



UNCLASSIFIED//AOR SOUTHCOM, CUBA

Cuba's Regime Opens Negotiations with the Trump To Stabilize the Economy

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The Cuban communist regime under President Miguel Díaz-Canel faces severe near-term instability from a U.S.-imposed oil blockade—intensified after the U.S. capture of Venezuelan leader Nicolás Maduro in January 2026 and reinforced by threats of tariffs on potential suppliers. This has triggered prolonged nationwide blackouts, depleted fuel reserves, and deepened the economic crisis. Havana publicly confirmed negotiations with the Trump administration on March 13, 2026, describing them as in the "first phase" to address bilateral differences. The White House has expressed optimism that a deal "would be very easily made," with Secretary of State Marco Rubio playing a prominent role. However, U.S. pressure includes calls for leadership change, though Cuban officials have categorically rejected any negotiation over their political system or President Díaz-Canel's position. Stalled or limited talks risk escalating protests, blackouts, and migration pressures, though a controlled transition or incremental concessions by late 2026 remains possible without fully dismantling the Communist structure

- Cuba has received **no fuel imports** for over three months (as of mid-March 2026), following the tightened U.S. blockade. Diesel and fuel-oil reserves are critically low, leaving the national electricity grid "increasingly unstable" and causing repeated blackouts affecting millions, sometimes lasting 20–40+ hours in parts of the country. President Díaz-Canel confirmed this in his March 13 national address and subsequent statements, noting impacts on thermoelectric plants, peak-hour generation, and essential services like water, transportation, and healthcare.
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- On March 13, 2026, Díaz-Canel publicly acknowledged that "Cuban officials have recently held talks with representatives of the United States government" in their initial phase to establish an

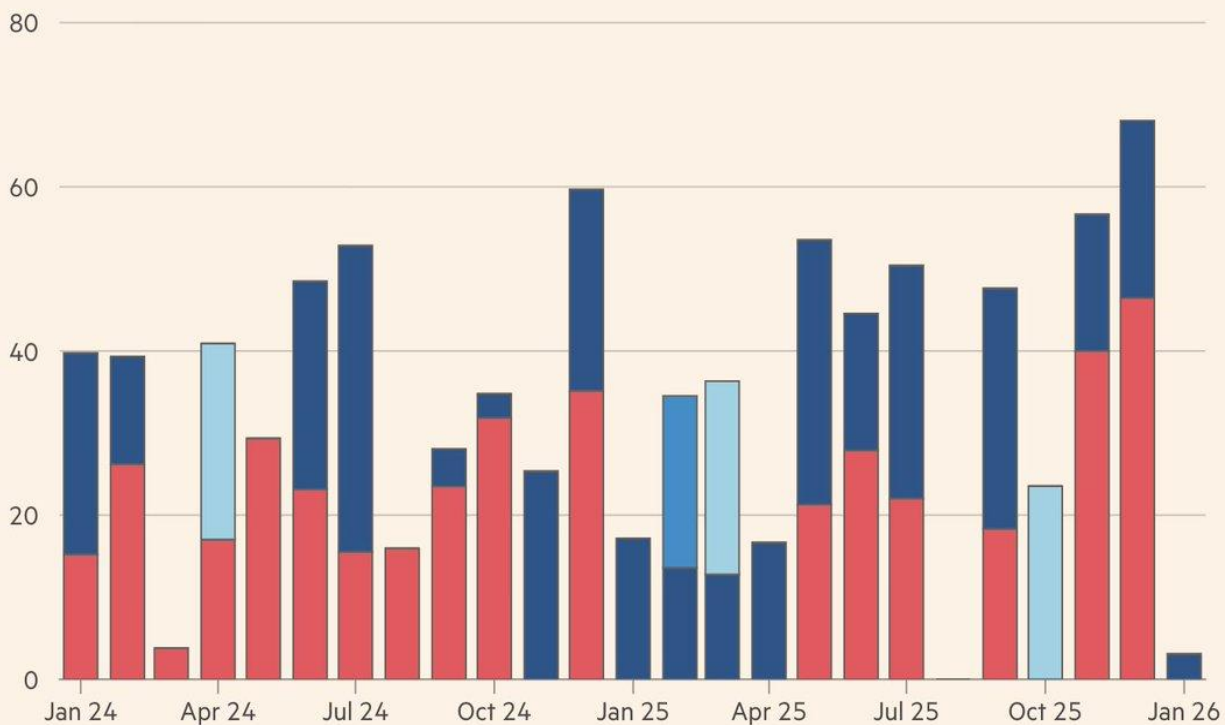
agenda. He emphasized that talks must respect "sovereignty and self-determination" and occur on the basis of equality regarding both countries' political systems. Raúl Castro is reportedly involved on the Cuban side. The White House and Trump have signaled optimism, with Trump stating Cuba "wants to make a deal" and predicting the regime could "fall pretty soon" or allow a "friendly takeover."

