

## UNITED STATES INTERVENTION IN CUBA DURING THE COVID-19 PANDEMIC (ECONOMIC EMBARGO)

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**Abstract** : This research aims to find out why the United States still imposes an economic embargo on Cuba even though Cuba is experiencing an economic crisis and social turmoil that occurred amid the Covid-19 pandemic. By using a qualitative method, which places more emphasis on observing the phenomenon and more research into the substance of the meaning of the phenomenon. The data collected comes from literature, scientific journals, and official sources that are accessed via the internet. According to McCusker, K., & Gunaydin, S. (2015), this research is a qualitative descriptive analysis. This research combines Dependency (Dependence), Andre Gunder Frank, and International Economic Sanction Theory. The purpose of this writing is, that the author tries to research and explain based on facts the reasons for the United States still imposing an economic embargo on Cuba even though Cuba is experiencing an economic crisis and social turmoil that occurred amid the Covid-19 pandemic.

**Keywords:** economic embargo, intervention, dependencies, United States policy, national interest

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### INTRODUCTION

The COVID-19 pandemic has brought about significant changes in the world. These changes produce new challenges that must be faced by individuals, communities, and the nation-state. Cuba is one of the countries that is feeling the economic impact of the pandemic. The state of the Cuban economy during the pandemic experienced an economic crisis, in addition to the COVID-19 pandemic.

In 2020, Cuba experienced an economic crisis that resulted in the Cuban economy shrinking by 10.9% and GDP per capita falling by 10.8% (Reuters, 2020). In early 2021, monetary policy was deliberately issued, namely an increase of 44% as part of the monetary system aimed at increasing salaries by 450% instead causing havoc with the arrival of inflation of 70% in the Cuban economy. In addition, the import

and export sectors fell and services were also down, especially those related to health and tourism activities, which recorded an annual decline of 74.6% (Economic Survey of Latin America and the Caribbean, Cuba, 2021), causing food shortages and medicines, rising prices, and the government's lack of handling of the pandemic. As a result, the Cuban people carried out anti-government protests in all cities by demanding the Cuban government make changes in terms of "freedom" and "dictatorship" carried out by Cuban government with communist background (BBC News, 2021).

The Cuban government admits that intentional monetary policy was a factor in the inflation, but the Cuban government also stated that there were external parties who also influenced and worsened the Cuban economy during the pandemic (BNN Bloomberg, 2021), namely the economic embargo imposed by the United States for more than a decade. more than 60 since Former President of the United States, John F. Kennedy proclaimed a trade embargo between the United States and Cuba, in response to certain actions taken by the Cuban Government, and directed the United States Department of Commerce and Treasury to implement the embargo, which is still in effect today. . (U.S. Department of State). On the other hand, the President of the United States supports the anti-government protests carried out by the Cuban people which are seen as an effort to free themselves from the economic downturn and the authoritarian regime of the Cuban government. Even so, the existence of the United States economic embargo has become one of the biggest factors affecting the Cuban economy since the collapse of the Soviet Union in 1991. In this study, the author finds substantial issues that raise several questions that will be investigated and discussed by the author. These statements are, (1) How did the US economic policies and embargo affect the Cuban economy during the pandemic?, (2) How did American President Joe Biden's foreign policy towards Cuba?, (3) Why does the United States still impose an economic embargo on Cuba?

This research combines Dependency (Dependence), Andre Gunder Frank, and International Economic Sanction Theory. The purpose of this writing is, that the author tries to research and explain based on facts the reasons for the United States still imposing an economic embargo on Cuba even though Cuba is experiencing an economic crisis and social turmoil that occurred during the Covid-19 pandemic.

## LITERATURE REVIEW

### Dependency Theory

According to Miriam Budiharjo (2017), after imperialism ended, a new form of imperialism emerged, namely in the form of domination from core countries over less developed countries (semi-periphery) or Third World countries (periphery-periphery). The

concept of dependency is another form of imperialism under the guise of economic domination by developed countries over underdeveloped countries.

