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FROM

AMEMBASSY, HABANA

TO

REF

THE DEPARTMENT OF STATE, WASHINGTON. - 1 Enc.

Mabana 1625 April 3, 1952

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FOREIGN SERVICE DESPATCH

Press reports indicate that leaders of Bloque Obrero of Partido Acción Unitaria (PAU) are attempting to "negotiate" some kind of understanding with the Cuban Confederation of Labor (CTC). If this is accomplished it will probably mean that some CTC position or positions of importance, not necessarily the secretary-generalship, will soon go to a PAU member. It may also mean that the way will be cleared for the establishment of labor's political party which MUJAL and other CTC leaders have been planning but which has not yet gone beyond the talking stage. If an agreement is reached it will probably be announced during the CTC's National Council meeting July 19 and 20.

Political overtones of the so-called "negotiations" between PAU's labor bloc and CTC leaders are emphasized by Mujal's public acknowledgment that such talks are under way but that they are between PAU and the National Labor Committee (CON), a group of CTC leaders who constituted the labor wing of the Autentico Party during the PRIO regime and who renounced that party after the BATISTA coup.

In a brief conversation yesterday, Francisco AGUIRRE, CTC executive board member and secretary-general of the Interamerican Organization of Labor (ORIT), informed the Embassy's labor reporting officer that in the so-called "negotiations" the CTC would resist PAU inroads into the union hierarchy except through "legal elections". In a previous conversation with Aguirre, he said that the "government" was pressing for admittance of PAU adherents into CTC positions. His comments on this and other related issues are reported in the enclosed memorandum.

## COMMENT.

PAU members at present occupy no CTC positions and are practically unknown in labor except for those who were suddenly raised to public notice through government assignments by

ISLippe:rc

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There is, for example, José PEREZ Gonzalez, now a member of the Consultative Council, who has been a delegate to two recent ILO meetings. There are others in the Council and some in Ministry of Labor jobs. CTC leaders bitterly resent the PAU aspirants to places of influence in labor and if after the CTC's National Council meeting PAU members start receiving CTC posts, it will mean a significant retreat to maintain as much of the old order as possible. It will probably also mean another period of "understanding" (after the strain of the Autobuses Modernos case) between Batista and the CTC, opening the door even wider for complete Batista domination of labor. Perhaps the present "negotiations" with PAU will result in a political deal that removes whatever obstacles may have been in the way of labor's new political party, with Mujal eventually resigning as CTC secretary-general and becoming full-time head This thought was expressed by some CTC leaders of the new party. when Mujal first announced plans for a labor party. The implication of all this is that the CTC and the labor party would be in Batista's pocket despite the discontent now rife within the CTC with Mujal's leadership policies as too "conciliatory" toward Batista. Perhaps it can be explained by the fact that with Batista in complete control of the country, labor's organic i "self preservation" permits no other course, especially in the absence of any effective opposition to date to team up with.

For the Ambassador:

Jun S. hirae

Irvin S. Lippe Attaché

Enclosure: Memorandum of Conversation

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## MEMORANDUM OF CONVERSATION

Participants: I. S. Lippe and Francisco Aguirre

Aguirre, who has just returned from the ICFTU meeting in Berlin and also an ILO meeting in Geneva, was quite disturbed over developments in Cuba during his absence. He said that he doubted very much if Batista would hold elections next year judging by the difficulties the government seemed to be placing in the way of normal political activities. He said that Batista would probably take action to give the soldiers the right to vote, which, in his opinion, would give Batista a great edge in the elections, if and when there are elections. He said that labor was seeking a definite understanding with Batista with regard to his plans, if he has any, for the CTC. Aguirre said that the government seemed to be pushing members of PAU for labor positions, which is in conflict with Batista's promises to let the CTC manage its own affairs and not tamper with its leadership. He said that the National Council of the CTC, which will be held July 19 and 20, would ask Batista for a frank statement of his attitude. He said that offices had been rented on the Prado for the new political party (labor) but they could not get started until they had had this talk with the President. In this connection he said that despite the rumors of Mujal's resignation he didn't think it was going to happen. If it does occur, he thought that the other members of the CTC Executive Board would also resign and intimated that this would mean an out and out break with the new administration and probably a lot of labor disturbances. He emphasized that regardless of the criticism of Mujal within the CTC, the other union leaders have no intention of ousting him.

HIRIGOYEN, he said, would probably be freed in a few weeks and then would probably be employed by the International Transport Federation (ITF) on some kind of international labor work.

Aguirre admitted that the <u>Autobuses Modernos</u> situation had been intolerable from a financial point of view and that drastic action had to be taken. He did not think that similar action would be taken by the government at United Railways because, he said, "Unlike Hirigoyen, the leaders of the railway union are all former railway men and have the backing of the rank and file".

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On international labor matters Aguirre thought that the AFL was moving toward better cooperation with the ICFTU and that soon an agreement would be reached.