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19 January 1978

MEMORANDUM

SUBJECT: Domestic Aspects of Cuba's Commitments in Africa

This memorandum assesses how the Castro government has been managing the political, military, and social costs of its expanding role in Africa, what we know about the people's reaction, and whether it could pose a significant constraint on Cuban policy makers who are now making plans for increasing Cuba's role in Ethiopia. The issue of economic costs is addressed in a separate annex. In brief, we believe the domestic "costs" so far are well within manageable limits. Whether they become serious will depend largely on the extent of the fighting in Angola and Ethiopia; heavy Cuban casualties could present the Castro regime with difficult political problems.

Political-Social Costs

Based on a careful, continuing analysis of Cuban media [redacted] we have received, we are able to conclude only that service in Africa is not meeting with the full approval of the Cuban people. While activists of the party, the mass organizations, and the military openly support the regime's African adventurism, many people are convinced that the country's current austerity, which actually stems largely from low world sugar prices, is caused by Cuban involvement in Africa. [redacted]

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[redacted] reports present contradictory evidence, but, in general, those who have a stake in the regime wax enthusiastic while those whose careers are not dependent

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on how strongly they identify with government policy privately express dissatisfaction.

As is customary during periods of flagging popular sentiment, Castro has spent considerable time since mid-1977 traveling through the countryside trying to bolster morale. Flanked by what frequently has been a larger-than-normal complement of officials of the Politburo, Secretariat, and cabinet, he has concentrated his speeches on favorable economic facts, stressing the achievement of new production records and the inauguration of large industrial facilities, while playing down the cost of Cuban aid to foreign countries. Lately, Cuban media and speeches by high officials have paid more attention to the theme of sacrifices "that are required of all good revolutionaries," probably to prepare the Cuban people for higher casualty rates in Africa.

Service in Angola and elsewhere in Africa is already considered a badge of honor in Cuba officialdom, and duty abroad is becoming an important prerequisite for career advancement. In addition, a cult of "the internationalist fighter"--soldier, doctor, teacher, or technician--is being molded, and the press has resurrected the dormant tales of various Cuban "internationalist" guerrilla heroes of the 1960s. Public ceremonies in September 1977, for example, featured the inaugural activities for a new military school named after an "internationalist combatant who offered his life for the liberation of the people of Angola."

Castro is keenly aware of--and exploits--the considerable capacity of the Cuban people to endure hardships. His normal reaction is to manufacture both a reason to suffer and a scapegoat to hate. A master of media manipulation, he has little trouble refocusing public antipathy and generating renewed revolutionary momentum. If the US, for example, became actively engaged in the Horn of Africa on behalf of Somalia, Castro would use the US as a scapegoat for Cuban losses and probably succeed in deflecting public opinion.

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At any rate, no organized opposition exists in Cuba, and without planning, coordination, and leadership those who oppose Cuba's African adventures have little impact on regime leaders. So far, their activities apparently have been limited to grumbling among friends and family.

In our judgment, Castro--who keeps his fingers on the national pulse at all times--is not yet overly concerned about public attitudes. The numerous speeches and heavy media treatment in the last six months are, in effect, pre-emptive moves on the part of the leaders to head off mounting disaffection. The apparent recent decision to up the stakes drastically in Ethiopia, in terms of the role and presence of Cubans there, suggests Cuba's leaders are not unduly worried. We believe that Castro knows that the current level of discontent is well within tolerable limits and that by careful persuasion he can keep it far short of the point where outright repression might be required.

Military Costs

There are now 21,000-23,000 Cuban military personnel in Africa. Most were mobilized from Cuba's ready reserves, in part to spread the effects throughout the island and to avoid drawing from Cuba's active armed forces, thus weakening Cuba's defenses.

If the USSR continues to underwrite the bulk of the costs of the Cuban effort, we believe that Havana has the wherewithal to increase significantly its commitment in Africa without seriously damaging Cuba's economy or defense capabilities. For example, a doubling of Cuban military-technical personnel in Africa to 54,000-58,000 would represent only about two percent of the Cuban labor force and an estimated loss in output of about \$160 million or about two percent of estimated 1976 GNP. The further diversion of potentially productive workers would aggravate labor squeezes in several economic sectors, but we believe the impact would be largely offset by the annual entry of some 50,000 new workers into the labor force and by the more efficient utilization of large numbers of presently underemployed

Cubans. The impact on the important agriculture sector would be minimized by the continuing utilization of the burgeoning student population for part-time labor in non-sugar agriculture.

A doubling of Cuban military personnel in Africa to 42,000-46,000 would not have a serious impact on Cuba's military capabilities, assuming Moscow continues to replace Cuban materiel sent to Africa. Cuba's armed forces total about 180,000 active duty personnel, including some 60,000 ready reserves who can be mobilized within 24 hours. In addition there are another 210,000 reserves who have undergone basic training and who could be activated within 20 days. Moreover, like most less developed countries, Cuba has a relatively large and expanding young population--53 percent of its 9.65 million people are under 25 years of age--including some 550,000 males between 18 and 24.

