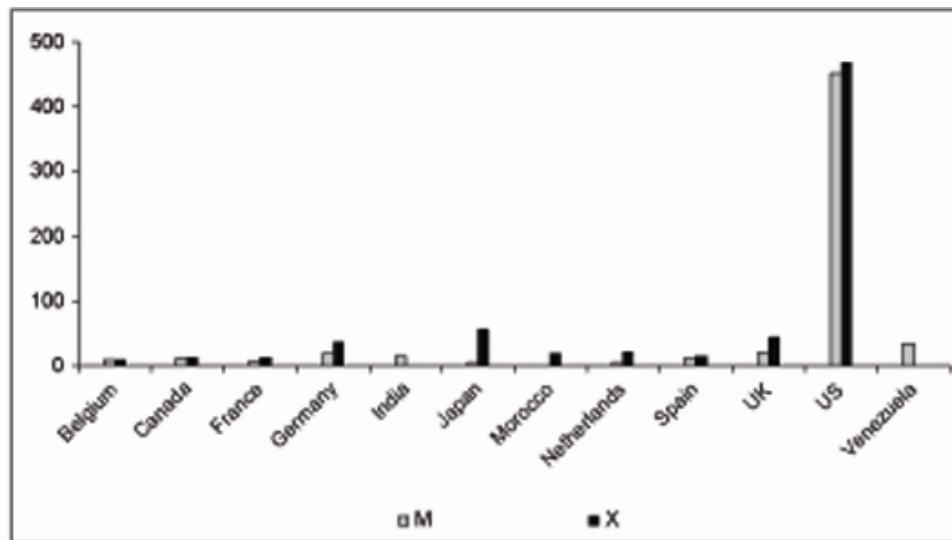


## TRAVEL TO CUBA HELPS U.S. FARMERS AND AGRICULTURAL BUSINESS IN OUR NATIONAL INTERESTS

**1. Cuba and the United States are perfect partners for trade, but United States policy severely undermines the capacity of U.S. food and agricultural producers to travel to Cuba to close business deals that would expand sales.**

- As illustrated below, the United States held a dominant position in trade with Cuba before the embargo; if restrictions on travel to Cuba were removed, the United States could potentially regain this position.


**Cuba's Pre-Embargo Trade Partners in 1957, *International Historical Statistics***  
*Imports vs. Exports*



- With an agriculture sector long depleted by structural problems, resource scarcity, and massively destructive hurricanes in recent years, Cuba is incapable of producing enough food to feed itself. As a result, Cuba relies on trade partners near and far – but mostly far – to provide the bulk of their food needs.
- U.S. farmers and businesses are uniquely positioned to sell agricultural goods to Cuba due to comparatively low shipping costs and short transit times as compared with Cuba's 2<sup>nd</sup> and 3<sup>rd</sup> largest agricultural goods suppliers, Brazil and Europe.

**2. Despite restrictions, American businesses have shown their potential in Cuba.**


- Since reentering the Cuban market in 2001, the United States has come to dominate it. In 2000, when the U.S. Government still barred trade with Cuba, U.S. farmers sold virtually nothing there; by 2004, changes in sanctions law allowed U.S. farmers to provide 42 percent of all the food Cuba purchased abroad.

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- Cuba is the United States' third largest market for rice, eighth largest market for chicken and twelfth largest market for wheat. Today, 168 U.S. companies in 35 states are selling goods to Cuba. Twenty-three U.S. ports have participated in export shipments to Cuba.

### **3. U.S. citizens traveling to Cuba would significantly bolster sales of U.S. agricultural goods to Cuba.**

- If restrictions on trade and travel to Cuba were lifted, the annual U.S. share of Cuba's total agricultural imports would nearly double to as much as 64%, from the current 38%, an increase of up to \$483 million in sales to Cuba, according to 2008 figures from the U.S. International Trade Commission (USITC).
- According to the USITC, U.S. sales to Cuba could reach \$1 billion, or nearly a two-thirds share of the market – but only with a substantial increase in the numbers of tourists traveling to the island. The Commission indicates that removing financial and travel restrictions on Cuba would result in at least a 300 percent increase in American visitors to the island – such a jump could result in as many as a million U.S. visitors per year.
- This increase in American tourism to Cuba would vastly increase U.S. agricultural sales to Cuba, for example:
  - driving up general demand for a variety of staples such as wheat, poultry and eggs.
  - increasing demand for brands of processed food such as soft drinks and snacks that are familiar to American tourists, as well as luxury items like California wine, Pacific wild salmon and Florida Black Angus beef.
- If restrictions on travel and trade were removed, sales of 15 of the top 16 U.S. commodities exported to Cuba would increase.
  - According to projections by the U.S. International Trade Commission. Sales of wheat would increase (\$17 million to \$34 million); rice (\$14 million to \$44 million); fresh potatoes, fruits, and vegetables (a rise of \$37 million to \$68 million annually); processed foods (\$26 million to \$41 million); milk powder (\$15 million to \$42 million); dry beans (\$9 million to \$22 million); and poultry, beef, and pork each increasing by about \$9 million to \$13 million). (USITC, 4-4)
- In these difficult economic times, it is in our best interest to allow greater trade opportunities, such as in Cuba, for American businesses to sell their goods abroad.

### **4. U.S. business and agriculture constituencies have identified travel to Cuba for all Americans as an important priority in 2009.**

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- The U.S. Chamber of Commerce, the American Farm Bureau Association, the U.S. Rice Producers Association, U.S. Wheat Associates and the National Foreign Trade Council, among others, have called on President Obama to allow all Americans to travel to Cuba without restriction.

**5. In addition to helping to create the substantial market Cuba should provide American farmers, travel to Cuba by U.S. citizens helps in creating the kind of dialogue and social interchange that Cuba hasn't seen in decades.**

- People-to-people exchange between Americans and Cubans promotes understanding, transmits ideas, and generates debate. As Cuba's people and government contemplate their future, unrestricted American travel to Cuba will help position our people, our values, and our businesses, and enhance our influence.

*Prepared by the Center for Democracy in the Americas, [www.democracyinamericas.org](http://www.democracyinamericas.org), the Latin America Working Group, [www.lawg.org](http://www.lawg.org), the Lexington Institute, [www.lexingtoninstitute.org](http://www.lexingtoninstitute.org), the New America Foundation, [www.newamerica.net](http://www.newamerica.net), and Washington Office on Latin America, [www.wola.org](http://www.wola.org)*