

## Practice Update

# Analysis: Raúl Announces Retirement, Appoints Likely Successor

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Cuban President Raúl Castro's announcement last Sunday that he will retire in 2018, coupled with his decision to promote apparent successor Miguel Díaz-Canel, 52, to first vice president of the ruling Council of State, is a major milestone for the island: there is now a next-generation leader—and a non-Castro—poised to take the helm of power in Havana and the Cuban government may be moving towards a collective leadership model similar to those in China and Vietnam.

Although Díaz-Canel has had limited international exposure, he has risen steadily through the ranks of Cuba's ruling communist Party for more than 30 years: past posts include governor of the island's Villa Clara province and a stint as minister of higher education. More recently, he has appeared overseas at notable events, such as a January rally in Caracas, Venezuela in support of cancer-stricken President Hugo Chávez.

Regardless of Díaz-Canel's background and qualifications, he is the first-ever official born after the 1959 revolution to occupy such a high post in Cuba's government. Castro's announcement that he will step down at a specific date has thus laid the groundwork for a post-Castro era in Cuba—a major symbolic development. Also during his Sunday

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speech, Castro voiced his intention to impose age and term limits on high-level posts. Such a change, if implemented, would be a noteworthy institutional reform.

Although it is too early to tell whether Sunday's developments will have any near-term impact on developments in Cuba or on U.S.–Cuba relations, there are a few likely takeaways. For one, Díaz-Canel is clearly a trusted confidante of President Raúl Castro, whose governance style has been more pragmatic, and less driven by political orthodoxy, than that of Fidel. For example, since first assuming office in 2006 Raúl Castro has enacted an agenda designed to modernize the Cuban economy and convert it to a State Capitalism model, in part by allowing greater private economic activity. Most analysts believe Díaz-Canel shares Raúl's more pragmatic style and likely favors continuing the ongoing reforms. Time will also tell whether Díaz-Canel will in fact eventually be confirmed as the first institutional leader in Cuba's post-revolutionary period.

Any possible U.S. response to Sunday's announcement is likewise difficult to predict. There has been little change during the last two years to the icy state of U.S.–Cuba relations. However, President Obama's recent appointments of Secretary of State John Kerry and Secretary of Defense Chuck Hagel—both of whom have historically questioned the effectiveness of the U.S. embargo—have rekindled discussions on further policy changes.

The next few months should provide an indication as to whether continued, incremental changes in Cuba will elicit any policy response in Washington.

### **Webinar on U.S. Travel to Cuba in 2013 and Beyond**

On Wednesday, January 20 Akerman's Augusto Maxwell and Matthew Aho participated in an American Society of Travel Agents (ASTA) webinar on U.S. travel to Cuba. More than 180 travel

professionals tuned in to learn about “people-to-people” programs that allow Americans to visit Cuba through licensed travel service providers.

Since “people-to-people” travel was reinstated in 2010, the annual number of U.S. citizens to travel under such programs grew to nearly 50,000 in 2012. According to Maxwell and Aho, this number will likely grow over the next several years as existing operators expand their current offerings and new “people-to-people” operators get licensed.

[Click here](#) for more information on “people-to-people” licenses and sanctions compliance issues.

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