



Approved For Release 2004/03/15 : CIA-RDP65B00383R000400070001-2

CENTRAL INTELLIGENCE AGENCY

2430 E STREET, N. W.
WASHINGTON 25, D. C.

28 February 1963

**TO: Committee on Foreign Affairs
House of Representatives
Attention: Mr. Franklin Schupp**

**FROM: John S. Warner
Legislative Counsel**

[Redacted]

Transmitted herewith for Committee use are ten (10) copies of the unclassified statement by the Honorable John A. McCone, Director of Central Intelligence, to the House of Representatives Committee on Foreign Affairs, Tuesday, 19 February 1963.

SIGNED

[Redacted]

Assistant Legislative Counsel

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STATEMENT BY THE HONORABLE JOHN A. MCCONE
DIRECTOR OF CENTRAL INTELLIGENCE
TO THE HOUSE OF REPRESENTATIVES COMMITTEE ON
FOREIGN AFFAIRS, TUESDAY, 19 FEBRUARY 1963

The public pronouncements of Cuban leaders, the daily record of events in Latin America, and reports from our intelligence sources within Communist and other left-extremist elements throughout this hemisphere all agree on one salient conclusion: That Fidel Castro is spurring and supporting the efforts of Communists and other revolutionary elements to overthrow and seize control of the governments in Latin America.

Even before the October missile crisis--and with increasing rancor since then--Cuban leaders have been exhorting revolutionary movements to violence and terrorism, and supporting their activities.

Cuban support takes many different forms, but its main thrust is in the supply of the inspiration, the guidance, the training, and the communications and technical assistance that revolutionary groups in Latin America require.

In essence, Castro tells revolutionaries from other Latin American countries: "Come to Cuba; we will pay your way, we will train you in underground organization techniques, in guerrilla warfare, in sabotage and in terrorism. We will see to it that you get back to your homeland.

"Once you are there, we will keep in touch with you, give you propaganda support, send you propaganda materials for your movement, training aids to expand your guerrilla forces, secret communications methods, and perhaps funds and specialized demolition equipment."

Castro probably also tells them: "If you succeed in establishing something effective by way of a revolutionary movement in your homeland, if your guerrillas come down out of the hills and confront regular armed forces, then we may consider more concrete forms of assistance." So far, it should be noted, none of the movements in South America has reached this final stage. In many ways, Cuba under Castro is the Latin version of the old Comintern, inciting, abetting, and sustaining revolution wherever it will flourish.

We have evidence of more concrete Cuban support. Cuban nationals, for example, took part in the La Oroya disorders in Peru in December. We know that some funds move, generally in cash by courier, from Cuba to the revolutionaries in other countries. We know that Cuba furnishes money to buy weapons, and that some guerrilla forces in Peru, for instance, are equipped with Czech weapons which most probably came

Before going into more detailed evidence of Cuban subversion in Latin America, I should note that Venezuela is apparently number one on Cuba's priority list for revolution.

Fidel Castro said so to the recent meeting of Communist front organizations for Latin American women.

Che Guevara and Blas Roca both emphasized the outlook for revolution in Venezuela in speeches in January.

We have learned reliably that the CP leadership in Venezuela feels a peaceful solution to the present situation there is out of the question.

We also know that in late 1962 Communist guerrilla and terrorist operations in Venezuela were placed under a unified command which coordinates activities with the other militant extremist group in Venezuela, the MIR. The result has been the creation of the FALN, or Armed Forces of National Liberation.

The FALN is currently trying to publicize its existence by such acts as the hijacking of the freighter Anzoategui, and by acts of sabotage and indiscriminate shootings. These have also been designed to dissuade President Betancourt from his trip to Washington. In this, of course, they have failed.

I do not wish to minimize the violence in Venezuela. The sabotage is the work of experts, and is being done with advanced types of explosives. The shooting has reached the point in Caracas where it is not safe to go out at night in some sections of the capital. But unless the terrorists should undertake and accomplish the assassination of President Betancourt and other high officials, the present wave of sabotage and indiscriminate shooting is not the sort of activity which would pose a direct threat to the government. The Communists have not demonstrated the ability to stand up to the armed forces, or seize and hold government buildings.

