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**Latin America
Review**



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11 May 1984

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11 May 1984

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Review

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Cuba Chronology: February 1984

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*Articles have been coordinated as appropriate with other offices within CIA.
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Articles

Chile: The Political Role of Organized Labor [Redacted]

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Since last December, organized labor has resumed the role of vanguard of the protest movement against the Pinochet regime that it played for the first half of 1983. During these six months, the unions, taking advantage of their stronger organization and partial legal status, overshadowed the proscribed political parties within the protest movement. Labor initiated widespread opposition activity in May 1983 by calling for a series of "National Days of Protest" that attacked the government's economic policies. These soon mushroomed into a general demand for political liberalization. After a hastily called general strike failed in June, however, the parties displaced the labor movement as the driving force behind the protests [Redacted]

Labor Versus Government

The Pinochet regime has long been aware of the threat posed by labor. Chilean unions, which have a history of intense politicization and militancy, controlled over 40 percent of Chilean workers in 1972, the highest rate in South America. The Communist-dominated United Workers Confederation helped discredit the Christian Democratic government of Eduardo Frei (1964-70), and the independent truckers' union played a key role in harassing Salvador Allende's Marxist regime (1970-73). The first serious opposition to the Pinochet dictatorship after the 1973 coup came from the powerful copper miners' union—not from the political parties [Redacted]

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Since the turn of the year, bickering among the parties and their lack of any coherent strategy to confront the government—in contrast to labor's improved organization and clear aim of eventually calling a general strike—have contributed to labor's resumption of its earlier role. The National Workers Command, a broad-based union council to coordinate protest activity, convened the day of protest in March. We believe that labor will continue to play a crucial political role in Chile over the next six months and that the unions' actions could determine whether Pinochet rides out the political turbulence or is forced to concede transition to democratic rule before his constitutional term expires in 1990. [Redacted]

Recognizing the unions' political clout, the government has tried to weaken and depoliticize labor. The 1979 labor plan severely limited the right to strike, restricted collective bargaining to the plant level, and deprived sectoral and regional union federations of all but the most innocuous functions. The government also has used force. For example, in February 1982 a charismatic labor leader, whose campaign for worker unity threatened to mobilize unions against the regime, was murdered. [Redacted]

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The Labor Mosaic

Although opposition to Pinochet has created a unity of purpose among union leaders and has led to the formation of the National Workers Command (CNT), labor remains divided along organizational, political, and ideological lines. In April 1983 the US Embassy estimated that roughly 40 percent of labor leaders

enrollment in unions dropped from 37 percent of the labor force in 1976 to 12 percent in 1983. But such critical sectors as mining, petroleum, transport, and service (electricity, gas, and telephone) remain over 80 percent unionized, and labor's overall political militancy remains unbroken [Redacted]

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The National Workers Command (CNT)

Member Groups	Political Leaning	International Support	Leader
Union of Democratic Workers (UDT)	Dominated by Christian Democrats	AFL-CIO	Eduardo Rios
National Syndical Coordinating Board (CNS)	Dominated by Communists	ICFTU	Manuel Bustos
Confederation of Copper Workers (CTC)	Diverse; Christian Democrats in majority		Rodolfo Seguel (also CNT president)
Confederation of Private Employees (CEPCH)	Diverse; non-Communists predominate		Federico Mujica
United Federation of Workers (FUT)	Leftist Christian Democrats	World Council of Labor	

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owed allegiance to the Christian Democrats, 20 percent were progovernment, 20 percent were Communist, 10 percent were affiliated with leftist parties such as the Socialists and Radicals, and 10 percent were politically independent.

We suspect that actual Communist influence is somewhat greater than these figures suggest. Many Communist unionists camouflage their party loyalty, while independent, Socialist, or Christian Democratic union presidents often front for largely Communist-dominated organizations. Certainly the Communists' weight within the National Workers Command, which excludes most progovernment and some independent unions, is considerable. At a CNT congress in February 1984, the press estimated that 140 of the 315 representatives were Communists

Labor's organizational divisions, however, do not directly correspond to its partisan alignment. Communist and democratic syndicalists frequently collaborate in the same unions, and labor leaders from the same party can be found in competing worker organizations. The most important entities are the five federations that comprise the National Workers Command.¹

¹ The CNT does not represent all labor, but unorganized workers and independent unions have little political influence. Progovernment syndicalists have repeatedly failed to establish their own labor federation

The **National Syndical Coordinating Board (Coordinadora)**, was founded in 1978 and is led by a leftist Christian Democrat, Manuel Bustos. Below the executive committee level, however, the **Coordinadora** is dominated by Communists, who are especially strong in the many affiliated front groups devoted to such constituencies as women, youth, and slumdwellers. This significant nonsyndical component gives the **Coordinadora** a more overtly political slant than other Chilean labor groups. Notwithstanding its domination by Communists, the federation is supported by the social democratic International Confederation of Free Trade Unions (ICFTU). The US Embassy believes that financial backing also comes from East European sources, and we suspect that Moscow contributes via the Chilean Communist Party.

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The **Union of Democratic Workers** is the **Coordinadora's** chief labor antagonist. It was formed in 1981 by moderate Christian Democrats, Radicals, and independents who refused to follow Bustos in collaborating with the Communists. Led by Christian Democrat Eduardo Rios and dominated by that party, the Union is the major source of non-Communist labor opposition to Pinochet. The Union's relations with the ICFTU are strained, but it enjoys considerable support from the AFL-CIO.

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Coordinadora President Manuel Bustos

Bustos, 40, is a member of the "dinamicos," a group of labor leaders who are highly critical of the government's labor policies and favor a return to civilian rule. Despite 10 months of forced exile during 1983 for attempting to hold an unauthorized protest rally, he is apparently undaunted. Under his leadership, the Coordinating Board is sponsoring the "Mayo Plan" for mobilizing workers, students, and others to demonstrate against the Pinochet government.

The **Copper Workers Confederation** is the largest officially recognized labor organization in Chile. With 29,000 members, it accounts for the overwhelming majority of workers in the crucial copper-mining sector. The Confederation is politically diverse—incorporating Communist, Socialist, and even progovernment elements—but the Christian Democrats control eight of the 15 seats on the organization's executive committee. Under Christian Democrat Rodolfo Seguel's leadership, the Confederation spearheaded labor opposition to Pinochet in early 1983, thus confirming the copper workers' historical role as one of the most militant and politically active segments of Chilean labor.

