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*National Intelligence Estimate*

# Cuba: The Outlook for Castro and Beyond (C NF)

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## **Cuba: The Outlook for Castro and Beyond (C NF)**

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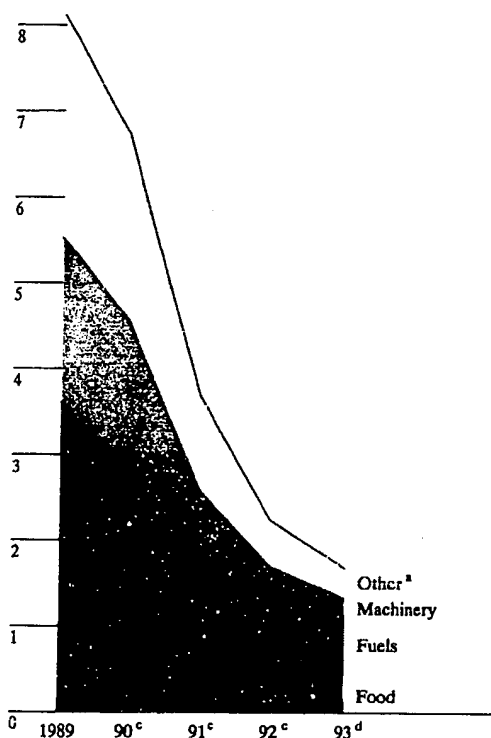
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**Figure 1**  
**Composition of Cuban Trade, 1989-93**

**Total Imports**

Billion US \$

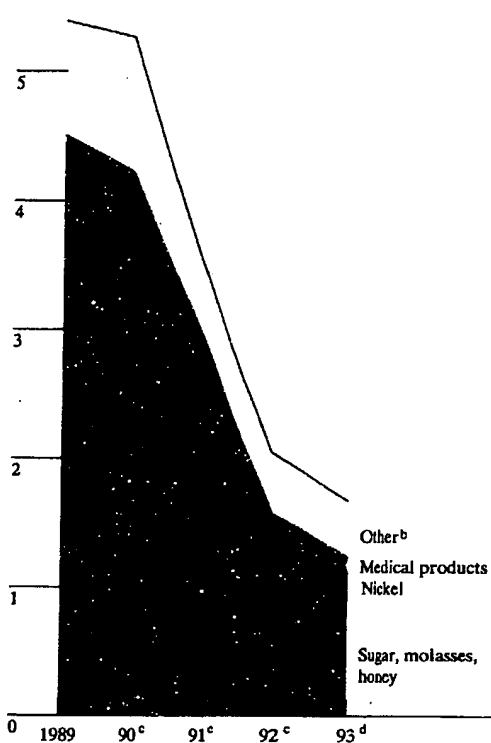
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**Total Exports**

Billion US \$

6



<sup>a</sup> Other includes raw material, chemical products, semifinished goods, transport equipment, and consumer goods.

<sup>b</sup> Other includes fish, tobacco, fruit, coffee and cocoa, and fuels.

<sup>c</sup> Estimated from official data from Cuba's trade partners.

<sup>d</sup> Projected from partial data on trade volumes and values.

Sources: Anuario Estadístico de Cuba 1989, official data from Cuba's trade partners.

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## Key Judgments

Tensions and uncertainties in Cuba are so acute that significant miscalculations by Castro, a deterioration of his health, or plotting in the military could provoke regime-threatening instability at virtually any time. There is a better than even chance that Fidel Castro's government will fall within the next few years. (S NF)

### *Underlying Premises*

*These judgments are based on the following underlying premises:*

- *Fidel Castro will not voluntarily relinquish power.*
- *The Cuban economy will not benefit from some domestic economic bonanza, such as discovery of a large oil deposit.*
- *There is a direct correlation between severe economic deprivation and political instability. (S NF)*

Regardless of when and how such developments occur, US interests will be challenged in complex and possibly unprecedented ways. Almost all succession scenarios are likely to entail substantial and possibly protracted instability and large-scale emigration to the United States, while generating demands for US involvement. (S NF)

The demise of Castro's government will be the signal event in what is likely to be a lengthy and conflictive process of national reconciliation among pro- and anti-Castro elements on the island and the Cuban diaspora. The new era will be marred by retributory and other violence. (S NF)

New Cuban leaders will be poorly prepared to deal with the extraordinary economic and social problems they will face. In particular, tensions will be high between stalwarts of the ancien regime committed to maintaining a high degree of statism and reformers attracted to free market models. (S NF)