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Many of these are engaged in terrorism in the cities, and others were rounded up and given long prison sentences when they committed themselves prematurely last spring in a countryside where the rural population strongly supports the Betancourt administration.

For the past year Cuban spokesmen have been pushing the line that Cuba provides the example for Latin American revolution, with the implication that nothing more than guidance needs to be exported.

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Since the October missile crisis, Che Guevara and Education Minister Armando Hart, both in public speeches and in remarks to visiting Communists, have been insisting that what they call "Socialism" can achieve power in Latin America only by force.

The Cuban effort at present is far more serious than the hastily organized and ill-conceived raids that the bearded veterans of the Sierra Maestra led into such Central American countries as Panama, Haiti, Nicaragua, and the Dominican Republic during the first eight or nine months Castro was in power.

Today the Cuban effort is far more sophisticated, more covert, and more deadly. In its professional tradecraft, it shows guidance and training by experienced Communist advisers from the Soviet bloc, including veteran Spanish Communists.

The ideas move fairly openly in a massive propaganda effort. The inflammatory broadcasts from Havana and the work of Prensa Latina are matters of public record I do not need to go into. It might be worth noting that the postal and customs authorities in Panama are destroying on the average of 12 tons a month of Cuban propaganda coming into their lands.

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Some of the courses are as short as four weeks, designed to let it appear that the trainees had merely attended some conference or celebration and done a little sightseeing.

Other courses last as long as a year, and may include intensive training in such things as sabotage, espionage, or psychological warfare.

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One of these Cubans has also been directing the armed invasions of big ranches in the Andean highlands by land-hungry Indians. Information of this nature contributed to the decision of the Peruvian junta to crack down on Communists in January.

In Brazil, in fact, the complaint of guerrillas in training camps there was that they had been recruited by a promise of Cuban instructors, but found there were none. This came to light in the Brazilian press when the report of a Cuban intelligence agent, relaying their complaints to Havana, turned up in the wreckage of the Varig airliner which crashed in Peru in November.

With respect to weapons, in general the Cubans are following the textbook for guerrillas in regard to provision of arms. They are telling the guerrilla warfare students and their leaders to obtain their own weapons at home.

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In summary, then, we have evidence that in principle Cuba is not sending identifiable quantities of weapons to Latin American insurgents at present. But we have no reason to believe that they will not or cannot do so, when so doing serves their stated purpose of creating uprisings in Latin American countries.

Needless to say, this is a matter that we consider of most serious concern and we intensively trace every rumor that comes to us of the importation of arms from Cuba to Latin American countries.

Cuban financing of subversive operations in Latin America is generally effected by couriers carrying cash.

A few examples of these operations are:

A Venezuelan politician, Fabricio Ojeda, returning from Cuba in March of 1962, was seen by several witnesses to have large quantities of US currency stuffed in a false-bottomed compartment of his suitcase. There is no law against bringing currency into Venezuela, so that authorities could not even determine how much he brought in. Ojeda later was captured, tried, and sentenced to prison for guerrilla activity.

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Last April Ecuadorean troops raided a guerrilla training camp in the mountains west of Quito and arrested some 48 members of the URJE (Union of Revolutionary Ecuadorean Youth). The leaders of the group admitted having received guerrilla training in Cuba. They also received Cuban funds to support their activities; one item involving \$44,000 reached the public press.

There are also involved bank transfers by which Cuban money eventually reached Latin American front groups to pay for political and propaganda activity.

The principle that guerrillas must be self-sustaining has obviously been applied to finances as well. Communist guerrillas have staged numerous bank robberies in Venezuela, Peru and Argentina.

The most spectacular hold-up, for instance, was that of a bank in a Lima suburb last year which netted almost \$100,000. From the participants who have been caught we know that the hold-up was carried out by a combination of guerrillas and ordinary criminals, who divided the loot fifty-fifty.

Just last week a bank in an outlying Venezuelan town was robbed of \$25,000 by men wearing FALN armbands.

Since the October crisis, Fidel Castro has obviously been trying to straddle the rift between Moscow and Peiping over global Communist strategy. As Mr. Martin aptly put it yesterday, Castro's heart is in Peiping but his stomach is in Moscow.