The remaining two components of the CNT are less important. The **United Federation of Workers**, a minuscule group affiliated with the World Council of Labor, is dominated by leftist Christian Democrats.



UDT leader Eduardo Rios

Rios, about 59, is an effective labor organizer and a member of the "dinamicos." Outspoken in his criticism of the government's labor policies, he is anathema to the military. A former leader of the Christian Democratic Party, which is a member of opposition Democratic Alliance coalition, Rios nevertheless criticizes the parties in the Alliance for failing to distance themselves sufficiently from the Communists to broaden their appeal to moderates.

The more consequential **Confederation of Private Employees** represents white-collar workers. Like the Copper Workers Confederation, it incorporates diverse political groups and includes a strong Communist component, but democratic trade unionists control a majority of the leadership positions.

Struggle in the Workers Command

Not surprisingly, such a disparate collection of labor groups has failed to coexist peacefully within the National Workers Command. The main source of tension is the rivalry between the Communists, mostly entrenched in the **Coordinadora**, and democratic trade unionists for overall control of the labor movement. There is also friction between Christian Democratic syndicalists such as Bustos, who favor close cooperation with the Communists, and party moderates such as Rios, who want to keep radical leftists at arm's length.

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Copper Workers leader Rodolfo Seguel
Frequently portrayed as Chile's Lech Walesa, Seguel, about 30, offers the best hope for continued moderation within the labor movement. He was elected to a one-year term as union president in January 1983 and four months later helped to form the National Workers Command, which he now leads. Jailed briefly in 1983, he is still under indictment for antigovernment activities. He was fired last June for calling an illegal strike, and was ousted by the government from his Confederation post two months after winning reelection. Despite these setbacks, he remains Chile's most charismatic and influential labor leader whose power continues to grow.

hoc council to direct protest activities into a single labor confederation. They recently defeated a proposal to that effect proffered by Bustos at an ICFTU-sponsored congress in Argentina. Most democratic syndicalists accept the need for consultations among all labor leaders, but we believe that their ultimate aim is to construct a confederation that will exclude the Communists. [redacted]

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Behind these organizational squabbles lie disputes over how to confront the Pinochet government. The Communist-dominated **Coordinadora** is, in our view, willing to use any means and work with any allies—including terrorist groups—to overthrow Pinochet.

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[redacted] Also, there is no clear working relationship between the democratic and Communist political opposition, potential allies such as the Socialists are fractionalized, and military support for Pinochet remains secure. Nevertheless, we believe Communist unionists expect that greater political polarization and heightened social conflicts will eventually vindicate their strategy. [redacted]

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These disputes are reflected in the debate over the structure of the labor movement. The Communists and some Christian Democratic elements in the **Coordinadora** favor transforming the Workers Command from a coordinating committee into a single unified trade union confederation. Bustos, who favors a unified confederation to maximize labor's influence, has downplayed the danger of Communist infiltration and control. We believe, however, that the Communists—counting on their greater discipline and excellent funding—hope to turn any united labor organization into a Communist-dominated front that can be manipulated for political purposes. [redacted]

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The Union of Democratic Workers and the other Christian Democratic-dominated components of the CNT are much less shrill in their anti-Pinochet rhetoric, more flexible in their tactics, and committed to nonviolence. The Christian Democrats also want to assure that the ruling junta is not replaced by an equally undemocratic regime of the left. They repeatedly stress in public that both the national protests and any eventual general strike must remain peaceful. Ironically, Rios and other moderate labor organizers seem to understand better than many middle-class democratic politicians the danger of alienating the middle classes through incendiary language and violence. [redacted]

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Anti-Communist independents and Christian Democrats led by Eduardo Rios have consistently opposed changing the Workers Command from an ad

We believe that, despite Communist efforts, moderates still exert the greatest control over the labor movement. Some leftwing Christian Democrats, moreover, are becoming increasingly leery of Communist manipulation. The CNT beat back the Communist-inspired proposal to convert the organization into a united confederation, and recently a leftist Christian Democrat was expelled from the **Coordinadora** for openly denouncing Communist machinations in the labor movement.

The best hope for continued moderation by labor probably lies with the ascendancy of CNT President Seguel, who has largely displaced Bustos as the symbol of worker opposition to the regime. Although he appears to maintain good contacts with most factions of organized labor, we believe that Seguel is a moderate concerned with preventing manipulation of the National Workers Command by radicals. For example, he was the most prominent public figure to second Santiago Archbishop Fresno's 25 March call for dialogue and reconciliation. He and the Workers Command proposed the creation of a broad-based national commission to restart the liberalization process begun last fall. Such behavior has strengthened Seguel's reputation as a moderate and dissipated some middle-class anxieties concerning organized labor's alleged radical proclivities.

Outlook: Toward a General Strike

We believe that labor—despite its internal political and organizational differences—will remain one of the chief components of the opposition movement, at least for the next six months. Labor's return to the fore of the protests, despite a slow but steady drop in unemployment from its 1982 peak of 24 percent, indicates that the opposition movement has acquired a largely political momentum that is only partially conditioned by the economy.

A rapid and sustained drop in unemployment over the next few months could take some of the wind out of labor's political sails. But even the new, more expansionist-minded economic team recently appointed by Pinochet will probably do little more than reduce joblessness by 1 or 2 percentage points over the next half year. Thus, in our view, Pinochet will try to pacify the unions with piecemeal bread-

and-butter concessions and reform of labor regulations. Such actions may buy the silence of a few of the less politicized unions, but we doubt that narrow job-related concessions will significantly dampen labor's political aspirations.

The National Workers Command has publicly vowed to press its antigovernment offensive by eventually calling for a general strike. This is a high-risk tactic: the failure of a haphazardly mounted strike last June led to the temporary eclipse of labor within the protest movement and enabled the political parties to dominate the opposition forces. Nevertheless, this year labor is stronger, better organized, and more self-assured. We believe that the CNT has a good chance of orchestrating a widespread one-day general strike, although an open-ended work stoppage would probably dissipate after a few days. The Communists and other radical leftists will almost certainly try to provoke violence, but, in our view, the predominance of the moderates and the effectiveness of government controls will hold violence to a containable level.

