Havana and Beijing: A Malign Partnership in the Americas

Testimony Before Homeland Security Committee / Subcommittee Name

United States House of Representatives

May 5, 2025

Andres Martinez-Fernandez Senior Policy Analyst, Latin America Allison Center for Foreign Policy The Heritage Foundation

My name is Andres Martinez-Fernandez. I am the Senior Policy Analyst for Latin America at The Heritage Foundation. The views I express in this testimony are my own and should not be construed as representing any official position of The Heritage Foundation.

Havana's Hostility

Since its inception, the Cuban dictatorship has repeatedly proven itself to be a willing partner and staging ground for anti-American, extra-hemispheric powers. During the Cold War, Cuba was an active partner for the Soviet Union, even hosting Soviet nuclear arms and military forces to target the United States. Much has changed in the U.S. since the end of the Cold War, however unfortunately the same cannot be said of Cuba.

The communist dictatorship in Havana remains as repressive as ever, controlling every major aspect of Cuba's economy and the lives of the Cuban people while denying their basic political freedoms and human rights. Cuba's dictatorship also remains actively hostile to the United States. Havana continues to launch clandestine operations and espionage against the United States in an effort to harm U.S. interests. Indeed, two of the most damaging spies in U.S. history both worked as agents of Havana and were both operating well after the collapse of the Soviet Union. Indeed, Manuel Rocha, who reached the top rungs of the U.S. State Department while acting as a Cuban agent, was only arrested in 2023.ⁱ

Today, Cuba's communist dictatorship also offers itself as a partner for a new extra-hemispheric patron, the China's Communist Party. Analysis of the Center for Strategic International Studies and others have revealed the growing footprint of Chinese intelligence gathering facilities in Cuba to undermine U.S. security. Indeed, China's accelerating espionage partnership with Cuba poses a major threat for U.S. and hemispheric security, bringing together Beijing's resources and technology with Havana's unsurpassed experience in penetrating U.S. agencies and security institutions.

The growth of China's spying footprint in Cuba is indicative of Beijing's broader malign presence and operations in the Americas. Washington should take note and respond to the anti-American alliance between Havana and Beijing is consolidated just 90 miles off the U.S. coast.

China in the Americas

It is no secret that China has aggressively bolstered its presence and influence across the Western Hemisphere in recent years. The principal avenue for Chinese influence in Latin America is undoubtedly economic engagement. Through substantial infrastructure investments, offering market access, attractive financing offers, and more, China has displaced the United States as the primary economic partner in South America and increasingly Central America and the Caribbean.

While economic engagement has led the way for China's regional approach, Beijing's influence has spread quickly into the political and security spheres. Across the hemisphere, China's offering to the region erodes sovereignty and stability while empowering the Chinese government. Indeed, China's economic influence has secured for Beijing important levers of influence in the Western Hemisphere, including expanding strategic control of critical infrastructure while also allowing China to increasingly use its economic power to influence regional policies.

China's strategic focus around dual-use and critical infrastructure in the Americas highlights the intrinsic military and security nature of China's hemispheric encroachment. As Beijing grows increasingly belligerent against Taiwan and U.S. forces in the Indo Pacific, China's is likely to operationalize and militarize its presence and influence in Latin America and the Caribbean against the United States. This includes leveraging dual-use infrastructure such as ports for military purposes.

Chinese infrastructure projects across Latin America and the Caribbean offer Beijing crucial vectors for espionage and disruptive operations in and around the U.S. Control over ports and other infrastructure can even be leveraged to impede the movement of U.S. warships and military resources or directly target U.S. assets.

While some downplay the security threats posed by China's economic presence, Beijing's own actions highlight the operational and even military dimensions of its approach to Latin America and the Caribbean. In Panama, for example, President Trump has highlighted the worrying presence of Chinese controlled infrastructure, including two ports proximate to the Panama Canal. Given U.S. vulnerabilities to potential disruption of the Panama Canal, through which over a third of U.S. container traffic flows, the Trump administration has wisely sought to extract the Chinese presence there.

In March, the Chinese firm CK Hutchinson agreed to sell the ports to the U.S. firm Blackrock, however the Chinese Communist Party stepped in to halt the sale. While the Chinese firm CK Hutchinson determined that the sale of the ports was in its financial interests, Beijing decision to halt the sale shows the Chinese government is clearly has non-economic motivations to its presence in Latin America. Tellingly, Chinese state media had called the sale of the Chinese ports, "tantamount to handing a knife to an opponent." ii

Unfortunately, these vulnerabilities for the U.S. are not limited to Panama. Elsewhere in Latin America and the Caribbean, China has leveraged its influence and investments to secure worrying control over dual-use infrastructure and vital trade arteries with little to no oversight by local governments.

Beijing's Caribbean Strategy

Beijing's inroads in the Caribbean and Central America may be the most concerning aspect of its hemispheric encroachment. Geographic proximity to the United States and around crucial U.S. maritime routes makes the Caribbean of outsized strategic importance for the United States. China appears to recognize this strategic importance given the relative attention and engagement Beijing has given to the region, both economically and politically. As with Pacific Island nations, Beijing appears to seek the consolidation of its influence and presence over strategically important island chains in the Caribbean with the goal of counterbalancing U.S. presence in Asia and empowering China to even destabilize the U.S. through asymmetric means.

