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TO : Department of State

937.61/8-1750

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AUG 21

FROM : HABANA 385 August 17, 1950

REF : Embassy's despatch 238, August 2, 1950

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SUBJECT : HOY DENOUNCES "PLOT OF EMBASSY AND SEARS" TO STRANGLE IT ECONOMICALLY.

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The Communist newspaper Hoy has finally come out with an attack against the Embassy's efforts to eliminate commercial advertisements from its columns. On August 13 Hoy carried a front page story denouncing the "plot of the Embassy and Sears Roebuck" to strangle it economically. It said that advertisers in the paper had been threatened by the Embassy with blacklisting, loss of their business with United States firms and prevented from entering the United States. It claimed that Sears Roebuck in Cuba has suggested to the Association of Advertisers that Hoy be boycotted. It, of course, attacked this company as a "tool of the Embassy and Yankee imperialism".

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Hoy decried the campaign as intermeddling in Cuban affairs, but boasted that it would defeat this Yankee interference. Stating that it would not lack money to carry on the paper, Hoy added "the Cuban masses will sustain Hoy in defiance of this Yankee move".

On August 15, 16 and 17 articles appeared quoting letters from three Communist organizations proclaiming their intention to defend Hoy against the plot of the Embassy. The first was signed by the Secretary General of the Federation of Workers of the Province of Habana. It simply attacked the plot and said that the Federation would take the matter up soon. The second, from the Executive Committee of the PSP in Arsenal, Ceiba, and San Nicolás sections, made a pledge to distribute 150 copies of the daily issue of Hoy and 350 of the Sunday issue, to take 25 subscriptions, and to deliver \$15.00 in cash as its initial contribution to the Executive Committee. The third letter, published under the heading: "Reply to the Imperialists", is signed by the PSP Committee of Habana Vieja. It states that the group has agreed to increase the sale of Hoy by 200 daily copies and 300 Sunday copies.

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ACTION COPY — DEPARTMENT OF STATE

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

Comment:

As the Department is aware, it is true that the Embassy has been conducting a campaign to eliminate advertising in Hoy. It is not true, however, that any threats have been made against firms refusing to cooperate, or that Sears was asked by the Embassy to direct the campaign. This company eliminated its advertising in Hoy as a result of the joint agreement made by a number of the large department stores. It did not request the Association of Advertisers to boycott the Communist daily. Hoy has merely used this matter as another opportunity to attack Sears, which it condemns as "an imperialistic monopoly in illegal competition with Cuban firms".

The Embassy has been surprised that Hoy has not attacked the campaign sooner, since it undoubtedly has been feeling the reduction in advertising for some time now. The denouncement itself is a very weak one, and an open admission on the part of Hoy that it has been seriously affected financially. The replies to Hoy's call for help are also considered weak, and since they come entirely from Communist groups, they only mean that in the future the Communists themselves will be carrying an even greater share of the financial burden.

In summary, the Embassy believes that its campaign has been a success and has contributed to the economic difficulties of the Communist news organ. It considers that Hoy's denunciation will only serve to further weaken its position and that probably some of the few firms which have continued to advertise in its columns will now desist.

For the Chargé d'Affaires ad interim:

Henry A. Hoyt

Henry A. Hoyt
Second Secretary of Embassy

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