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WHY DOES FIDEL NEGOTIATE IN SECRET WITH REAGAN?

Business Week magazine commented in its 22 June 1981 issue that: “despite the harsh tone speeches by the spokesmen for the Reagan administration in the rally organised by the Council of the Americas in Washington, in early June, Cuban émigrés circles still suspect that negotiations are being carried out through intermediaries to achieve a new *modus vivendi* with Castro”¹. In that same article Thomas O. Enders, new Assistant Secretary of State for Inter-American Affairs, said he “is supporting the efforts of Edward Broadbent, parliamentary leader of the New Democratic Party of Canada, to continue the mediation of the Socialist International in Central America and particularly in El Salvador. There are also suspicions that Canadian Prime Minister Pierre Elliot Trudeau, a long-standing defender of Castro’s revolution, is hoping to use the multilateral economic program for the region —that perhaps will include Canada, Mexico and Venezuela in an agreement with the United States — to separate Cuba gradually from the communist bloc “.

The *New York Times* commented in its issue of 18 April this year than in 1981, the Carter administration carried out through its official representative “a series of secret talks in Havana”. In those conversations, Castro told the Yankee officials that “he had been during its first twenty years only a revolutionary, but now his attention was focused on trying to solve the problems of poverty, hunger and economic development. Both in these meetings and in other ways, Castro has made clear that he sees himself as leader of the nonaligned movement and, therefore, understands that he could not have achieved that position if Washington had actively been opposed to it”.

On January 27 this year, in an interview, President Reagan reported that Cuban vice-president Carlos Rafael Rodriguez and [US Secretary of State Alexander] Haig had met secretly in Mexico. This was confirmed in *Granma* by the Cuban vice president, who said the secret meeting took place on 23 November 1981 and that “Secretary of State Haig and I decided by common agreement that the interview be regarded as secret”. The *New York Times* also commented that “there is a feeling in Havana that perhaps President Reagan can establish ties with Cuba similar to those that President Nixon established with China”. It is noteworthy that who makes the greater efforts to keep the negotiations secret is the Cuban government, against Lenin’s policy of open diplomacy.

These negotiations between the Cuban and US governments have continued to develop in an increasingly auspicious way: “Some have been completely secret, such as meetings in January and March between senior Cuban and American officials. Some are semi-public, as it was carried out with a high Cuban official, who asked not to be identified and who told the US foreign policy experts who visited Havana early this month (April) that his government was ready for a ‘relative accommodation’ with Washington (*New York Times*).

There are leaks that President Reagan’s special envoy, General Walters, had a long interview with Fidel in Havana, from which he came out with a very good impression.

¹ This citation and others are not available at this time in their original English version, so they had to be re-translated back from Spanish. [Translator’s note.]

These unprecedented meetings led Professor William M. Leo Grande, expert on Cuban issues of the American University, to make the following comment: “never before had Cubans advanced so much and so quickly after the goal of starting a serious dialogue with the United States”.

We have given these quotations to prove that, contrary to appearances, the rants and epithets exchanged between Reagan and Castro, there are intense secret negotiations between the two governments.

Why does Castro negotiate?

It is important to know why these secret negotiations of the Castro government with ultra-reactionary and imperialist Reagan.

Castroism faces, like all the bureaucratic and totalitarian workers' states of Eastern Europe and Asia, an impressive economic crisis, apparently without solution. Castro negotiates with US imperialism an economic arrangement that would allow him to overcome this crisis.

The crisis of the Cuban economy, whose immediate reason seems to be the lack of development of production, is due to a fundamental reason: the bureaucratic leadership of the Cuban economy and society. This bureaucratic leadership is manifested in the lack of workers' democracy to discuss the development of economic plans, to apply them and for their critical evaluation. Everything is resolved by Fidel and his team. This totalitarian leadership has led to economic disaster; the same disaster and for the same reason that in all other totalitarian bureaucratic states. Let's have a bird's-eye view of the history of the Castroist leadership.