A single general strike, no matter how massive, will not topple the government. It is, nevertheless, a tactic that Pinochet fears. We believe that if the CNT calls for a strike it will probably be broadly supported, preceded by successful protests and followed by a series of regular work stoppages. This would substantially increase the pressure on the government. Such strikes might cause sectors of the military and the civilian right to press Pinochet to shorten substantially the timetable for a return to democratic rule—the one concession that might mollify the opposition and restore political tranquillity. Thus, according to the US Embassy, moderate labor leaders are acutely aware of the need to prepare carefully for a national strike, and they are resisting pressure from the Communists to act immediately.

Other outcomes, although less probable, could instead damage the opposition:

- An ineffective strike would enable the government to argue that its plan for controlled democratization enjoys the public's confidence. The protest

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movement would be hard pressed to reestablish its momentum quickly after such an embarrassing defeat.

- If the strike is accompanied by excessive violence, the middle and upper classes may rally around the government as a bulwark of order. Moderate opposition leaders would lose support by appearing unable to control radical leftists, and credence would be lent to Pinochet's assertion that Communism is the only alternative to his rule.

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Cuba: Increased Cultivation of Western Europe

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Since late 1983, Havana has intensified its prolonged campaign to improve ties with Western Europe. The Cubans are probably motivated by foreign policy imperatives flowing from the Grenada debacle, the Central American crisis, and the growing US challenge to Cuba itself. They apparently hope to overcome these blows to Cuba's international image by separating the United States from its allies using Central American issues and Washington's attitude toward Cuba. More immediately, Cuban officials are wooing Western Europe to facilitate a second round of debt rescheduling in mid-1984 and to increase trade with several countries

The Diplomatic Front

Official exchanges with virtually all of Western Europe, plus Canada, have increased notably in recent months. Moreover, Fidel Castro has sought personally to influence numerous high-level visitors from these areas. The press reported that he met three times with Spanish Foreign Minister Moran, who visited Havana in January, and had similar frequent contacts when the Canadian Minister of Fisheries visited to renew a bilateral fishing accord. The US Interests Section in Havana believes Castro's behavior reflects his determination, in the wake of Grenada, to appear reasonable. One clear purpose of the total effort is to show that Cuban diplomacy is functioning normally and that Havana's foreign policies are constructive, especially concerning Central America

Cuban officials also have sought out European leaders in other international settings. At the inauguration of Argentine President Alfonsin in December, for example, Cuban Vice President Carlos Rafael Rodriguez met twice with Spanish Prime Minister Gonzalez and also had bilaterals with the leaders of the other European delegations. Similarly, Cuban officials attending the inauguration of Venezuelan President Luisinchi in February had private meetings with the Spanish Prime Minister, the head of the

French delegation, and others. Some of these Cuban gestures received relatively heavy international media play and, judging by comments of local officials to US embassies in several countries, were viewed as significant by some European officials.

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Havana's Message

Having reviewed their setback in Grenada, Cuban policymakers by late 1983 decided to adjust their foreign policy, according to the US Interests Section. They reportedly concluded that Central America would remain the focus of Cuban policy for the next year or two at least, and that the greatest threat to Cuban interests was the reelection of President Reagan. Consequently, they decided that they should try harder to separate the present US administration from the American public and from its allies, principally in Western Europe.

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The first salvo aimed at Western Europe was fired by Vice President Rodriguez in December in an interview with an Italian Communist Party daily. The new approach was amplified and also directed at the US public in a *Newsweek* interview given by Castro a month later. The main points expressed in both interviews were that the Reagan administration was acting irrationally and was a major threat to world peace. In contrast, the Cubans depicted themselves as moderate and prepared to compromise. Moreover, while the Cuban leaders proclaimed their readiness to negotiate with Washington, they charged this was precluded by the "ideological obstinacy" of the present US administration.

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The gist of these interviews has since been repeated frequently by the Cuban media and other government officials. Foreign Minister Malmierca provided the latest statement at a news conference in Havana on 17 April, when he said that recent US actions in

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Honduras and the mining of Nicaraguan ports typify Washington's intent to avoid a political solution to the Central American conflict. Therefore, he added, "Cuba will continue to mobilize international opinion against the United States." [redacted]

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On at least two occasions, Castro succeeded in generating substantial European media coverage of his views. In a lengthy interview broadcast on Spanish television in January, coinciding with the 25th anniversary of the Cuban Revolution, Castro reviewed Cuba's relations with the United States and Spain, argued that Spanish accession to NATO would jeopardize Spain's special relationship with Latin America, and referred fondly to his ancestral roots in Galicia. In late March, a French television network carried another lengthy Castro interview—his first with French television since 1977. The Cuban leader claimed his foreign policy was moderate and constructive, criticized US policy toward Central America, alleged a similarity of French and Cuban views on the region, and commended France's "positive role" there [redacted]

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At least some West European diplomats assigned to Cuba began to perceive a greater Cuban disposition to be accommodating on Central America and in relations with the United States. [redacted]

Castro was prepared to make concessions in Central America and that the Cuban leader would like to have a dialogue with the United States. [redacted] this is because Castro respects strength and scorns weakness in others, fearing humiliation most of all [redacted]

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Although the Cuban "message of moderation" may not be persuasive to most of the European officials exposed to it, Havana undoubtedly views it as useful by:

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[redacted]

◦ Dovetailing with Cuba's push to improve bilateral relations with key South American governments, which Havana almost certainly expects will be influenced in their own responses by Cuba's improved relations with Western Europe.

◦ Strengthening prospects for state visits by Castro to several European countries this year or next. [redacted]

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Spain and France

The most frequent and, from Havana's perspective, most promising recent exchanges have been with Madrid and Paris. [redacted]

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[redacted] Havana can advance its own objectives—in Latin America and Western Europe—by working in tandem with Madrid [redacted]

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Cuban leaders reportedly have long believed that Spain would be easiest of all European countries with which to develop close ties because of the unique historical relationship between the two countries. They had high hopes to achieve this goal when the Socialists led by Felipe Gonzalez came to power and were encouraged by the warm reception accorded to Foreign Minister Malmierca during his first official travel to Madrid in March 1983. The apparent promise of King Juan Carlos to visit Cuba, Foreign Minister Moran's agreement to reciprocate Malmierca's trip, and Madrid's continued receptivity to an eventual visit by Castro increased Cuban optimism. In addition, Havana was gratified by Madrid's help in rescheduling Cuba's foreign debt last year and in providing favorable trade credits [redacted]

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Castro's greatest personal coup was to persuade Spanish authorities to permit him to stop over briefly in Madrid on his return from the Andropov funeral in February. Castro and his party, which included the Nicaraguan delegation, held talks with Prime Minister Gonzalez on a "wide range of topics." According to Foreign Minister Moran, Castro

