

25 April 1963

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MEMORANDUM ON CUBAN POLICY

(Random thoughts developed by DCI on various aspects of the Cuban problem and the discussion at Standing Group prepared for use by representatives of DCI at meetings on this subject during his absence from the country.)

1. Castro's position - I agree with the ONE estimate that Castro's political position will improve within the next year (barring assassination). His image among liberals and insurgent groups in the Western Hemisphere will improve, though this will not be the case with the Heads of State. Economic hardships and other difficulties, such as insurgency, raids, etc. within Cuba, will complicate his problems but, on balance, it seems to me Castro's situation has improved since about December and will continue to improve. The Cuban people will become "resigned" to his presence and will go about their business expressing their resentment in apathy rather than in active belligerence. This trend can be slowed and possibly reversed if United States action is taken with determination, continuity and consistency.

2. Economic situation - Undoubtedly, the Castro Government is seriously hurt by US economic actions. These actions alone, however, cannot bring Castro down although they will continue to give him trouble and to increase Soviet problems and costs in supporting him. The economic blockade must be kept up and intensified. Great effort must be exercised to shut off supply of parts from Canada, which is now

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flowing in small but very important quantities. Continuing effort must be exercised with all Western European countries. Moreover, a continuing effort must be exercised with major U.S. corporations, as has been done with International Harvester on tractors from Spain, and with the oil companies in controlling the "bright stock" supply. Trade with Latin America plays a minor role in Cuba's export-import economy, but the Latin American countries should continue their economic boycott which has been effective. The principal and most effective means of "hardening" Castro's economic situation will come through Canada, Western Europe and Japan. Intensified efforts might be effective, but I would expect that the passage of time and the "acceptance" of Castro and his Communist government, the pressures of trade, the seeking of markets, the taking advantage of business opportunities, etc., will cause a decided weakening of Canadian-European support of our program of economic sanctions. This has been true of other U.S. efforts of this type in the past, such as trade with the Soviet Union, Chinese Communists and others.

3. The sugar market - Castro's problems and the Soviet cost of supporting Castro is offset to a considerable degree by the dramatic increase in the price of sugar. The increase in the last year, when applied to 75% of estimated 1963 production of sugar, about equals the estimated economic aid the Soviets are required to give Cuba in 1963. Therefore,

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it might be said that the Free World is supplying the money with which the Soviets are supporting Castro. Careful exploration should be made as to why the sugar market has gone up so dramatically (2-3/4¢ in 1961 - 6-1/2 to 7¢ now). The United States should break the sugar market if possible. This is a sensitive market and is "made" by middlemen and can be manipulated. An upward movement of a cent a pound would decrease the Soviet/Cuban dollar income by \$60-70 million this year. Although there are some indications that the demand for sugar exceeds supply it is hard to believe that this factor in itself is totally responsible for the present price of sugar.

4. To use shipping as a weapon is not very effective. There are lots of idle bottoms and the Soviets can employ them for their non-Cuban trade and use their tankers and dry cargo ships for Cuban trade. While our efforts with the Free World countries should be continued, we should not consider this as a very important and effective means of hurting Castro. In fact, to the extent that non-Bloc ships could be conveyors of agents and various sabotage devices, their occasional transit into Cuba might be an advantage rather than a disadvantage from our standpoint.

NOTE: In summary, actions against Castro's economy should be continued and hardened and might make things more difficult for him. But these will not bring him down. Furthermore, it will become increasingly difficult to secure Free World cooperation as the world public gets used to Castro.

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5. The Soviet presence in Cuba continues. There has been no appreciable exodus in recent weeks; there are no large passenger ships enroute to Cuba now. Indications are that Khrushchev has met his commitment of removing "several thousand Soviets", and may have called a halt to the exodus. It may be resumed as Cubans become proficient in handling the equipment. Castro apparently expects this, to judge from his statements to Donovan. I really have no assurance this will take place and we should not be deterred from any actions of any kind necessary to slow down Castro's growth or to overthrow him on grounds that this would cause a Kremlin decision not to remove its troops.

6. The Soviet threat. Finally, the presence of the several thousand Soviets in Cuba does not pose a threat to this country. The Soviets would probably not engage themselves in any internal situation within Cuba. Nevertheless, there is no reasonable explanation for the presence of so many Soviets or for the retention in Cuba of a variety of very sophisticated military equipment, most important of which are the SAM sites. One can only conclude that the SAMs are there to be used at the Soviets' will in depriving the United States of aerial surveillance and our source of knowledge of what is going on in Cuba. The SAMs are not useful in the defense of Cuba. They can be destroyed quickly by low-level attack. Therefore, they are there for some other purpose and this is not adequately explained, in my opinion, by "Khrushchev's pride or loss of face or the

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Khrushchev/Castro relationship" and other such explanations. As long as the SAMs are there, there is always the possibility they will be used, or we will be threatened with their use, and this will be done at a time when they are willing to take the risk of another confrontation with the United States. I therefore feel that we must not, under any circumstance, dismiss the possibility of a second confrontation of a type encountered last October. I have the same feeling about the presence of the SAMs in Cuba now as I did last Fall. In our thinking and planning concerning Cuba, we must not lose sight of the fact, however remote, that the Soviets can reintroduce missiles in Cuba, accept the risk of confrontation, and confront us with the prospect of war (which would present a difficult decision to us) or negotiations at higher price than was Khrushchev's original objective. If the situation were reversed, there would be pressure in this country from certain "extremists" to take such a risk of confrontation and I feel that Khrushchev might very well be under exactly the same pressure. For this reason this possibility must not be discounted and all measures of protection against this surprise must be taken.

