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**From the Journal of S.M. Kudryavtsev, 'Record of a
Conversation with Minister of Industry of Cuba
Ernesto Guevara, 8 December 1961'**

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Summary:

Guevara discusses the state of the Cuban economy and the upcoming OAS conference of ministers of foreign affairs, particularly the US-led plan to diplomatically isolate Cuba within the OAS.

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RECORD OF A CONVERSATION
with Minister of Industry of Cuba Ernesto GUEVARA
8 December 1961

I visited Ernest Guevara and discussed with him some practical questions of the work of our specialists at the plant in Moa.

In the course of further conversation the conversation turned on several questions of the economic situation of Cuba by the end of 1961.

In Guevara's words, on the whole Cuban industry is operating successfully, and he personally expected that after the nationalization they will have to encounter much greater difficulties than turned out in reality. The truth is, in a number of cases stoppages of enterprises occurred sometimes as a result of a lack of raw material, sometimes [as a result of a lack of] spare parts. Guevara continued, on the whole the almost constant mobilization of a considerable part of the young men into the army and people's militia has had a negative effect on the operation of industry as a whole. However, this is necessary in view of the unceasing threat to Cuba from the US. Overall, after nationalization and measures carried out to improve its organization, Cuban industry has yielded more production compared to 1960.

Guevara said, things are somewhat worse with agriculture. The number of cattle continue to grow slowly, and the harvest of rice, beans, and other crops turned out worse than planned. A reduction of almost 17% of land planted for sugar cane will lead to an overall reduction of the production of sugar in 1962 and will accordingly create additional difficulties in our foreign trade.

Guevara noted, the economic situation of the country will be even more tense in 1962. Considering this, at the very beginning of the year we intend to call upon the people to be even thriftier and economical with food as well as other consumer goods. Compared to 1961 the government will have to reduce the imports of a number of vitally important goods inasmuch as there are not enough export resources to pay for them. Hard-currency resources are almost exhausted, and significant income is not expected. The amount of goods going for export has been reduced both by virtue of a decline in the production of sugar as well as an overall growth of the domestic consumption of food, raw materials, and other goods by a large segment of the Cuban people.

This year, continued Guevara, the mining of various ores and minerals which, incidentally, have been of no little importance in Cuban exports, has been reduced. It is absolutely necessary for us to increase the mining of copper, nickel, and manganese ore as soon as possible. That is why in 1962 Cuba will evidently need the additional help of Soviet specialists. Their task should be to help Cuba to increase the mining of the aforementioned ores and minerals as quickly as possible. Guevara noted in this connection that at the present time he is studying this question especially and will address a request to us in the near future to send additional Soviet specialists to Cuba.

Guevara continued, our maintenance of a quite large army is beginning to have a serious effect on the economy of the country. On the one hand, large sums are being

spent on the maintenance of the army itself, its food and clothing, and on the other, on the purchase of weapons. Previously this money, as is well-known, went to obtain consumer goods.

In 1962 the implementation of large capital investments in the construction of new industrial enterprises will also have an effect on the economic situation of Cuba to a considerably greater degree. Guevara noted, Cuba cannot follow a policy of reducing capital investments inasmuch as we need as quickly as possible to create our own industry, which would supply our people with the necessary goods to the maximum degree. Guevara stressed, if we do not do this then we will remain a permanent debtor of the Soviet Union and the socialist countries, and we do not wish to be a burden for them.

On the whole we are confident that, in spite of a growth of difficulties in 1962, the economy of our country will develop and the government will be able to cope with the situation by improving the organization of the economy and also by searching for additional reserves, for example, raising the level of the extraction of ores and minerals, etc.

In the course of further conversation Guevara noted that certain difficulties in their economy are created by individual socialist countries. This fact causes some complications in our relations with them. Guevara said in this connection that he had in mind Poland, which for example has sold sugar to Chile. With this act of theirs Poland inflicted a terrible blow to Cuban-Chilean trade relations. Cuba has to buy a number of kinds of food in Chile and has to pay for these deliveries with sugar. Now the Chileans have refused to buy Cuban sugar inasmuch as they get it from the Poles at an even cheaper price. Cuba has no hard currency to buy food in Chile, and thus trade concluded previously will actually now not be realized. The Czechs, for example, conduct a very rigid trade policy with respect to Cuba which sometimes is reminiscent of the policy of relations between capitalist and socialist countries. In particular, for example, the Czechs insist on selling them unprocessed copper ore, which the Cubans are forced to sell at fire-sale prices and essentially earn nothing from it. Guevara continued, we suggested that the Czechs build a copper-smelter and export copper, which would provide an opportunity for Cuba to make money from it and, at the same time, it would be useful to the Czechs inasmuch as they would get pure copper. The Poles exhibited great understanding in this respect, as during trade talks on concluding a protocol for 1962 they declared in principle their agreement to help Cuba build a copper-smelter in order to then get pure copper. Guevara noted in this connection that he was not speaking about this by way of some kind of complaint, but simply as an example of those difficulties with which Cuba has to contend even in its relations with some socialist countries.

