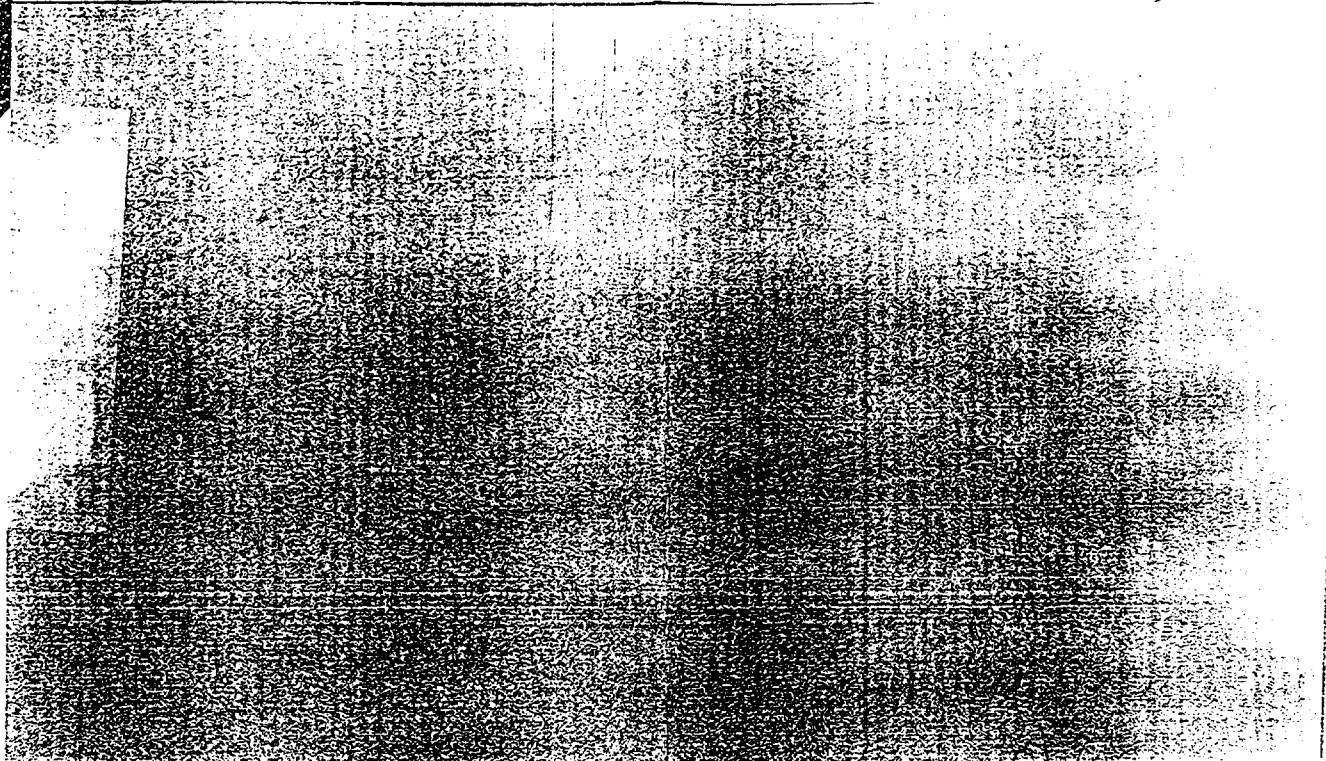


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LATIN AMERICA

9. Castro's Chief Economic Planner Outlines Plans for Trade and Industrial Controls: Major "Che" Guevara is reported to have told Cuban Chamber of Commerce representatives that the National Institute of Agrarian Reform (INRA) will import all goods into Cuba and will have 51-percent participation in all industries. He reportedly said INRA will also operate industries which have received government loans. In one instance INRA has already acquired 51 percent of a company's stock, with no evident intention of paying for it.

Guevara, who strongly influences the Cuban foreign policy, army, and other government activities in addition to his economic control through INRA and as head of the National Bank, also predicted an economic bombshell in the immediate future. He said it would solve all Cuba's financial problems and, when publicly announced by Fidel Castro, would cause the Cuban Government to be called "super-Communist."

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Past references by Guevara and Castro to plans for drastic measures have usually been followed by swift implementation. Thus far INRA's "state trading agency" functions have been chiefly in agricultural products, but the National Bank's stringent controls have already seriously limited imports of all kinds. Industrial activities on the part of the institute will probably be more difficult, especially in view of the lack of trained technicians, which is proving one of the Castro government's biggest problems. There is speculation that the "bombshell" might be an attempt to market Cuban sugar in violation of international agreements or acceptance of large-scale financial assistance from the USSR.

[REDACTED]

10. Cuban Minister Calls Castro a Dictator: According to a usually reliable source, Minister of Treasury Rufo Lopez Fresquet, who at one time was thought to have a moderating influence on Castro's economic policies, says that he now has little control over his ministry and that other cabinet members have no authority either. Lopez added that his monthly task is to give the Agrarian Reform Institute five million dollars cash, for which he receives no accounting. Despite his disillusionment, Lopez says he does not plan to resign and suggested that he might be valuable in solving the Cuban situation through an "understanding" with high US officials.

According to another report, Lopez' recent heavy drinking and his insistent defense of Castro's government have already led his once-close associate Justo Carillo to break with him; Carillo, a high Cuban economic official, resigned and came to the United States on 26 January. Both men were leaders of a small group of anti-Batista professionals who provided Castro's revolt with valuable assistance. They are believed to have retained close contacts with other moderates like Felipe Pazos and Colonel Ramon Barquin who have either resigned or been demoted to minor foreign posts since Raul Castro and "Che" Guevara assumed stronger control in the Cuban Government.

As long as he remains in the cabinet, Lopez' familiarity with these groups could be a handicap to any opposition activities they might plan.

[REDACTED]