The early years

In mid-1959 the Fidelist government carries the first agrarian reform. In February 1960 it sold for the first time sugar to the USSR, payable 20 percent in foreign currency and the rest in oil. When the oil reaches, in June 1960, the Yankee refineries refuse to process it. They are requisitioned and the US lowers the sugar quota to 700,000 tons.

Fidel reacts to this outrage of imperialism by nationalising oil refineries in late June. A month later, he continues expropriating Yankee companies and the United States lowers again the sugar quota. Castro then nationalises all Yankee sugar mills, banks and electricity companies. The United States responds in October with the embargo to Cuba and initiating the blockade.

This is the prehistory of the Cuban workers' economy — let us call it so — because all these revolutionary measures are those that will transform Cuba in the first workers' state of America and the West. The expropriation of the bourgeoisie and imperialism will allow Cuban workers and the Castroist government to overcome the problems of health and illiteracy. Cuba has won first place in Latin America in this regard.

In 1961 Fidel Castro and Che Guevara, who is in charge of the economy, establish a five year plan of industrial development, until 1965, which is interrupted in 1963. This plan seeks to diversify agriculture and increase through accelerated industrialisation the degree of self-sufficiency. In this sense it continues the old Stalinist policy of development of socialism in one country, industrial diversification and the replacement of imports as opposed to monoculture. In 1963, the economy is in a critical situation as a result of lower sugar prices, disorganisation and the imperialist blockade. Because of this the plan is interrupted without any prior discussion or democratic consultation with the working class and the people.

The return to monoculture

From 1963 until 1972 a new development strategy is developed, due to the failure of the previous policy: return to monoculture of sugar like under Batista. This new economic policy is also adopted bureaucratically without consulting and discussing with the workers' movement. It is caused by and coincides with the commitment of the USSR to purchase significant quantities of sugar at a fixed price. Fidel travels to Moscow and moves ahead with land reform.

From 1964-1970 sugar production recovers and expands. Between 1968 and 1970 independent trade is virtually eliminated and agriculture's private sector is reduced. The Castroist leadership named this campaign as "revolutionary offensive". The other side of this "offensive" is Castro's unconditional support of the invasion of Czechoslovakia by the Soviet Union. The change is a result of the close economic link established with the USSR, which forces Castro to bend unconditionally to the laws of the world market; the market requires Cuba to primarily produce sugar and Castro ordered to produce only sugar.

Taking into account the global market is necessary; fully adapting to it is to capitulate to imperialist domination, precisely what Castro does. This is how the economic slogan for the 1970 harvest of ten million tons is raised. It takes the entire urban population to the harvest, starting with the state and CP bureaucracy itself. It dumps all existing workforces to achieve this goal. This plan fails miserably because it did not reach anywhere near the target. The failure disrupted the economy.

Les Temps Modernes correctly criticises that "the Cuban leaders had justified the policy of accelerated development of sugar production based on the characteristics of the country: Cuba could produce better and less expensive sugar than any other country in the world and from this it was apparent that the country could develop its sugar production quickly. Cuba was incapable economically and socially of increasing and maintaining a high level of production. In other areas, however, where Cuba did not benefit from special advantages, such as fishing and industrial production of eggs, it was possible to obtain a continuous and steady increase in production".

The entry to Comecon

In 1972, Cuba enters the Council for Mutual Economic Assistance (Comecon). It is the most important step in international politics that the Castro leadership has made. It thus binds itself closely to the world submarket controlled by the Stalinist bureaucracy. This means accepting monoculture, the development of those productions that come in the division of labour imposed by the Moscow bureaucracy. Specifically, the entrance to Comecon reinforces the tendency towards monoculture or specialisation with reference to the world market. This does not contradict that the USSR, undeniably, has given a spectacular aid to the Castroist economy, especially on the basis of such income. The magazine we are quoting notes that "this agreement makes an unprecedented exception to the operating rules of Comecon, and foresees the purchase of Cuban sugar at 40 cents a pound, price several times higher than the current world price. Furthermore, 25 percent of the price will be paid in foreign currency to allow Cuban imports from the West to not fall very sharply. This high price is what explains the surplus in the trade balance with the USSR since 1975".