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With few exceptions, exile political leaders are likely to find scant support on the island and will probably be greeted with suspicion and hostility if they are perceived as trying to seize control. Demands by exiles to purge Castro-era officials, or to put some on trial, would arouse fierce opposition. Similarly, exile efforts to recover properties seized in the 1960s would be highly contentious. (S NF)

#### **Devastating Economic Decline**

Cuba's economy has contracted by more than 40 percent since 1989 and will probably continue to decline. Virtually without foreign subsidies, credits, or assistance, Cuba faces severe fuel, food, and other shortages. (S NF)

But, even with the survival of his regime at stake, Castro remains rigid in his hatred of capitalism, rejection of meaningful political reform and large-scale private enterprise, insistence that Cuba not be overwhelmed by US culture and economic power, and loathing of the dominant groups and attitudes in the exile community. (S NF)

His strategy for survival hinges on (1) implementing limited economic reforms to ameliorate internal dissatisfaction and attract hard currency; (2) seeking accommodation with the United States to win relief from the embargo; and (3) controlling dissidents, critics, and potential opponents on the island. Castro retains considerable strengths, especially the loyalty of the military and security services. (S NF)

But, as economic conditions deteriorate, antiregime violence—which thus far has been rare—is likely to increase. A large uprising would prompt Castro to devote whatever force necessary to repress it, even at the risk of a bloodbath. If public disorder continued to spread he would have to call upon the military, whose willingness to carry out the order would be questionable. (S NF)

In general, military units are not trained for riot control and have never been used against civilians. Many military personnel probably would desert if ordered to fire on civilians, and some might oppose the regime. In such circumstances, a unit or units probably would turn on the government and forces still loyal to it. (S NF)

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Serious instability in Cuba will have an immediate impact on the United States:

- From 20,000 to 80,000 Cubans would be able to flee on small craft available in Cuba, and larger numbers would leave if boats arrived from the United States.
- Pressures for urgent humanitarian rescue efforts at sea would be intense.
- Pressure would also increase for US or international intervention in Cuba, especially if a large number of exiles became involved there.  
(S NF)

If he believed that his or his regime's survival were imminently threatened, Castro might try to provoke an incident with the United States in an attempt to arouse nationalist fervor and deflect popular hostility from himself. (S NF)

Finally, if faced with the certainty of his fall, Castro might lash out against the United States. It is remotely possible he could order an air attack on an installation on the US mainland, the military occupation of Guantanamo, or terrorist attacks. (S NF)

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## Discussion

Even with the survival of his regime at stake, Fidel Castro remains rigid in his hatred of capitalism, rejection of meaningful political reforms and large-scale private enterprise, insistence that Cuba not be overwhelmed by US culture and economic power, and loathing of the dominant groups and attitudes in the Cuban exile community. (S NF)

As a result of the loss of more than \$4 billion in annual Soviet and other Communist subsidies, economic activity—which fell by about 35 percent between 1989 and 1992—is likely to contract by another 10 percent this year. And, if Castro manages to retain power, and leaves present policies essentially unchanged, the economy will probably continue declining through 1996, the period treated in this Estimate. (S)

The impact on the population already has been devastating. Food shortages and distribution problems have caused malnutrition and disease, and the difficulties of subsisting will intensify. Public health, sanitation, and other services will further deteriorate, additional factories will be idled (more than half already have curtailed production), and those unemployed or underemployed will rise above the current 50 percent of the labor force. Severe shortages of fuel, now causing daily blackouts of up to 10 to 16 hours in Havana, and the virtual collapse of public transportation, will persist and possibly worsen. (C)

Largely because this year's sugar harvest of 4.3 million metric tons is the smallest in 30 years, total export revenues will fall to about \$1.6 billion. There is little chance, moreover, that they will surpass \$2 billion annually through 1996:

- Exports of sugar will be constrained by the lack of fertilizers and herbicides, the decrepitude of mills and equipment, and mounting transportation problems.
- Earnings from nickel and other traditional exports are unlikely to rise much above the levels of recent years.
- Nontraditional exports, such as biomedical products, have only marginal prospects. (C)

Hard currency inflows from other sources will not offset declining export earnings:

- Gross revenues from tourism will rise from \$380 million last year to nearly \$450 million in 1993, but net income may be only about half that because of the high operating costs.
- Foreign investment, mostly in tourism, totaled about \$100 million annually between 1990 and 1992 and seems likely to rise to \$200 million this year.



