

If U.S.-Cuba Relations Improve, America Would Gain More Than Cigars

For Americans, Cuba is often treated as a symbol before it is considered a market. In the U.S. imagination, the island still arrives through familiar emblems—vintage cars, revolutionary iconography, rum and cigars—while the economic question remains oddly abstract. That is a mistake. If relations were to improve, the United States would gain more than access to celebrated products. It would gain a nearby outlet for lawful trade, new openings in tourism and hospitality, and a more coherent economic relationship with a neighbor whose best-known exports remain globally desirable even as its domestic economy struggles to sustain them.

The first gain would be commercial clarity. Cuban rum and cigars occupy an odd place in the American market: culturally familiar, commercially absent. U.S. sanctions still bar the normal import of Cuban-origin alcohol and tobacco into the country, leaving some of Cuba's most recognizable products excluded from lawful mainstream trade. A more normal relationship would do more than satisfy curiosity. It would create openings for importers, specialty retailers, hotels, restaurants, and travel businesses to participate in a premium market only 90 miles from Florida.

The benefits would not end at the humidor. Better relations could also strengthen travel, hospitality, and services on both sides of the Florida Straits. Airlines, cruise operators, hotel groups, restaurateurs, and event businesses would all find new commercial openings in a more permissive framework. A lawful market in Cuban rum and cigars would not be confined to boutique

consumption; it would spill outward into bars, resorts, tourism packages, and specialist retail, linking a symbolic product to a broader service economy.

None of this would make Cuba an easy commercial partner. The island's economy remains weak: tourism has fallen sharply in 2026, blackouts are routine, and the industrial base behind premium exports is under strain. Cuba's rum business still depends on a diminished sugar sector, while its cigar industry, though profitable abroad, operates in a fragile domestic setting. That reality is the strongest objection to any case for normalization. But it is also an argument for realism. Better relations with Washington would offer opportunity, not instant transformation, and the point of a more functional relationship would be to reduce distortion rather than pretend away the island's weaknesses.

Yet policy is moving in the opposite direction. In May 2026, the Trump administration issued Executive Order 14404 and followed it with additional sanctions designations, expanding pressure on Cuba and increasing commercial risk rather than reducing it. That may satisfy a familiar hard-line instinct in American politics. It does little to answer the more practical question of what the United States stands to gain from a more functional relationship with its island neighbor. The answer is straightforwardly economic: lawful access to an adjacent market, new opportunities in tourism and premium retail, and less symbolism in place of commerce.

For the United States, then, a better relationship with Cuba would mean more than nostalgia and more than cigars. It would mean lawful trade where there is now fascination, commercial opportunity where there is now

political theatre, and a more rational economic relationship with a nearby country whose best-known exports still command global demand. Cuba's problems are real. But so is the cost of preferring symbolism to strategy.

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