxner News Inc.** at (301) 452-1105 or search our user-friendly website at:

**[www.luxner.com](http://www.luxner.com)**



## CARIBBEAN UPDATE

You already know what's going in Cuba, thanks to *CubaNews*. Now find out what's happening in the rest of this diverse and fast-growing region.

Subscribe to **Caribbean UPDATE**, a monthly newsletter founded in 1985. Corporate and government executives, as well as scholars and journalists, depend on this publication for its insightful, timely coverage of the 30-plus nations and territories of the Caribbean and Central America.

When you receive your first issue, you have two options: (a) pay the accompanying invoice and your subscription will be processed; (b) if you're not satisfied, just write "cancel" on the invoice and return it. There is no further obligation on your part.

The cost of a subscription to **Caribbean UPDATE** is \$281 per year. A special rate of \$142 is available to academics, non-profit organizations and additional subscriptions mailed to the same address.

To order, contact **Caribbean UPDATE** at 116 Myrtle Ave., Millburn, NJ 07041, call us at (973) 376-2314, visit our new website at [www.caribbeanupdate.org](http://www.caribbeanupdate.org) or send an email to [kalwagenheim@cs.com](mailto:kalwagenheim@cs.com). We accept Visa, MasterCard and American Express.

## CUBANEWS

Editor

■ LARRY LUXNER ■

Washington correspondent

■ ANA RADELAT ■

Political analyst

■ DOMINGO AMUCHASTEGUI ■

Feature writers

■ VITO ECHEVARRIA ■

■ DOREEN HEMLOCK ■

Cartographer

■ ARMANDO H. PORTELA ■

Graphic designer

■ CARI BAMBACH ■

**CUBANEWS** (ISSN 1073-7715), founded in 1993, is published monthly by CUBANEWS LLC, PO Box 566346, Miami, FL 33256-6346.

Annual subscription via PDF delivery: \$398. Academic, nonprofit organizations: \$198. Delivery via PDF and print: \$100 extra per year.

Please visit [www.cubanews.com](http://www.cubanews.com) to learn more about our newsletter.

To order a subscription, just call **CUBANEWS** at (305) 393-8760, fax us at (305) 670-2290 or send an e-mail to [info@cubanews.com](mailto:info@cubanews.com).

Contents may not be distributed by any means without prior written permission of the publisher.

CUBANEWS LLC grants authorization to photocopy items for internal or personal use, provided the appropriate fee is paid directly to Copyright Clearance Center, 222 Rosewood Drive, Danvers, MA 01923. For details, visit [www.copyright.com](http://www.copyright.com).