The same magazine states: "Since 1973 a significant and steady increase of Soviet oil deliveries is observed. The total value of imports coming from the USSR will grow between 1971 and 1978 at a rate of 25 percent per year. Paradoxically, the total dependence on the Soviet Union will take a while to appear. Indeed, the soaring price of sugar on the world market, which coincides with the entry of Cuba in Comecon, will allow to significantly increase foreign exchange earnings. The trade with the capitalist world is, therefore, to increase even faster than trade with the USSR... at least until 1975".

But this does not mean that there is not a greater reliance of the Cuban economy on the USSR. In this case we are not making any criticism, because the US blockade forced the Cuban economy to this dependence. This is how "after entering Comecon, this percentage (of Cuba's trade with the USSR, of about 40 percent) will increase regularly-until reaching 63 percent in 1977-78. Calculated in value, this share is even higher, reaching the order of 85 percent".

But this privileged relationship and, furthermore, forced by the criminal policy of blockade by US imperialism, increasingly develops monoculture. "The concentration of the main effort in expanding the production of three or four products for export: non refined sugar, nickel ores, tropical fruits, causes in return insufficient production of cereals, cotton and steel. Cuba is forced to import 75 percent of its cereals, 68 percent of its steel and virtually 100 percent of the cotton it uses".

The same magazine reports in relation to the mono cultivating policy that the Kremlin demands to the Comecon countries, that "neither the results of the Comecon countries, nor the results obtained by

Cuba, allow us to consider as valid this simplistic interpretation of the theory the ‘comparative advantages of the international division of labour’, especially if one remembers that this misinterpretation has been for 150 years the theoretical foundation of industrial and commercial hegemony of Great Britain first and the United States later”.

As of the 1970s a colossal recovery of the Cuban economy takes place that is not due to the new economic orientation, i.e., the entry into Comecon and the intensification of monoculture, but rather to a dramatic increase in international sugar prices. Prices began to fall in the middle of the decade, and from then on the Cuban economy enters in an acute crisis.

The first five-year plan

In the first congress of the Cuban Communist Party the main economic tasks for the period 1976-1980 are set, i.e., the first five-year plan of the Castro government is developed. Its goal is to consolidate the means necessary to industrialisation. To achieve this goal a growth rate that was compatible with the general provisions of the Comecon countries and the international economic situation was sought. Thus, a growth rate of 6 percent of the global social product is fixed, a percentage lower than in previous economic projects.

The first five-year plan was accompanied by resolutions that changed the Castroist orientation driving the economy. This change was inspired by the economic reforms that were being conducted in the countries of Eastern Europe, mainly the USSR, since 1965. The Cuban economy until 1975 was conducted in a classical Stalinist way, i.e. as super centralised. The tremendous failure of the harvest of 10 million tons in 1970 and subsequent harvests, manifested in absenteeism and low production, despite the high price of sugar on the world market, led the Castro leadership to adopt the guidelines of the post-Stalinist bureaucracy. These new guidelines, theorised by Soviet economists, of whom the best known was Liberman, tended to decentralise economic leadership giving autonomy to the enterprises, introducing economic calculation by establishment and applying trade laws. In other words, instead of directing the economy as extremely centralised through a single body of national planning and ministries, financial, productive and commercial autonomy of enterprises were encouraged.

At the same time there was an attempt that workers had greater participation in the plans of the establishments.

As of 1975 the fall in sugar prices on the world market was very intense. This fall was a significant negative factor in the failure of the first five-year plan. An eventual decline in prices was taken into account by the Cuban government but, according to the vice president of the central planning office, Gilberto Diaz, “the fall in prices exceeded all expectations”.

Because of this fall in prices, Cuba ran the risk of an economic catastrophe, as their level of currency changed sharply from 1500 to 500 million dollars. Thanks to massive aid from the USSR total disaster was averted. In 1976-78 Soviet aid will reach the unprecedented sum of 2.4 billion dollars per year, equivalent to 75 percent of Cuban exports. This aid was granted under the 1976-1980 Soviet-Cuban trade agreement.

