

OLC - 724677/A

Executive Registry  
77-9998/A

The Director  
Central Intelligence Agency

*Congress*

11 NOV 1977

Washington, D.C. 20505

Honorable Frank Church  
United States Senate  
Washington, D.C. 20510

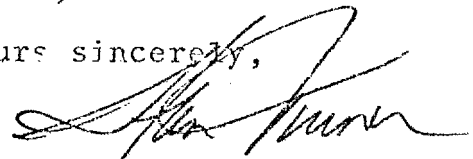
Dear Senator Church:

Thank you for your letter of 28 October sending me a copy of your report on your recent trip to Cuba.

I have read the report with much interest. I have also sent a copy to our analysts for their consideration.

With all best wishes,

Yours sincerely,



STANSFIELD TURNER

cc:  
DCI  
Acting DDCI  
ER

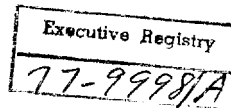
Distribution:  
Original - Addressee  
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Retyped 8 Nov 77

(EXECUTIVE REGISTRY FILE)

*Congress*



Washington, D.C. 20505



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Honorable Frank Church  
United States Senate  
Washington, D.C. 20510

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With all best wishes,

Yours sincerely,

STANSFIELD TURNER

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DCI  
Acting DDCI  
ER

Distribution:  
Original - Addressee  
1 - OLC Subj  
1 - OLC Chrono  
OLC:CM:mig (Typed 2 Nov 77)

**ROUTING AND RECORD SHEET**

SUBJECT: (Optional) **Approved For Release 2004/03/15 : CIA-RDP80M00165A001800070017-1**

77-9998

FROM: George L. Cary  
Legislative Counsel

EXTENSION

NO.

DATE

STAT

TO: (Officer designation, room number, and building)

DATE

OFFICER'S INITIALS

\* COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

RECEIVED      FORWARDED

1.

~~Acting DDCI~~

Attached for your signature is a letter to Senator Frank Church thanking him for sending a copy of his report on his recent trip to Cuba.

2.

3.

DCI

*Rec'd 9 November 11 NOV 1977 Stolley*

DDO/LA/Cuba saw nothing in the report which requires comment from you.

4.

5.

OLC(for handcarry)

ORPA/LA/Cuba suggested you might find the following of particular interest:

6.

1) the descriptions of the conversations with Castro, pp. 3 (bottom), 4,6,7,8,9,10.

7.

**SIGNATURE**

2) comment on the possible release of U.S. citizens in Cuba, pp. 1,6,7,9.

8.

**LETTER TO SEN. CHURCH**

3) Castro's comment on the crash of the Cuban air liner in early fall 1976; "he thought it was done by terrorists who had received their training years ago from the CIA." pp. 7 (bottom)-8.

9.

**THANKING HIM FOR SENDING**

10.

**REPORT ON TRIP TO CUBA:**

It is left open for you to comment further if you wish, but

11.

**YOU ALREADY SAW COPY OF HIS REPORT.**

*I would*

*George L. Cary*

12.

13.

14.

15.

# ROUTING AND RECORD SHEET

SUBJECT: (Optional) **Approved For Release 2004/03/15 : CIA-RDP80M00165A001800070017-1**

Executive Registry

77-999812

Report on Frank Church's visit to Cuba

FROM:

EA/DDO

EXTENSION

NO.

*Congress*

DDO 77-9642/2

DATE

4 November 1977

STAT

TO: (Officer designation, room number, and building)

DATE

OFFICER'S INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment)

*where*

1.

Executive Secretary

2.

Ben,

3.

Our Cuba people see nothing in Senator Church's report that requires comment from the DCI. Presumably he will want to thank him for his interesting observations.

4.

5.

6.

KK

7.

cc: DDO Registry  
ADDO  
DLD  
KK

8.

9.

10.

11.

(EXECUTIVE REGISTRY FOR *Congress*)

12.

13.

14.

15.

STAT

**EXECUTIVE SECRETARIAT**

**Routing Slip**

TO:		ACTION	INFO	DATE	INITIAL
1	SA/DCI		X (Attn: [redacted])		
2	D/WFAC		X		
3	DDO		X		
4					
5					
6					
7					
8					
9					
10					
11					
12					

SUSPENSE \_\_\_\_\_  
Date

Remarks: To 2 & 3: Attached provided for your information and comments to the DCI as required.