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claimed he would like to improve relations with Washington but found the US position "radical and unmoving." Castro also spoke to King Juan Carlos, met with the head of the Spanish Communist Party, and took part in a press interview. [redacted]

This event stirred speculation in European capitals—and in Washington—that Castro would soon be able to arrange firm dates for state visits to Western Europe. Indeed, although governments in every capital queried by US embassies gave assurances that there were no definite plans, several intimated that it probably would be only a matter of time before the Cuban leader was successful. For example, an [redacted] official told the US Embassy that Castro had attained a certain legitimacy by remaining in power for 25 years and that it is "inevitable" he will be received at the head of state level in Western Europe. Moreover, scattered reporting suggests that Cuban officials correctly believe that Castro's visit to Madrid has improved prospects for several European leaders to visit Cuba, in particular Spain's King, in coming months. [redacted]

With regard to France, recent Cuban efforts to cultivate closer ties have been less dramatic but no less persistent. [redacted]

Castro also has pushed for high-level consultations on African issues. Foreign Minister Malmierca and several other Foreign Ministry officials have visited Paris to discuss the situation in southern Africa, French-Cuban policy differences over Chad, and other African topics. Beyond these consultations, Havana remains intent on improving ties with Paris in as many ways as possible. Castro, for example, has emphasized Cuban interest in scientific and medical cooperation. We have seen no evidence that state visits by either Castro or Mitterrand are in the offing any time soon, but the Cuban leader clearly wants to keep alive the possibility [redacted]

The Commercial Front

Havana is trying to cultivate closer commercial ties with most of Western Europe almost as energetically as it is pursuing diplomatic ties. In recent months, Cuba has:

[redacted]

- Hosted several large delegations of European businessmen investigating possible trade deals.
- Pressed European governments to arrange new trade credits for Cuba.

This effort is intended to help diversify and revitalize Cuba's hard currency trade and to demonstrate the "normality" of doing business with Havana as it seeks European support in the next round of Cuban debt rescheduling negotiations. [redacted]

Havana also has attempted to play on the evident—but naive—belief of several European governments that they can help to prevent the Cuban economy from becoming totally dependent on Moscow. According to the US Interests Section, Havana may have hoped this timeworn argument would persuade several European governments to participate in joint ventures under permissive legislation Cuba promulgated in 1982. [redacted]

Despite its debt problems, Havana has scored some notable gains. [redacted]

[redacted]

The commission held its first meeting in March in Havana to discuss agro-industrial cooperation. Sizable West German and British business groups have visited Cuba since late 1983 to discuss bilateral

¹ Cuba's trade with non-Communist countries has fallen from 20 to 25 percent of its total trade in the late 1970s to about 10 percent during the past two years because of hard currency shortages and debt problems. [redacted]

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trade. Although Cuban trade with Portugal is minimal, Havana has pressed for a meeting of their bilateral commission, which has not met for two years, and reportedly is eager to resume sugar sales.

[redacted]

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Outlook

On balance, Cuba probably is satisfied with the gains it has achieved to date. European reactions to the mining of Nicaraguan ports and Washington's nonrecognition of the jurisdiction of the International Court of Justice almost certainly have led Havana to expect even greater receptivity in European capitals to Cuban overtures.

[redacted]

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Havana probably will persist at least throughout 1984 in its current tactics toward Western Europe. Cuban leaders appear confident that, so long as several European capitals continue to criticize Washington's policies, Havana has much to gain by sticking to its present line.

[redacted]

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Castro probably is sufficiently realistic not to count on a grand European tour this year, knowing that several capitals would be reluctant to antagonize Washington in the period leading up to the US Presidential election. The Cuban leader, however, undoubtedly hopes that a visit to at least Spain and one or two other countries will be possible within the next few years. In the meantime, Havana would fully exploit a visit by King Juan Carlos as clear evidence of Cuba's acceptability to the "Mother Country" and to others as well.

[redacted]

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[redacted]

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Cuba-Caribbean: Picking Up the Pieces After Grenada

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Less than six months after Havana's setback in Grenada, the Castro regime has set in motion a two-pronged counteroffensive in the English-speaking portion of the Caribbean: expansion of diplomatic and commercial ties and covert activities designed primarily to unify and strengthen the leftists of the region. Havana clearly has not written off the area and—while it plans to maintain a low profile—seems to be ready to make a significant investment to regain its influence.

The Impact of Grenada

The military intervention by US and Caribbean nations divested Cuba of its most important foothold in the eastern Caribbean. With the closing of Radio Free Grenada, the regional office of the Moscow-backed International Organization of Journalists, and the office of Cuba's Prensa Latina news agency, the Castro regime no longer has a major propaganda base in that region. The confiscation of the enormous arms cache in Grenada scotched whatever plans Cuba may have had to use the island as an arsenal for the radicals of the area. The radicals themselves, on whom the Cubans must rely in the rebuilding process, seem to be in disarray, and largely discredited by the collapse of Grenada's New Jewel Movement. Jose Joaquin Mendez, Cuba's foreign intelligence chief and a member of the leadership's inner circle, has been replaced because he failed to anticipate the internal crisis that led to Bishop's death.

Moreover, the Cuban Communist Party's America Department (AD), which formulates and helps implement policy in Latin America, suffered directly. Its Caribbean section chief was killed in the fighting in Grenada. Another of its officers, who served as Cuba's Ambassador in St. George's, is in disgrace because of his bumbling throughout the crisis there. A third, Cuba's Charge in St. George's after the departure of the Ambassador, embarrassed his government when his clumsy attempt to cache the Embassy's sizable arsenal of weapons and

ammunition was discovered and trumpeted in the press. Nevertheless, AD chief Manuel Pineiro seems to have emerged from the Grenada experience with his influence undiminished.

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In addition, the Grenada affair embarrassed Cuba both internationally and domestically. The exposure of Cuba's aggressive role in the region and the warm welcome given by the people of Grenada to the intervention forces dampened the Castro regime's prestige abroad while the shabby performance of the Cuban military mission in Grenada hurt the armed forces' image at home. Castro's emotional order to fight to the death was poorly received by the Cuban population and raised doubts about the regime's handling of the crisis.