Dependence on the USSR and indebtedness to imperialism

Les Temps Modernes on its December 1980 issue said “the Cuban debt in relation to the USSR is another aspect of the dependence of the island: if the successive deficits in the trade balance with the USSR and the different loans given to Cuba are added, especially since 1972, Cuba’s debt reaches seven or eight billion dollars, i.e., to \$ 800 per head”.

These loans of the USSR should be added to what the Castro regime has managed to get from imperialism itself. *Business Week* of June 1981 stated that Havana now owes Western commercial banks 1.9 billion dollars, most of which expires within one year and some in no more than three months, and an additional one billion dollars owed to the institutions financing Western exports.

Zero growth

The economic, non-political, explanation of this persistent economic crisis has nothing to do with the temporary drop in sugar prices or foreign borrowing but with the systematic decline in production. *O Estado de Sao Paulo* rightly commented: “The most obvious long-term defeat of the (Cuban) government was its failure to achieve actual economic growth. Cuba is one of the few communist states that did not have high rates of actual economic growth over a long period. Except for the first half of the 1970s, the Cuban economic growth was very small”. The own Cuban statistics in recent years confirm this statement: “According to official data, the ‘gross national product’ in price rose 4 percent in 1977, 1979 and 1980; 1 percent in 1976 and 11 percent in 1978, with a projection of 3.9 percent in 1981”. If prices are lowered according to inflation, which Cuban statistics do not, it would “drastically reduce the rate of real growth in four of the last five years”. Growth would be close to zero in 1976, 1977, 1979, 1980 and 1981. Only in 1978 there must have been a rather paltry growth, which would indicate an adjustment of 11 percent growth in the real value of prices, according to inflation.

Castro refuses to recognise that this leadership economic failure is due, as we have said, to an ultimate reason, politics: the bureaucratic leadership. Thus any consultation is stifled, distorted and crushed by the Castroist bureaucracy. Nothing shows this better than the timid attempt to consult the workers in the factories, as we already quoted. According to the official magazine *Bohemia*, “in 1978, 34 percent of companies stopped discussing their plans with workers, 58 percent did so but did not accept their suggestions and only 8 percent met the requirements of the law”, which requires the consultation of the workers. The Cuban government cannot say that this most timorous extent of consultation with workers at enterprise level has failed against their will. On the contrary, the totalitarian and bureaucratic method of directing the economy is reflected in all areas and more than any other at company level.

Aid and loans are restrained

The *New York Times* noted that “perhaps Moscow, which provides three billion dollars in aid to the Cuban economy annually — ¼ of Cuba’s gross domestic product — cannot maintain this level of support when it has to pay its own budget both in the USSR and Poland and Afghanistan”.

Les Temps Modernes insists that “numerous indications show that Soviet generosity comes to an end. Imports coming from the USSR have increased in 1979 only by 8.5 percent (in common roubles) and have decreased in volume. This can be interpreted as a decrease in their real value. The terms of trade have deteriorated sharply in 1979, to the detriment of Cuba. According to Soviet statistics, sugar (95.4 percent of Cuban exports to the USSR) would have been purchased at 550 roubles per ton, against 558 roubles in 1978. The value of a ton of oil sold to Cuba would have instead increased about 15 percent. The trade surplus with the USSR, which this country pays in foreign currency, has almost disappeared, going from \$432 million in 1978 to \$36 million in 1979. It is as if the subsidy of the USSR to Cuba’s trade with capitalist countries had been interrupted. Imports coming from the west, US\$1.9 billion in 1978— after falling in 1977 to US\$1.6 billion— would not have been more than one billion dollars in 1979”.

Something similar happens with imperialism. According to *Business Week* (22 June, 1981), “The debt, a good share of which is with French and Canadian banks, is becoming so large that recent efforts to partly refinance it have failed. In 1979, the issue of convertible bonds was withdrawn when the Swiss financial newspapers questioned the Cuban credit and a consortium of French and German banks refused this time to prepare its annual financial package for Cuba”.