D/ [redacted] ary  
1 NOV 77  
Date

3637 (10-77)

(EXECUTIVE REGISTRY FILE) *Congress*

JOHN SPARKMAN, ALA., CHAIRMAN

Executive Registry  
77-1998

FRANK CHURCH, IDAHO  
CLAIBORNE PELL, VTE.  
GEORGE MC GOVERN, S. DAK.  
HUBERT H. HUMPHREY, MINN.  
DICK CLARK, IOWA  
JOSEPH R. BIDEN, JR., DEL.  
JOHN GLENN, OHIO  
RICHARD (DICK) STONE, FLA.  
PAUL S. SARBANES, MD.

CLEVELAND ABRAHAMSON, CALIF.  
JAMES B. PEARSON, KANS.  
CHARLES H. PERCY, ILL.  
ROBERT P. GRIFFIN, MICH.  
HOWARD H. BAKER, JR., TENN.

Approved For Release 2004/03/15 : CIA-RDP80M00165A001800070017-1

United States Senate

COMMITTEE ON FOREIGN RELATIONS  
WASHINGTON, D.C. 20510

October 28, 1977

NORVILL JONES, CHIEF OF STAFF  
ABNER Z. KENDRICK, CHIEF CLERK

The Honorable Stansfield Turner  
Director of Central Intelligence  
Washington, D. C. 20505

Dear Admiral Turner:

I am taking the liberty of sending  
you a copy of the report on my recent  
visit to Cuba.

With best wishes, I am

Sincerely,

*Frank Church*  
Frank Church

Enclosure

UNCLASSIFIED	CONFIDENTIAL	SECRET
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**EXECUTIVE SECRETARIAT**  
Routing Slip

TO:		ACTION	INFO	DATE	INITIAL
1	DCI		✓		
2	OLC	✓			
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
SUSPENSE		3 NOV 77 Date			

Remarks:  
 To 2: Please prepare response for DCI signature.

[Signature]  
 Director, Executive Secretariat  
 29-10-77  
 Date

3637 (10-77)

STAT

STAT

Approved For Release 2004/03/15 : CIA-RDP80M00165A001800070017-1

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95th Congress }  
1st Session }

COMMITTEE PRINT

HOLD FOR RELEASE

OCT 31 1977 AM

DELUSIONS AND REALITY  
THE FUTURE OF  
UNITED STATES-CUBA RELATIONS

REPORT

TO THE

SENATE COMMITTEE ON  
FOREIGN RELATIONS  
UNITED STATES SENATE

BY

SENATOR FRANK CHURCH  
ON A TRIP TO CUBA  
AUGUST 8-11, 1977



OCTOBER 1977

Printed for the use of the Committee on Foreign Relations

U.S. GOVERNMENT PRINTING OFFICE  
WASHINGTON : 1977

96-861

LETTER OF TRANSMITTAL

U.S. SENATE,  
COMMITTEE ON FOREIGN RELATIONS,  
*Washington, D.C., September 27, 1977.*

HON. JOHN SPARKMAN,  
*Chairman, Committee on Foreign Relations,  
U.S. Senate, Washington, D.C.*

DEAR MR. CHAIRMAN: With the committee's approval and the full support of President Carter, I visited Cuba from August 8 to August 11, 1977. I hereby transmit a report of that trip.

After my return to Washington, I met with the President to relay a message from President Castro and to pass on my observations and policy recommendations.

Sincerely,

FRANK CHURCH.

(III)

DELUSIONS AND REALITY—THE FUTURE OF UNITED STATES-CUBA  
RELATIONS

I. INTRODUCTION

Today, 90 miles off the coast of Florida lies a land of mystery to most Americans, led by a charismatic politician who is a major figure on the world scene. American citizens regularly obtain more information about developments in China, halfway around the globe, than about events on this island where nearly 10 million people live closer to our shores than Puerto Rico.

Until recently, from the break in relations with Cuba in January 1961, our policy toward Fidel Castro has been to treat his government as a political pariah, unfit for membership in the community of nations. As a consequence, American eyes and ears have been closed to Cuba. However, today the blinders are being lifted and the earplugs removed. Our citizens may now travel to Cuba. The flow to us of first-hand information is increasing.

As a member of the Senate Committee on Foreign Relations, charged with the responsibility for weighing matters governing the course of United States-Cuba relations, I have long felt a need to see Cuba's society and to talk to its leaders on a personal basis. An invitation from Fidel Castro, extended through Cuba's mission to the United Nations, coupled with a congressional recess, enabled me to do so from August 8 to 11, 1977.

No visit of 4 days to any country qualifies a visitor as an expert. But there is much wisdom in the old saying that to see something once is better than to hear about it a hundred times. This report is neither a travelog on Cuba nor a definitive study of the issues of concern to our two nations. Rather, it is a summary of what I saw and heard that I consider pertinent in pondering the future course of U.S. policy.