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- If implemented soon, expected policy changes to increase remittance income and facilitate visits by Cuban exiles could generate several hundred million dollars by the end of this year. (C)

Foreign economic assistance is unlikely to exceed about \$200 million annually. Russia is providing construction credits of \$380 million, spread over several years. Although Moscow denies giving Cuba any trade subsidy, preliminary trade data for 1993 indicate a \$50-100 million balance in Havana's favor. Spain, Cuba's only other significant benefactor, has extended a credit of \$40 million for food purchases. But substantial new credits are unlikely because debt to Western creditors of more than \$7 billion has been in arrears since the mid-1980s. Beijing rebuffed Cuban entreaties for aid this year, and Castro has also been stymied in efforts to attract \$200 million in Western financing to complete the nuclear power plant at Juragua. (S NF)

As a result of these financial constraints, imports—which declined by nearly 75 percent between 1989 and 1992—will fall another 20 to 25 percent this year. With food and petroleum constituting nearly two-thirds of import spending, only several hundred million dollars will be available for all other purchases abroad. Sharply curtailed imports of industrial spare parts, machinery, and equipment; transportation goods; agricultural inputs; and other critical commodities will further undermine the prospects for economic recovery. And, even if Castro attracted another \$1 billion annually—through Cuban exile remittances, for example—expanded imports of food, petroleum, and other critically needed goods would not reverse Cuba's economic decline. (C)

#### Castro's Survival Strategy

As pressures mount, Castro will pursue his survival strategy, which emphasizes three key elements:

- Implementing limited economic reforms to ameliorate internal dissatisfaction and attract foreign economic relief.
- Seeking accommodation with the United States to win an easing or lifting of the economic embargo.
- Intimidating, harassing, exiling, and, when necessary, repressing dissidents, critics, and potential opponents. (S)

He will also seek to retain the support of the Cuban public by portraying US policy as hostile and driven by an exile community determined to reclaim lost properties, seize power, and undo the social gains of his regime. At the same time, by allowing increased family visits he hopes to earn additional hard currency while sowing divisions in the exile community. He will also try to preserve the illusion that he alone can rule Cuba and defend its interests. (S NF)

Castro will remain a largely unitary decisionmaker. Although he relies on younger officials, especially in economic affairs, none appears willing to push credible alternative views, as respected officials did in the past. Few of Castro's subordinates from the early years retain top civilian posts, while many others have been disgraced or retired. Even his younger brother Raul, Minister of the Revolutionary Armed Forces, would intervene only if Fidel Castro were in steep physical or mental decline. Despite a few vague and qualified hints that he might consider retiring, we believe Fidel Castro will not voluntarily relinquish power. (S NF)

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his regime. By overreacting with excessive force to antiregime demonstrations or civil unrest or by underreacting and allowing disturbances to spread, Castro would provoke more serious challenges to his authority. Thus, his continued good health and the constancy of his leadership will be the critical variables affecting the survival of his regime. (C NF)

#### Feeding the Trojan Horse

The greatest potential for serious error lies in the implementation of economic reforms:

- With living standards plunging, Cuban leaders have acknowledged that no end of the hardships is in sight, and many recognize that significant economic reform is essential.

But profound changes, like those implemented in the Soviet Union and other former Communist countries, are anathema to Castro because they would undermine his authority and eventually cause his regime to unravel.

In his efforts to manage the domestic crisis, Castro often functions in a practical, rational, and flexible manner. Recognizing, for example, that Cuba can no longer support a large military or indulge in costly foreign adventures, he has slashed military programs and personnel and shelved active support for subversion in Latin America. And, considering the challenges he has faced since 1989, he has borne the strains with outward equanimity. He has maintained a busy public schedule, traveled abroad at least once a year, and made no serious tactical errors. (S NF)

But, as his options narrow, Castro will be more likely to miscalculate—with the odds rising that a serious error would be fatal for

- Even economic reforms legitimizing large-scale private enterprise, like those adopted by China and Vietnam, are unacceptable because Castro could not abide the reemergence of a vigorous private sector.

