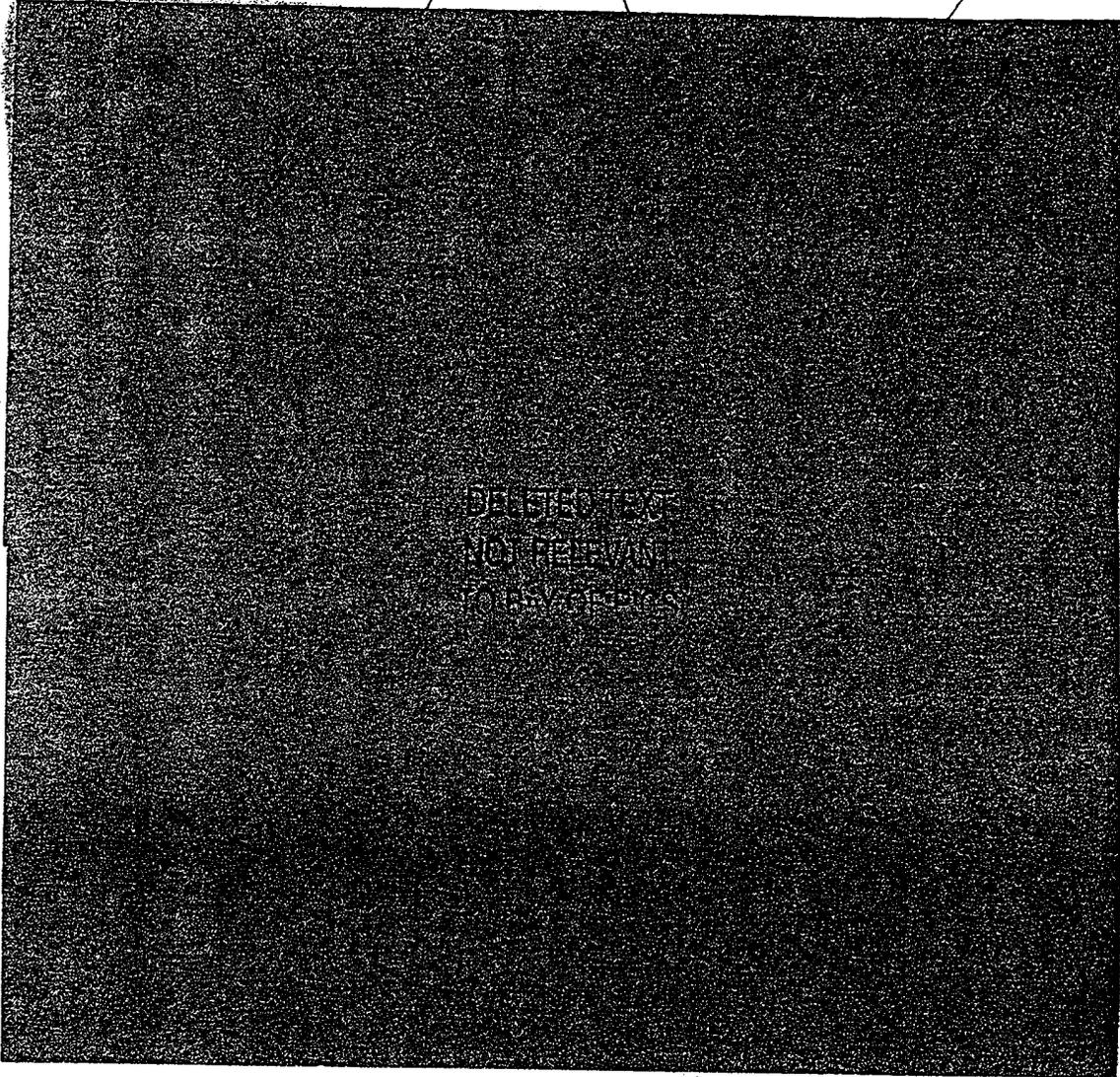


3 November 1960



DEVELOPMENT
NOT RELEVANT
FOR ANALYSIS

CUBAN DEVELOPMENTS

Che Guevara, pro-Communist head of Cuba's banking system who is probably the chief architect of the country's extreme economic policies, arrived on 29 October in Moscow, the second stop on his mission to five Sino-Soviet bloc countries. In Prague, he signed an agreement increasing Czechoslovakia's original \$20,000,-

000 credit to Cuba to \$40,000,-000 and negotiated details for the coming year of a general trade agreement signed last June.

The expanded Czech credit is reported in the Cuban press to be for the purpose of "re-activating" Cuba's automotive industry and is to be used to assemble in Cuba Czech tractors,



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motorcycles, and stationary engines, and eventually trucks and automobiles. Guevara may also have made arrangements to pay the Czechs for the military equipment Cuba has received and for the current training of Cuban Air Force personnel in Czechoslovakia.