In my opinion, the cordial reception extended to my party was intended as a clear signal of President Castro's desire for a new era in United States-Cuban relations. Several factors bear this out. The Air Force plane, on which we flew to Havana, was the first U.S. military aircraft to land at a Cuban airport since 1960, I was told. ("Flown in legally, that is," President Castro later remarked.) While there, I was permitted an unprecedented 32 hours with Castro, much of that time while he acted as a highly knowledgeable tour guide, journeying by jeep, car, boat, and helicopter, through the Cuban countryside and adjacent waters. These signs, coupled with Castro's granting of my request to allow island-bound American citizens married to Cubans to return to the United States, together with their families, are all suggestive of his desire to commence removing the barriers that have separated our two countries for the last 17 years.

While in Cuba, I had the opportunity to travel widely through the Havana area and the western end of the island, visiting farms, ranches, schools, and many other facilities, along with the Bay of Pigs,

and President Castro's island retreat. On the basis of my observations, the conclusion is inescapable that the Castro revolution is no longer an experiment; it is an established fact. Any new U.S. policy must be based on that reality.

Following the Bay of Pigs fiasco, American policy was built on the delusion that by economic and political pressures the United States could isolate Cuba and thus bring Castro to his knees. From diplomatic arm-twisting to assassination plots, from the imposition of trade embargoes to covert operations designed to sabotage and subvert his regime, American policy sought to stamp out this Marxist society so close to our shores. The policy, however, has failed monumentally. Instead of isolating Cuba from the world at large, we have managed only to isolate ourselves from Cuba.

## II. SOME REALITIES IN CUBA TODAY

Cuba, to begin with, remains a regimented state. Cuban jails harbor political prisoners, and Cuban politics are dominated by one man, one party, and one ideology. No organized opposition exists. All public information is controlled by the Government. Cuban newspapers resemble Pravda or Izvestia and are just as dull. Restricted to the dogmatic repetition of the party line, they lack interest, humor or wit. Freedom, as we know and enjoy it in the United States, is conspicuously absent. Furthermore, one wonders whether a totalitarian society, in which the highest political virtue is solidarity, can ever evolve into a free society in which solidarity gives way to individual liberty.

Nevertheless, the evidence of strong popular support for Fidel Castro and his revolutionary goals is too abundant to be denied. We Americans know what ails Cuba, but we have precious little knowledge or understanding of what makes it work.

The perspective with which one views Cuba's society depends on how the water glass is measured, as half full or half empty. Judged by American levels, the average Cuban's standard of living leaves much to be desired. To most Americans, the Cuban's glass is half empty. But, to a Cuban, compared with the remembered privation of the past, the glass seems half full and filling rapidly. As one old man put it simply: "You should have seen what it was like before the revolution."

For example, there is no evidence on the streets of beggars, drunkenness, drug addiction, or the prostitution for which Havana was once infamous. In contrast with other Communist nations I have visited, few policemen or soldiers are to be seen. Although there are exhortative slogans on billboards here and there, no posters of Castro appear in public places. Construction activity abounds in Havana and throughout the countryside, much of it new housing for the expanding population, which has increased from 6 million to 9.6 million since Castro came to power. Housing appears to be adequate and inexpensive. An apartment costs a worker 10 percent of his or her salary regardless of family size. One hundred thousand new housing units are being built this year, we were told.

Self-contained satellite towns are being developed around major cities. We visited the Alamar complex outside of Havana where workers at nearby industrial sites also work part time in constructing new, functional apartment buildings. Nowhere in our travels did we

see the huge and hideous slums so often in evidence elsewhere in the developing world, particularly in the major cities of Latin America. Indeed, the contrast between the average dwelling in Cuba and the hovels endured by millions in other Latin nations was striking and, I suspect, instructive as to why Castro enjoys such evident popular approval.

Education and health are now given priority in Cuban development planning. "Five years ago, the military received the highest priority," one Cuban said, "now it is education and health." We were told by education officials that at the time of the revolution, nearly half the adult population was illiterate; now illiteracy is less than 4 percent, consisting essentially of those too old to learn. Schooling is compulsory to age 12, but young people are encouraged to continue in school until they are 17. Adult education is stressed with the objective that, regardless of age, Cubans might always be involved in some type of study program. Physical work is combined with study at the secondary levels. All education, including higher education, is free.