Guevara continued, in order to increase export opportunities to the capitalist countries we have decided to reduce the quota for the sale of sugar to China by 200,000 tons and sell it only one million tons in 1962. We did not consult with China about this question, but we have no other way out inasmuch as in exchange for these 200,000 tons of sugar we need to import food, which the PRC cannot supply us.

Then in the course of the conversation Guevara and I exchanged opinions about questions of the situation developing around Cuba.

Guevara said, there recently have been a number of symptoms giving the Cuban government grounds to draw the conclusion that the US is preparing another provocation against Cuba. First of all there is information that the US has not only resumed, but has considerably stepped up military training of the forces of the external counterrevolution at bases in Puerto Rico, Guatemala, and Nicaragua. Young Cubans capable of bearing arms have been increasingly been sent to these bases, and are undergoing stepped-up military training there.

At the order of the US Central Intelligence Agency the activity of the internal counterrevolution has been increased in Cuba itself. In spite of the publication of a law about introducing the death penalty for acts of terrorism and sabotage, the counterrevolutionaries continue to operate actively, especially in the provinces of Matanzas and Las Villas, committing murders of activists of the revolution and burning sugar cane plantations. The activity of the counterrevolution is insignificant in the provinces of Havana, Pinar del Rio, Camaguey, and Oriente. Guevara continued, we think that after some time the Cuban government will be able to put an end to the activity of the counterrevolutionary bands in Las Villas and Matanzas. Right now several bandits have already been shot and as new bandits are caught and shot the internal counterrevolution will be forced to retreat into the deep underground.

Another fact draws attention to itself, said Guevara, namely that the current President of Guatemala Ydigoras, who has known for more than two years that former President Jacobo Arbenz lives in Cuba, has now suddenly decided to turn to us via Panama with a suggestion to remove Arbenz from Cuba, threatening otherwise to recognize an exile Cuban government on Guatemalan territory. Guevara continued, this fact says that evidently the US is looking for a pretext through its puppet to push Guatemala into a war against Cuba.

Finally, a third element in the chain of preparations for a new intervention against Cuba is also the decision to convene a conference of ministers of foreign affairs of OAS member countries for 10 January of next year. Right now, continued Guevara, it is not yet known why the US needs this conference and why it has exhibited such insistence on convening it in spite of objections from the main countries of Latin America.

Guevara said further, according to available information at this conference the US will seek the diplomatic isolation of Cuba, the employment of collective sanctions against it, and the establishment of a naval blockade of the Cuban coast in order to prevent goods critically important to it, food, and equipment from coming to Cuba. Guevara continued, of course these are only plans for now. It is hard for me to imagine how they can be realized and what this will give the US in practice. The US will be able to get such decisions with a mechanical majority of votes of its puppets. We think at the same time that the main countries of Latin America will hardly agree to the US demand to break diplomatic relations with Cuba and will obviously object to the adoption of a decision about collective sanctions, and in any event will hardly participate in them in practice. There are in fact no economic ties between Cuba and the main countries of Latin America. Therefore, if a decision is adopted about the introduction of a more effective economic blockade, it will in practice remain on paper. European countries such as Britain, France, and Italy will hardly break trade relations with Cuba inasmuch as it was recently that they displayed an increased interest in the development of trade with us and are offering favorable deals. Guevara noted, only the lack of hard currency and other export opportunities do not allow Cuba to seek an expansion of trade relations with these countries.

Thus, Guevara stressed, the most effective measure against Cuba obviously remain an announcement of a naval blockade. But this measure would put the US in open conflict with the Soviet Union and evidently Soviet ships would call at Cuban ports as before in spite of the blockade. It is possible this establishment of a naval blockade would scare away some capitalist countries. Fearing a detention of their ships they wouldn't send them to Cuba, and this might create temporary difficulties for us.

In addition, the announcement of a naval blockade of the Cuban coast, even made in the name of the Organization of American States, will put the US in open conflict with international maritime law.

In conclusion, stressing that he is expressing his own personal opinion, Guevara

noted that evidently the US intends to provoke an intervention against Cuba even before the opening of the conference of ministers of foreign affairs. Guevara said, it is impossible to determine in what form this intervention might be organized. It is not excluded that this will be a declaration of war against Cuba by Guatemala with the succeeding use of the forces of the external counterrevolution. The very measures which it is proposed to adopt at the conference of ministers of foreign affairs of the OAS member countries will sort of "shield" this conflict of an intra-American nature from the intervention of extra-continental powers. Guevara continued, of course this is only his supposition. However, we are firmly convinced that the US will not leave Cuba alone. Therefore right now the Cuban government is carefully preparing to repel possible aggression: every measure is being taken to strengthen the country's defenses and improve its internal organization.

The rest of the conversation with Guevara dwelt on general topics.

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