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New Policy Outline

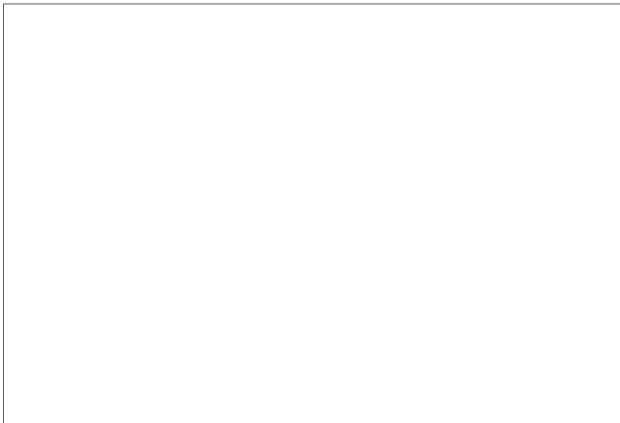
The weight of the evidence indicates that Havana views the recouping of its losses in the eastern Caribbean as a long-term project requiring new tactics and strategy. The direct and highly visible Cuban role in Grenada that did so much to alienate the island's population and raise suspicions on other islands of the region has been replaced by a heavy dependence on local accomplices. The prevailing disarray in the leftist movement of the eastern Caribbean seems to have frustrated and discouraged the Cubans, however, and led them to a more realistic assessment of the movement's true potential. Nonetheless, Havana is certain to persist in its efforts to unify the disparate groups if for nothing more than to maintain contacts with activists who may someday prove useful.

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have no evidence that Havana either sees such an opportunity on the horizon or is trying to create one.

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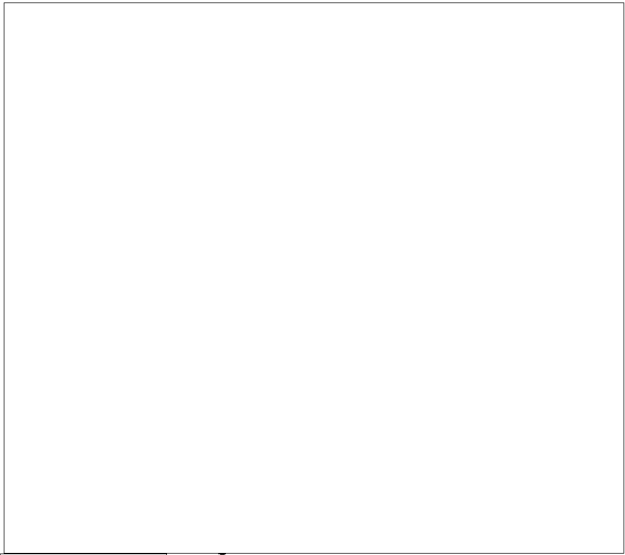


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Focus on Guyana

President Forbes Burnham's Guyana seems destined to replace Grenada as Cuba's forward base of operations in the eastern Caribbean. Havana is now improving relations with Burnham and using Guyana as a place for contacting the leftists of the Lesser Antilles. The need to strengthen ties to the corrupt and virtually bankrupt Burnham regime illustrates how desperate Havana has become in its search for allies in the area.

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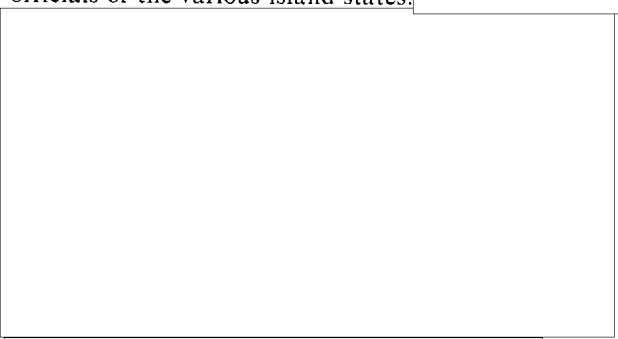
The Cuban media have begun to give Guyana special treatment. One of Cuba's top journalists and a photographer traveled to Guyana in February, visiting the government-owned Guyana Broadcasting Corporation and meeting with the Guyanese Press Association. Subsequently, the weekly version of the Cuban Communist Party's daily newspaper—the weekly is published in three languages mainly for foreign readers—carried a virtually unprecedented 16-page supplement devoted wholly to Guyana. Included was a three-page interview with Burnham and nearly a page of comments by Cheddi Jagan, head of the opposition Marxist-Leninist People's Progressive Party and Cuba's main ally in Guyana. The US Interests Section in Havana has noted that the supplement, published on 8 April, was the culmination of an unusual amount of media attention given recently to relations between Havana and Georgetown.

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A second component of Havana's new approach, as outlined by the Cubans in February, will be a new emphasis on developing informal links with key officials of the various island states.



We believe Havana sees a major role for Jagan in Cuba's effort to regain lost ground in the eastern Caribbean. The Cubans seem bent on taking advantage of his prestige and contacts with the leftists of the region and to use him to hide the Cuban hand in regional activities. The Guyanese Ambassador in Havana acknowledges Jagan's special relationship with the Cubans; in March he told the US Interests Section that, despite good relations between Havana and the Burnham government, the Cuban Communist

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Party has always had closer ties to Jagan's party than to Burnham's. [redacted]

[redacted]

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In early March, Jagan's party convened a conference of Caribbean leftist leaders in Georgetown to try to unify the region's leftists—a key Cuban foreign policy goal. Cuba's role in promoting the conference is not clear—Jagan's party was the only publicly acknowledged sponsor—but the strength of the Cuban delegation suggests Havana may have been deeply involved behind the scenes. The deputy chief of the Cuban Communist Party's America Department headed the Cuban team, which also included the new chief of the AD's Caribbean Section. [redacted]

[redacted] We believe Havana almost certainly is aware of the crippled state of the NJM and has no illusions about the prospects for a popular uprising in Grenada over the near term; what military training is being provided is most likely designed to ensure that the NJM moderates can survive any threat from the remnants of the Coard faction who were responsible for Bishop's death. [redacted]

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[redacted]

To judge from the Cuban press, Havana clearly realizes the NJM's rebuilding process is a major undertaking that is bound to be a long-term project. The stress that the Cuban media have placed on honoring the memory of former Prime Minister Maurice Bishop suggests that the Cubans may see the NJM—in its present state—as too tainted to serve as a suitable vehicle for regaining power. The Cubans may be hoping that eventually they can help reshape the NJM into a new, more palatable, renamed party that can shed its present image and draw on Bishop's memory for popular support. [redacted]