The countryside is dotted with boarding schools, all built alike to save construction costs, where, during weekdays, students combine study with farming, returning to their homes on weekends. These work-study schools are a key element in Cuba's plan to put idle rural land to productive use. We visited, for example, the Empresa Pecuaria Genetica de Matanzas, started from scratch 7 years ago, lunching there on excellent fish raised as a regularly harvested crop in a farm lake nearby.

Another such school-farm which we visited was an 190,000-acre citrus orchard, Plan Especial de Jaguey, being developed on land that was once rocky and unproductive by students who attend 45 schools scattered throughout the area. Begun 10 years ago, the development, which will not be completed until 1985-90, already produces more citrus fruit than all of Cuba before the revolution. The entire output is sold to Communist countries.

These were not isolated showplaces. One could see similar developments everywhere while traveling through the countryside. We did visit one showplace, however, the Picadura Valley Granja, a cattle-breeding farm run by Castro's older brother, Ramon. There, Cuban cattle are being crossed with Holsteins to upgrade production of both beef and milk.

Throughout the rural areas there was electric power, produced by oil-fired generators, and many water tanks used for irrigation. It was said that about 45 percent of Cuba's sugarcane crop is now harvested by machine, with more than a third grown on irrigated land.

Still, many foodstuffs are rationed, even sugar (4 pounds a month). But allotments are purported to be ample and designed primarily to insure fair distribution. Prices of basic commodities are subsidized, financed in part by heavy taxes on luxuries. Consequently, there is no inflation in basic food prices. A quart of milk costs less than 20 cents, meat averages 60 cents per pound, rice 18 cents per pound, oil 26 cents per pound, bread 20 cents per pound—and so on. Although Cuba still produces much rum—10 million liters a year are exported, 6 million of that to the Soviet Union—little is consumed in Cuba.

Castro's sense of priorities and his intimate knowledge of details are illustrated by what he related to me about Cuba's lobster production. Cuba, he said, produces 10,000 tons of lobsters a year, all for export

markets. "I can buy a ton of powdered milk for \$350 and it has 2½ times as much protein as a ton of lobsters. And for each ton of lobsters we sell, I can buy fifteen tons of powdered milk."

Wages for the average factory worker are said to be 160 pesos per month, or about \$200 at the current exchange rate. There are significant differences in wage levels between workers and professionals—a doctor makes four times as much as a shop or factory worker—but the system, it is claimed, guarantees a decent standard of living to the lowest paid. Both parents usually work. Health care, like education, is free; medicines are low priced; and public transportation is cheap—bus fare in Havana is 5 cents. Gasoline is rationed and costs 65 cents per gallon for the rationed amount and \$2 per gallon for any purchased over that—"to soak up money," it was said. Textiles are also rationed, but new plants are under construction. However, many young people dress stylishly. Mini skirts abound. American music dominates on the radio stations and old American movies are shown on television.

As to transportation, many 1950's vintage American cars are still seen on Havana's streets. However, there are large numbers of cars of more recent vintage as well, including some built in U.S.-owned plants in Latin America. Buses appear adequate but crowded. Many new trucks lumber along the streets and highways. Obviously, attention is being given to improving transportation.

It must be a shared pride in these accomplishments that accounts for Fidel Castro's undoubted popularity. Previous Cuban dictators, such as Batista and Machado, were despised. But criss-crossing the island with Fidel, as I did, is an experience not to be faked nor easily forgotten. He has more facts and figures in his head, and a greater curiosity to acquire still more, than nearly anyone I have ever met. Ranging from an intimate knowledge of Ernest Hemingway's writings to the latest experiments in cattle breeding, his grasp of detail is astounding. He takes to the road like an eager campaigner. He obeys the signal lights, jokes with the pedestrians crossing at the intersections and waves amiably to the people who call out to him as he passes by. Wherever he stops there is pandemonium, as crowds gather around to ask questions, register complaints, or just talk. The people react to him more like a father figure than a head of state. In their faces I could not detect a trace of fear.

One incident will convey something of the flavor of these exchanges. Stopping beside an outdoor basketball court, Castro began to banter with the players. He spotted a short boy, perhaps 12 years old, and shouted to him, "You're too short for basketball."

The boy blanched and I watched him elbow his way forward. Just before we pulled away, the boy gripped Castro's arm, his eyes flashing. "I may be short," he said, "but I can jump."

The President nodded solemnly, holding back his laughter until we left. Then he turned to me and said approvingly, "There's a champion in the making."

