### COMFIDENTIAL DEPARTMENT OF STATE

# Memorandum of Conversation

DATE: September 11., 175

SUBJECT:

Our Future Relations with Cuba

PARTICIPANTS:

R. R. Rubottom, Jr., Assistant Secretary

Ambassador Bonsal

CMA - William A. Wieland

ARA - J. C. Hill

CliA - R. A. Stevenson

R. B. Owen

COPIES TO:

(For inclusion in appropriate ARA files)

Ambassador Bonsal

ARA - Mr. Rubottom, Mr. Hill

CMA - Mr. Wieland

CMA/C

The meeting was called to decide what tactics we should employ in our future relations with Cuba. The following points were raised by the participants.

Ir. Rubottom: We in the Department have hoped that the Cuban revolution would result in changes that would be acceptable and we could continue the same basic relationship with Cuba as previously. We have expressed this view with U.S. business interests and the Congress, but are finding it increasingly difficult to maintain in the face of the complete lack of cooperation on the part of the Cubans. The time is coming when we must find out where Cuba stands and what Cuba wants. We are no better off today in our relations with the Cuban Government than we were on January 1, and perhaps we have erred in not striking back earlier in the face of the provocative statements and acts of many Cuban officials, although we have probably gained respect in the hemisphere by not doing so. However, we are coming to the point where our retaliatory instruments, such as CATT and the sugar quota, are likely to be used. The American public is not accustomed to the widespread anti-Americanism that exists today in Latin America and particularly in Cuba and we will be hard put to explain this. Cuba must know that if it follows a confiscatory policy toward American investments that it cannot hope to receive aid from the United States and it also must be aware that aid will be vitally necessary if the economic objectives of the Cuban revolution are to be reached. This fact combined with the cool relationship between Castro and pro-United States revolutionaries in other countries such as Betancourt and Figueres leads one to speculate whether the Cubans expect aid to come from the Soviet Bloc. We cannot assume that the Culan Government's allegations concerning IT&T and American & Foreign Power are necessarily correct and that the companies are wrong, and our best course in these cases is to exert pressure on both sides to reach an equitable settlement as we did in a similar case in Argentina.

Ambassador Bonsal: He has tried to explain to the Cubans on a number of occasions the function of the Executive and the Legislative Branches, particularly ARA; CAIA;

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with regard to setting the sugar quota and has tried to convince them that the United States Covernment is desirous of protecting the traditional values in our relationship with Cuba but must have help from the Cubans to do so. A musber of factors are more readily apparent on the scene in Cuba than they purhaps are in Washington. (1) That the purely Cuban objectives of the revolution have tremendous support and many of the things that worry us in the situation there are very minor as far as the Cubans are concerned and have little support. (2) The basic question about the Cuban revolution is whether it represents a fundamental change or is merely a temporary phenomenon. Probably it is a bit of both, but it is vitally important that if the revolution fails the failure should only be attributable to Cuban causes, and the United States must conduct itself so that no blame can be attached to us. (3) The attitude of many Cubans toward the United States has changed in recent years owing to our changed position in world affairs and the hemisphere. However, he has personally only encountered a feeling of sympathy and friendship in Cuba, even though the typical revolutionist in Cuba today regards everything that took place under Batista as bad and as a consequence is inclined to be anti-United States, anti-U.S. investments and not anti-Communist. Pany members of the Cuban Government in their inexperience appear to be convinced that the proper way to be a big league statesman is to say one thing and do, another, and Castro partially for this reason believes that United States assurances of friendship for Suba mask a deep-seated enmity toward himself and the revolution. A showdown appears to be coming between the group around Felipe Pazos and the elements led by Raul Castro and the outcome of this should be a good indicator of the future course the Cuban revolution will take. We must determine what will be our attitude and role in the specific problems in our relations with Cuba such as the controversy between the Cuban Government and American & Foreign Power. We should also come to a decision concerning Soviet intentions and capabilities with regard to Cuba.

I'r. Wieland: The fact of anti-Americanism in Cuba is not really so important as the apparent movement of the Cuban Government toward the left and indications of the influence of international communism. If the strongly neutralist speeches of Guevara and Raul Castro express the feelings of the Cuban Government then our relations with Cuba are certainly deteriorating, and if they do not the Cuban Government should repudiate them. We have all been staunch advoquates of extending the hand of friendship to Cuba and adopting a patient, tolerant attitude, but we cannot continue this policy much longer without some positive achievement to show in its justification.

Mr. Mill: There are indications that if the Cuban revolution is successful other countries in Latin America and perhaps elsewhere will use it as a model and we should decide whether or not we wish to have the Cuban revolution succeed.