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[redacted] The failure of the Cuban media to publish the final communique of the conference until almost a month later suggests some disappointment in Havana over the meeting's outcome. [redacted]

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New Jewel Movement

Cuba apparently hopes to breathe new life into the moribund New Jewel Movement (NJM) but wants to keep its efforts concealed. [redacted]

Normalizing Relations

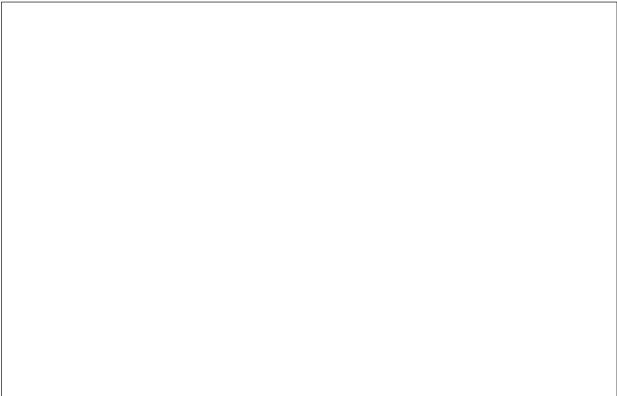
To supplement its covert cultivation of the region's leftists, the Castro regime is expanding its open contacts across the political spectrum through diplomatic approaches, commercial dealings, and social and cultural activities. Prospects for greater bilateral trade appear to be the bait that Havana is using to lure Trinidad and Tobago into a closer relationship. Trinidad and Tobago's refusal to join other countries of the region in the Grenada rescue mission seems to have convinced the Cubans that Port-of-Spain may be more amenable to improved ties. This probably explains why Havana chose a high-ranking official—its Foreign Trade Minister—to head the trade delegation that visited Trinidad and Tobago in February. [redacted]

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In response to an NJM request, Cuba has also agreed to provide "significant military training" to a substantial number of Grenadians currently studying in Cuba. [redacted]

[redacted]

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foreign delegations, presumably to avoid stigmatizing them when they returned home. According to a contact of the US Embassy in Georgetown, union leaders from Guyana, Trinidad and Tobago, Jamaica, Barbados, Dominica, and St. Lucia made the trip.

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In studying the power structures of the eastern Caribbean countries, Havana apparently has decided that organized labor is both a key element of influence and vulnerable to Cuban penetration. The US Embassy in Georgetown, for example, points out that the Soviets and the Cubans are working particularly hard to influence the labor movement in Guyana. According to the Embassy, there seems to be a developing pattern by pro-Soviet and pro-Cuban front organizations to fund travel of pro-Western, independent Guyanese trade unionists to countries such as Cuba, the USSR, and Nicaragua.

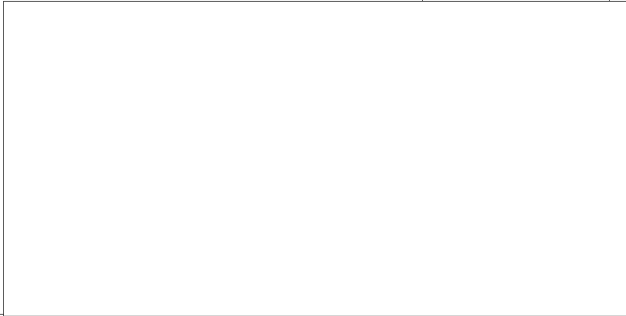
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Elsewhere, Havana is offering special scholarships in Cuba's institutions of higher learning to promote a better Cuban image and expand contacts. If Havana persists in direct contacts with potential students rather than working through the local governments, however, this tactic may backfire by alienating the very governments it is trying to woo.

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Conclusions

The eastern Caribbean clearly is not Cuba's first priority in the foreign policy field. The US elections in November, followed closely by Central America and southern Africa, unquestionably are getting the lion's share of attention from the Cuban leadership. Nevertheless, Cuba can be expected to make a determined effort to repair the damage wrought by the Grenada intervention partly because it is an ideological imperative and partly—in our belief—because Castro wants revenge against the regional leaders who joined in the rescue mission. Reporting from several sources uniformly indicates that Castro was livid over the turn of events in Grenada, and, being a vengeful man, he has probably developed an intense personal antipathy toward those leaders of the region who backed the United States in the affair. Although there is no evidence that his plans for the area include terrorism—US readiness to retaliate militarily is probably the main deterrent—we believe he intends to regain influence in the eastern Caribbean through whatever means necessary. Over the near term, however, he seems to be focusing wholly on prosaic methods that meet the accepted norms of international behavior.

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The Barbados Government is already on public record opposing direct approaches to students and appears ready to try to prevent travel to Cuba by Barbados scholarship holders. Several hundred young people from the Caribbean are currently enrolled in Cuban educational institutions.

Another channel for reestablishing Cuban influence is the trade union movement. Labor leaders from a number of countries of the eastern Caribbean, for example, were invited to the 15th Congress of the Central Organization of Cuban Workers—the government-controlled national federation of unions—in Havana in late February. The invitation list was unusual in that it included labor leaders who are not necessarily pro-Cuban and in some cases are pro-Western. Although the Cuban media gave ample coverage to the congress, they did not identify the

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**Brazil: Attitude Toward
Central America**

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Brazil—by tradition an influential but low-key player in Latin America—has taken a largely neutral position on the Central American conflict, refusing to be drawn into an active diplomatic role and limiting official comments to endorsements of nonintervention and self-determination. Brasilia opposes the wider internationalization of a problem it believes should be resolved by the states in the region. The Figueiredo administration believes Brazil has no security interests at stake in Central America, and trade with the region is relatively insignificant. By remaining politically neutral, Brasilia is able to demonstrate its independence from Washington without risking the loss of US assistance in overcoming the country's current economic woes.

has agreed to deliver several Tucano trainer/ground attack aircraft to Honduras sometime this year and also has sold rocket launchers to Panama.

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Policies

The Brazilians have supported the efforts of the Contadora Group since its formation in January 1983. Last month, for example, a Foreign Ministry statement asserted that only political/diplomatic efforts like those undertaken by the Contadora Group can restore peace to the region. Contadora's approach is consistent with Brazil's traditional adherence to the principle of nonintervention.