- He will have no choice, therefore, but to maneuver warily in the narrowing space between these irreconcilable imperatives. (S)

The cautious implementation of economic reforms highlights Castro's problem. Despite harsh denunciations of "neo-capitalist" exploiters, he grudgingly permitted foreign investment and large-scale foreign tourism in

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*In a published interview last February, then Foreign Minister Ricardo Alarcon was asked by a foreign reporter if tourism and foreign investment in Cuba might turn out to be a destabilizing Trojan horse. (U)*

*Alarcon responded that: "We have no other choice but to feed the Trojan horse. . . . We must take a chance . . . we are familiar with the social and political price, but the real danger is the economic crisis." (U)*

the late 1980s. In 1991 he adopted a key element of Asian Communist reform programs by authorizing small tradesmen to operate. But relatively few have been licensed, and none can buy supplies openly. Castro will probably open new areas of the economy to foreign investment and broaden experiments in wage and price reform. He may even relent in his longstanding opposition to farmers' markets but only if they were strictly regulated. Such measures may alleviate dissatisfaction and sustain the hopes of proreform officials, but they are unlikely to attract substantial amounts of hard currency. (C)

In contrast, Castro's boldest economic move yet, his recent decision to legalize the circulation of US dollars, will attract large amounts of foreign exchange by making it more attractive for exiles to send cash to family members in Cuba. Remittances of cash and goods—worth perhaps \$300 million annually in recent years—will probably increase to as much as \$500 million to

\$1 billion annually, with most of it in dollars. Dollarization will help the regime acquire large amounts of illegal foreign currency now circulating, stimulate consumption, and probably aggravate divisions within the exile community. (S NF)

Dollarization also entails significant risks:

- The benefits will be unevenly spread, creating new tensions between those who receive remittances—probably a minority consisting mainly of the better educated, urban, and predominantly white segment of the population—and those who do not.
- Regime loyalists are the least likely to have relatives willing to send them money, and thus they become relatively disadvantaged by the new policy.
- Remittance recipients will have little incentive to work in the official economy, as the real value of peso salaries erodes even more rapidly.
- The dollar will become the primary medium of exchange in the black market and in the informal service economy, invigorating both and increasing individual economic independence from the state.
- The ability of dissidents to hold dollars will remove a key legal instrument of repression and could enable them to operate more effectively. (C NF)

Moreover, the regime will be able to recapture only a portion of the inflow of dollars for its own purposes. In order to induce Cubans to spend their remittances in official dollar

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stores, they must have goods to sell, and most of these will have to be imported, requiring expenditure of hard currency. Prices in dollar stores will doubtless be much higher than the true cost of the goods sold, but the black market and pressure from the foreign community should impose some limits. (C NF)

Additional hard currency will also be acquired as Havana allows larger numbers of Cuban exiles to visit the island. This too is a high-risk change of policy. About 200,000 exiles were allowed to visit Cuba in 1978 and 1979 at a time of serious economic hardship and demoralization. Their cumulative impact was highly subversive and contributed to the Mariel exodus. Conditions today are far worse than in 1980, and leaders can have no misconceptions about how destabilizing visits by large numbers—tens of thousands—of exiles would be. (C)

#### **Seeking Relief From the US Embargo**

With the loss of Soviet economic aid, relief from the US trade embargo has gained importance for Castro. He has redoubled his worldwide lobbying effort against the embargo and continues signaling readiness for comprehensive bilateral talks. Even in more straitened circumstances, however, there is virtually no chance that he would negotiate the essential structure of his regime or agree to free elections, as specified by the Cuban Democracy Act (CDA). For example, he would make no concessions with respect to his regime's absolute monopoly over the media or its prohibitions on independent political parties, labor unions, pressure groups, or others that could be critical of the regime. (C NF)

Rather, he hopes to build support in the United States and the international community for circumventing the CDA and to

engage in talks on an agenda restricted to normalization of trade relations, settlement of claims, and perhaps the Guantanamo Naval Base, as well as some peripheral issues such as narcotics interdiction and emigration. As part of such an effort, he may make cosmetic economic and political reforms and release additional prisoners, particularly if they agree to leave the country. (C NF)

If the United States lifted the embargo, either unilaterally or as a result of negotiations, Cuba would benefit in the following ways:

- Savings on lower prices and shipping costs.
- Increased tourism revenues possibly amounting to hundreds of millions of dollars.
- Some additional foreign investment and possibly increased emigre remittances. (S NF)

Some Intelligence Community analysts believe the economic impact of an end to the US embargo would be substantial. They hold that the benefits would probably generate minimal economic growth and relieve many of the worst shortages and other pressures the regime faces, in large part because Havana has shown increasing flexibility in its efforts to generate economic relief. (S NF)

