

SPECIAL REPORT



BabunGroup

BabunGroup Consulting, Inc.

CUBA CHANGE NEWS ALERT

EXCLUSIVE NEWS OF POTENTIAL INTEREST TO OUR CLIENTS & FRIENDS

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Fidel Castro Dead or Dying

Babun Group Consulting has learned from a very credible source that the Cuban Government will very soon make an announcement concerning the terminal condition or the recent death of their President Fidel Castro Ruz.

Since the Cuban Government has not already made this announcement, the news must continue to be treated as a rumor. But this event, if true, represents a critical “trigger point” in the anticipated series of events that may begin to unfold that will forever change the country and eventually change the diplomatic relations between the United States and Cuba.

Because of the importance of such an event, we found it necessary to risk publishing this news even if it is indeed a rumor.

What Experts are Saying

During the last 30-days, the following comments were made by various experts on this subject; these are excerpts:

Armando Valladares, former Ambassador to the United Nations on Human Rights

“...even a small spark could ignite a massive rebellion -- not unlike what happened in Romania.”

Mary Murray an NBC News Producer

“Western diplomats in Havana are quietly worried that Castro’s prolonged absence from the national stage would spark a power vacuum and in-fighting. Longtime observers feared that the nation would take to the streets, rejecting the peaceful transfer of power to his brother Raúl and a small hand-picked collective.”

Dr. Jose R. Oro, Senior Consultant at Babun Group Consulting

“... there seems to be a massive amount of “positioning” taking place by the Fidelistas. The rumor is that the sons, daughters, and friends of Fidel’s close supporters are being given high level positions in just about all the ministries. In return, non-family members and ministry business leaders are literally ransacking their industries to protect themselves and their families against the possible piñata that may be coming following Fidel’s death.”

Our Comments/Opinion

Most external observers believe that market incentives as opposed to government planning will have to become a principal force guiding the economy if the nation is to recover from the present economic situation. Cuba's leaders are struggling to find an acceptable balance between much-needed economic development and subsidies to social programs. There is also concern about the need to avoid the chaos that has characterized some Eastern European market reforms.

With Raúl and the military at the helm of the economy, Cuba could be poised to follow a modified Chinese model of liberalization. That means carefully experimenting with market incentives in one of the world's few remaining communist economies, while trying to retain tight political control. It's far from clear that a Raúl Castro government could accomplish a Chinese-style transformation. For one thing, China isn't located just 90 miles from the U.S. and a wealthy community of exiles looking to reshape their home country along American lines. And the military could move to extend monopolistic control -- and opportunities for corruption -- after Fidel's death, squelching any competition. A very important point is Raul analyzing his tenure in the 5 years or less time frame.

The post-Fidel transition is already well under way. Power has been successfully transferred to a new set of leaders, whose priority is to preserve the system while initially permitting only very gradual reform. As the post-Fidel regime responds to pent-up demands for more democratic participation and economic opportunity, Cuba will undoubtedly change.

The question on the table is whether the Cuban government can survive Castro's death -- and in either case, what course Cuba will follow.

The Communist regime, as we have known it, cannot possibly survive Castro's death. To be sure, Fidel's brother Raul will take over leadership; the Cuban Communist Party, the military and intelligence system, and the government ministries will continue to rule. But the regime that Castro created will be dead. It will be dead because Castro will be dead, and whatever survives him cannot be called the same regime. It will have been fundamentally transformed.

We are pessimistic about the regime's ability to survive. Or more precisely, we do not believe that the successor regime -- communism without Fidel -- can hold on for very long without substantial changes.

Cuba Geopolitical Outlook

- Babun Group Consulting (BGC) is known as a business-driven watch group that informs/updates/advises multinationals throughout the world to understand the goings on in Cuba. Our company has substantial expertise in Cuba issues; we often provide independent feasibility analysis and other business consulting and research assignments to multinational corporations. Our company has access to over 40 experts on different industries/expertise related to Cuba.-*Contact us for a full brochure.*
- BGC conducts informal discussions/briefings on Cuba issues with client's staff. The briefing sessions are general and informal business focused (not academia) presentations and discussions regarding current Cuba and US-Cuba subjects. The number and timing of the sessions is at the discretion of the client.-*Contact us for rates.*
- BGC is experienced in preparing reports to help provide a preliminary strategic plan and overview of issues related to a possible economic opening of Cuba to allow the client to conduct business operations in the emerging (future) new market. This "Analysis for Strategic Direction" could be drafted as a "Quick-Response Business Plan" in the event that things suddenly change in Cuba and it becomes permissible to do business in the Island. Our first step is to conduct a confidential meeting to help develop a scope of work at no cost to the potential client; following the scope of work we would determine the cost of such assignment.-*Contact us for an appointment.*

For More information

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BabunGroup Consulting, Inc. is regarded as one of America's largest providers of strategic services related to Cuba. Since 1991, BGC has been engaged by a number of companies who are planning to expand or who for competitive or strategic reasons need to know more about future opportunities in a post-transition Cuba.