7. From the above it seems to me that a high priority should be attached to developing measures directed toward removal of

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Soviet troops and larger items of equipment from Cuba. All possible diplomatic maneuvers should be made. If an opportunity for a "trade" on reasonably favorable terms develops, this should be explored, harassment of installations encouraged, and feints or, for that matter commando raids to steal Soviet KOMAR vessels or SAM missiles, should be considered. Warnings of this possibility might be one means of suggesting to the Soviets that some of their sensitive scientific equipment is exposed and hence they might consider removing it.

8. Sabotage. Carefully planned and well executed sabotage will intensify Castro's problems but will not by itself bring him down. Low-level sabotage, such as minor crop destruction activities, interruption of transportation, etc., will be annoying. Successful major sabotage from within and without will, in my opinion, add to the problems created by the economic measures. This will be particularly true as the flow of spare parts to essential plants (such as power plants) is effectively shut off. A combination of economic pressure and large-scale sabotage will hurt Castro seriously, but it will not bring him down. In addition a variety of other actions can be effectively carried out which would seriously impair relationships between Castro and Latin American countries. Also the Castro-Khrushchev relationship could be affected by developing channels through which the vitriolic and critical statements made by each concerning the other is transmitted. In addition, a program of "misinformation" properly carried out would be effective.

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9. Sabotage from within and without will result in

a. Attribution to the United States. Captured saboteurs will confess U.S. implication; there will be criticism in the world press and a very considerable amount of embarrassment to the United States Government. These programs should not be initiated unless we are willing to accept the results of the attribution and being blamed for acts of sabotage; and

b. Enormous complications for our intelligence efforts; and

c. Possible reprisals in the form of sabotage within the United States (as was recently planned in New York), against United States shipping in foreign ports, and possibly retaliatory action against our aerial surveillance. On balance, I feel we can run these risks, but we should not initiate the program unless we are willing to accept the criticism which is bound to result.

10. The most extreme measures which would be directed against the population are feasible, but I am against them on humane and moral grounds. They would be attributable to the United States. They would stand as a black mark on our record for all time. They would cause untold hardship to thousands, perhaps millions, of individuals who are

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not responsible for Castro and can do nothing about him, and they would not necessarily answer the "Castro-Communist problem".

It seems to me that if the problem is so serious that we must resort to these measures, then we should face up to a direct confrontation, a blockade and an invasion.

11. Bringing Castro down: Measures discussed above will create for Castro and his regime great hardship but as mentioned will not bring him down. However, they will cause distress and dissension within his organization and will tend to destroy its monolithic feature. This would present the opportunity of splitting his regime at the top and catalyzing a revolt on the part of all, or a substantial segment of, his military. The result could be a military take-over typical of Latin America, the establishment of a military dictatorship friendly to the United States and to the Western Hemisphere nations, unfriendly to the Soviets and it would be non-Communist. If successful, the military regime could then force the withdrawal of Soviet military personnel and a great deal of equipment. It could solve this problem but would present us with serious problems of economic aid, sugar quotas, resolving the problem of confiscated property and all the rest. A combination of economic sanctions and harrassment on the one hand, and a

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successful effort to disenchant his military leadership and cause a revolt and military takeover on the other seems to be the only course open to bring Castro-Communism down and remove the Soviet threat. The prospect of an effective uprising of the people against Castro seems remote if he retains control of his military and security forces. Small uprisings would be suppressed as they are now. Large uprisings would probably result in a blood bath. Therefore, I conclude we must split Castro's military organization to insure the success of a revolt against him.

12. Splitting Castro from Moscow -- This might be done. Perhaps Castro's proclamations and embrace of Communism is really a recent development. He is known to have been a radical, a liberal, a revolutionary, but not a hard-core Communist. He disclaims being such at the present time but he has embraced Communism publicly. He claims he is not a satellite, that he is independent, that he will dispose of the Soviets at his convenience, and that he seeks a rapprochement with the United States. Whether this should be done or could be done remains obscure. It is not in the American tradition ever to trust a man who has been deceitful, ambitious, and an avowed enemy. On the other hand, Communists have changed their stripes, e. g., Chiang Kai-shek and Betancourt; and dictators have changed their orientation, e. g. Nasser. All of the problems of sugar quotas, aid, etc., would immediately arise under this plan and would be far less acceptable to the American people and to the Congress than would be the case if Castro were disposed of. Nevertheless consideration should be given to a highly

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compartmented, carefully planned and managed program to defect Castro from Moscow. An existing channel might be used for this purpose and this effort might be made concurrently with all other steps mentioned above.

13. Relations with the people of Cuba. Constructive, dynamic and positive programs must be developed and implemented to breathe hope into the Cuban people. This is not for the purpose of creating an uprising among the people for it appears to me that as long as Castro controls the military and the internal security forces, a popular uprising that assumed serious momentum might result in a blood bath. The program should be designed to let the people of Cuba know that they have a future and that the United States is determined to provide that future for them. There are many ways of developing such a program and many convincing thoughts which can be projected to the Cuban people by various means of transmission. All of this is essential to the success of any long range dynamic United States program for the removal of Castro and Communism from Cuba.

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