Perhaps this easy relationship with the people can be better understood if one takes into account the bitter history of Cuba. It was the last of the Spanish colonies in the Western Hemisphere to win independence, its struggle long and bloody. Before the turn of the century, Castro told me, there were 300,000 Spanish troops stationed on the island—1 soldier for every 3 Cubans. After independence, Cuban

governments were corrupt and dictatorial. Batista is thought to have had \$100 million on deposit in foreign banks at the time he fled Cuba. Moreover, mammoth foreign ownership of the land left the peasants destitute, while Havana became a haven for the Mafia. Now all this has changed. It is small wonder that the Cuban people see their glass as half full today and believe in Castro's promise of a full glass tomorrow.

### III. THE STATE OF UNITED STATES-CUBA RELATIONS

"Those who cannot remember the past are condemned to repeat it," Santayana wrote. As American policymakers measure how far Cuba has come since the Castro revolution, so must they also keep in mind the earlier history of United States-Cuban relations.

Before Castro's rise to power, we regarded Cuba much like a colony. Following American occupation after the Spanish-American War, the United States wrote the Platt amendment into Cuba's Constitution, giving the United States the right to intervene in the island's affairs whenever we saw fit. That amendment stood until 1934. American capital dominated Cuba's economy. It is estimated that during the last year of the Batista regime, U.S. interests controlled 80 percent of Cuba's utilities, 90 percent of its mines and practically all of its oil refining and distribution facilities; 65 percent of its trade was with the United States, while 85 percent of all foreign investment was American. As for Cuba's principal crop, sugar, 40 percent of the sugarcane fields were also American owned. In many ways, the U.S. ambassador was as important as Cuba's own President.

This subordination to foreign ownership was no small element in the growth and appeal of Castro's revolution. And after he marched into Havana in 1959, subsequent U.S. policies may well have been a major—if not the compelling—factor in pushing Castro so far into Soviet hands.

With the expropriation of American-owned properties, the U.S. Government took quick reprisal. Starting with our cancellation of the Cuban sugar quota, we soon obtained, through the Organization of American States, a quarantine of Cuba, endorsed by most Latin governments. In April 1961, the United States sponsored the ill-fated invasion of the Bay of Pigs by Cuban exiles. The dangerous missile crisis involving the Russians came 18 months later.

To be sure, Castro is now—and was during that time—a grassroots Communist. But, as Senator Fulbright warned President Kennedy in arguing against the Bay of Pigs invasion, the Castro regime "is a thorn in the flesh; but it is not a dagger in the heart." Strangely, we still seem to find it simpler and more important to maintain trade and diplomatic relations with such Communist titans as China and the U.S.S.R., than to deal with an island less than 10 minutes by air from Key West.

Beginning in 1974, there have been attempts to break away from this stubborn, self-defeating policy. In August 1975, President Ford lifted the embargo on trade with Cuba by U.S.-owned corporate subsidiaries abroad. The results of this policy are evident in the number of Argentine-made Chevrolets seen today on the streets of Havana. President Carter has stepped up the momentum by removing the ban on U.S. travel to Cuba, stopping the overflights of our surveillance planes and allowing American tourists to purchase \$100 semiannually

in Cuban goods. Both countries have recently entered into fishing and maritime agreements and opened diplomatic interest sections in each other's capital. Thus a start has been made toward improved relations. But many hurdles remain to be surmounted.

Cubans regard the trade embargo (the "blockade," they call it) as the primary impediment to normalized relations. The origins of the embargo go back to the early sixties when the United States severed diplomatic and economic relations in final retaliation against the expropriation of American-owned property and Castro's growing friendship with the Soviet Union. At the urging of the United States (and later Venezuela), the OAS subsequently helped to legitimize our embargo by adopting its own sanctions resolution in 1964. That resolution remains on the books, but its edge was taken off in July 1975, when the OAS approved a "freedom-of-action" resolution permitting member nations to reestablish normal ties with the Havana government. The United States supported this resolution and it was then, in the aftermath of its passage, that President Ford authorized overseas subsidiaries of American corporations to trade with Cuba.

Although earlier this year the Senate Foreign Relations Committee approved legislation to permit one-way sales of medicine and food from the United States to Cuba, that provision was deleted from the parent bill in the full Senate when it became clear that even this modest step, which could only work to our advantage, would precipitate an emotional debate with an uncertain outcome. It is generally estimated that, if the whole embargo were lifted, it would result in a two-way trade of about \$600 million annually. Immediate study should be given to ways to ease the embargo on a step-by-step basis.

Although Cuba exports about 60 percent of its sugar, 3.5 million tons per year, to the Soviet Union under a long-term, highly advantageous, sales arrangement which currently brings Cuba 30 cents per pound, compared with a world price of 8 cents, and allows the island to buy oil at half the world price, Cuba is still interested in participating in an international sugar agreement. Castro told me that he believed such an agreement, stabilizing the world price at a level above world production costs, would benefit all sugar-producing countries alike, including the United States and Cuba. The positions of our two countries on an acceptable price range appear to be moving in the direction of convergence.

