

United States – a hypothesis bordering on the absurd in view of the intolerance shown by the Castro régime – it would still not have solved the essence of the matter. It would not have changed the situation caused by the Castro régime in the hemisphere.

5. This is the consensus of informed observers, though it is admitted that, had it by some remote chance succeeded, it would have given a tremendous boost to Frondizi's prestige inside and outside this country. On the other hand, the consequences of failure should not be too disastrous. If the event does not lead to another internal crisis in Argentina involving the armed forces, the President may in fact come out of the affair with an "A" for effort, and little else. The difficulty continues of maintaining good relations with the United States, and at the same time appeasing left-wing opinion in the country through evidence of sympathy with the Cuban revolution. Frondizi's effort to find a solution is reflected in his agreement to meet with President Quadros of Brazil in the near future. The Cuban issue is certain to be the principal item for discussion.

R.P. BOWER

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*Note du sous-secrétaire d'État aux Affaires extérieures
pour le secrétaire d'État aux Affaires extérieures*

*Memorandum from Under-Secretary of State for External Affairs
to Secretary of State for External Affairs*

SECRET

[Ottawa], March 24, 1961

FURTHER U.S.A. ECONOMIC MEASURES AGAINST CUBA

Our Embassy in Washington reported in its telegrams 806† and 820† of March 14 and 15, that the United States Government is considering the application of Foreign Assets Control Regulations to transactions with Cuba, but with a possible exemption for subsidiaries located in foreign countries. These telegrams also reported discussions on this matter between Canadian and U.S. ministers at the recent meeting of the Canada-U.S.A. Joint Committee on Trade and Economic Affairs. Although no decision has been taken by the U.S. Government we understand that serious thought is still being given to invoking the Trading with the Enemy Act against Cuba.

2. The U.S. ministers were told during the meeting of the Joint Committee that under present Canadian policy no commodities "in any way strategic" would be allowed to go to Cuba even though of Canadian origin. A word of caution may be appropriate about the ambiguity of the words "strategic commodities." We do not have, for the purpose of our export controls, any list of materials which we could accurately refer to as the "strategic" list. What we do have is 1) a list of countries – the Area list – to which all shipments from Canada whatever the nature of the goods concerned must be licensed for export and 2) a list of commodities – the Export Control list – some of them of a strategic nature, others not; these commodities are also subject to export control, regardless of their destination, for conservation and strategic purposes, or because this control is called for by intergovernmental arrangements between Canada and other countries. Even if we isolated on our Export Control list the items controlled for strategic reasons, they would still alone not constitute a precise strategic list because some of the listed items, such as civil aircraft and quartz crystals, are in certain circumstances considered to have strategic significance but in others they have none. The U.S. for their part have a Munitions List and a Positive List of Commodities; they also have a Cocom list including the Embargo list, the Munitions list, the Atomic list and the Watch list. None of these lists fully coincides