This same split between all-out militancy and a more cautious policy--call it coexistence or "two steps forward, one step back"--is reflected on the extreme left in many Latin American countries.

Thus Cuba at present not only seeks to serve two masters, but to choose among rival servants in its Latin American subversions.

Castro's views on what is good for socialism and revolution in Latin America are more in line with those of the Chinese Communists than the Soviets.

Only the Cuban and Venezuelan Communist parties are totally committed to terror and revolution.

In spite of differences over tactics and timing between various Communist groups, all intent eventually to deliver the Latin American countries into the Communist-socialist bloc. The so-called Soviet "conservative" view, as it is now espoused, is more intent on trying to achieve power by legal means if possible and by subversion rather than by force.

Direct Soviet interest in Latin America is clearly increasing.

An excellent example of this was the setting up early in 1962 of a Latin American Institute in the Academy of Sciences of the USSR.

The avowed purpose of this institute is to raise the study of the problems of Latin America, which in their own statements the Soviets claim they have neglected, to the highest possible level.

Teaching of Spanish and Portuguese languages is to be stressed in the institute and throughout the school system.

A list of subjects on which this institute intends to publish shows that it is to be used to attack the Alliance for Progress; it has already attacked the Alliance program in Colombia--a showpiece of the Alliance.

Posters have been placed in some Colombian universities referring to the problems of the "national liberation and workers' movements in Latin American countries" as topics which will be studied by the institute. Results of these studies will be published in the near future in a magazine called America Latina, intended especially for distribution in Latin America.

A pamphlet, apparently to be distributed by the institute, and entitled Alianza para el Progreso, will in the words of its heralds, "unmask the economic expansion of the USA" in Latin America.

The institute expects to enter into close contact with the principal Latin American scientists and academicians during 1963.

One of the most important Communist assets in Latin America is a large number of Bloc diplomatic and Cuban missions. These missions are used to further Communist subversive activities even in countries where there are no Bloc diplomatic missions.

The Soviets and in some cases some satellites as well, have diplomatic missions in Mexico, Brazil, Argentina, and Uruguay. The USSR maintains relations with Bolivia but has no resident mission there. Cuba maintains embassies in Mexico, Brazil, Bolivia, Uruguay, and Chile.

The Chinese Communists, of course, have no diplomatic ties in Latin America except with Cuba. That fact alone would make Cuban missions important to the Chinese. Only seven Latin American countries--Chile, the Dominican Republic, Ecuador, El Salvador, Guatemala, Paraguay, and Peru--have no official ties whatever with any bloc country.

Uruguay offers a good example of how the Communists misuse diplomatic missions and the importance the Communists attach to them.

Communist subversive activities in Uruguay are not now aimed at promoting revolutionary activity against the government. In this case even the Cubans appear to be much more interested in retaining the good will of the government to that they can continue to use the country as a base of operations against Argentina, Paraguay, etc.

Communist diplomatic missions, however, are active in supporting local Communists and other pro-Castro groups to retain enough leverage within the country so as to prevent the anti-Castro groups from forcing a break in relations.

The USSR, most of the Satellites, and Cuba all have diplomatic missions in Montevideo--some 70 or so bloc personnel. In addition, couriers and travelers can go back and forth between this city and the bloc countries and Cuba at any time.

In conclusion, on the whole, while Cuban-backed subversive pressure is great in all of Latin America,

the Cubans have thus far been having only limited success. For example, Cuban attempts to organize a Communist-controlled Latin American labor movement have not yet gotten off the ground, despite the fact that the Cubans have been working at it for more than a year.

In Venezuela, despite the great subversive pressure, President Betancourt seems to be proving that his government can control these subversive forces. Short of some disaster, there is every likelihood that he will be the first freely elected Venezuelan president in history to complete his term. In Brazil, some moderates were elected to congressional and gubernatorial posts last fall.

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White House, West Wing**

**FROM: John S. Warner
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The most spectacular hold-up, for instance, was that of a bank in a Lima suburb last year which netted almost \$100,000. From the participants who have been caught we know that the hold-up was carried out by a combination of guerrillas and ordinary criminals, who divided the loot fifty-fifty.

