Political

- (UNCLASSIFIED) Elect Electoral Code Modified to Permit Organization of All Registered Parties. By a law-decree dated February 26, 1953, the Electoral Code was so modified as to permit the organization of a political party even though that party had been unable to obtain in the affiliatory period just ended the minimum number of affiliations thus far required. According to the new law-decree, a municipal, provincial or national party which is registered with the Supreme Electoral Tribunal and which participated in the affiliation activities during the affiliation period from February 14 to 28, retains the party character under which it was registered, regardless of the number of its affiliations.

(UNCLASSIFIED) Comment. Published fragmentary figures were beginning to indicate that the four government coalition parties and the GRAU Autentico party had been successful in securing affiliations equal to four percent of the total electorate, as hitherto required by the Electoral Code. However, the registered Ortodexes whose affiliation activities had been restricted as a by-product of the recent efforts to achieve unification of the various Ortodexe factions, were far short of the required number of affiliations. Hence by abolishing the requirement for a minimum number of affiliations the Government saved the Ortodoxo party from disappearing as a legal entity and preserved it as a nucleus around which there may grow a second appreciable opposition group in addition to that of Grau. The action was undoubtedly taken to promote as wide a participation as possible in elections, especially by Ortodoxo adherents, and if possible to avoid a single opposition group. Only time will show how successful the step will be, particularly with respect to the first objective.

(UNCLASSIFIED) Check Off of Union Dues Imposed in Sugar A law-decree of February 26, 1954 ordered employers in the Cuban sugar industry to deduct as labor union dues one

FCFernes, Jr.:ep

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per cent of the wages paid to workers. The proceeds of this "check off" will be applied as follows: 45 per cent to the local union; 31.5 per cent to the National Federation of Sugar Workers; 13.5 per cent to the Confederation of Cuban Workers; and 10 per cent to the International Policy Commission of the Confederation. The measure was the result of a court decision declaring unconstitutional the payment of union dues by employers (see Weeka No. 4). The Minister of Labor stated that the employers associations already have guaranteed sources of income from their members and this law-decree will put the National Federation of Sugar Workers on an equal footing.

Cuba. The Embassy's Army Attache has been informed by a resident of Santiago de Cuba that there is a potentially dangerous situation there arising from resentment of brutal and high-handed methods of the military and police. The Attache rated the report as B-3. The source referred not only to reported brutality after the uprising of July of last year, but to the allegedly deliberate shooting of the chauffeur implicated in the Bacardi kidnapping, to high-handed treatment of civilians, and to lack of interest in his regiment by the Colonel commanding in the district.

(CONFIDENTIAL) <u>Comment</u>. This report contrasts with that of the American Consular Agent in Camaguey who recently informed the Embassy that the commanding officer in that district was cooperative and interested in the public welfare. Both reports are indicative of the extent to which personalities in the armed forces can affect public reaction to extensive powers in the hands of the military.

(UNCLASSIFIED) Finance Minister Briefs Bankers on New Treasury Notes. In a special meeting at the National Bank on March 2, Finance Minister GUTIERREZ presented to top officials of the foreign and domestic banks the Government's plan for marketing a new series of Treasury Notes to meet the deficit in budgetary operations. The one-year, interest-free notes are discountable and may be used in officially-required surety deposits. In the first issue phase, starting this month, five million pesos worth of notes will be marketed monthly for four months by payment to the State's contractors and suppliers and in payment of other pressing obligations.

(CONFIDENTIAL) Comment. Reportedly, the bankers received the Minister's presentation favorably and give him due credit for at least bringing order and system to the Government's lagging fiscal operations. It is hoped that his next step in this same direction will provide for the orderly liquidation of the post-1940 fleating debt.

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(UNCLASSIFIED) Tenth Inter-American Conference. In its issue of February 28 the magazine Bohemia maintained its critical attitude toward the Tenth Inter-American Conference at Caracas. It characterized the conference as a big show without substance, criticized the moral and material aid allegedly being given to Latin American dictatorships, and described the decision of Costa Rican President Figueres not to participate as "an example of dignity and courage." In an article in the same issue Jorge Mañach, university professor and a leading Cuban intellectual, again (see Weeka No. 8) opposed the conference for being held in an atmosphere of oppression and of denial of human rights. A commentator in the anti-American Tiempe said that the intentions of the United States in the Conference were to obtain a reduction in the price of raw materials and to continue the exploitation of Latin American natural resources in order to make up for the loss of Asiatic and European markets.

On the other hand, the general editorial reaction of Cuban newspapers was favorable to the Conference. They pointed out that additional security against the communist threat should result and that economic problems should be solved to the advantage of Latin America. They argued that, although the communist threat was serious and action should be taken against communist penetration in the hemisphere, the most effective way of combating communism in Latin America would be by raising the standard of living of its peoples. El Mundo repreached Costa Rica for its non-participation, and Juan Luis Martín, international affairs commentator in the same newspaper, considered that Figueres' action benefited neither the cause of democracy in the hemisphere ner even that of Costa Rica.

(UNCLASSIFIED) Reaction to Sheeting in Congress. Because of the feeling in Cuba of special intimacy with Puerto Rico, the news of the shoeting in Congress by Puerto Rican extremists aroused intense interest and received the fullest press coverage. It was generally condemned as a shocking outbreak of terrorism to be repudiated as not representative of the sentiments of the vast majority of Puerto Ricans. Información called it a direct and indiscriminate aggression against a democratic institution while performing its democratic functions and suggested that communist influence may have been behind it. Tiempe, true to its consistent anti-Americanism and its previous support of Puerto Rican nationalism, applauded the attempt as a "desperate but heroic and holy act." The Acting Minister of State called on the Ambassador to offer the condolences of President Batista and himself and to inform the Ambassador that the Cuban delegation to the Caracas Conference had been instructed to express at the Conference Cuba's condemnation of the terreristic act. A group of 24 Puerto Ricans delivered to the Ambassador a letter condemning the attack and

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repudiating the extremists. This group also sent telegrams expressing the same sentiments to the Speaker of the House of Rep-\_ resentatives and to the Puerto Rican Resident Commissioner in Washington. The Cuban Minister of Information wrote a letter of condemnation to the Ambassador in which he said he felt the sheeting had serious communist implications.

Negative.

For the Ambassader:

arles C. Hall Counseler of Embassy

Participants:

CCHall, HMRandall, PJReveley, FCFornes, Jr., EMTerrell, JCanter, Elmere (MA)

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