Other analysts believe the sum total of Cuba's gains would be relatively minor and probably would not reverse its economic slide. An end to the embargo might slow further decline and generate some growth in specific sectors such as tourism and assembly industries. But infrastructure bottlenecks

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and high import costs in the tourism industry would limit real net income from that source. Moreover, Cuba's principal export, sugar, would be excluded under the current terms of the US sugar import quota system. (C NF)

Proponents of both views agree that Cuba's insistence on maintaining a state-controlled economy and efforts to contain the political impact of foreign-owned and -managed enterprises will likely continue to restrict investment to a few enclave industries, limiting the attractiveness of Cuba to US investors. (C NF)

The embargo gives Castro political advantages both domestically and internationally. His incessant claims that it is primarily to blame for economic hardship continue to find credence among the Cuban public, and he has used the CDA as a scapegoat for increased deprivations during the past year. Catholic and Protestant leaders oppose the embargo on humanitarian grounds. Most political dissidents also oppose it, saying that it limits their efforts to broaden their appeal by enabling the government to tie them to a hostile US policy that hurts the average Cuban. Castro uses the embargo to drum up sympathy in Latin America, Canada, and Europe, where its extraterritorial aspects are resented and rejected. (C NF)

Lifting the embargo would present Castro with new political challenges. Although he would claim a major victory, he would be unable to satisfy popular expectations for rapid economic improvement. Moreover, blame for continued austerity would rest solely with his government. Mounting, unmet expectations would increase the prospects for instability and violence that Castro would be unable to control. (S NF)

#### **Outlook for a Popular Uprising**

The government has a number of residual strengths. Castro benefits from his identification with Cuban nationalism. Many Cubans still view him with awe and resignation, although the younger generation tends to be apolitical or alienated. Most important, he is buoyed by the apparent loyalty of the military and security services and the acquiescence of senior civilian technocrats and Party officials, who generally believe their fate is inextricably tied to his. The population is continually told of how badly conditions in former Communist countries have deteriorated, and stability and continuity are enhanced by the historical tendency of Cubans to endure adversity with extraordinary stoicism. (C NF)

Between 100 and 200 activists and more than 1,000 supporters are involved with organized dissident groups that span the ideological spectrum. Over the last year or so they have modestly increased their efforts—organizing more foreign press conferences and joint activities, including in recent months a small march and the issuance of a declaration calling for political and economic reforms. (C NF)

These groups will remain small, dispersed, and intimidated by Castro's security forces. They are unlikely directly to provoke regime-threatening events. The most prominent leaders are committed to nonviolence, and some continue naively to hope that they will be permitted to organize openly. In addition, the dissidents' ability to influence events will continue to be limited by rivalries, government harassment, the difficulties of subsisting since few have paying jobs, the lack of

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and the absence of means to disseminate their messages to the public. (s)

But unpredictable developments would increase the prospects that a dissident leader or group would become the focus of popular dissatisfaction. If prominent leaders broke publicly with the regime and embraced

dissident grievances, Castro probably would respond to prevent a larger rupture in the leadership. But, under such circumstances, his response might be harsh and invite a popular backlash. One or more dissident leaders might increase the viability of their cause by attracting significant international support or funding. (c)

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Antiregime disturbances most likely will occur spontaneously. Violent unrest has been rare, but the number and size of incidents have increased. Disorders have occurred in recent months in Camaguey and at Cojimar (on the outskirts of Havana). In the latter case, a crowd of Cubans rioted after police killed at least three persons when a group from Florida arrived on a speedboat to extract relatives. As conditions on the island further deteriorate, violent incidents are most likely to be sparked by mounting frustration over shortages of electricity, transportation, and food; the use of excessive force by the regime; and provocations by militant exiles. (C NF)

A large uprising would prompt Castro to devote whatever force necessary to repress it, even at the risk of a bloodbath and irreparable damage to his political legitimacy. He would make no meaningful concessions to dissident demands and would ignore international criticism. If public disorder continued to spread, however, his efforts to hold power would entail mounting costs, and he would have to call upon the military whose reliability under orders to confront unarmed citizens would be questionable. (S NF)

#### **The Role of the Military**

In general, military units are not trained for riot control, have never been used against civilians, and would be called on to confront civilian protesters only if the security services and special troops of the Interior Ministry were unable to contain the situation. By that time, regime survival would be in doubt. Anxious to avoid association with a legacy of brutality and a doomed cause, many military personnel probably would desert, and some might even oppose the regime. In such circumstances, a unit or units probably would

turn on the government and forces still loyal to the government. The loyal units most likely would include certain special troops and High Command Reserve units. (S NF)

