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CENTRAL INTELLIGENCE AGENCY
NATIONAL FOREIGN ASSESSMENT CENTER

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INTELLIGENCE MEMORANDUM

Soviet and Cuban Reaction to Chinese Activities
in Latin America

Soviet Reaction

The Soviets have several foreign policy objectives in Latin America: to increase their political and economic influence while eroding that of the US; and to open up the area as a new market for Soviet military hardware.

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The USSR's longstanding efforts to increase its influence in Latin America have recently enjoyed some modest success. The Soviets have used aid and trade as their main instruments for establishing ties with Latin American countries, such as power generator sales to Brazil and hydroelectric turbine sales to Argentina, Uruguay and Columbia. Equipment sales under the aid agreements are financed on concessionary terms. The USSR has also posted some 500 civilian technicians throughout Latin America. Trade is still small and the USSR continues to face a deficit in its trade with most Latin American states. Moscow has sent numerous trade delegations to encourage additional purchases, and, encouraged by the decrease in US arms shipments to the region, has offered military equipment to the Latin Americans but only Peru has become a customer.

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** This memorandum was prepared by the Latin American, Soviet, and East Asia-Pacific Divisions of the Office of Regional and Political Analysis in response to a request from the National Security Council.*

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To achieve even such limited gains, the Soviets abandoned their earlier stress on relations with local Communist parties and radical anti-government groups and now focus on state-to-state relations. ☐ 25X1

If the Soviets perceive that the Chinese are using the Latin American Communist parties to further their interests the Soviets may attempt to strengthen their own party-to-party ties either through their embassy officers or through the Cubans. ☐ 25X1

The USSR will probably attempt to counter Chinese diplomatic activity in Latin America with an increase in its own activities, perhaps by offering more economic aid and stepping up its offers of military equipment. ☐ 25X1

The Soviets will also use every occasion to wage propaganda attacks against Chinese involvement in Latin America. Soviet media have already denounced Peking's interest in the area as "activating its expansionist policy." ☐ 25X1

Cuban Reaction

Cuban friction with China dates from the mid-1960s when Chinese diplomats in Havana ignoring the Castro regime's expressed sensitivities, persisted in their efforts to propagandize and radicalize the Cuban armed forces. A trade deal that went sour apparently because of a misunderstanding rather than ill will finally exhausted Cuban patience and Fidel Castro brought the matter into the public eye in early 1966 with a bitter speech denouncing Chinese "perfidy." Much of the Castro regime's animosity, therefore, stems from contentious bilateral issues and Castro's personal antipathy rather than from any Soviet pressure on Havana to take sides in the Sino-Soviet polemic. ☐ 25X1

Following the nadir in Cuban-Soviet relations in 1967, the Castro regime, which up to then had been straddling the Sino-Soviet fence in hopes of maximizing its foreign policy options, finally surrendered its China card as a means of ingratiating itself in Moscow and getting relations with the Soviets back on track. Thus, from 1968 on, Havana's ties with Peking deteriorated as relations with Moscow improved. ☐ 25X1

There was a brief respite in the downward spiral in the early 70s when both sides muted their criticism and the Chinese filled a long vacant ambassadorial post in Havana, but Havana showed its perversity by sending to Peking an ambassador who had been an official of long-standing in the pre-Castro, pro-Moscow communist party of Cuba. Friction surfaced again in 1975 when Cuban and Chinese policy clashed in Africa and since then the Cuban leadership has reserved some of its most vitriolic diatribes for the Chinese. Ironically, the Cuban military establishment, once the target of Chinese blandishments, has spearheaded Cuba's attacks on Peking and at times has even been out ahead of the party in this respect. 25X1

The most recent Cuban broadsides against Peking were loosed by Fidel and Raul Castro on 1 and 2 January, respectively. The Cubans seem particularly incensed that the Chinese have been able to accomplish what the Castro regime has been trying unsuccessfully to achieve for some time, full diplomatic relations with Washington and access to US markets and technology. While Havana continues to trade with the Chinese -- albeit at a very modest level -- the antipathy of the Cuban leadership toward Peking is so deepseated as to preclude any significant improvement in government or party relations in the foreseeable future. Secondly, the Cubans are keenly aware of Peking's inability to replace Moscow as Cuba's prime benefactor and, thus, economic reality joins political and ideological factors in determining a policy of continued hostility toward the Chinese. 25X1

Havana no doubt views Chinese initiatives in Latin America as an unwarranted invasion of Cuba's rightful sphere of influence and uses propaganda as well as diplomatic and unofficial channels to offset them. While the Cubans' influence is not so great as to cause the exclusion of the Chinese, it almost certainly has a negative impact on whatever the Chinese are trying to accomplish. Havana takes great pains, for example, to underscore Peking's ties to the universally suspect Pinochet regime in Chile, and the sending of a high ranking Chinese emissary to the area is sufficient to provoke a disparaging propaganda blast in knee jerk fashion. In virtually every country of the hemisphere

where they compete outside government circles, the Cubans have the decided advantage for ethnic reasons and because the local groups they support invariably have a broader base and greater acceptance than do those supported by Peking. ☐ 25X1

Havana has had serious qualms about many facets of Chinese policy -- Peking's unwillingness to provide substantial economic aid in the 1960s; its failure to enter the war in Vietnam as it had done in Korea; its role in the current China-Vietnam-Kampuchea clashes -- but perhaps China's greatest sin, in Cuban eyes, was its warming toward the US, Cuba's most implacable ideological foe. The Cubans see a conspiracy to confound Cuban foreign policy initiatives around the world and are especially concerned that this "alliance" may undermine the Castro regime's efforts to make a success of the Nonaligned Summit to be held in Havana in September. ☐ 25X1

Continued Chinese Economic and Diplomatic Activity

Although there have been no high level official visits between China and Latin American governments since early November 1978, Peking has continued to demonstrate its interest in forging closer ties with several Latin American nations. Most of the recent activity has been economic, exemplified by continued Chinese interest in purchasing grain from Argentina, and the signing of several commodity purchase agreements with Brazil, including a two year extension of last year's oil for iron agreement. ☐ 25X1

The normalization of Sino-US relations may provide new opportunities for China to expand its diplomatic relations in the region if other non-recognizing governments follow Washington's example. So far Columbia appears the most likely to do so. The last country in the region to establish diplomatic relations with Peking was Barbados, in May 1977. ☐ 25X1