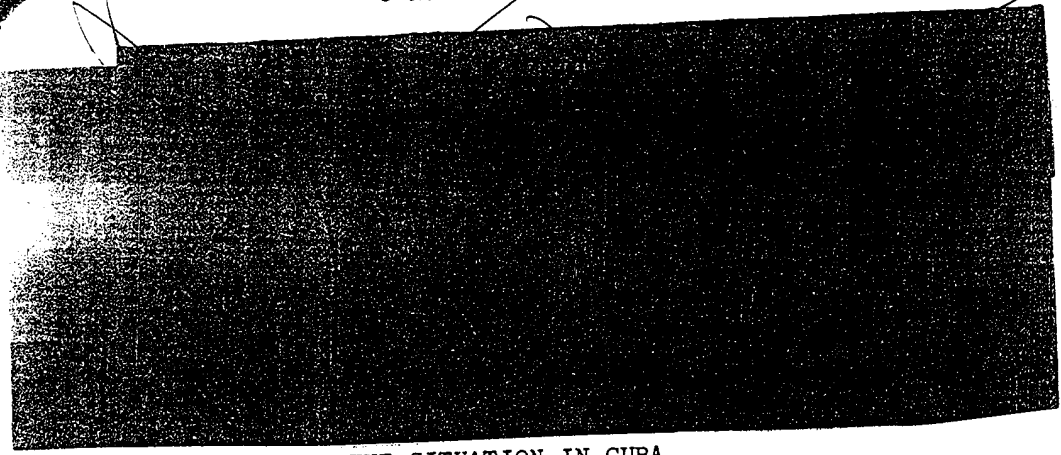


5 November 1959



THE SITUATION IN CUBA

The Castro government's new mining law and its seizure of oil companies' files are additional evidence of its drastic approach to economic reforms, many of which are badly needed.

Most of the large and unexploited petroleum and mineral concessions, as well as the mining industry in general, are controlled by American interests which Cubans feel have not developed their holdings rapidly enough to benefit the economy. Alienation of these private investors who have been considered the only source of sufficient capital for developing the subsoil resources, and increased government control over the economy will probably be accompanied by an intensified search for European--and possibly Soviet bloc--technical and financial assistance.

Cuba may be planning to resume diplomatic relations with the USSR and open trade rela-

tions with East Germany. On 3 November the semiofficial daily Revolucion urged that Soviet First Deputy Premier Mikoyan, who will inaugurate the Soviet exhibition in Mexico on 22 November, be invited to visit Cuba as the first step toward renewed relations and further trade with the USSR. Ambassador Bonsal in Havana has reported that East German economic officials are expected in Cuba soon, and he considers it quite likely that some rapprochement may be contemplated.

Castro's revival on 29 October of the revolutionary tribunals and the reintroduction of the death penalty are again arousing unfavorable comment in Latin America. Hemisphere leaders and newspapers sympathetic to Castro's planned reforms and aspirations for Cuba have been increasingly critical of his excessive and irrational actions.

GIA HISTORICAL REVIEW PROGRAM
RELEASE AS SANITIZED
1997

TO BAY OF PIGS
NOT RELEVANT
DELETED TEXT