Just last week a bank in an outlying Venezuelan town was robbed of \$25,000 by men wearing FALN arm-bands.

Since the October crisis, Fidel Castro has obviously been trying to straddle the rift between Moscow and Peiping over global Communist strategy. As Mr. Martin aptly put it yesterday, Castro's heart is in Peiping but his stomach is in Moscow.

This same split between all-out militancy and a more cautious policy--call it coexistence or "two steps forward, one step back"--is reflected on the extreme left in many Latin American countries.

Thus Cuba at present not only seeks to serve two masters, but to choose among rival servants in its Latin American subversions.

Castro's views on what is good for socialism and revolution in Latin America are more in line with those of the Chinese Communists than the Soviets.

Only the Cuban and Venezuelan Communist parties are totally committed to terror and revolution.

In spite of differences over tactics and timing between various Communist groups, all intent eventually to deliver the Latin American countries into the Communist-socialist bloc. The so-called Soviet "conservative" view, as it is now espoused, is more intent on trying to achieve power by legal means if possible and by subversion rather than by force.

Direct Soviet interest in Latin America is clearly increasing.

An excellent example of this was the setting up early in 1962 of a Latin American Institute in the Academy of Sciences of the USSR.

The avowed purpose of this institute is to raise the study of the problems of Latin America, which in their own statements the Soviets claim they have neglected, to the highest possible level.

Teaching of Spanish and Portuguese languages is to be stressed in the institute and throughout the school system.

A list of subjects on which this institute intends to publish shows that it is to be used to attack the Alliance for Progress; it has already attacked the Alliance program in Colombia--a showpiece of the Alliance.

Posters have been placed in some Colombian universities referring to the problems of the "national liberation and workers' movements in Latin American countries" as topics which will be studied by the institute. Results of these studies will be published in the near future in a magazine called America Latina, intended especially for distribution in Latin America.

A pamphlet, apparently to be distributed by the institute, and entitled Alianza para el Progreso, will in the words of its heralds, "unmask the economic expansion of the USA" in Latin America.

The institute expects to enter into close contact with the principal Latin American scientists and academicians during 1963.

One of the most important Communist assets in Latin America is a large number of Bloc diplomatic and Cuban missions. These missions are used to further Communist subversive activities even in countries where there are no Bloc diplomatic missions.

The Soviets and in some cases some satellites as well, have diplomatic missions in Mexico, Brazil, Argentina, and Uruguay. The USSR maintains relations with Bolivia but has no resident mission there. Cuba maintains embassies in Mexico, Brazil, Bolivia, Uruguay, and Chile.

The Chinese Communists, of course, have no diplomatic ties in Latin America except with Cuba. That fact alone would make Cuban missions important to the Chinese. Only seven Latin American countries--Chile, the Dominican Republic, Ecuador, El Salvador, Guatemala, Paraguay, and Peru--have no official ties whatever with any bloc country.

Uruguay offers a good example of how the Communists misuse diplomatic missions and the importance the Communists attach to them.

Communist subversive activities in Uruguay are not now aimed at promoting revolutionary activity against the government. In this case even the Cubans appear to be much more interested in retaining the good will of the government to that they can continue to use the country as a base of operations against Argentina, Paraguay, etc.

Communist diplomatic missions, however, are active in supporting local Communists and other pro-Castro groups to retain enough leverage within the country so as to prevent the anti-Castro groups from forcing a break in relations.

The USSR, most of the Satellites, and Cuba all have diplomatic missions in Montevideo--some 70 or so bloc personnel. In addition, couriers and travelers can go back and forth between this city and the bloc countries and Cuba at any time.

In conclusion, on the whole, while Cuban-backed subversive pressure is great in all of Latin America,

the Cubans have thus far been having only limited success. For example, Cuban attempts to organize a Communist-controlled Latin American labor movement have not yet gotten off the ground, despite the fact that the Cubans have been working at it for more than a year.

In Venezuela, despite the great subversive pressure, President Betancourt seems to be proving that his government can control these subversive forces. Short of some disaster, there is every likelihood that he will be the first freely elected Venezuelan president in history to complete his term. In Brazil, some moderates were elected to congressional and gubernatorial posts last fall.