The Castros acknowledge the failure

Le Temps Modernes, in December 1980 recalled that Fidel, in December 1977 “was forced to ask for new sacrifices from a people whose enthusiasm was in full decline”. It quoted Fidel’s speech: “Even if sugar prices rise, we should not let ourselves be swayed by the temptation to improve a little consumption, because we must propose ourselves, for a period of seven to eight years, to work primarily on the consolidation and in the development of our economy. There is always one generation to which

corresponds the hardest work. Think of the USSR, think of the years of the early Bolsheviks, where the quantity of cement produced was insignificant and production of steel ridiculous. Today the apartments are built by millions...” The same magazine recalled that on 20 January 1980, Raul Castro, Fidel’s brother and number two of the regime, drew a gloomier perspective: “Cuba is facing the spectre of economic disaster and bankruptcy with its consequent famine and hundreds of thousands of unemployed “.

Business Week magazine in mid-1981, recalled that Castro and his brother Raul, had warned that there was no prospect that the economy would improve soon. The current sugar production had fallen to 5.5 million tons, well below the seven million that were produced in the years before the rise of Castro to power.

The Market and “super exploitation”

Given the crisis, Castro imposed new reforms. These are synthesised in two sets of measures: a brazen Stakhanovism to greatly increase working time, which under capitalism is called increasing exploitation and a revised and expanded NEP, as the capitalist market is expanded to the maximum.

According to *US News and World Report* (30 August 1981), the following measures were taken.

With regard to the extension of working hours and the intensification of the workers’ oppression: “Factory managers offer guarantees to those who perform exemplary work, wage payments by state farms are linked to global production and not to the time the workers stay in the fields; individual work performance is evaluated. Those who perform below average are degraded or fired; the workers in the service industries can now find a second job in the private sector”.

Regarding the development of the free market: “More than 200 markets have been opened where farmers can sell their surplus production in excess of the quotas pre-set by the state. They charge the prices that buyers are willing to pay; those engaged in cottage industry are authorized to produce clothes at home for sale to customers seeking better quality items at a relatively high price”.

According to the same magazine, “a worker applicant to membership to the CP commented (about the 1980 reforms); ‘For 20 years we made the mistake of rejecting everything that was capitalist. Now we know that people will not work eagerly if they don’t receive any incentive’”.

A great development of the market

The reforms have already led to a truly impressive development of the capitalist market. The magazine quoted above notes how “in the consumer sector, private initiative is operating openly. Food markets and other commercial establishments provide outlets where Cubans working on their own, offer a wider range of merchandise than what is generally available in state facilities. (...) Although many Cubans are sceptical about the duration of the reforms, a top government official denies that the restoration of some private initiative is a mere ploy to revive a stagnant economy. The free market will make a contribution of broad effect for Cuban socialism, he insisted. After all, this is very similar to what is being done in the Soviet Union and Hungary”.

“The markets have already produced a surprising impact on Cuban life. They are full of inhabitants of the cities provided that the farmers offer surplus meat or vegetables for sale. And as the incentives give encouragement to production, free market prices tend to fall.”

“In a market on the outskirts of Havana, chickens are sold up to 16 pesos each, against 25 when the market first opened. (...) The quality of women’s apparel has improved. Elegant dresses can be seen in restaurants instead of cheap and mass produced blouses and dresses, which until recently were the standard evening clothes.”

“Cubans are thrilled to have money to spend. But more important is the opportunity to purchase quality items from Canada, Japan and Western Europe. Imports were paid by the unexpected surplus of 400 million dollars resulting from the high price of sugar on the world market.”

“Money has value since now that there are things to buy, says a Cuban authority. And the only way to get more money is working, labour absenteeism of the past virtually disappeared.”

The political changes

The other side of this economic change were the political changes that occurred between 1979 and 1980 at the top of the Cuban government and to a lesser extent on the CP. *O Estado de Sao Paulo* commented that “these modifications were made with the aim of achieving a leadership capable of solving the economic problems. But there are other aspects to the changes. The first is that the power was again centralised in the hands of a small group”. Indeed, “three ministers were replaced in December 1979. A month later, 11 ministers were separated and nine more left cabinet because their departments were included in others. Nine of these 23 were members of the central committee of the party and six of them were separated from the CC at the second congress of the CP in December 1980 (...)”.