There was unanimous agreement that the time has come when we must find out from the Cuban Government exactly what their intentions are. It was also decided that another meeting on the subject should be held.

10-1-59 Archard Bowen/ymd

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#### Memorandum of Conversation

DATE:

SUBJECT

: Discussion based on Ambassador Bonsal's talking paper on

Cuban-American Relations

PARTICIPANTS :

ARA - Mr. Rubottom

Mr. Snow

Ambassador Bonsal CMA - Mr. Wieland REA - Mr. Rosenson ARA - Mr. Hill CMA - Mr. Stevenson

COPIES TO

: 1 cc to each participant

lcc - REA-Mr. Turkel

Original to CMA/C

Mr. Rubottom opened the discussion by commending Ambassador Bonsal for his helpfulness in putting down on paper his thoughts on various aspects of our relations with Cuba. Ambassador Bonsal indicated that he had done this not with the idea that these are his fixed views but rather as a guide for further discussion. Mr. Snow referred to a statement on the first page of Ambassador Bonsal's memorandum in which he indicated his belief that in our basic approach we should maintain our attitude of understanding of and sympathy with the broad aspirations of the Cuban Revolution. In Mr. Snow's view this point needs further careful consideration. He feels that what we really mean is "broad legitimate aspirations." In his opinion the Cuban Revolution is not another Mexican Revolution—not the juggernaut that Fidel

Ambassador Bonsal stated that the Cuban aspirations as he sees them are: (a) an ond to repressive dictatorship of the Batista type; (b) an end to graft; (c) an end to tax evasion; (d) an end to structural unemployment; (e) constructively, various measures done for the improvement of education, health and the good of the community.

Mr. Rubottom observed that we do need a basic decision with regard to the "revolution" of Fidel Castro. Mr. Hill felt that the essential question might be phrased, "Can

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we cooperate with and through this present Cuban regime?" Ambassador Bonsal said that Mr. Hill, in his view, was not talking about the same point that the Ambassador was trying to make. In the Ambassador's view it is extremely important that the United States should do nothing which could later cause the failure of the revolution to be ascribed to the USG. Mr. Rubottom remarked that this is a laudable objection but a very difficult one to ensure. The United States will probably be blamed in any case. It is up against a fixed proposition in the anti-American attitude of the Castro revolution. Mr. Rubottom and Mr. Snow suggested that we should consider the probability that we should seek to maintain only minimal acceptable relations with the present Cuban regime. Ambassador Bonsal asked that if we do indeed determine that our relations should be at this minimal level that he be so instructed.

# Roa - UN Speech

With regard to a reply to Minister Roa's speech in the UN, it was agreed that Ambassador Bonsal should talk to him about it and leave him an aide-memoire summarizing our attitude towards this speech. Ambassador Bonsal was authorized to tell Roa that such an aide-memoire would be presented if he so desired.

### Tensions in the Caribbean Area

Ambassador Bonsal expressed his view that now that revolutionary activities
emanating from Cuba seem to have diminished he feels that it might be well for him
to speak plainly to Roa on this subject. It was agreed that he should do so along
the lines suggested in his memorandum mentioning also other types of intervention in
the affairs of other nations such as Armando Hart's speeches in Chile, Operation Friendship, etc.. Mr. Rubottom said that the Cubans blame us for Santiago and it might not
be advisable or necessary to make any direct reference to the Conference. It was

agreed that Ambassador Bonsal might say, if he desires, that the United States is gratified that the bands have been broken up. At the same time the Department will ask Ambassador Farland to speak to the Dominican Foreign Minister with regard to activities aimed at Cuba which are based in the Dominican Republic. It was also agreed to try to get Justice to step up its enforcement in the Miami area and, if possible, to send an agent to Cuba for the purpose of seeking information from the GOC with regard to illegal activities based in the United States.

### Arms Embargo

Mr. Rubottom said that the Department cannot agree at this time with the Ambassador's suggestion that we release the T-28's to Guba. It was explained to Ambassador Bonsal that the present arms policy is now being relaxed considerably. It was agreed that when an opportunity presents itself, Ambassador Bonsal should feel free to inform Minister Roa of our position with regard to arms shipments to areas where tensions are high.

### Agrarian Reform

Everyone was in agreement and Mr. Rubottom instructed Mr. Stevenson to get the note cleared by Messrs. Murphy, Dillon and Herter and that when this might be done to so inform Ambassador Bonsal.