- Reports suggest U.S. negotiators have signaled that meaningful progress requires leadership changes (viewing Díaz-Canel as an obstacle to reforms), though Cuban Vice Foreign Minister Carlos Fernandez de Cossio has "categorically" rejected this, stating neither the political system nor any officials are subject to negotiation. Any deal would likely focus on economic/trade issues while leaving core Communist Party and military control intact.

Cuban oil imports have dried up

Monthly oil imports ('000 barrels per day), by origin country

Venezuela Mexico Russia Algeria



FINANCIAL TIMES

Source: Kpler

Havana Offers Concessions to Preserve the Regime

Cuba has extended limited goodwill gestures, including prisoner releases coordinated with the Vatican, and signaled openness to diaspora investment to build confidence and ease pressure. However, the regime's entrenched military and Communist Party control— with Raúl Castro remaining influential— suggests any agreement will yield only incremental reforms and partial sanction relief rather than systemic democratization. This could provide short-term stabilization but risks failing to address underlying hardships if U.S. leverage persists.

- As a confidence-building measure, Cuba announced the release of 51 prisoners (coordinated via Vatican channels) in the days surrounding the March 13 talks announcement. The government framed it as a "sovereign decision" tied to good conduct and relations with the Vatican, not direct U.S. negotiations. Havana is also exploring rules allowing greater investment by Cuban nationals abroad, including those in the U.S. Díaz-Canel has insisted negotiations must reject coercion.
- President Trump has repeatedly predicted the regime will "fall pretty soon," referenced a possible "friendly takeover," and stated Cuba "wants to make a deal" amid the oil cutoff. The strategy echoes pressure on Venezuela. Analysts note risks of increased migration, nightly "cacerolazo" protests, and occasional unrest (including attacks on party offices) if talks falter. A potential Russian oil shipment is reportedly in the works but uncertain due to blockade enforcement.
- Cuban officials and some analysts assess a leadership change (Díaz-Canel's potential removal as a "fuse") could preserve broader institutional stability under the Castro framework, with betting markets and experts giving high odds of transition by end-2026. However, Cuba rejects external dictation, and full regime collapse remains unlikely in the near term despite acute pressures. Raúl Castro's continued influence underscores elite cohesion priorities.

Conclusion

The interplay of acute energy deprivation, nationwide blackouts, and U.S. demands for economic and potential leadership shifts has placed the Cuban regime at a critical inflection point. Negotiations offer a pathway to partial stabilization through targeted concessions, possible leadership adjustments, and limited reforms, potentially easing immediate crisis pressures while preserving core regime elements. Persistent domestic hardships, protests, and U.S. leverage nonetheless raise the probability of escalated unrest or accelerated migration if talks stall or deliver insufficient relief.



Tal Shiar was founded by Nadeem Iqbal, a national security expert who served over 16 years as an intelligence officer for the Department of Defense from 2006-2022. His career began as a counter-insurgency analyst on the Afghanistan-Pakistan Task Force (2006–2013), followed by 9 years as a military analyst in the Syria Branch (2013–2022). He deployed five times in support of combat operations (3× Afghanistan, 2× Iraq), including two rotations with

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