According to the Department of State, there are 751 individuals in Cuba with valid claims to U.S. citizenship; of these, only 84 are exclusively Americans. The remaining 667 are dual nationals. The 84 have been free to leave Cuba but did not do so because the Cuban Government would not allow them to take their families with them. A major objective of my visit was to break the deadlock on this problem. When I raised the matter with Castro in a late night conversation aboard his boat, the *Aguarama*, he responded immediately and positively saying, "if there are 50 or 100 or 300—they may leave with their families and children and uncles and aunts. We have no problem with that. Just give us a list."

All of the 84 individuals in Cuba with exclusive claims to American citizenship were later queried by registered letter, sent by the U.S. interest section in Havana, as to whether they desired to return to the United States. The first 19, along with 36 of their relatives, had been



brought to the United States by the time this report was written. It is significant that, notwithstanding that 6 of the 55 were of military age, they were also allowed to leave. All were permitted to take their savings and personal belongings with them. This humanitarian gesture on Castro's part was intended, as he put it, "to continue the positive direction of relations" on which both countries have now embarked.

National television covered the arrival of the first plane from Havana at Homestead Air Force Base, Fla. I am sure that the American people watching the event shared the sentiments of one of Washington's most distinguished ambassadors, Ardeshir Zahedi, of Iran, who wrote to me:

It was a wonderful and heartening experience to see so many American and Cuban families reunited after so long a period of separation, and the joy and happiness that they so clearly manifested was in turn reflected in the hearts of all of us who had the good fortune to watch their reunion on television.

I also raised the question of Americans in Cuban jails. Of the 23 known Americans in Cuban jails at the time of our visit, including hijackers, drug smugglers and others, the Department of State classifies seven as "political prisoners." Although President Castro said he could not release these prisoners at that time, he told me that he would review their sentences on a case by case basis.

Shortly after our return to the United States, Cuban authorities did release one American prisoner, Byron Moore, who was not classified as "political" but whose release I had requested on humanitarian grounds. Mr. Moore's boat, the "Nita Sue," had been seized in Cuban waters with marijuana aboard.

Subsequently, on October 12th, I was informed by the American Interest Section in Havana that the first American political prisoner and the only woman among the group, Mrs. Maria del Carmen y Ruiz, had been released by the Cuban Government and had appeared at the Interest Section where she spoke briefly with American staff members. Mrs. Carmen y Ruiz was arrested in 1969 and sentenced to 20 years in prison on espionage charges.

These actions, including the first release of an American political prisoner, indicate that Castro is serious in seeking improved relations with the United States.

Perhaps the most complex issue separating us and the Cubans is our claim for compensation for properties expropriated in the revolution. The U.S. Foreign Claims Settlement Commission has approved claims against the Cuban Government totaling \$1.8 billion, of which \$1.5 billion are held by corporations. With interest, the figure increases to \$3.5 billion, or about one-third of Cuba's GNP. The Castro government has indicated that, at the appropriate time, it will present a counterclaim for damages inflicted by the embargo and the Bay of Pigs invasion. Neither Castro nor I dealt at any length with the expropriation issue in our conversations. Since it will require extensive negotiations, no good purpose would have been served by doing so.

As the number of hijackings to Cuba increased in the early 1970's, the United States worked out an antibijacking agreement with Castro's government, providing for the return of hijackers or their prosecution by the receiving country. Since the signing of the agreement on February 15, 1973, there have been no hijackings to Cuba.

On October 15, 1976, Castro announced that the hijacking agreement would be allowed to expire in accordance with its 6-month

termination provision. The turnabout was occasioned by the terrorist bombing a few weeks before of a Cuban airliner which cost the lives of all aboard, including members of Cuba's champion fencing team. The bombing so grieved the Cuban people that over a million attended the funeral. Even though Castro agreed with me that President Carter, whom I described as a "good, moral, religious man," would never countenance CIA participation in such a mass murder, he thought it was done by terrorists who had received their training years ago from the CIA. This was also generally believed by the Cuban people, he said, and made it necessary for him to terminate the treaty. Nevertheless, he made it clear that he intended to continue to deal with hijackers as required by the agreement. There would be no substantive changes on Cuba's part, he assured me.

At no time did Castro raise the issue of the Guantanamo Naval Base, although it remains an outstanding problem. The United States continues to send a check to the Cuban Government each year, in accordance with the 1934 lease in "perpetuity," for an annual payment of 2,000 gold dollars. These checks have not been cashed.