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Low Stakes

Unlike the Argentine military regimes of 1976-83, Brazil does not view events in Central America as a threat to national security. The region is so distant that the advent of leftist regimes there would not, in the Brazilians' view, pose a danger to the stability of South American governments. This sense of detachment contrasts sharply with Brasilia's forceful overture last year to Suriname, on Brazil's northern border, in an effort to check Cuban influence with the Bouterse regime.

The Brazilian Government has maintained a largely neutral position toward Nicaragua. Immediately after the Sandinista takeover in 1979, Brazil appeared willing to aid economic reconstruction and prevent the isolation of the new regime by offering technical assistance, food shipments, and lines of credit for Brazilian machinery, tractors, and buses. On the other hand, Brasilia has not provided strong diplomatic backing to Managua, and its criticisms of US policy toward the Sandinistas have been mild. The Foreign Ministry's most recent statement did not refer to the controversial mining of Nicaraguan ports and commented that Nicaragua is not a major issue in Brazilian-US bilateral relations.

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Brasilia has few commercial interests in Central America. Exports to the region constitute an insignificant portion of Brazil's total exports—only 0.2 percent in 1982 and 1983. Even though expanding arms sales to other Third World countries provide badly needed foreign exchange, the Figueiredo administration has been reluctant to sell weapons to Nicaragua or El Salvador for fear the sales could become a controversial political issue. Military sales to those two countries have been limited to nonlethal items such as vehicles and clothing. The rest of Central America does not constitute a profitable arms market in any case, although—

Similarly, the Brazilians have avoided taking a position on El Salvador beyond stressing that its problems should be resolved internally. In 1982 and again this year, the Foreign Ministry refused to send observers to the Salvadoran elections, claiming that such action would violate its policy of nonintervention.

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The Figueiredo administration has managed to ignore Brazilian critics of US strategy in Central America. Although a large number of Congressmen publicly have protested US "intervention" in Nicaragua, foreign policy has played a minor role in the opposition's differences with Brasilia. Brazilian press treatment of US policies in Central America has been relatively mild, and the media generally have supported Brasilia's refusal to take a more active role in the region.

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Prospects

The lameduck Figueiredo administration, which is scheduled to surrender power to a civilian regime next March, is unlikely to deviate from its present policies on Central America. Brazil's stakes in the region are not likely to rise in the near term, and attention will remain focused on the upcoming presidential elections, the transition to civilian rule, and the domestic economic crisis.

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The new administration may be slightly more critical toward US policy in Central America. With the liberalization of the political system, Brasilia will be more susceptible to pressures from Congress, the political parties, and public opinion. Nonetheless, the Brazilians are counting on US assistance to weather their financial crisis and are unlikely to jeopardize bilateral relations over an issue of relatively minor importance to them. As long as the conflict remains contained within the Central American region and Brasilia does not feel that its security or economic interests are threatened, the civilian regime is not likely to depart radically from present policies.

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Dominica: Opposition Disarray

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Support for Dominica's ruling Freedom Party has weakened, largely because of the government's failure to turn the economy around. Nevertheless, opposition efforts to gain from this weakness probably will meet with limited success as long as factionalism and personality conflicts persist in the splintered Labor Party.

Prime Minister Eugenia Charles is popular abroad and in the island's capital city of Roseau, but in the rural districts her party is regarded as oriented toward the middle and upper classes and has little support. Charles's trade union backing also has diminished significantly as a result of her introduction of controversial legislation that many consider to be antilabor. Despite her energetic efforts to attract foreign aid and investment, the general populace sees little evidence of economic progress. Unemployment remains high, especially among young people, and prospects for improvement appear dim in the near term.

Former Prime Minister and opposition leader Oliver Seraphin claims that the opposition Labor Party has overcome factional infighting and will be a united party going into the next elections. Two of the three splinter groups allied last May under Seraphin's leadership, and attempts have been made to cement relations with the third group, led by social democrat Michael Douglas. Seraphin's optimism may be unjustified, however, because past alliance agreements have invariably been short lived.

A unity agreement could quickly unravel if former Prime Minister Patrick John reenters the political picture. John was charged three years ago with plotting to overthrow the government and subsequently acquitted. When the Charles government challenged his acquittal, he took his case before the London Privy Council, which has not yet made a decision. If John wins his appeal, he will try to resume a dominant role in the Labor Party, spelling disaster for future cooperation efforts.



Barbados Advocate ©
Oliver Seraphin

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Barbados Advocate ©
Patrick John

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Michael Douglas reportedly has refused to deal with John. Seraphin, who led a group of dissidents against John in 1979, maintains an uneasy alliance with him but is hopeful that John will lose his court case, leaving Seraphin in control of John's supporters as well as his own.

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The Nation ©

Michael Douglas



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Even if the three factions are able to overcome these problems, choosing a leader for the reunified party will pose a major difficulty. As head of the largest group, Seraphin presumably has the most popular backing. Douglas, however, has long considered himself the true leader of the Labor Party and is unlikely to accept a backseat. Dyer also probably would expect to play a prominent role in return for adding his support to the party. As a result, Charles is likely to face a divided opposition in the next election—which she says will not be called until 1985—and, despite Dominica's continued economic problems, probably will win reelection, albeit with a reduced majority in Parliament. (c)



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Latin America
Briefs

Peru

Cabinet Changes

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President Belaunde's new appointments to two major Cabinet posts probably will not stem the declining popularity of the ruling party or the administration. Sandro Mariategui Chiappe was named Prime Minister and Foreign Minister following the resignation of Fernando Schwalb on 6 April. Schwalb, a close friend of the President, had resigned because of differences over economic policy that arose after the previous Finance Minister was replaced in March by Jose Benavides, according to the US Embassy.

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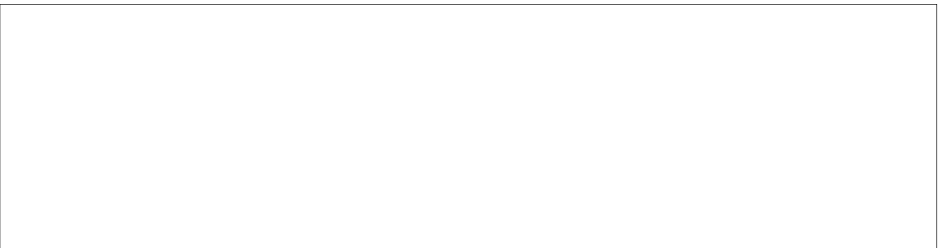
Belaunde first had offered the Prime Minister's position to Luis Bedoya, leader of the Popular Christian Party—which recently bolted the ruling coalition led by Belaunde's Accion Popular—and then to novelist Mario Vargas Llosa, an independent. Bedoya declined because of his plans to run for the presidency in 1985, and ruling party leaders vetoed Vargas Llosa because of their preference for an Accion Popular functionary, at least until the party convention this summer. If, as the US Embassy expects, Mariategui resigns by September to be eligible for reelection to the Senate, Vargas Llosa could be named prime minister after the convention is over.