Andre Gunder Frank and The Theory of International Economic Sanctions. Andre Gunder Frank in his work entitled *Capitalism and Underdevelopment in Latin America* (1967) explains the existence of dependency theory as the origin of dependency theory. In his writings, Frank (1967) classifies the countries in the world into two groups, namely the central or core countries and the underdeveloped periphery countries. Frank also contributed five assumptions about dependency theory. These assumptions are (Mochmad Arya Seta, 2017) (1) The state of dependence applies to all peripheral countries or Third World countries. In this case, Dependency Theory is essentially trying to explain the general nature or characteristics of Third World Addiction, which has crossed the development of capitalism from the 16th century until now. (2) Dependence is considered an "external factor" or condition caused by an external factor. Basically, in this case, the most important factor that must be considered as an obstacle to state development is not the problem of lack of capital or lack of manpower and state entrepreneurship, but the state of the political economy. In addition, other external factors that cause subordination come from the historical and cultural heritage of colonialism attached to (3) The existence of dependency problems that exist in a country is or tends to be an economic problem. This is caused by the release of economic surplus from Third World countries to developed countries or developed countries. As a result, Third World countries overcame difficulties and became addicted, lowering their relative trade exchange rates. (4) Dependence is an integral part of the process of regional polarization in the global economic system. The flow of economic surplus from the Third World will on the one hand cause a setback, and on the other hand, will be a factor driving the pace of development in developed countries. (5) Frank sees dependability as the opposite of development. Dependency theory does not allow peripheral development. The slightest progress can occur in the surrounding area, for example with the recession of the global economic system or the world war. Dependency theory assumes that autonomous and sustainable development is almost impossible in a situation where the economic surplus is constantly shifting to developed countries (Frank, 1967).

### **International Economic Sanctions**

Sanctions are the primary measure for forcing a change in Target's behavior or setting the stage for further action which could be military action. Economic Sanctions can act as a powerful tool to achieve goals, sanctions in terms of the policy can undermine economic goals in the short term. According to Mohammadreza Ahang, the objectives of sanctions are as follows (Mohammadreza Ahang, 2014):

Changing the behavior of the "target" country. Reducing the pace of the "target" country to achieve its goals and the instability of the authorities. (2) Punishment for wrong policies and Punishment for violating Sanctions (3) Destruction of military power and Prevention of multi-Government formation in a country.

### **The Game Of Sanction**

(Sender) plays roles like "White Chessman". showing first acts such as forming an international rally against Target. This power acts as a deterrent to sanctions, so the shipper first intervenes to enforce the arms trade ban. Obviously, after these signs, Target collects assets from abroad, so you need to freeze assets after the first step. Uncertainty is the most important factor that can destroy the structure of the economy but people will adjust to new conditions after a certain period, therefore the sender must manage his time and utilize various strategies to prevent any conformity to the target. Most of the time, Sanctions have different stages so that after each stage the sender will assess the Target's reaction to correct the error. Each type of Sanction has specific results so that the optimal combination of various Sanctions can be different in different countries. Changing regimes or attitudes can occur through two factors: (1) Direct pressure on the government and (2) Indirect pressure on the government remains through the people.

### **Plays roles as "Black Chessman"**

Sanctions, such as military sanctions, can be seen as a warning, after which the target takes action to mitigate the broader consequences of sanctions. Comparative advantage shows the production structure of each country, but because sanctions are in the form of import and export bans, it is a decision-making process when considering a new budget for purchases, but before sanctions become comprehensive Targets need to import "new technologic" takes time to introduce new technologies. Sanctions are a kind of time-dependent game (Indrayani, n.d.). This research combines Dependency (Dependence), Andre Gunder Frank, and International Economic Sanction Theory. The purpose of this writing is, that the author tries to research and explain based on facts the reasons for the United States still imposing an economic embargo on Cuba even though Cuba is experiencing an economic crisis and social turmoil that occurred amid the Covid-19 pandemic.

### **METHOD**

The research method used is a qualitative method, which emphasizes the observation of phenomena and examines the substance of the meaning of the phenomenon. The data collected comes from literature, scientific journals, and official sources that are accessed via the internet. According to McCusker, K., & Gunaydin, S. (2015), the

selection of the use qualitative methods is related to understanding several aspects of social life and using data for the analysis process. The qualitative method in terms of the research objective is to understand how a community or individuals perceive a particular issue by collecting broader data (K McCusker and S Gunaydin, 2014).

The analytical method used is descriptive qualitative analysis. According to I Made Winartha (2006:155), the descriptive qualitative analysis method is to analyze, describe, and summarize various conditions, and situations from various data collected in the form of interviews or observations about the problems studied that occur in the field.

