

Virginia didn't wait to have a relationship with Cuba

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Cuba's top diplomat in the United States traveled to Virginia's capital this week amid new hope that [sweeping changes in U.S.-Cuba policy](#) will bring major business opportunities to the commonwealth if trade opens up with the island nation.

José R. Cabañas, chief of the Cuban Interests Section, talked trade with Virginia Gov. Terry McAuliffe; toured the state Capitol, designed by Thomas Jefferson; and spoke with business and educational groups seeking closer ties to the island nation.

The meeting was scheduled before President Obama announced plans last month to fund new diplomatic operations with Cuba and ease restrictions on commerce and banking. But state leaders said the potential for a new era of detente only strengthens Virginia's competitive advantage.

"How fast it will go, I don't know. How soon we have results, I don't know," Cabañas said over lunch this week with Virginia's secretary of agriculture and forestry, Todd Haymore, who has led eight official trade missions to Havana. But he told Haymore, "You have been pioneering the effort on behalf of your authorities and your people in Virginia, and that has to pay off."

Virginia has been [trading with Cuba](#) for more than a decade, after restrictions were loosened to allow exports of agricultural and medical products. Now the state is Cuba's third-largest U.S. trading partner, behind Louisiana and Georgia, with annual agricultural sales of \$40 million in 2013, the last year for which data was available.

With a foot firmly in the door, Virginia leaders say they are poised to make the most of expanded trade if Obama succeeds in ending the broader embargo. The effort remains a work in progress as Republican leaders in Congress [explore ways to stop him](#).

In the meantime, Cabañas still had to get permission from the State Department before he could accept McAuliffe's invitation to visit Richmond this week. Cuban diplomats in Washington cannot travel beyond the Capital Beltway without special approval, just as U.S. diplomats in Havana cannot leave that city without the go-ahead from Cuban authorities.

Four successive governors have courted Cuba, starting with now-Sen. Mark R. Warner (D). He wanted to lead a Virginia trade mission to the island when he took office in 2002, taking advantage of liberalization that became law when President Bill Clinton signed the Trade Sanctions Reform and Export Enhancement Act. Advisers, worried about the optics of a potential sit-down with Fidel Castro, talked him out of it.

Warner instead sent his commerce and trade secretary, who helped Virginia farmers sell about \$800,000 in apples and soybeans to Cuba in 2003 — the first exports from Virginia to Cuba since President John F. Kennedy imposed a Cold War trade embargo in 1962.

The annual trade missions and other outreach continued under governors Timothy M. Kaine (D), Robert F. McDonnell (R) and McAuliffe (D), with sales peaking at \$66 million a year in 2011 before Cuba's souring economy forced cutbacks.

One constant during the last three governors has been Haymore, who was agriculture commissioner under Kaine and secretary under McDonnell and McAuliffe. While personal relationships often play a role in business deals, that's especially true in Cuba, where sellers work with just one buyer: the Cuban government.

Virginia growers send their own representatives and brokers to negotiate with Alimport, the Cuban government's food procurement arm. But Cuban government officials expect an American counterpart to be in on the deal at some level, and that's where Haymore has come in.

"It just seemed to make sense, the more I went there. It was first and foremost about trade, but then believing the dialogue that we were having could serve a bigger purpose of making sure when things change between the United States and Cuba, Virginia could be right there in the forefront," Haymore said.

Haymore and McAuliffe visited Cabañas in Washington last year, ahead of the secretary's November trade mission to Cuba. [McAuliffe had a brief history with Cuba](#) and Virginia agriculture sales that predated his governorship, and it was not an especially happy one.

In April 2010, after losing his first bid for governor and preparing for his second, McAuliffe traveled to the communist nation for three days as a pro-bono pitchman for Virginia wine and apples. His efforts fell flat, surprising associates who thought his skills as a legendary political fundraiser and deal-maker would translate well.

McAuliffe had more success last fall in his meeting with Cabañas, when he invited the diplomat to visit him in Richmond.

“The governor is a promoter, seven days a week, 24 hours, of everything and anything related to Virginia — from history, to agriculture to culture,” Cabañas said in an interview with The Washington Post, which took place during his lunch with Haymore.

Cabañas has traveled around the country — with the requisite State Department permission, of course — to speak to various groups. But he has done so at the invitation of business groups or mayors. His trip Wednesday was his first as the guest of a governor. He had not dreamed when he accepted that just weeks ahead of his visit, Obama would unfurl a new Cuba policy.

“At that time, we didn't have a clue that could happen,” he said. “But I think that works as an example of, no matter what the obstacles are, if you believe in something, you have to push. And you have to work. . . . You have to look ahead, always thinking about the day after.”

There is hope that Virginia will soon be able to peddle more than soybeans, apples, poultry and pork to the tropical island. Cabañas and Virginia officials also discussed how other products, ranging from information technology to heavy equipment, could eventually be part of the mix. Loosening banking restrictions could also boost sales of the agricultural products that are already permitted but sometimes are out of reach because of requirements that Cuba pay cash for U.S. products.

“Cuba's long been a valued trading partner here in Virginia, and the governor believes we are poised to lead in a new era of economic relations between our country and Cuba,” McAuliffe spokesman Brian Coy said.

In addition to his closed-door meeting with McAuliffe at the governor's mansion, Cabañas met with representatives of the Virginia Farm Bureau, the Greater Richmond Chamber of Commerce and Virginia Commonwealth University's school of business. He also toured the Capitol and lunched at Amuse, a restaurant inside the Virginia Museum of Fine Arts.
