### 739.00/6-1953

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### FOREIGN SERVICE DESPATCH

FROM

AMEMBASSY, HABANA

1983

TO

THE DEPARTMENT OF STATE, WASHINGTON.

June 19, 195

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SUBJECT:

ALLEGED EFFORTS OF "MONTREAL CONSPIRATORS" TO PURCHASE ARMAMENT REPORTED BY PRO-GOVERNMENT ALERTA

The Habana pro-Government newspaper Alerta of June 18, 1953 published an article on alleged conspiratorial activities under the headline "The Conspirators of Montreal Purchased 8 Airplanes and Thousands of Guns." Sub-headings reported "\$1,500,000 Deposited and Not Recovered. Blocked By Canadian and U.S. Police, The Purchase Was Frustrated And The Contrabandists Kept The Money Deposited. Aureliano Sanchez Arango Arrested. Priistas, Millistas, Communists and elements of the Gatillo Alegre 1 in the pay of the ex-President Implicated In The Plot."

According to this article, the "Montreal Charter" was prepared if or public consumption to indicate that the conferences in Canada were limited to a contemplation of political formulas, peaceful tactics for the overthrow of President Batista . . . simulating a pacificism that was completely absent from the Montreal conversations."

The article mentioned ARANGO Alsina as a man "notorious in European customs houses for having engaged in other times in the productive traffic of narcotics and nylon hose."

According to the article, Aureliano Sanchez Arango arrived at the Montreal conference 2/ "in time to share the secrets of the meeting." The item stated that he had been in Jamaica engaged in shady operations and with a false passport. Intimating he had been arrested, the article stated he had been given the alternative of imprisonment or payment of a stiff fine. He allegedly chose the latter alternative.

- $\underline{1}/$  Literal translation: "trigger happy." In other words, gangsters.
- 2/ This is the first intimation the Embassy has received that Aureliano Sanchez Arango might have been present at the conference. In the absence of further evidence, it is assumed the statement is incorrect.

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The action office must return this permanent record copy to DC/R files with an endorsement of action taken.

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According to Alerta, at Montreal "Millo" OCHOA, Sanchez Arango, and "Tony" VARONA urged the hastening of an insurrectional movement. Alerta alleged that "different forms of violence were discussed, leaving for later the meeting which would enable the press to refer to policial objectives." Alerta stated that at this stage three "strange" individuals, two Americans and one Canadian, appeared, operating under the spurious firm name of "Ferguson Associates." Alerta described "Ferguson Associates" as engaging in illicit traffic of arms whose members had accompanied Prio from New York "to demonstrate through deeds their insurrectional gifts." According to Alerta, the representatives of the arms contraband syndicate and Carlos Prio agreed on "the immediate delivery of 8 airplanes equipped with bombs, 500 submachine guns, several thousand pistols, hand grenades and rifles with their corresponding shells." It was stated that "in order to avoid suspicion of some of those present it was agreed that the representatives of 'Ferguson Associates' would accompany the group on the return trip to New York to effect the required money guarantees."

The article stated that plans were developed with a view to the elimination of General BATISTA and high officials of his Government. Ex-Colonel Rafael IZQUIERDO (a Prio aide) allegedly insisted that the best method would be to attach a time bomb to the motor of President Batista's automobile, while others were inclined to the hiring of killers who would be brought to Habana.

Reportedly, the "conspirators" also considered the date for an uprising "in the event that it should prove difficult to bring about Batista's death." The dates September 4 and October 10 were mentioned. The use of terrorist tactics, including bombs, sabotage of public services, and use of Communist groups infiltrated in workers' organizations were also discussed.

Following the Montreal meeting, Carlos Prfo and his followers returned to New York "to hold there their last council for the purpose of fixing responsibility on each person involved in the plan and to deliver agreed amounts of money for its organization."

The final section of the article stated that at New York there originated a violent controversy between Carlos Prio and some of the others present which resulted in the abrupt departure of the ex-President and his secretaries. Reportedly, "Tony" Varona and RUBIO Padilla tried to calm the ex-President who left irate for Miami where he announced that he had been betrayed. Reportedly, Prio's abrupt departure resulted in non-payment of sums previously agreed upon with "Ferguson Associates" who thereupon retained the original deposit, allegedly amounting to 1 1/2 million dollars. It was added that the Canadian and U.S. police, observing instructions from their Governments, had blockaded the "war surplus" that was the subject of negotiations.

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### Embassy Comment

The foregoing adds further unconfirmed details to previous rumors and reports of anti-Batista activity. The Embassy had not previously heard of "Ferguson Associates" or of Aureliano Sanchez Arango's alleged presence at Montreal. Other statements appearing in Alerta's article may also be open to question.

For the Ambassador:

Earl T. Crain

Acting Counselor of Embassy

Enclosure

 $\sqrt{\text{Alerta}}$  clipping, 6/18/53

cc: AmConGen., Montreal