



US and Cuba to re-establish diplomatic relations

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The U.S. and Cuba announced Tuesday they would re-open embassies in Havana and Washington, D.C., as part of the “most important changes to Cuba policy in more than 50 years,” senior Obama administration officials said.

The two countries have also agreed to opening economic and travel ties, marking a historic shift in U.S. policy toward the communist island after a half-century of enmity dating back to the Cold War, American officials said Wednesday.

The announcement came amid a series of sudden confidence-building measures between the longtime foes, including the release of American prisoner Alan Gross, as well as a swap for a U.S. intelligence asset held in Cuba and the freeing of three Cubans jailed in the U.S. Gross arrived at Andrews Air Force Base outside Washington.

What started with the prisoner swap may end up being the biggest change in Cuban-U-S relations in half a century. Around the time of a famous handshake between the U.S. and Cuban presidents at Nelson Mandela’s funeral in December of 2013, high level contacts were established including negotiations in Canada and at the Vatican and a final phone call between the two presidents that sealed the deal on Tuesday.

These are some of the actions U-S President Barack Obama can take without lifting the full embargo against Cuba — which would require an act of Congress:

- Reestablish diplomatic relations – Ambassador for first time since 1961
- Many travel restrictions lifted
- Cubans allowed to send more money from U.S.
- American businesses and banks allowed to invest in Cuba
- U.S. credit and debit cards can be used in Cuba
- U.S. to review Cuba’s designation as a [state sponsor of terrorism](#)

The decades-old trade embargo was initiated by U.S President John F. Kennedy shortly after Fidel Castro took power in Cuba in 1962, following the 1959 Cuban revolution. The embargo was an effort to bring democracy to the island. Other U.S presidents followed, extending the embargo to foreign countries that traded with Cuba.

But in 2009, breaking with a half-century of U.S policy, President Barack Obama lifted restrictions on Cuban-Americans who wanted to travel and send money to their Cuban homeland. With growing calls among a new generation of Cuban-Americans to lift the embargo, many in the U.S believe the time is now.

“The embargo has been counterproductive in bringing democracy to the island,” Juan Carlos Hidalgo from CATO Institute said.

The Cuban government estimates that it has lost more than a trillion dollars because of the embargo. Major U.S agricultural producers say they are losing out as well. It’s a point hit home in 2001 when the U.S began exporting food to Cuba.