“Instead of appointing new ministers to replace those ousted, the top government leadership assigned itself new responsibilities. None of the 13 vice-presidents of the executive committee of the council of ministers was separated and besides that 10 of them went on to have ministerial posts in addition to being vice-presidents. This centralisation is also illustrated by the fact that 78.7 percent of the members of the Central Committee elected at the first party congress, in 1975, were re-elected at the second congress in 1980, despite the fact that the number of committee members had been increased from 112 to 148.”

The aim of this centralisation reflects the intent of the Castroist bureaucracy to control the bourgeois and petty bourgeois forces encouraged by the opening and development of the capitalist market. As always this control is bureaucratic, without the democratic mobilisation of the working class. Everything is resolved in the offices of the Castro brothers. So it is not difficult to predict that there will be serious problems with the bourgeois forces that are being developed under protection of the market, because the Castroist bureaucracy, with its totalitarian methods, is incapable to see and analyse this problem and adopt a genuine workers’ policy for dealing with it. The same thing will happen with administrative immorality: with its methods it will be unable to eradicate it.

Encouraging capitalist investment

Given the failure of the reforms of 1980, Castro has been forced to continue with his economic concessions to capitalism. Instead of now making them through the domestic market to the embryonic domestic capitalists, he directly targeted to make all kinds of concessions to imperialism. With this policy he does nothing more than to follow the steps, as always, of other bureaucratic and totalitarian governments, such as the Polish, Chinese, Yugoslavian and the USSR, which enacted similar laws for the protection of imperialist capital.

The Economist on 17 April this year noted how “without fuss, Cuba has enacted a law on foreign investment that allows western capitalists to take 49 percent of capital in joint venture with state-owned companies, and the total repatriation, after taxes, of profits and dividends. The Government asserts that it will not interfere with the prices or in production. The law passed in February, also gives companies the right to hire and fire workers and elect their own officers and directors. But the wages will be controlled. And the Cuban executives will earn as much as their foreign partners”.

“In some joint ventures, Cuba will allow foreign companies to have a majority of the shares and reserves the right to grant tax exemptions.”

“President Castro’s Government is studying whether it establishes an industrial free trade zone.”

A Folha de Sao Paulo reported on 2 May with reference to these concessions from the Castro government that “some companies, probably those dedicated to the tourism industry, shall be exempt from taxes, as well as import tax, and will be able to import the technical and administrative know-how they need”.

The same newspaper added that these “efforts to attract foreign investors, after a change of economic approach on the part of the Cuban government, started five years ago, to increase the level of its trade with the Western economy and reduce its dependence on the members of Comecon”.

“This is how the Cuban government, currently tries to increase nickel production by 50 percent, which is very important, given that Cuba is the world’s fourth largest producer. This would mean to raise production to nearly 80 thousand tons, while last year it produced 38 thousand tons. It also seeks to

increase exports of citrus fruits and develop the productivity of the sugar industry. Also it has the goal of developing assembly plants for the automotive industry. And there are indications that there are oil fields, which have led the government in Havana to seek partners for its prospecting and exploration.”

Imperialism on the prowl

The press and the imperialist government officials follow with increased attention and joy this chronic crisis of the Cuban economy. Thus, *US News and World Report* commented that the economic deterioration had forced Castro himself to consider imposing several reforms when in the year 1980 “he discovered late that the people, who had accepted passively for two decades the unfulfilled communist promises, were secretly rebelling against the moral obligation to work and sacrifice for the revolution”.

“This internal rebellion, marked by absenteeism and deficient production, exploded openly in 1980 when Castro offered an exit visa to those willing to emigrate. Hundreds of thousands of Cubans ran to the emigration offices. A non-Cuban observer, who was in Havana at that time, said: Castro, obviously, had underestimated the depth and breadth of the dissatisfaction of his own people”.

“Adding insult to injury, several natural disasters hit the Cuban economy recently. The best known were the plagues that attacked sugar cane and tobacco. Another sector of agriculture also faces calamities”.