In the Caribbean, China is also applying its ample experience at consolidating influence over small island nations with strategic importance for the U.S. Indeed, China's Communist Party has been waging wars of influence in small island nations across the world for years, effectively leveraging a mix of economic engagement, corruption, and subversion to assert its control.ⁱⁱⁱ

Weak institutions and small and stagnant economies in the Caribbean offer easy geopolitical gains for Beijing's influence, an opportunity which the Chinese government has seized upon. In 2018, Trinidad and Tobago opened a new path for Beijing in the Caribbean, becoming the first island country in the world to join China's Belt and Road Initiative. Today, over half of CARICOM member states are signatories to the Belt and Road Initiative and China's economic engagement with the Caribbean has seen dramatic growth.

As of 2023, Chinese investments in the Caribbean have surpassed \$30 billion, with a broad presence across multiple industries, particularly infrastructure. In some parts of the Caribbean, Chinese investments come to dominate sectors, reflecting Beijing's long-term predatory approach. Indeed, much of China's investments in the Caribbean are dubious business propositions for any traditional lender or firm. However, Beijing's political impetus pushes these investments forward, again revealing their geopolitical and strategic nature.

While returns on investment may be lacking for China's Caribbean investments, they have bought important influence for Beijing, as well as control over infrastructure such as maritime ports and special economic zones with little to no local oversight.

China's broader influence has also allowed it to expand its regional intelligence gathering capacities beyond Cuba, including in the democratic Caribbean nations. Indeed, Beijing's has even secured

unusually sprawling embassies in the Caribbean, such as in Antigua, the Bahamas, and elsewhere, with cites that are widely considered to be active intelligence centers for China. vi

A Path Forward for the U.S.

The approach of China in the Americas highlights a set of worry strategic goals that regional governments fail to recognize and that even the U.S. has failed to fully appreciate. The Trump Administration has clearly prioritized addressing these hemispheric vulnerabilities posed by China and its partnership with the Cuban dictatorship, among other actors. Secretary of State Marco Rubio has wisely prioritized engagement with the Caribbean, traveling twice already to the region. Concerted political and economic engagement such as this is a crucial element of confronting the hemispheric threat posed by Beijing and Havana.

Conditioning economic engagement and investment on regional cooperation to limit malign Chinese influence, for examples, should help guide this renewed hemispheric engagement. At the same time, the United States can and should bolster its security partnerships and capacities in the Caribbean and more broadly across the Americas in order to mitigate risks posed to vital infrastructure and other vulnerabilities. To this end, Department of Homeland Security partnerships that increase local oversight capacities and oversight over port facilities and similar infrastructure should be prioritized.

At the same time, the U.S. should leverage its underappreciated territorial presence in the Caribbean. U.S. territories, particularly including Puerto Rico, can be better used to counterbalance Chinese and Cuban malign activities in the Caribbean. Bolstering the U.S. Coast Guard presence and capacities in Puerto Rico, for example, will support U.S. security in the broader Caribbean region amid these growing threats. At the same time, U.S. territories can be force multipliers in bolstering economic engagement in the Caribbean through targeted measures that offset regional dependence on China.

Confronting China's hemispheric encroachment poses a substantial challenge for the United States. However, by recognizing the importance of U.S. engagement and defending U.S. interests, the Trump Administration is already making substantial shift toward protecting U.S. national security in our hemisphere.

* * * * * * * * * * * * * * * * * * *

The Heritage Foundation is a public policy, research, and educational organization recognized as exempt under section 501(c)(3) of the Internal Revenue Code. It is privately supported and receives no funds from any government at any level, nor does it perform any government or other contract work.

The Heritage Foundation is the most broadly supported think tank in the United States. During 2023, it had hundreds of thousands of individual, foundation, and corporate supporters representing

every state in the U.S. Its 2023 operating income came from the following sources:

Individuals 82%

Foundations 14%

Corporations 1%

Program revenue and other income 3%

The top five corporate givers provided The Heritage Foundation with 1% of its 2023 income. The Heritage Foundation's books are audited annually by the national accounting firm of RSM US, LLP.

Members of The Heritage Foundation staff testify as individuals discussing their own independent research. The views expressed are their own and do not reflect an institutional position of The Heritage Foundation or its board of trustees.

ⁱ Martínez-Fernández, Andrés. "Cuba Spy Scandal Reveals U.S. Vulnerabilities." *The Heritage Foundation*, 9 Apr. 2024, https://www.heritage.org/americas/commentary/cuba-spy-scandal-reveals-us-vulnerabilities.

ii Jackson, Lewis, and Jenny Su. "Chinese State Media Blasts CK Hutchison's Panama Port Deal in Soon-Deleted Post." *Reuters*, 29 Mar. 2025, https://www.reuters.com/markets/deals/chinese-state-media-likens-ck-hutchison-panama-port-deal-handing-knife-opponent-2025-03-29/.

iii Harding, Andrew. "Time to Act: Strategic Benefits of Funding the Compacts of Free Association (COFA)." *The Heritage Foundation*, 2024, https://www.heritage.org/china/report/time-act-strategic-benefits-funding-the-compacts-free-association-cofa.

iv Hernández, Carlos. "China in the Caribbean: A Two-Faced Dragon." *Diálogo Americas*, 4 Apr. 2025, https://dialogo-americas.com/articles/china-in-the-caribbean-two-faced-dragona8/

^v Baker, Peter. "U.S. Warned That the Caribbean Is Becoming a 'Chinese Lake'." *Newsweek*, 2 May 2025, https://www.newsweek.com/us-warned-caribbean-becoming-chinese-lake-2041296.

vi Baker, Peter. "China's Growing Influence in the Caribbean: A Challenge for the U.S." *Newsweek*, 3 May 2024, https://www.newsweek.com/2024/05/03/china-caribbean-united-states-antigua-belt-road-diplomacy-debt-chinese-xi-jinping-rivalry-1891668.html