

Enclosure to Despatch 667
of August 10, 1948, from
the American Embassy, Habana

CONFIDENTIAL

MEMORANDUM:

Conversation between President Grau
and Ambassador Butler

August 9, 1948

I called on the President at noon today.

1. The first matter I took up was the Friendship Treaty. President Grau said they were working on it, making good progress, and would have something for us soon. I told him that my Government would like to know what the Cuban Government objected to in the treaty. He said it was in the hands of the Attorney General's Office, and also in the Cultural Relations Department. He was very confident that it would shortly be in shape. I said I hoped the Treaty could be fully consummated before he leaves office. He said it would be.
2. I then transmitted to the President the invitation to receive a degree from Miami University, saying that the City Manager and a group of public-spirited citizens of Miami wished to come to Habana to extend this invitation. I also informed him that they proposed to hold a Cuban Day in Miami in appreciation of the tourist business from Cuba and of the cordial relations between the two countries which President Grau's efforts had brought about. The President replied that nothing would make him happier. He was very demonstrative in his appreciation and spoke at length of his sojourn in Miami and how close the city was to him.
3. Next on the agenda was the case of the Portland Cement Company at Mariel (Mr. Scott Thompson). The President said he considered the whole sale illegal since it had not been previously announced in the OFFICIAL GAZETTE, and that this automatically threw the sale out. He was watching the situation. He had a very high regard for Mr. Thompson and was confident that the mayor of Mariel would be defeated in his efforts.
4. I left with the President our memorandum on the Chancery site. He said he would see to it that the Foreign Office confirmed it in an exchange of notes. He said he was pleased at the progress being made.
5. I then took up with the President the textile situation, presenting to him the note we had sent to the Foreign Office (447 of July 26). He read it and said that a meeting of manufacturers and importers was scheduled at which they would draft recommendations to the government. He felt confident that the matter would be worked out satisfactorily. I told the President that the controls were from our standpoint a serious matter and we did not wish to have them. He said that it was his impression that some new rules for importers were to be worked out and he felt a satisfactory understanding could soon be reached. I remarked that to us the situation was serious also as a precedent; that soap and other manufacturers would try to do the same thing and he would find himself in a very bad situation; that this was a violation of the treaty and I hoped he would understand that the pressure was on me and on my Government, the textile manufacturers of the United States having complained very bitterly to our various departments. I could not emphasize enough how strongly my Government felt about this matter. The President replied that he faces labor and social problems here in Cuba and that he must take their story into account also.

ROBERT BUTLER

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Office Memorandum • UNITED STATES GOVERNMENT

TO : CRB: Mr. Walker
 ARA: Mr. Woodward
 FROM : Mr. Daniels
 CRB: Mr. Mackay

DATE: August 13, 1948

SUBJECT: President Grau's Bland Assurance That Treaty of Friendship, Commerce and Navigation With Cuba will be fully consummated before he leaves office.

Ambassador Butler reports that in his conversation of August 9 with President Grau, the President, in answer to a direct query of the Ambassador, assured him that the Treaty of Friendship and Commerce would be fully consummated before he leaves office, i.e. before October 10, 1948.

The President did not indicate what, if any, objectionable features the Cuban Government had found in the proposed treaty. He stated that the treaty was still being considered by the Attorney General's Office and the Cultural Relations Department, good progress was being made, and that he was confident it would shortly be "in shape".

FW 711.372/8-1048

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711.372/8-1048

REFERENCE: Confidential Despatch No. 667 of August 10, 1948 from Habana.

Dm
CRB: *Dm* Mackay:mbr
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