Business Week recounted how “for US political strategists, the question is whether the growing economic woes of Cuba will stop the wave of destabilisation that Castro has stimulated in the Caribbean and Central America”.

And it added that “some United States officials argue in internal government debates that Havana has no choice but to take swift action to curb the national chronic lack of food and daily necessities”.

The Economist did a similar analysis, writing a few weeks ago that “a study published in early April for the Economic Committee of (the United States’) Congress said the closure of the American markets to Cuba had restricted trade with other Western nations and the possibilities of investing in Cuba, whose economy is in bad situation, and will get worse. Cuban officials recognise that America is its natural trading partner” (17 April 1982).

Yankee imperialism, with the complicity of European imperialists, the Second International, the Mexican government of Lopez Portillo, as well as the Panamanian and Canadian governments, are trying to use the severe economic crisis of the Castroist regime to achieve two international policy goals of vital importance for the whole world capitalist imperialist system: to alienate Cuba from the USSR, trying to accomplish something similar to what it did with Yugoslavia and China; and to make Castro to transform himself into an unconditional agent to divert, stifle, and ultimately crush the Central American revolution.

At this stage, neither imperialism nor capitalism has as central aim of their policy to get the Cuban economy transformed immediately in a capitalist economy. The essential and immediate goal is political, that is, to add the Castroist leadership as sure agent of their counter-revolutionary policy.

To achieve these policy objectives, Reagan relies not only on the Cuban economic crisis, but rather on the Stalinist character of Castroist policy, i.e. the policy of building socialism in one country and of peaceful coexistence with imperialism. US imperialism is trying to achieve something similar with respect to the Nicaraguan FSLN, which has narrow, petty bourgeois, nationalist conceptions that approach Stalinism, although Nicaragua remains a bourgeois, not a workers’ state.

In other words, imperialism does not want to reach economic agreements with Castro for him to overcome the crisis with an immediate return to capitalism in Cuba. This is a historic goal but of secondary importance at this time. The great immediate goal of imperialism is to achieve the political support of Castro and the FSLN to crush the Central American revolution and stifle the African.

Castro and the FSLN

The *New York Times*, in the article already quoted above, noted that “the last two weeks, Cuba and Nicaragua have been sending signals that could indicate a willingness to begin serious talks with the United States. The Reagan administration has been listening and responding, but remains sceptical”.

And as a conclusion it pointed out that Cuba, “has accepted in fact the Washington condition to halt the shipment of arms” to El Salvador and Central America in aid to the guerrillas.

The FSLN has responded in the same way as Fidel Castro to the pressures of US imperialism. Not only doesn't it send arms to El Salvador but it has suppressed in its publications, specifically on *Barricada* any reference to the Salvadoran and Guatemalan guerrillas and any calls for solidarity with them. By contrast, it only calls to defend the Nicaraguan revolution, and covers with a criminal silence the struggles of the Salvadoran and Guatemalan peoples. This clearly shows bureaucratic and petty bourgeois politics, both of the Cuban leadership at the head of a workers' state and the FSLN in charge of a bourgeois state.

Castro has already played a role of prime importance of a political nature in Africa, being the most useful tool that Yankee imperialism has had to curb the revolutionary process, mainly in Angola. The Castro regime has gone to Africa not only to fortify its positions before the undisputed pressure that Yankee imperialism exerts against the Cuban workers' state, but also to show Washington that the Castro leadership is for keeping within capitalism the different countries where revolutionary processes exist. This is the reason why the Cuban army has been instrumental in restructuring the capitalist state and in maintaining the bourgeois economy in Angola.

This has been appreciated by a sector of the Carter administration, specifically by a great friend of Carter, former US ambassador to the United Nations [Andrew] Young, who insisted, as today David Rockefeller does, in the pro-imperialist and pro-capitalist role of the African regimes defended by the Cuban army and the Castro regime.