## RESULT AND DISCUSSION

### Cuba Economy During a Pandemic

According to the World Food Program (WFP) before the Covid-19 pandemic, Cuba was one of the most successful countries in achieving the United Nations Millennium Development Goals (MDGs). Social programs implemented by the government provide health services, monthly food baskets for the entire population, school feeding programs, and maternal and child health care programs. Although effective, these programs rely largely on food imports. 70 to 80% of Cuba's food needs come from food imports, and this dependence weighs on the national budget (World Food Programme, 2021). The continuously inflated national budget, coupled with the economic downturn amid the Covid-19 pandemic, has ultimately exacerbated the impact of COVID-19 on poverty in Cuba. The problem of poverty in Cuba is largely due to poor infrastructure, food instability, and the ongoing housing crisis. As mentioned earlier, food imports make up a large portion of the island's food consumption (The Borgen Project, 2021).

**Table 1. Cuba GDP development data 2014-2020**



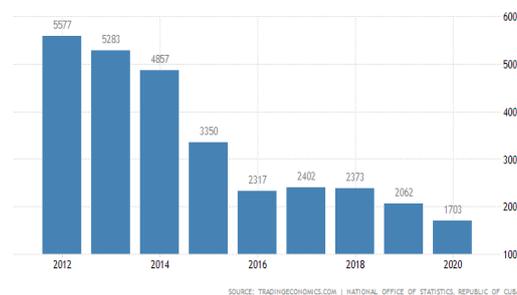
**Source: The World Bank**

In 2020 Cuba's economy shrank 10.9% and GDP per capita fell 10.8%. this is the steepest drop in nearly two decades and the third steepest drop since records began.

**Table 2. Cuban import data 2012-2020**

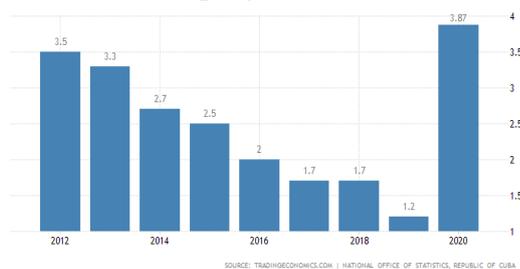


**Table 3. Cuban Export Data 2012-2020**



**Source: Trading Economic**

Imports fell 27% to 7320 in 2020. Some of the sharpest declines occurred in beverages and tobacco (-32.2%), transportation machinery and equipment (-29.7%), and chemicals and related products not detailed elsewhere (-21.9%) (Economic Survey of Latin America and the Caribbean, Cuba, 2021). Exports of goods fell 17.4% to 1703. Some of the main products of concern were drugs, alcoholic beverages, sugar, and tobacco. Services are also down, particularly related to health and tourism activities, recording an annual decline of 74.6%.

**Table 4. Cuba Unemployment Rate 2012-2020****Source: Trading Economic**

It can be seen that the unemployment rate soared and even missed far from 2019 at 1.20%. Cuba's unemployment rate in 2020 stands at 3.87%

In early 2021, monetary policy was deliberately issued, namely an increase of 44% as part of the monetary system aimed at increasing salaries by 450%, it caused havoc with the arrival of 70% inflation in the Cuban economy (Indopremier.com, 2021). In addition, the import and export sectors fell and services also fell, especially those related to health and tourism activities, recording an annual decline of 74.6% (Economic Survey of Latin America and the Caribbean, Cuba, 2021).

From the data information above, it can be seen that Cuba experienced a sharp decline, especially during the Covid-19 pandemic, which further exacerbated the situation with the economic crisis. So how did the US economic policies and embargo affect the Cuban economy during the pandemic?

As a comparison, the following are the United States Export-Import activities to Cuba:

**Table 5. US Export-Import Data to Cuba in 2020**

**2020 : U.S. trade in goods with Cuba**

NOTE: All figures are in millions of U.S. dollars on a nominal basis, not seasonally adjusted unless otherwise specified. Details may not equal totals due to rounding. Table reflects only those months for which there was trade.

Month	Exports	Imports	Balance
January 2020	14.5	0.2	14.3
February 2020	17.6	0.0	17.6
March 2020	17.3	0.1	17.2
April 2020	11.8	3.3	8.5
May 2020	17.1	0.0	17.1
June 2020	9.5	10.1	-0.5
July 2020	14.4	0.0	14.4
August 2020	16.7	0.5	16.2
September 2020	17.7	0.1	17.6
October 2020	12.2	0.0	12.2
November 2020	11.6	0.2	11.4
December 2020	16.5	0.3	16.2
<b>TOTAL 2020</b>	<b>176.8</b>	<b>14.9</b>	<b>161.9</b>

**Table 6. US Export-Import Data to Cuba in 2021**

**2021 : U.S. trade in goods with Cuba**

NOTE: All figures are in millions of U.S. dollars on a nominal basis, not seasonally adjusted unless otherwise specified. Details may not equal totals due to rounding. Table reflects only those months for which there was trade.

