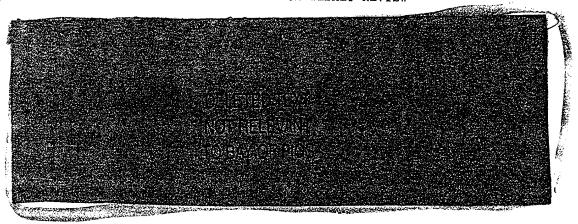
CURRENT INTELLIGENCE WEEKLY REVIEW



CUBAN DEVELOPMENTS

Fidel Castro's experience at the United Nations has apparently whetted his appetite for international politics and strengthened his view of himself as a leader of the people, not only of Latin America, but of all underdeveloped dountries, in their "struggle against imperialism." The virtually unqualified identification of Cuba's foreign policy with that of the USSR, evident in Castro's UN address, shows signs of being played down and the theme of Cuba's association with world neutralist leaders : stressed. On his return to Cuba, Castro declared that Ghana's Nkrumah may visit Cuba late this year and Nasir may visit next March.

The Castro regime, which has given increasing propaganda support to the cause of the Algerian rebels, is apparently to act as host later this month for a conference sponsored by the "Algerian Aid Committee" based in Morocco. The committee member representing the Communists' World Federation of Trade Unions had urged Havana as the site of the conference.

On his departure from New York on 28 September, Castro declared that he expected to return to the United Nations in a few weeks, and New York hotel managers reported on 3 October that Cubans had been seeking

reservations for a party headed by Fidel or Raul Castro beginning 23 October. Castro told a Cuban television audience on 30 September that "we are thinking of presenting a motion in the United Nations against racial segregation in the United States."

Cuba's withdrawal on 4 October of its candidacy for a UN Security Council seat, which it had little hope of winning, may have been in return for a promise by some Latin American delegations for support for a council seat next year.

Cuban propaganda media continue their almost hysterical attacks on the United States, and some proclaim that the embassy's advice to American citizens to leave Cuba foreshadows armed intervention by the United States. The \$100,-000,000 US Government - owned Nicaro nickel plant was seized by the workers' militir on 1 October following the delivery of a US note announcing closure of the plant because of confiscatory Cuban taxes. Castro responded publicly, saying, "They spend a billion dollars on espionage and 40 billion on arms, but now, after exploiting our mineral resources for many years, they object to paying a 25percent tax.... Let the plant be closed."



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Cuban Government agencies appear fearful of the imposition of controls on exports to Cuba. According to rumors prevalent in Havana, they are forming companies in the United States to purchase scarce items for indirect shipment to Cuba.

Instructions have been sent by the National Bank of Cuba to all New York banks concerned to transfer to the United Kingdom or Canada the balances held for the account of Cuban banks. The amount of balances and securities held by Cuban banks in New York banks as of 31 August is reported to be slightly in excess of \$9,000,000. The International Monetary Fund (IMF) was likewise instructed to dispose of \$1,645,000 in gold held by the Fund for the Bank of Cuba and to transfer the proceeds to the Bank of England.

These moves are probably intended to safeguard Cuban assets from any freezing action by the United States. The transfer of Cuban gold held by the IMF may presage Cuba's withdrawal from the Fund. If so, it would mean a further solidification of Cuban trade ties with the Soviet bloc. There are currently no bloc members in the IMF.

On 3 October, the National Bank of Cuba purchased in New York the equivalent of nearly \$4,500,000 in pounds sterling and ordered its deposit in London to the account of the Czech State Bank. This transaction was probably a payment for bloc arms.

A Bulgarian trade delegation, headed by the first deputy foreign trade minister, arrived in Cuba on 30 September. The expected trade agreement will be the seventh concluded by Cuba this year with bloc countries. The second major shipment of military equipment from the Soviet Union

recently arrived, and further shipments are expected.

Che Guevara is to visit Moscow in early November for the anniversary celebrations of the Soviet revolution, and Carlos Franqui, pro-Communist director of the government's newspaper, and several other newsmen left on 29 September to study Soviet journalism. Numerous other Cubans now are visiting Moscow, Peiping, and satellite capitals. At the same time, two East German and two Czech professors arrived in Cuba in late September as guests of the Cuban Government.

Chou En-lai's message to Castro in late September, on the occasion of the formal establishment of diplomatic relations between Havana and Peiping, promised "every possible support and assistance to the Cuban people, in case of need."

The "International Voluntary Labor Brigade," which came to Cuba under Communist-front sponsorship last July to work on a Cuban school center, left on 1 October after a send-off featuring an address by Guevara. Guevara told the youths, who were said to have represented 43 countries, that "we of this generation will see the world liberated completely, even if we have to undergo the greatest of sufferings."

On the domestic scene, the armed forces and militia are evidently still suffering casualties in the regime's efforts to suppress guerrilla activity in the Escambray Mountains. Press sources report the launching on 4 October of an all-out government drive to rout the guerrillas and the capture by government forces of an arms cache destined for the rebels which had been dropped by an aircraft from an unknown destination.

On 2 October the Catholic archbishop of Santiago, in

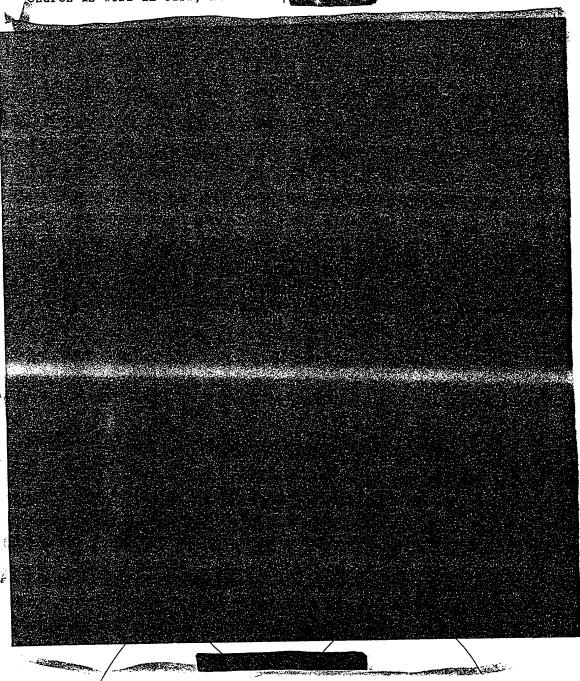


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Oriente Province, issued a pastoral letter constituting the strongest anti-Communist statement yet made by any church official in Cuba. The archbishop, according to a high church official, intends to follow up with pastoral letters about once a month, regardless of what other Cuban bishops do. Although the church is weak in Cuba, it is in

a psychologically favorable position in Oriente to head such a campaign because many priests there participated in the fight against the Batista dictatorship, and the archbishop himself is credited with saving Fidel Castro's life in 1953 after he had been captured by the Batista forces.



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