Fidel Castro and the FSLN in Central America are doing the same today. Countless data demonstrate that Castro and the FSLN stress the need for the barriers of capitalist private property and the bourgeois regimes in Central America not be overcome, and by all means they try to avoid the rise of a single Central American revolution. They thus accept the imperialist play to keep each revolution in the narrow and limited Central American republics rather than covering all of Central America, connecting the regional revolutionary process that would inevitably lead to triumph. These steps of Castro and the FSLN in favour of the counter-revolutionary policy of US imperialism and its partners, Portillo and Trudeau, as well as the Second International and European imperialism, is what allows these secret negotiations between US imperialism and Castro. Secret negotiations where Castro wants to have the economic crisis solved or help to try to lessen its effects and US imperialism requires Castro ceases to have a halfway counter-revolutionary policy to adopt one open and consistent to the end.

Addendum:

Two policies for Cuba and the workers' states

The Cuban economy suffers from the same ills as other totalitarian workers' states. It is an acute crisis, chronic and more serious every day. The time has come for the balance sheet of the two policies faced in Cuba and every worker's state, the Stalinist and the Trotskyist.

Stalinism and many intellectual admirers of its accomplishments have attacked us Trotskyists for being utopian, idealistic and that we do not start from reality or we manage to project actual plans. In contrast, Stalinism was realistic, achieved what could be achieved: Socialism in one country temporizing with the world bourgeoisie. Nothing of developing the world revolution, this was left infantilism, Trotskyism, a delusion that only served the counter-revolution.

To these nationalist and falsely realistic arguments, we Trotskyists have opposed the policy of the permanent, international revolution, as the only truly realistic. For us, it was utopian wanting to build socialism in one country and, to make matters worse, underdeveloped or very underdeveloped. The economic plans made in the perspective of decades and decades of development within national borders **inevitably** lead to an acute crisis of these economies, although the national exploiters had been expropriated.

For a few years, the nationalised economy plays a very progressive role, whosoever may lead it, by the mere fact of having removed the exploiters. Thus Castroist Cuba, like the other workers' states,

overcame the problem of health and illiteracy. But as the domestic economy develops, it goes into crisis, because the economy today is global and does not fit into any national borders, even workers' borders.

We Trotskyists for decades have said that the more the national worker's economies develop, the more serious the crisis would be. Stalinism and Castroism have told us the opposite: the more we develop the national economy, the better off we will be. Khrushchev went on to say that by 1980 Russia would arrive at communism and far exceed the Yankee economy. When the year 1980 came the Russian economy was in a crisis deeper than ever and its reliance on grains and imperialist technology is greater than ever.

The other face of this global crisis is the development of the arms production caused by the subsistence of national borders: all countries without exception are armed to the teeth.

The true economic solution is **political**: to develop the world revolution, mobilise workers of the world to make the revolution, ensuring that each country where it succeeds is **indissolubly** joined to the other countries where the bourgeoisie was expropriated, **liquidating borders**,

If this Trotskyist policy would be carried out today we would have a single socialist worker's country without borders, from China to Cuba through the USSR. The political and economic unity would bring about a colossal economic development. Just one example: Siberia is virtually uninhabited; China, which limits with Siberia, is overpopulated. If there were no borders between Russia and China, one hundred, two hundred million Chinese would colonise Siberia and transform the single workers' state in twice as powerful as the United States after a few years.

This **realistic policy, at our fingertips**, cannot be carried out because both Moscow and Peking bureaucracies are for the development and totalitarian control of their national state and against the permanent revolution.

How much better would the Cuban economy be today if Fidel and Che had developed the construction of Marxist revolutionary parties with mass influence when they were in their heyday, to take power and join those countries to Cuba in a single Federation of Socialist Republics!

The crime of the ruling bureaucracy, in the case of Cuba, **not only is to impose a totalitarian regime to the Cuban workers, but equally or more serious, not to develop the world revolution, limiting itself to developing socialism in one country. It is the other face of petty bourgeois, bureaucratic politics.**

The facts are there as a final balance sheet: Stalinist policy is responsible for the chronic economic crisis. Trotskyist policy would have averted the crisis or at least it would have really improved the economy of the workers' states due to two phenomena that combined would be the only solution: internal democracy to develop the initiative of workers at all levels, development of world revolution to unite indissolubly into a single nation or federation all countries that expropriated the bourgeoisie. §