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FOREIGN SERVICE DESPATCH

FROM

AMEMBASSY, HABANA

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TO

THE DEPARTMENT OF STATE, WASHINGTON.

REF

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SUBJECT:

Background Information on Cuban Labor and Political Situation With Special Reference to Communist Infiltration

The present despatch is based on conversations recently held by the Embassy's labor reporting officer with four Confederation of Cuban Workers (CTC) officials. The points of view expressed, and the information given, by these contacts are not of course, to be taken in every instance as completely accurate but they are suggestive and useful as background to an understanding of the current Cuban political and labor situations, particularly with regard to the problem of Communist infiltration.

The four contacts involved are, one, a lawyer in the CTC offices and, the other three, officers of national federations. All are comparatively young men. On the basis of their experience. in the labor movement they may be regarded as entitled to speak with some authority. All appear to retain a fresh and critical view of CTC affairs, and there was a large measure of agreement in their information and their individual views, which, together with the confirmation these receive from other sources, adds weight to what they said. Their background explanation of the present situation and supplementary comment by the Embassy follow.

On obtaining power andoffice in the thirties and in the forties, and seeking for a base of support in the labor movement, Batista had to turn to the Communists as practically the only leaders, or at least the ablest leaders, of the movement then available. When Grau and Prio succeeded to the Presidency, they found it necessary to build a base of support in the movement on other leaders; and after building up these leaders they threw out the Communists and turned the movement over to them.

As a result, when Batista returned to power on March 10, 1952 he found himself confronted by a labor movement largely under Autentico leadership. Two ways were open to him to overcome this disconcerting situation, both of which, to some extent, he took. One was to fall back on old friends and supporters from the days when he and the Communists had found each other helpful with the result that in the ministries -- and especially the Ministry of

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Page_	2	f
	No. 1513	-
From	Habana	

LIMITED OFFICIAL USE (Classification)

Page	of
End. No	
Desp. No	
From	

Labor--there are now many ex-Communists in office. Questions from the labor reporting officer educed an inclination on the part of the contacts to think that while there might be some crypto-Communists and many who left the Party for purely opportunistic reasons among these officials, there is no serious infiltration of the ministries for the purpose of working in the interests of the Communists. One of them, however, differed sharply with this sanguine view, being of the opinion that the Government was seriously infiltrated by active Party members.

Batista also had recourse to building up his own labor leaders, or, more accurately, to building up the prestige and influence of such labor leaders as were willing to support him. Examples of these leaders are José PEREZ González and Guillermo MESTRE. (The former, a railway worker, heads the workers' bloc of the President's Partido Acción Progresista (PAP); the second is a Cofiñista and an official of the Electrical Workers; both are on the Consejo Consultivo. But it is interesting that though Pérez González is one of Batista's "new" men, he is an ex-Communist.) The contacts felt, however, that among the leaders that Batista is building up there is none of any real stature or following.

The labor movement in Cuba has always depended on the Government—not only as the source of its power but financially as well. This has meant in the specific Cuban situation that the Government financed the movement as such and also that the labor leaders looked to the Government to make their fatures. These leaders, the contacts made clear, were not thereby traitors to the movement in the sense of selling it out either to the employers or the Government. But the way to wealth for a labor leader is through politics, with the result that most top labor leaders are potential politicians. Mujal, Aguirre, Cofiño, José Luis Martínez, and others like them are ex-senators or representatives or hope in the future to fill congressional seats.

The principal difficulty of the labor movement today lies in the circumstance that the Government is not supporting it, either financially or politically. Neither the CTC nor the unions are receiving the money they had become accustomed to getting from the Government. (It is a fact that the CTC's staff, who are unrepresented by a union and are dealt with quite arbitrarily by their employer, have been working short time and at reduced pay for almost half a year, although their cut in pay was in smaller proportion than the cut in their hours. Also, the Sugar Workers' had to lay off 72 of their 98 employees at the beginning of the present year because of lack of funds. However, this union received three-quarters of a million dollars in compulsory payments by the employers during 1953, \$100,000 of

Page_	_3	of
Desp.	No. 15	13
From	Haba	

LIMITED OFFICIAL USE (Classification)

Page_	of

which it spent on automobiles.) And even Pérez González is not getting the money he needs to build up the PAP's workers' bloc.

The way the Government had tried to push indemnified dismissal (despido compensado) on the labor movement is the prime example of its failure to give the movement political support. (The way the Government backed down on this issue was not alluded to in the conversation; nor, indeed, has it anywhere attracted comment of consequence.)

One result of the situation is that Mujal has had to look to the Communists for assistance. He has done this unwillingly and warily, but he has nevertheless done it. The best example of his use of this tactic is the elections in the Tobacco Workers' Union, in which he came to terms with the Communists in order to curb the growing influence in the union of Pérez González and the PAP. The few Communist officials in that union are working hard at promoting the Communist advance not only in the Tobacco Workers but throughout the CTC. One of them, Faustino CALCINES, actually circularizes labor leaders, including non-Communists, regularly with pamphlets strongly attacking the Government and pushing the Party line. (A copy of one of these pamphlets has been promised to the Embassy.)