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St. Kitts-Nevis

Elections Likely

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Since its defeat in the 1980 election, the opposition Labor Party has been steadily losing support and leader Lee Moore's popularity has declined. Moore's call for a boycott of independence celebrations last September was ignored,

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Voter turnout is likely to be high in this, the first postindependence election, but the moderate, pro-Western ruling parties are better prepared than the troubled opposition and probably will win another term.

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Cuba Chronology

February 1984

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- 1 February* Vice President of the Council of Ministers Jose Ramon Fernandez arrives in Caracas at the head of the delegation that will attend the presidential inauguration of Jaime Lusinchi.
- 4 February* Two men hijack a Brazilian airliner to Cuba where they are taken into custody, and the plane is flown back to Brazil.
- 6 February* USSR Minister of Trade Grigoroy Vashchenko arrives in Havana heading a delegation that will evaluate the bilateral work plan for 1983-84 as well as trade cooperation in 1985-86.
- 9 February* According to Evaristo Perez, chief of the Cuban contingent of educators in Angola, the number of Ministry of Education teachers in Angola will be increased to 1,856.
- 10 February* Cuba declares four days of mourning for Soviet leader Yuri Andropov as tens of thousands line up to sign a book of condolences in Revolution Square.
- 11 February* According to a State Department report on Human Rights, the Cuban Government is executing people for reproducing religious tracts, organizing trade unions, and painting antigovernment slogans.
- 11 February* Fidel Castro, accompanied by other members of the Politburo, the Secretariat, and the Central Committee, visits the Soviet Embassy in Havana to sign the book of condolences.
- 11 February* Domestic Trade Minister Manuel Vila Sosa and Soviet Trade Minister Vashchenko sign a bilateral trade agreement and an evaluation of tasks for 1983-84.
- 13 February* The Cuban Government announces that the construction contingent that was working in Grenada prior to the US intervention will build a new airport between Aradero and Matanzas.
- 13 February* Fidel Castro, Carlos Rafael Rodriguez, Jesus Montane, and Roberto Veiga head a delegation to the funeral of Soviet leader Andropov; Fidel places a floral tribute at the bier.
- 14 February* According to Venezuelan media, the four terrorists who were jailed on charges of blowing up a Cubana aircraft on 6 October 1976 will remain in jail.

Secret

- 16 February* Fidel Castro and Nicaraguan Junta Coordinator Daniel Ortega arrive in Madrid, where they are greeted by Prime Minister Felipe Gonzalez and attend a working lunch at Gonzalez's residence.
- 16 February* Fidel Castro and Daniel Ortega depart Spain. In a press conference at the Madrid airport, Castro declares that the Contadora group "has been and continues to be a hope for peace" in Central America.
- 17 February* The president of the USSR's State Committee for Foreign Economic Relations, Yakov Ryabov, reports that Soviet technical assistance to Cuba has increased to more than 1 billion rubles annually.
- 18 February* Fidel Castro tells *Newsweek* there will be no dialogue between Cuba and the United States as long as the United States insists that the Central American situation is caused by Cuba's relationship with the USSR.
- 21 February* The Administrator of the US Drug Enforcement Agency says the Cuban Government is helping some smugglers move drugs into the United States, but the effect is minimal.
- 22 February* Three men identified as members of an anti-Castro terrorist group, Omega 7, plead guilty in a US court to a series of bombings since 1976 and agree to cooperate with federal prosecutors.



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Cuba Chronology

March 1984

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- 2 March* Politburo alternate member Jesus Montane meets with Carlos Galliza, Secretary General of the Socialist Party of Puerto Rico, to discuss matters of mutual interest and the international situation.
- Havana announces that, as a result of the collective efforts of health workers and the people, the infant mortality rate was reduced to 16.8 per 1,000 live births during 1983.
- 3 March* Soviet leader Konstantin Chernenko says that the Soviet Union will be on the side of Cuba in times of calm as well as in those of turmoil.
- 7 March* Paris press reports that on 6 March Cuban police shot a high school teacher seeking refuge in the Venezuelan Embassy in Havana by climbing over a fence surrounding the Embassy.
- 9 March* *Granma* announces that the first all-woman regiment in Cuba's regular army paraded in Havana for the first time on 8 March celebrating International Women's Day.
- 11 March* Interior Minister Ramiro Valdes and Vitaliy Vorotnikov, member of the Politburo of the CPSU Central Committee, meet in Moscow.
- 13 March* Hector Traverso arrives in Havana leading an Argentine trade delegation that includes officials of the Foreign Ministry, Commerce Secretariat, and other state organizations.
- 14 March* In an interview, Carlos Rafael Rodriguez says that Cuba will respond with powerful counterbroadcasts when the United States begins beaming anti-Castro messages to Havana over Radio Marti.
- 16 March* Portuguese Prime Minister Mario Soares says the Soviet Union and Cuba had decided on a "gradual disengagement" from Angola that will permit the eventual departure of Cuban troops.
- 17 March* Fidel Castro greets Angolan President Eduardo dos Santos on his arrival in Cuba with a delegation that includes Col. Pedro Maria Tonha and other officials.
- Presidents Castro and dos Santos discuss bilateral relations and international matters, especially in southern Africa.

Secret

19 March

Presidents Castro and dos Santos sign a communique agreeing to a gradual withdrawal of the 25,000 Cuban troops in Angola provided certain conditions are met.

26 March

The Cuban press reports the arrival at the port of Havana of the Soviet helicopter carrier Leningrad, the guided-missile destroyer Udaloy, a diesel submarine, and a supply ship.

27 March

Piedmont Airlines Flight 451 from Charleston, South Carolina, to Miami is hijacked to Cuba by a man demanding \$500,000.

The hijacker of the Piedmont aircraft surrenders to Cuban authorities; no money demands are met.

29 March

Delta Airlines Flight 357 from New Orleans to Dallas is hijacked to Cuba by a man with a Spanish accent, who is taken away by Cuban authorities; the aircraft returns to Dallas.



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