#### IV. BUILDING A NEW RELATIONSHIP

The wall the United States tried to build around Cuba has crumbled. At last count, the Cuban Government maintained regular commercial and diplomatic trading relations with 86 nations. It is high time for us to discard a policy which the world community views, at best, as unworthy of a great nation and, at worst, as petulant and self-defeating.

Cuba's economy did not collapse under our embargo, nor did her people rise up to welcome the American-sponsored invaders at the Bay of Pigs. Instead of dangling at the end of its rope, the Cuban economy appears to be thriving. Wherever we traveled, much activity was evident: new factories, housing, schools, hospitals, and roads.

At home and abroad, Castro has consolidated his position as a renowned leader. American opposition has catapulted him into a legendary prominence, as the David who stood off mighty Goliath. Just as the Bay of Pigs solidified public support for Castro at home, so too did our continued harassment of Castro bestow on him an aura he could never have otherwise acquired. Largely because of a blind and obstinate U.S. policy, Castro's stature and influence in the third world has grown far beyond the modest size of the country he governs.

There is a lesson to be learned here. A grand delusion underlaid our former policy toward Cuba. As the new administration attempts to steer a different course, it is essential to avoid still another delusion; namely, that Cuba will pay a heavy price for the restoration of normal relations with the United States. Apparently, there are those who feel that Castro has not shown "proper" appreciation for the steps President Carter has so far taken. In his conversations with me, Castro observed that it was impossible for him to respond in kind. Obviously, Cuba has not engaged in surveillance overflights of the United States, nor has it imposed a trade embargo against us.

If, in order to trade with the United States, anyone expects Fidel Castro to change colors; to abandon his role in Africa; to sever his close ties with the Soviet Union and to pay us in full for our expropriated property, that person has simply exchanged one delusion for another.

To be sure, the restoration of normal relations with Havana, including the lifting of the American embargo, would give certain advantages to both countries. The United States could obtain a share of Cuban purchases of tractors, trucks, farm machinery, rice, medicine and other commodities. We would also begin to exercise a moderating influence in Cuban affairs. Castro, on the other hand, might anticipate selling certain products in the United States, such as nickel, rum and cigars, while saving transportation costs on merchandise purchased and shipped from nearby American ports, as compared, say, to Japanese.

To obtain these benefits, along with an attendant restoration of greater acceptability among the governments of the hemisphere, I believe Fidel Castro may be willing to make further concessions, especially in the field of human rights. He may release, on a case-by-case basis, those six Americans remaining in Cuban jails whom we regard as "political prisoners"; he may consider opening the exit gates to those residents of dual citizenship, American and Cuban, who wish to leave and take their families with them; and he may, following a relaxation of the embargo, agree to negotiate our claims for compensation.

Beyond this, I have serious doubts. As for Africa, Castro views his role there as that of a liberator. His justification for Cuban intervention in Angola reminded me of the arguments I had heard so often from the lips of Dean Rusk and Henry Kissinger, back in the Johnson-Nixon years, defending our own intervention in South Vietnam. Castro appears to be caught up in the same sort of fervor and I was unable to convince him that Angola—like Vietnam—would ultimately prove to be a baited trap. Having found a role on the African stage, Castro is loathe to forsake it.

By the same token, there is no rational basis for believing that Castro will break his immensely beneficial connection with the Soviet Union in order to trade with the United States. His current trading arrangements with the Russians generate about \$1.2 billion in subsidies to Cuba each year, according to our own estimates. Cuba receives almost four times the world price for the sugar it sells to the Russians and buys oil from them at \$6 per barrel. Under the agreement, if the price of oil goes up, the price of sugar goes up proportionately. "It is," Castro said to me, "the best agreement any developing country could get." Although Cuba is obviously interested in acquiring U.S. technology, its trade with other industrial nations enables it to obtain most of what it needs and can afford.

Accordingly, I do not expect that concessions from Castro in the future are likely to exceed the marginal gains he can reasonably anticipate from the restoration of normal relations with the United States. To demand more than this, is to base our evolving policy toward Cuba on a new delusion.

For nearly two decades, the fractured relationship between the two countries has been exacerbated by offenses on both sides. As with any aggravated wound, the healing process will be gradual. Castro put it this way:

We are pleased with the development of relations between Cuba and the United States since President Carter took office. We understand realistically that the process of improving relations must be a slow process. There cannot be dramatic changes overnight, but for our part we intend to continue the positive direction of relations so that eventually Cuba and the United States can solve their problems.