All four contacts agreed that the Communists are gaining ground in the Cuban labor movement. Only two thought they were becoming in any sense a real threat. These two dwelt on the fact that while the Communists were making no perceptible headway in the top echelons of the labor movement (excepting the instance of the Tobacco Workers' executive), they are making great progress in actually taking over local syndicates. The two contacts who held this view thought also that the President was heavily to blame for the situation. However, they declared themselves admirers of Grau, who, they said, even more than Prio deserved the credit for knocking the Communists out of the leadership of the CTC.

The four contacts agreed warmly that what the Cuban labor movement needs to become an independent force that can devote itself exclusively to effective work on behalf of the working class is "to have its own economy"--i.e., to finance itself.

This assertion led to a discussion of Mujal, beginning when one contact asserted that Mujal appreciated the need for the labor movement's financial independence and was eager to attain it: that was why he had undertaken the campaign for the introduction of the "voluntary quota" system. It was also because of his thinking on the need for an independent labor movement, according to this one contact, that Mujal had given

Page_	4	of
Desp.	No.	1513 ańa
From	Hab	ana

LIMITED	OFFICIAL	USE
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Page		of
Encl. No	٠,	
Desp. No		
From		

up his place on the Consejo Consultivo and why earlier, even under Prio, he had tried to set up a Labor Party. (According to this account, Prio had first smiled on the idea and then vetoed it.)

The contrary contention was put, however, that Mujal is a self-seeker and that as soon as he was sure there would really be elections, not a revolution, he would accept Batista's offer of a seat in the Senate. Once, in fact, the four agreed, it was an open secret that Mujal had ambitions to become president.

The four CTC officials asserted with great conviction that Mujal has tremendous power, that he <u>is</u> in fact the CTC. The secret of his power is his influence and popularity in the local syndicates. It is such as to enable him in many instances to decide who the top leaders are to be. There is no use in undertaking a strike if Mujal does not approve, although, of course, Government support is also essential. It was cited in support of the argument regarding Mujal's power that it is he who really controls the Sugar Workers' union, even though he and José Luis Martinez, whom he had made Secretary General of the union, are now at odds.

At the present time Mujal's view of political matters is complicated by the fact that clandestine literature being put out by revolutionary groups attacks him rudely so that the outlook is that if Prio or Aureliano ever get power, Mujal can count his days as a labor leader ended. (This may account in great part for the peculiar report the Embassy's labor reporting officer gets from CTC sources to the effect that Prio has the support of the hacendados.)

The labor reporting officer raised the question of how the Cuban movement remained united despite the powerful political and personal pressures brought to bear upon it from so many different directions, despite the attraction that those rival pressures have for different labor leaders, and despite the great personal rewards attendant on high labor office in Cuba. This situation is rendered all the more striking by the contrasts, first, between the unity of the Cuban labor movement and the way so many other Cuban groups break apart, and, secondly, between the cohesiveness of the Cuban labor movement and the fissibility of practically all other Latin American movements. The answer given to this question was that everyone involved realized that the source of the movement's strength is its unity. If it were split everyone involved would lose power and all that goes with it. And, of great importance, the personality, energy, and sagacity of Mujal is a terrific force holding the CTC together, despite the present political situation with its strong pulls on the labor movement.

Page_	. 5	of
		1513
		ana

LIMITED OFFICIAL USE (Classification)

Page	of
Encl. No	
Desp. No	
From	

In evaluating what was said by the four CTC contacts whose views are reported upon here, note should be taken of what has earlier been reported by the Embassy and by other government agencies regarding Communist infiltration of the Government, the President's Progresista Party, and the labor movement. Special importance attaches to some of the information given and statements made by Minister Without Portfolio Ernesto de la Fe in his current anti-Communist radio campaign. As reported in the Embassy's despatch No. 1492 of June 10, 1954, de la Fe also makes charges of Communist infiltration of the Ministry of Labor, the local unions and the PAP and accuses Mujal of following a policy that has opened the way to Communist infiltration of the CTC. De la Fe mentions names of alleged Communists who hold union office and who have joined the PAP, but of even greater significance is the fact that he makes these charges—which in certain respects cannot reflect favorably on President Batista's Government—when he is a minister and presumably cannot make them lightly.

The conversations reported in the present despatch are considered of interest by the Embassy not merely because of what they reveal or confirm regarding Communist infiltration, but also for what they may explain regarding the causes that have cleared the way for that infiltration. They may also throw interesting light on the character of the Cuban labor movement.

Regarding Communist infiltration, the Department has already been informed of measures being taken by the Government (Despatch No. 1496 of June 10, 1954) and, through its indications, by the CTC (Despatch No. 1501 of June 11, 1954) to check and turn back the inroads of the Communists into the public administration and the unions. The drastic nature of the anti-Communist resolution adopted by the CTC Executive Committee at its meeting of June 7, 1954 suggests that in the CTC the situation will not go unaltered.

For the Ambassador:

Juan de Zengotata Second Secretary

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