In Moscow, Guevara is reported to be negotiating with Mikoyan, presumably on the details of Cuban-Soviet trade for 1961, and he may attempt to increase the \$100,000,000 Soviet credit negotiated last February. Thus far there is no indication that Cuba has secured promises in the bloc for the purchase of more than the approximately 40 percent of Cuba's sugar exports which the bloc is already committed to buy.

Guevara is scheduled to go next to Peiping, presumably for negotiations similar to those in Moscow. Cuba's trade and technical assistance agreements with Communist China were signed last July. Guevara is to travel from Peiping to North Korea, where trade and cooperation agreements are expected to be concluded. Guevara's last stop is to be in East Germany; he signed a one-year agreement last March with the East German State Bank and will probably seek an extension during the visit.

There is no indication that Guevara intends at this time to travel to the other bloc countries--Poland, Hungary, Rumania, and Bulgaria--that have concluded trade agreements with the Castro regime.

[REDACTED]

the imminent establishment of diplomatic relations between Cuba and North Vietnam. The

[REDACTED]

Cuban Foreign Ministry [REDACTED]

[REDACTED] to seek the approval of the North Vietnamese Government for a joint communiqué announcing such a move. Havana suggested that the communiqué be made public on 15 November. At present, Guinea is the only nonbloc nation to which a North Vietnamese ambassador is accredited. Hanoi will view establishment of its first diplomatic post in the western hemisphere as a major breakthrough in its campaign for greater international acceptance.

North Vietnam has little to offer Cuba economically, and the establishment of diplomatic relations with that satellite is important chiefly as a further move by Cuba toward solidarity with the Sino-Soviet bloc. Cuba already has diplomatic relations with all other bloc countries but Albania, Mongolia, and East Germany, and diplomatic recognition of the last may be imminent.

The American naval attaché has received a report that 25 Czech technicians are in Cuba assisting the Cuban military on the weapons already delivered from the Soviet bloc. The total number of such technicians probably will eventually reach a much higher figure, and more military equipment probably will be sent to Cuba. Further units of the Cuban civilian militia are believed to have been issued Soviet bloc arms during the week of 30 October.

Meanwhile, in his interview with Cuban journalists on 22 October--not released by TASS until the 28th, when Cuban charges of an imminent invasion were reaching a peak--Khrushchev again showed his reluctance to be drawn into too precise a reiteration or elaboration of his 9 July rocket

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threat. In a reply to a request to comment on statements that the warning was purely symbolic, he said he "would like such statements to be really symbolic." For this, he added, it is essential that "imperialists' threat of intervention" not materialize. "Then there will be no need to test the reality of our statement...."

Although the Soviet press has maintained a large volume of comment on alleged US plans for an invasion of Cuba, it has relied heavily on citations from foreign press accounts and avoided official commentary. The US Embassy in Moscow suggests this may reflect a wish not to arouse the Soviet public unduly.

On the domestic scene, the Castro regime has put the country on a virtual war footing in anticipation of what the government repeatedly charges are plans for an imminent invasion of Cuba by US-supported "counterrevolutionary" elements. On 30 October, the national directorate of the Cuban militia called on all male militiamen in the Havana area to assemble at designated points as part of a "national mobilization" to meet the invaders. Some militia units were sent from the Havana area to other points in the country, and assemblies of militiamen took place in many parts of the island. On 1 November, radio stations in the capital urged Cubans to donate blood for "the casualties of a possible imperialist invasion."

Antiaircraft batteries have been installed in coastal areas and on the Isle of Pines.

[REDACTED] Cuban army and navy units were placed on varying degrees of alert. Chiefs of the army, navy, and air force ordered situation reports every three hours, and air and naval patrols were instituted in various areas. Stations of the internal military communications network were ordered on 24-hour duty. Reconnaissance flights were made on 27 and 28 October from Cuba over the Swan Islands and the Guatemalan Caribbean coast--areas where the "invasion" forces are allegedly being assembled.

Cuban propaganda on 2 November suggested that the next tactic of the regime will be to claim that the "imperialist--supported invasion forces" were frightened off from making their attack by the Cuban preparations. However, a leading member of the underground opposition movement within Cuba reported on 27 October that the Castro regime is planning to stage a bombing attack itself on certain Cuban targets with Cuban planes marked with Guatemalan insignia. This "attack" would be used to support Cuban propaganda at home and to "prove" its charges against the United States now being discussed at the United Nations.

A possible indication of future Cuban tactics with respect to the US Naval Base at Guantanamo Bay came in an interview given by Fidel Castro to a UAR newsman. He is quoted as saying that Cubans are not such "idiots" as to try to seize the base by force. Instead, Cuba will demand through the United Nations that the base be evacuated.