Month	Exports	Imports	Balance
January 2021	19.4	0.0	19.4
February 2021	21.4	1.3	20.1
March 2021	28.9	0.2	28.7
April 2021	32.6	0.1	32.5
May 2021	32.0	0.0	31.9
June 2021	28.8	0.0	28.7
July 2021	20.4	0.0	20.4
August 2021	28.8	0.3	28.5
September 2021	23.2	0.0	23.2
October 2021	29.0	0.4	28.6
November 2021	29.5	0.5	29.0
<b>TOTAL 2021</b>	<b>294.0</b>	<b>2.9</b>	<b>291.1</b>

**Source: United States Census Bureau.**

As stated at table 5 above, in 2020 the total US exports to Cuba reached 176.8 million US dollars, while in the US import sector to Cuba it was 14.9 million US dollars. In 2021 the level of trade is very volatile with total US exports to Cuba reaching 294.0 million US dollars and total imports very slipping by 2.9 million US dollars. US export activities to Cuba are more dominant than US import activities to Cuba, this means that US foreign exchange earnings from Cuba are greater and more profitable for the US as a hegemonic country for trade activities of both parties even amid the Covid-19 pandemic (Umar & Indrayani, 2020).

Cuba's losses do not end there, since the economic embargo was imposed on Cuba, the US remains the 5th largest exporter in Cuba (Central Intelligence Agency) which implements a cash payment system for all Cuban imports because credit is not allowed (BBC News, 2009). As already written above, 70-80% of food needs and other basic needs come from Cuban imports, hence Cuba's dependence on exporting countries. Cuba's monetary policy is deliberate in the community while the amount of goods is fixed as a result there will be an increase in the prices of goods up to 100 percent. This situation is known as inflation that is currently happening in Cuba. This can be classified in the form of exploitation activities. Based on the principles of dependency theory, this exploitation causes Cuba to experience constant poverty due to the influence of US economic and political strategies, and poverty reflects that dependence.

### **Joe Biden's Policy on Cuba**

Based on US Sanctions Imposed Since 2017 in the form of (Congressional Research Services): (1) Transactions with the Cuban Military, (2) Travel and Remittances, (3) Targeted Human Rights Sanctions. (4) The term Terrorism.

During the 2020 campaign, Joe Biden promised to lift Trump's sanctions that hurt Cuban families, especially restrictions on remittances and family travel. Once in office, despite repeated promises to restore remittance services, he did nothing, leaving all of Trump's sanctions in place. In December, the State Department reaffirmed Cuba's inclusion on the list of Countries Sponsors of International Terrorism (The White House, 2021).

The President of the United States supports the anti-government protests carried out by the Cuban people which are considered an effort to free themselves from the economic downturn and the authoritarian regime of the Cuban government. Following the July protest demonstrations in Cuba, the Biden administration imposed six new sets of individual sanctions targeting senior officials and units of the Interior Ministry and the armed forces, national police, and military police for human rights violations, and named Cuba a failed state.

In June 2021, the United Nations General Assembly, for the 29th time since 1992, adopted by a vote of 184 to 2, an annual resolution calling for the United States to lift the embargo. The United States chose not to. In its report to the United Nations, Cuba estimated the cumulative cost of the embargo over six decades at \$148 billion (National Security Archive, 2022).

The US conflict with Cuba When viewed from a historical perspective:

In 1961 after the overthrow of the Batista regime in the Cuban Revolution, the United States and Cuba severed diplomatic relations that had existed between the two. The end of diplomatic relations between Cuba and America began in 1959, previously Cuba was a democratic liberal country that later turned into a communist state under the leadership of Fidel Castro and Cuba strengthened relations with the Soviet Union. Until then, the United States imposed an economic embargo on Cuba to impose sanctions on Cuba for nationalizing property belonging to American citizens and companies, violating human rights, and refusing to take steps toward a liberal and democratic state. The full embargo imposed by the United States on Cuba which then continued for 60 years left the consequences in the form of economic losses suffered by Cuba. In 2015, efforts to normalize Cuba's diplomatic relations with the US under the leadership of former US President Barack Obama to ease Cuba's economic embargo did not go smoothly. Calls to stay in place and tightened travel and trade restrictions during the administrations of Donald Trump to Joe Biden. The period of imposition of the political embargo is still ongoing during the Covid-19 pandemic.