A significant split in the military would increase pressure on the United States to become involved. Anti-Castro rebels would be likely to seek foreign support and intervention and, if they controlled a significant portion of the island, would probably become a magnet for exile volunteers. If military rebels faced extermination by pro-Castro forces, there would be a small chance they would attempt to stage provocations against US targets to touch off a larger conflict. (C NF)

**Military Coup Possibilities.** Like the rest of society, the military has accepted dramatically reduced resources, including the loss of Soviet support. Once famous for operations in Africa and Central America, attaining self-sufficiency in food production is now a key mission. Raul Castro has described the military as "too large and too costly" for Cuba, and it is evolving into a leaner institution with two distinct parts—a combat-ready core and a greater mass devoted to economic production. (See annex.) (S)

Dissent in the military appears to be as formless and disorganized as it is in civilian institutions, and a military-led coup is less likely than an assassination attempt or a rebellion touched off by an unpopular order. Officers who have experienced or who have been prepared for battle may resent service as agricultural overseers, but reports of disaffection are limited to grumbling about lost missions and perquisites and private conversations about the need for greater economic reform. (S NF)

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*Elite units—less than a 10th of the active-duty military—are Cuba's best fighting forces and continue to be well provided for. None, however, would be key to stopping or instigating a coup attempt against Castro. Most are small and are based away from the seat of government in downtown Havana. The few larger formations deployed near the capital are not trained in commando-style operations and could not move on Castro's office or residence without attracting attention. The attitudes of Interior Ministry personnel guarding Castro would be key, and we have no reason to believe their loyalty has waned. (S NF)*

*Elite formations include the High Command Reserve; various Armed Forces Special Troops entities; the Naval Infantry; the Navy's Special Mission Detachment; and the Interior Ministry's Special Troops. The High Command Reserve—primarily better grade ground troops—and the airborne-qualified Armed Forces*

*Special Troops Mobile Brigade are tasked with defending Havana in the event of a US invasion. Under those circumstances, they almost certainly would mount a spirited defense. (S NF)*

*The loyalty of individual units is impossible to assess. Despite somewhat higher morale than that of regular troops, elite units have not been insulated from austerity, including downsizing and agricultural labor. The Interior Ministry Special Troops—the first Cuban unit to intervene in Angola—are today only a few hundred strong. The former Naval Infantry Regiment was downsized and broken into three independent, regionally based battalions. The Special Troops Mobile Brigade—formerly the Landing and Assault Brigade—probably numbers no more than half its former 1,500-man total. (S NF)*

Top officers, most of whom have followed Castro for decades, are well represented in important political posts and meet routinely with civilian counterparts. A blend of personal loyalty to Castro, nationalism, and fear—of the post-Communist future, the extensive counterintelligence apparatus, and exile intentions—has kept the officer corps in line. Given the difficulty of keeping an anti-Castro conspiracy secret, dissident officers are more likely to opt for defection in growing numbers. (C NF)

Should a conspiracy develop, however, plotters would not risk contacting the United States in advance, and we probably would not know about a coup until it was under way. Factors conducive to a coup are already in place:

- Deteriorating conditions for soldiers and civilians.
- A spreading perception that Castro cannot reverse the downward trend.

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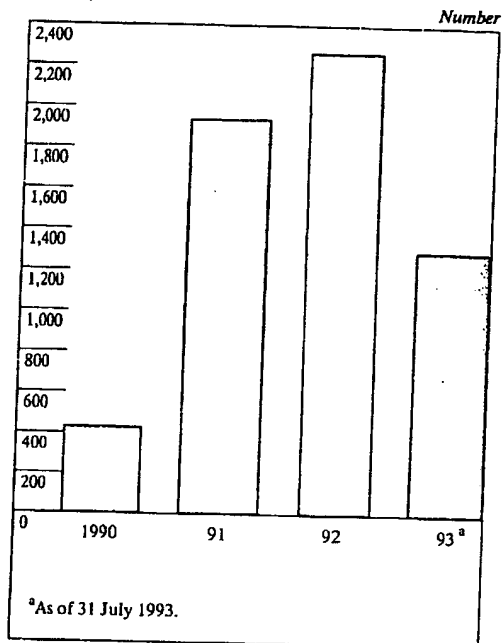
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Figure 2

## Exodus of Indigenous Small Craft From Cuba



## Cuban Migrants Intercepted at Sea by USCG, 1990-93



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- The substantial ongoing reduction in military manpower and resources.