Outlook

While the political and economic costs of Cuban involvement in Africa will probably remain manageable, at least for the near term, a deepening popular disaffection stemming from an exaggerated perception of the financial costs could pose a constraint on Cuban policy makers should Cuba's African commitments rapidly escalate (e.g. increasing the number of Cubans in Ethiopia to a level close to the Angola numbers). A more important factor will be the number of casualties the Cubans suffer. Reporting on the number killed or wounded in Angola is spotty at best; the regime does not announce casualty figures. We have seen figures on Cubans killed there that range between 600 and 2,000. We have a reliable report that seven were recently killed in Eritrea. If, however, one-third to one-half of the Cuban force in Ethiopia (which is scheduled to number more than 5,000 by the end of February) should be killed in the coming Ogaden offensive, combined with a sudden deterioration in the Cubans' fortunes in Angola (where there are 19,000-20,000 troops) causing heavy casualties there, we believe the regime would be unable to manage the domestic impact sufficiently to prevent a major increase in public disaffection. The extent of discontent would depend on

the numbers, and the regime's response would depend on the political resolve of the leaders to continue their course.

At a minimum, the Cuban populace might resort to passive measures of protest. Such measures would not be unprecedented in recent Cuban history. Worker slow-downs and widespread absenteeism occurred in the early 1970s in the wake of the failure to increase consumer goods after the record 1970 harvest.

These protests, together with strong pressures from the USSR, caused the Castro government to institute major economic policy changes--some of which reversed basic ideological tenets of the Revolution itself--in an effort to increase economic production. If faced with popular protests of a similar magnitude, the Cuban leadership might well decide to pursue a less aggressive African policy to assuage public disenchantment.

Given the Cuban people's demonstrated past capacity for endurance and sacrifice, however, their level of acceptable costs is high by US standards. Moreover, this high "endurance factor" may be further enhanced if the theme of the Castro government's propaganda machinery of recent months continues successfully to influence public opinion. The bottom line, however, will depend on the extent of political will on the part of Cuba's leaders. All indications so far are that they are prepared to pay a heavy price.

Attachment
as stated

ANNEX

Economic Costs of Cuba's Commitments in Africa

We believe the present economic cost of Havana's involvement in Africa is too low to be an important constraint on the Cuban economy or on those Cuban leaders planning Havana's African policy. The presence of 27,000 to 29,000 Cubans there represents only about 1 percent of the island's labor force and an estimated loss in national output of about \$80 million annually--the equivalent of about 1 percent of estimated 1976 GNP--if these people were productively employed at home.

While the costs to the economy in general have been relatively small, the loss of skilled and unskilled workers has caused disruption in several sectors of the economy; the loss of unskilled workers has been minimized, however, by increased mechanization of the labor-intensive sugarcane harvest and the widespread use of student labor in agriculture. Logistical costs have been limited to no more than 10 percent of the Cuban merchant fleet at any one time and a small number of aircraft. This cost of diversion has amounted to only about \$15 million annually at most and has not seriously disrupted Cuban trade patterns or commercial airline schedules.

Although the rate of economic growth apparently slowed in 1976, the slowdown is primarily the result of a small decrease in that year's sugar harvest and a decline in investment. Sugar production dropped about 2.5 percent in 1976 because of prolonged drought conditions during the sugarcane growing season. Non-sugar agriculture fared better and registered small gains. Industry also showed a small gain, but output was impaired by a reduction in raw material imports from the West. In neither case did a shortage of labor significantly affect output.

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Investment, however, declined significantly in response to a 17 percent reduction in capital goods imports from the West--caused by a 44 percent drop in average world sugar prices from the previous year. Although production data for 1977 is not yet available, we doubt that GNP was any more affected in 1977 by Havana's involvement in Africa than it was in 1976.

While Cuba supplies the bulk of the manpower and most of the subsistence and salary costs for Africa, virtually all of the materiel costs have been borne by the USSR. The Soviet-made military equipment being used in Africa is either transshipped from Cuba or sent directly to Africa from the USSR. Most of the equipment sent from Cuba has already been replaced by newer, and, in some cases, more sophisticated weapons. Moscow has provided Soviet planes and pilots to facilitate Cuban logistics and has leased two IL-62s to Havana for twice-weekly flights to Angola. Cuban maintenance costs have also been partly offset by several African nations who are receiving Cuban civilian and military assistance.

We calculate that Cuba's direct economic costs from its military commitment in Africa in comparative terms represent only about one-third of the US economic costs of Vietnam during the peak year of 1968. The direct cost of maintaining the 21,000-23,000 military personnel in Africa is estimated at about \$50-\$55 million annually in subsistence and salary payments and, at most, \$15 million annually in logistical expenses. Fidel Castro told a visiting US State Department official last September that these expenses amounted to \$10 million and were the only foreign exchange costs of Cuba's African involvement. This estimated \$65-70 million annual bill represents only about 0.9 percent of estimated 1976 GNP. At its peak, the US commitment in Vietnam totaled \$26.5 billion in 1968 according to US Defense Department and Senate Appropriations Committee estimates or about 3 percent of 1968 US GNP. The share of Cuba's labor force represented by its military personnel in Africa equals about 0.8 percent compared to 0.65 percent of the US labor force stationed in Vietnam in 1968.

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Having little detailed knowledge of the Cuban involvement in Africa, some sectors of the Cuban populace incorrectly view the Cuban military and civilian presence in Africa as a major cause of Cuba's economic difficulties and at least partly responsible for ongoing austerity measures. Cutbacks in ration allotments of coffee, rice, and certain clothing items and major downward revisions in Cuba's first Five Year Plan have coincided with the highly visible callup of military reserves destined for Africa.

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