The US is like playing the role of the "White Chessman" in the theory of International Political Economy Sanctions (Mohammadreza Ahang, 2014). First, the US reason is to replace the Cuban government, thus, provoking regime change. Already in 1964, the Deputy Secretary of State set four main goals for this program: (1) to reduce the

spread of the revolution to America other states; (2) to establish within the Cuban population that their current government cannot meet their needs; (3) to show that there is no room for communism in the West; and (4) making Cuba a more expensive “Communist outpost” for the Soviet Union (Bola, 1964). The objectives of the US economic embargo on Cuba that can be analyzed are as follows:

1. Changing the behavior of the “target” country. Reducing the pace of the “target” country to achieve its goals and Instability of authority. : Sanctions are the primary measure for forcing a change in Target's behavior or setting the stage for further action which could be military action. During the 61 years that Cuba and the United States have been at odds, the United States' efforts to make Cuba a liberal-democratic country have been seen since the overthrow of the Batista Regime which was replaced by Communist Revolutionary Fidel Castro, and after the imposition of an economic embargo on Cuba and the termination of US relations with Cuba. Forms such as the Bay of Pigs Invasion, the Cuban Missile Crisis, and even a new style of provocation during the pandemic by supporting anti-government protesters are US efforts to exert pressure both directly on the Cuban government, and indirectly on the government. Cuba is a Latin American country that cannot be completely in the hands of the US. The US as a hegemonic country is trying to change Cuba's Marxist-Leninist ideology to be Liberal-Democratic and if Cuba surrenders, it will systematically intervene against the Cuban government. Unfortunately For more than 60 years to this day, Fidel Castro's innate communist regime has not wavered even once. This means the US has failed to change “Target” Cuba's behavior regarding its economic sanctions. The imposition of sanctions is used by the United States as a means of pressure against Cuba, to make Cuba a liberal democratic country through economic isolation.
2. Punishment for wrong policies and Penalties for violating Sanctions: One of the reasons for the US economic embargo on Cuba is that it violates human rights. Joe Biden considers Cuba to be a failed state and blames Cuba for Cuba's policies that have made the people fall into poverty, but in fact, there are several reasons Cuba violated human rights. his government, secondly, due to the intentional monetary policy that resulted in an economic crisis and made the people suffer from poverty. But on the second point, the US also intervened in the current Cuban economic crisis, by still imposing an economic embargo and expanding US exports to Cuba with a cash payment system, this US behavior created pressure and sparked social unrest in Cuba.

Destruction of military power and Prevention of multi-Government formation in a country: Cuban Military Strength For the year 2022, Cuba is ranked 70th out of 140 countries considered for the GFP review (annual. It holds a PwrIndx\* score of 1.2246 (a score of 0.0000 is considered 'perfect') (Global Fire Power, 2022) The armed forces have long been the most powerful institution in Cuba (Brian Latell, 2003). The military manages many companies in key economic sectors that represent about 4% of the Cuban economy (Huffpost, 2017). The military also served as the former First Secretary of the Cuban Communist Party, as well as the former President of Cuba, the headquarters of Raúl Castro(Carl Gershman and Orlando Gutierrez 2009).In his speeches, Raúl Castro emphasized the military's role as a "partner of the people". for generations led by the President with a communist ideology, means Cuba has made defenses against the military based on its ideology which until now means no not influenced by western countries.

## CONCLUSION

The United States' intervention in the form of an economic embargo on Cuba had a very significant impact, especially since the economic sanctions were still ongoing during the pandemic without any easing of sanctions. In Cuba's economy, 70 to 80% of Cuba's food needs come from food imports, and this dependence reduces the national budget. A constantly strained national budget, coupled with an economy in crisis, has ultimately exacerbated the impact of COVID-19 on poverty in Cuba. One of them is Venezuela limiting the aid it provides and the US economic embargo that is still being tightened by Joe Biden has an impact on the number of food imports. Biden's policy of still maintaining the Cuban economic embargo amid the pandemic is nothing but implicit in the interests of the US state. The imposition of sanctions is used by the United States as a means of pressure against Cuba, to make Cuba a democratic liberal country through economic isolation and the external economic benefits that the United States derives from imposing imports.

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