Midlevel officers with fewer personal bonds to Castro may be more inclined to revolt, especially if they suffer most from personnel downsizing. (S NF)

#### **Implications for the United States**

Serious instability in Cuba will have an immediate impact on the United States:

- Castro has maintained relatively effective border surveillance—the major brake on illegal seaborne migration—to preserve domestic order. If Cuban authorities lose control, massive, panicky illegal emigration toward the United States will occur. Between 20,000 and 80,000 Cubans would be able to flee the island with little or no preparation or warning on small craft. Larger numbers would leave in the event that boats, captained by private individuals from the United States or elsewhere, participated.
- Pressures on the United States to mount urgent humanitarian rescue efforts at sea would be intense. Groups on the island and in exile probably would call for large-scale humanitarian aid to Cuba.
- There would also be pressure for US or international military intervention, especially if a large number of exiles became involved on the island in abetting the collapse of Castro's regime. (S NF)

Moreover, if he believed that his or his regime's survival were imminently threatened, Castro might try to provoke an incident with the United States in an attempt to

arouse nationalist fervor and deflect popular hostility from himself. He might, for example, fabricate an "attack" by exile militants—and would certainly exploit a real one—in order to mobilize military and popular militia units and confuse domestic opponents. US military exercises, US Coast Guard patrols, reconnaissance flights, and operations from Guantanamo Naval Base might offer opportunities to create a crisis. In extremis, he might suspend all efforts to prevent illegal emigration in the belief that the turmoil resulting from a massive exodus would be more confounding to his enemies than destabilizing to his regime. (S NF)

Finally, if faced with the certainty of his and his regime's fall, Castro might lash out against the United States. He would be constrained by a variety of factors including uncertainties that subordinates would in fact carry out extreme orders and his desire to be viewed in a positive historical context. Nonetheless, the following extreme developments are remotely possible: Castro could order an air attack on an installation on the US mainland, the military occupation of Guantanamo, or terrorist attacks. (S NF)

#### **The Outlook for Post-Castro Cuba**

Tensions and uncertainties in Cuba are so acute that significant miscalculations by Castro, a deterioration of his health, or plotting in the military could provoke regime-threatening instability at virtually any time. There is a better than even chance that Fidel Castro's government will fall within the next few years. (S NF)

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~~Secret~~**Underlying Premises**

*These judgments are based on the following underlying premises:*

- *Fidel Castro will not voluntarily relinquish power.*
- *The Cuban economy will not benefit from some domestic economic bonanza, such as discovery of a large oil deposit.*
- *There is a direct correlation between severe economic deprivation and political instability. (S NF)*

Almost all succession scenarios involve the likelihood of substantial and possibly protracted instability on the island, large-scale emigration, and a variety of other challenges to US interests. Fidel Castro's fall will be the signal event in what is likely to be a lengthy and conflictive process of national reconciliation among pro- and anti-Castro elements on the island and the Cuban diaspora. The new era will be marred by retributory and other violence and powerful animosities and will generate demands for costly and energetic US involvement. (S NF)

The longevity and composition of any successor government will depend on the way in which Fidel Castro leaves power. Raul Castro would almost certainly succeed if his brother died of natural causes, and he would immediately face growing and probably conflicting demands for change. Lacking Fidel Castro's charisma, determination, and political skills, he would probably not seek to replace his

brother as an all-powerful leader, preferring instead to head a civil-military coalition. Unlike other potential players, he would be torn between the need to implement sweeping reforms and the desire to preserve as much as possible of Fidel Castro's legacy. In that environment, other coalition members would promptly begin plotting against him and the odds are better than even he would be unable to retain control for as long as a year. (S NF)

Raul Castro's accession would be much less certain if Fidel Castro were assassinated or fell in a military coup. A successful, bloodless coup against both Castros that preserved the unity of the armed forces would be the only succession scenario with a good chance of producing a relatively stable and flexible new regime. (S NF)

New leaders will be poorly prepared to deal with the extraordinary problems they will face. They are handicapped by their lack of experience in exercising responsibility, establishing goals, or resolving conflicts because of Fidel Castro's decades of micromanagement and distrust of subordinates. Heightened popular expectations for systemic changes will be opposed by Communist Party and other bureaucrats and leaders of the security apparatus seeking to salvage maximum personal advantages. Tensions will intensify between stalwarts of the ancien regime who are committed to maintaining a high degree of statism and reformers attracted to free market models. (S NF)

