

CIA HISTORICAL REVIEW PROGRAM 7 July 1960

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CUBA

The Castro regime will probably be faced with petroleum shortages during the next month. By then, the Soviet bloc can, if it wishes, satisfy all Cuban petroleum requirements. Soviet petroleum products already contracted for amount to only about a quarter of Cuba's annual needs. Shipments noted [REDACTED]

[REDACTED] to be en route from the Soviet Union for delivery during July amount to only about half Cuba's normal monthly requirements.

The Soviet Union has been chartering free-world tankers to carry Soviet oil on runs to Western Europe and the Far East in order to free more of its own tankers for service to Cuba.

The regime's reactions to the cut in its sugar quota were bitter and provocative, as predicted. Late on 5 July the cabinet authorized the seizure of all American-owned properties in Cuba, "when deemed necessary in the national interest." This is consistent with Castro's earlier threat to take everything "down to the nails in their shoes" from Americans in Cuba if Cuba's sugar quota in the US market were cut. In his 6 July speech, Castro called the cut in Cuba's sugar quota a "stupid and decadent" act and said the US is taking advantage of Cuba's backwardness, "for which it is responsible."

The Communist-controlled Cuban Labor Confederation has called for a rally of "a million and a half" on 10 July to protest the "aggression of the imperialist and pro-Nazi US Government." Castro may well use a scheduled speech on 8 July or the rally to announce the seizure of further American properties. Conrado Becquer,

leader of the powerful sugar workers' federation, has ordered union members to prepare to seize the 31 sugar mills owned by Americans. Anti-US fervor is being whipped up to such a pitch that there is danger of violence against Americans and their properties.

Raul Castro told the Czech press that it no longer would be a disaster for Cuba if the United States stops buying Cuban sugar, since now "we have the help of the Soviet Union and other socialist countries. We have learned who our real friends are." He has been in Czechoslovakia since 26 June on a mission that probably involves efforts to obtain military equipment. The regime's moves to obtain arms in Western Europe also continue, and [REDACTED]

[REDACTED] a shipment of ammunition purchased in Belgium is now en route to Cuba.

Meanwhile, there are further indications that Foreign Minister Raul Roa may shortly be replaced by pro-Communist Carlos Olivares. Roa has remained out of the limelight in recent weeks, while Olivares, appointed under secretary on 17 June, has been assuming an increasing share of responsibility in the ministry.

Olivares, a member of Raul Castro's clique, has been a leading organizer for the Castro-sponsored Latin American Youth Congress which is scheduled to open in Havana on 26 July and which appears certain to be dominated by the Communists. Olivares' appointment as foreign minister would mean increased Communist influence over Cuba's foreign policy.

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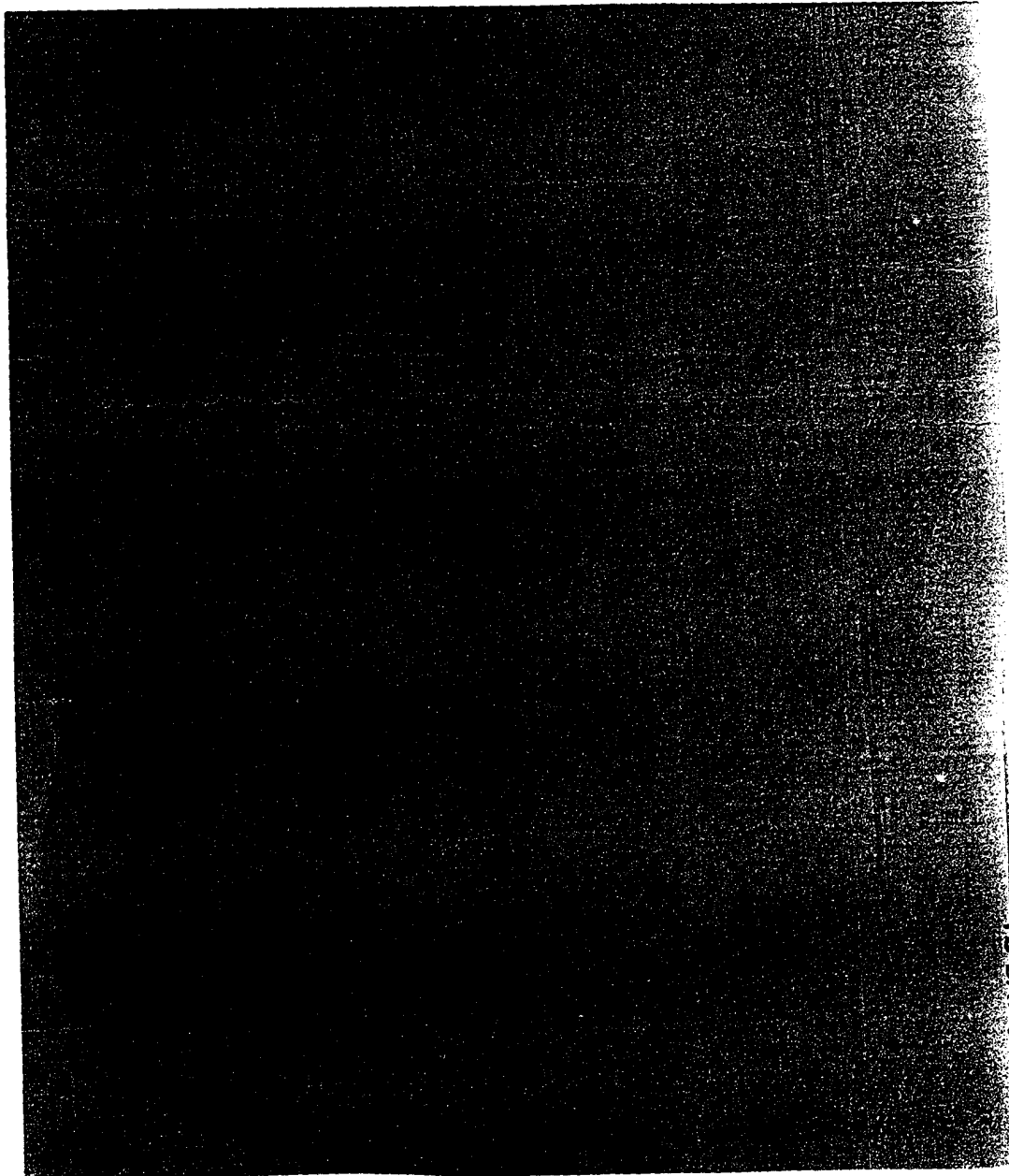
CURRENT INTELLIGENCE WEEKLY REVIEW

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An American businessman just returned from a trip to Cuba reports that by next October the National Bank of Cuba will declare a moratorium, canceling all debts, internal as well as foreign. Whether or

not this report is true, it is indicative of the kind of reports being circulated among businessmen in Cuba and which are leading many of them to drastic retrenchment. [REDACTED]

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NOT RELEVANT  
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[REDACTED]

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