V. RECOMMENDATIONS

Both President Carter and Fidel Castro have now taken the first steps toward better relations. Momentum has been created. It should not be allowed to slacken. By his decision to permit Americans to leave with their Cuban relatives and possessions, Castro has made a good-faith gesture to which the United States should respond. I recommend the following as steps worth considering:

1. *Expand cultural, sports, educational, and scientific exchange.*—There are many opportunities to further mutual interests through exchanges. In November, an American all-star baseball team will tour Cuba; in the spring, the Cuban National Ballet will perform in the United States. There should be more such visits. Medical personnel and scientists of both countries, for example, have much to learn from each other.

2. *Seek cooperation on antidrug traffic activities.*—Smugglers moving cargoes of drugs from Latin America to the United States by boat often travel close to Cuban waters and get caught. There is much common ground here for cooperation in curbing the international drug traffic.

3. *Relax the trade embargo.*—Careful study should be given to a step-by-step approach to relaxation of the trade embargo.

4. *Aggressively pursue antiterrorist activities.*—Government agencies should take aggressive action to insure that terrorist activities against Cuba, originating in, or controlled from, the United States, are stamped out.

5. *Reciprocal opening of press offices.*—Allow a Cuban press office (Prensa Latina) to be established in the United States in exchange for the opening in Havana of press offices of U.S. news organizations.

Such steps, on our part, taken over the next year or two, coupled with reciprocal action on the part of the Cuban Government, will move the healing process along.

When Castro was asked what one ingredient was most needed, he said, "Time."

I agree.

ITINERARY OF THE VISIT

*Monday, August 8*

2:00 p.m. Departed Andrews Air Force Base for Havana.

4:50 p.m. Arrived at Jose Marti Airport, Havana. Met by Raul Roa, former Foreign Minister and now Vice President of the National Assembly and member of the Council of State.

5:00 p.m. Press conference in airport lounge.

6:10 p.m. Arrived at Riviera Hotel.

8:30 p.m. Dinner at the La Torre restaurant hosted by Mr. Raul Roa and his wife.

11:30 p.m. Returned to Riviera Hotel.

*Tuesday, August 9*

9:40 a.m. Met with education officials:

1. Dr. Max Figueroa, Director of the Institute of Teacher Training Sciences.

2. Dr. Oscar Garcia, Vice Minister of Higher Education.

11:30 a.m. Went on walking tour of old Havana.

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12:30 p.m. Lunch hosted by above education officials at the "La Bodequita Del Medio" restaurant, once frequented by Ernest Hemingway.

4:15-5:45 p.m. Private meeting with President Castro at the Presidential office building.

5:45-6:15 p.m. President Castro and I met with the press.

6:15-9:30 p.m. Went with President Castro on a riding tour of Havana suburbs, by jeep, and ended by a visit to Ernest Hemingway's home, now a museum.

10:00-11:00 p.m. Discussion with President Castro at our room in the Riviera Hotel.

11:45 p.m. Met with accompanying American press.

*Wednesday, August 10*

9:00 a.m. Left hotel by jeep driven by President Castro for tour of the countryside.

a.m. Stopped briefly at Jose Marti Pioneer Camp after driving through Alamar suburb—a new housing development east of Havana.

a.m. Stopped at Santa Maria del Mar beach.

a.m. Stopped at a rum distillery.

a.m. Stopped at the "Jibacoa Comunidades"—cooperative farming development.

Noon. Stopped at Picadura Valley Granja—a cattle breeding ranch operated by Ramon Castro, President Castro's older brother.

3:00 p.m. Lunch at the "Empresa Picuara Genetica de Matanzas"—boarding high school.

p.m. Visited 190,000-acre citrus farm being built by secondary-school students—"Plan Especial de Jaguey."

p.m. Visited Bay of Pigs—toured museum there.

8:15 p.m. Left by boat *Aguarama* for President Castro's private island. Dinner on board boat after arrival. Overnight at guest house on island. Substantive talks with Castro periodically throughout day and evening.

*Thursday, August 11*

8:30 a.m. Breakfast aboard boat at mooring.

9:00 a.m. Left by another boat for snorkling areas in keys.

1:30 p.m. Lunch aboard President Castro's boat—which had been brought to the snorkling area.

2:45 p.m. Left by helicopter from a small uninhabited key for Havana.

3:25 p.m. Arrived at Riviera Hotel.

4:00 p.m. Left for the airport.

4:35 p.m. Joint press conference with President Castro at the airport, following which he came aboard the waiting U.S. Air Force plane.

5:15 p.m. Departed Havana.

7:50 p.m. Arrived Andrews Air Force Base, Md.

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