Most of Cuba's technocratic establishment will survive, if only because there is nothing to replace it. Most technocrats are likely to be apolitical and may be favorably disposed

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to economic and political reform. They are, therefore, likely to adapt to a changing environment, and some will probably push for change once they are no longer repressed by Fidel Castro. Despite fears of a "Miami invasion," technocrats are likely to pursue closer ties to the United States on a wide range of issues. (S NF)

Improving relations and opening of economic ties to the United States will be a top priority for any successor government. But that objective will be complicated because relations with the exile community will be a source of intense dispute. With few exceptions, exile political leaders are likely to find little support among the population on the island and will probably be greeted with suspicion and hostility if they are perceived

as trying to seize control. Demands by exiles to purge Castro-era officials, or to put some on trial, would arouse fierce opposition. Similarly, exile efforts to recover properties seized in the 1960s will be highly contentious. (C)

The Cuban military stands a good chance of surviving largely intact into the post-Castro era, assuming it can avoid being drawn into a debilitating civil war. The post-Castro military—considerably smaller and under a new generation of officers—would probably evolve into a modernizing force. Officers would probably seek improved relations with the United States and Latin American countries and eventually would be likely to lend their support to creating a democratic system. (S)

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## Annex

### Cuba's Military in a Continuing Decline

Cuba's armed forces have declined over the past several years, and there is no prospect for a reversal as long as the economy continues to slide. Even if a reversal were to occur, an upturn in the military's capabilities would not necessarily take place because much of its equipment is antiquated and would have to be replaced. The armed forces can no longer mount much of a conventional defense against a larger and more sophisticated force. (S NF)

The military has placed redundant and unnecessary systems in storage, and training is at an alltime low. However, the military can defend against exile attacks, and defense doctrine has been restructured to preserve the government's ability to defend itself through unconventional means. Periodic small-scale exercises and training activities are designed to sustain minimal operational readiness. (S NF)

Castro's "War of all the People" calls for a protracted guerrilla war in the event of an attack. The Cuban plan is to inflict maximum casualties on attacking forces in hopes of forcing a withdrawal, while at the same time trying to gain international political support. This plan would rely on a militia force of more than 1 million people. The military has stockpiled massive amounts of weapons, constructed underground facilities throughout the island, and built an impressive indications and warning system. (S NF)

**Ground Forces.** As the largest of Cuba's armed services, the ground forces have taken the largest cuts in personnel. We estimate its

total strength (active and reserve) to be 75,000 to 100,000 men, or about one-third its peak size in the 1980s. The ground forces will shrink still further in the next two to three years as units further contract. Except in the highest priority units, the Cubans have dramatically curtailed training, mainly due to fuel and replacement part shortages. In most units, training is limited to basic soldiering skills and small-unit tactics. We have not seen the Cubans practice brigade-level maneuvers, used effectively in Angola, for nearly two years. (S NF)

**Air and Air Defense Forces.** These forces probably have declined to about 10,000 to 15,000, about one-half of their peak strength in the 1980s. Many Cuban fighter aircraft are in storage—possibly more than 50 percent of them; pilot training is minimal, and readiness is low. Only about one-half of Cuba's surface-to-air missile sites are maintained. Havana remains heavily defended, however. (S NF)

**The Navy.** The Navy continues a steady decline. Almost a third of its ships have had their weapons removed and parts cannibalized to repair active units. The Navy has not acquired a new ship since 1990, and the frequency of operations continues to decline. Cuba's three submarines, for example, have not conducted submerged operations in over three years, and two are inoperable. As the number of working ships has declined so has the number of personnel. We estimate the Navy now has about 6,000 to 9,000 active and reserve personnel, a decline of over one-third since the 1980s. (S NF)

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Information available as of 5 August 1993 was used  
in the preparation of this National Intelligence Estimate.

The following intelligence organizations participated  
in the preparation of this Estimate:

The Central Intelligence Agency  
The Defense Intelligence Agency  
The National Security Agency  
The Bureau of Intelligence and Research,  
Department of State  
The Office of Intelligence Support,  
Department of the Treasury  
The Director of Intelligence,  
Department of Energy

also participating:

The Deputy Chief of Staff for Intelligence,  
Department of the Army  
The Director of Naval Intelligence,  
Department of the Navy  
The Assistant Chief of Staff, Intelligence,  
Department of the Air Force  
The Director of Intelligence,  
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United States Coast Guard,  
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This Estimate was approved for publication by the  
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