# IT&T (Cuban Telephone Company)

It was agreed that the Ambassador could tell President Geneen of IT&T that although the presentation which he has made of the Cuban Telephone Company's position to the COC is, in our opinion, generally a very fine one, it is our belief that IT&T may find it advisable to move more in the direction of permitting greater Cuban equity participation.

# Nicaro

It was agreed that the Ambassador may assure the GCC that the USG will not sel

sell Nicaro to any buyer who might be unacceptable to the GOC. With regard to the housing problem at Nicaro it was agreed to seek \$300,000 from the President's contingency fund.

### Sugar

It was agreed that the State Department should attempt to defend the Cuban quota as far and to the extent that it possibly can—it will depend in some measure on the actions and attitude of the GOC in the intervening period.

# Tariffs

There was no action recommended on this subject.) It was agreed that Washington is satisfactory as a place to hold discussions.

# Naval Visits

It was agreed that the climate in Cuba is not now suitable for Naval visits.

It was agreed that the Ambassador might speak to the ASTA if he so desires.

<u>Statement</u>

It was agreed in his own discretion the Ambassador might make a statement upon his arrival in Habana.

### TV

Mr. Rubottom said that he would leave the matter up to Ambassador Bonsal as to whether he should appear on a Cuban T.V. "Meet the Press" type program. Mr. Stevenson said that he had verified that there is no regulation against such an appearance.

#### Romulo Visit

Mr. Rubottom said that, again, he would leave the matter of any possible utilization of the Romulo visit in Ambassador Bonsal's hands.

### Economic Aid

With regard to financial aid from the IMF, Mr. Rosenson observed that the GOC is taking steps in complete opposition to IMF standards. There is no chance at present of IMF help. Such help would require a very sudden and drastic shift in present Cuban policies. Mr. Snow asked if we should be ready to go into immediate action -- to go ahead if asked by the GOC for assistance. Ambassador Bonsal expressed the opinion that we should be--assuming an indication on the part of the GOC that it would take steps in our direction. Messrs. Snow and Rubottom expressed the view that we should be most reserved and careful about giving any indication, willingness or encouragement on the matter of economic aid at this time. Ambassador Bonsal said that he believes we should go ahead and be ready with possible courses of action; that we should not turn down any request of the GOC out of hand but should express a willingness to listen and consider any proposition which they may wish to make; that they have the feeling now that the USG is just standing in wait expecting that the GOC will ask for help in order that it may knock it down. Mr. Snow said that he did not suggest that we must give an immediate rude negative but that at the same time we should give no encouragement. Mr. Rubottom observed that he does not now see any possibility of economic assistance from the United States. We must continue our policy of of watchful waiting -- that's all. The IT&T case may give us some indication of the course this government is determined to follow. With the present political climate as it is there would be no chance if we even tried to set up possible pending economic assistance--"We would be tossed out." Ambassador Bonsal queried, "What if Felipe Pazos asks? What should I tell him?" Mr. Rubottom said that he should repeat to him our general line, expressing to him our worries and that

in great part whatever the USG might do depends on the over-all attitude of the GOC. Ambassador Bonsal then asked, "What if the Czechs and the Russians then come in?" Mr. Rubottom replied, "We ask only minimal cooperation from the Cubans." "To me this would mean that the present GOC is not willing to take the slightest move toward the United States and we would revise our policies accordingly." Ambassador Bonsal stated that it is then his understanding that there should be nothing in the mill with regard to economic aid at the present time. Mr. Rubottom answered that this is not quite the way he sees it. Rather, he feels that we can show a willingness to listen to any position they would like to take without making any commitment. He said that he is almost convinced that the GOC will not submit any request for economic aid unless they are willing to make some adjustments with regard to the United States and that this seems unlikely with the present team in ascendency. Ambassador Bonsal remarked that he had hoped we might indicate something more positive with regard to economic aid in the thought that this might introduce some ballast into the situation. Mr. Snow said that he agrees with Mr. Rubottom and feels very hesitant on giving the Cubans any encouragement -- the timing is wrong. Mr. Wieland voiced support for Ambassador Bonsal, stating that the pressures are building up in Cuba and that he hates to see us not ready. Mr. Rubottom observed that we have to walk a tightrope--while trying to keep up a semblance of good relations with the present regime we must, at the same time, try to keep alive any spark of opposition and to let the opposition know we are aware of its existence and not committed to Castro. Ambassador Bonsal observed that he would rather try to support something growing out of the 26th of July Movement itself, and as the discussion broke up, the names of Sori Marin, Pazos and Dorticós were mentioned as possibly being constructive persons not firmly committed x to Castro's/course. SECRET