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## FOREIGN SERVICE DESPATCH

FROM : AMEMBASSY, HABANA JUN - 2 1954 1452

DESP. NO.

TO : THE DEPARTMENT OF STATE, WASHINGTON.

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	REC'D	OTHER
	061-10	OCR/R-2 APPA-2 S/MCA-1
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SUBJECT: Joint Weeka No. 22 for State, Army, Navy, and Air Departments from SANA.

## Part I

Political

(UNCLASSIFIED) SANCHEZ ARANGO SEEKS ASYLUM. The police and the Military Intelligence Service (SIM) continued active in connection with the Country Club affair of a week ago (see Weeka No. 21). Their efforts were mainly directed toward finding Aureliano SANCHEZ Arango who allegedly was the leader of the conspiratorial group charged with plotting the assassination of BATISTA and others. Early on the morning of May 29th Sanchez Arango was granted asylum in the Uruguayan Embassy, thereby creating an unprecedented situation of an individual seeking asylum for a second time under the Batista regime after having surreptitiously reentered the country after his first departure. Nonetheless, the Government indicated that a safe conduct would promptly be issued for Sanchez Arango to leave the country, despite the fact that he was considered a common criminal. Eight other persons, presumably because of connections with Sanchez Arango, have sought asylum in the Embassies of Mexico and Panama, including Carlos SOLIS and his wife, Rosa SHELTON, in whose home in Country Club the meeting with Sanchez Arango was said to have taken place, and Sergio MEJIAS, former Minister of Communications under PRIO.

(OFFICIAL USE ONLY) Comment. Two reasons probably motivated the Government's action in not making an issue of this second seeking of asylum by Sanchez Arango. Such a course of action would be in accordance with Cuba's position vis-a-vis the right of asylum that only the country granting asylum has the right to determine whether a political offense is involved. Secondly it is a shrewd psychological blow at Sanchez Arango's reputation with some as a daring and courageous revolutionary leader to treat him as just another person who sought asylum and permit him to make a rather sheepish exit from the country.

(UNCLASSIFIED) COUNCIL OF MINISTERS APPROVES DRAFT ANTI-COMMUNIST DECREE. On May 28th the Council of Ministers approved a

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draft Law-Decree which declared Communist activity incompatible with service of the State, Provinces, Municipalities, autonomous organizations, and public utility companies. "Foreign propagandists of international Communism" are denied entry into Cuba and communications facilities (postal, telegraphic or otherwise) are withdrawn for matter "intended to serve the intermeddling action of international Communism". It was announced that other legislative measures will continue to be studied with a view to preventing Communist infiltration of other sectors.

(CONFIDENTIAL) Comment. This approval of a draft decree which will undoubtedly be sanctioned by the President, implements Batista's expression of willingness to take action against Cuban Communists (see Weeka No. 21). Eusebio MUJAL, Secretary General of the Confederation of Cuban Workers (CTC), was informed of the intention to issue a decree barring Communists from holding office in labor unions and insisted that the CTC be given a chance to clean out Communists itself without legal compulsion. Batista granted a short period for the CTC to do this. This explains why no mention was made of the labor movement in the draft Law-Decree approved by the Council of Ministers and why other anti-Communist measures continue to be studied. (See despatches Nos. 1428, May 26; 1431, May 26; and 1442, May 28.)

(UNCLASSIFIED) DEVELOPMENTS IN ATLAS. The newspaper Tiempo reported that the Cuban Fernando PEREZ Vidal had resigned as Secretary General of ATLAS and had been succeeded by the Colombian Hernando RODRIGUEZ. Tiempo connects these developments with an Argentine plan to swing the Confederación General de Trabajadores into ORIT and ICFTU in order to work inside these organizations for their control.

(OFFICIAL USE ONLY) Comment. Previously Tiempo had been reporting that Argentina would shortly renew its anti-American campaign, reactivating ATLAS for the purpose. Confederation of Cuban Workers (CTC) sources have expected to see ATLAS or CGT overtures for ORIT membership.

(UNCLASSIFIED) ARGENTINE LABOR ATTACHE TRANSFERRED TO BRAZIL. Tiempo also reported the transfer of César TRONCONI, Argentine Labor Attaché, to the same position in Brazil.

(OFFICIAL USE ONLY) Comment. Tronconi has been most active here and has been the moving spirit behind the organization of ATLAS' Cuban affiliate. He has not hesitated to join in squabbles and in other ways mix into domestic affairs. Nevertheless, through the incessant cultivation of personal contacts he has made himself well-liked among at least second-flight Cuban labor leaders. Tronconi's successor in Habana, Alejandro MINONES, is reported to be active, experienced and more diplomatic than Tronconi.

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(UNCLASSIFIED) CAMPAIGN AGAINST MODIFICATION OF U.S. SUGAR ACT.

The campaign in Cuba against proposed amendment of the United States Sugar Act to reduce the Cuban quota in favor of domestic sugar producers has been gaining momentum. The Confederation of Cuban Workers and the National Federation of Sugar Workers have been considering sending representatives to the United States to present their views. Other interested groups have expressed their opposition and on May 27th the conservative Diario de la Marina carried a front-page editorial on the subject entitled "Inconceivable Legislative Maneuver Against Cuba in the United States".

(OFFICIAL USE ONLY) Comment. It is the Embassy's view that the proposed amendment of the Sugar Act poses a grave threat to the entire economy of Cuba. In addition it would have an adverse effect on the prosperity of the United States since it would diminish the purchasing power of one of the best customers of the United States. Any change in the Act at this critical period of Cuba's history, with an election planned for November 1 of this year, might have unfortunate results. Cuba's friendship and support of the United States would be poorly rewarded and she might be impelled at the forthcoming economic conference at Rio de Janeiro to align herself with other Republics seeking economic benefits from the United States.

(UNCLASSIFIED) GUATEMALAN ARMS ACQUISITION. The most significant Cuban reaction this week to the arms shipment to Guatemala from the Soviet orbit has come from ordinarily pro-Guatemalan sources. Rolando MASFERRER, director of Tiempo, a strongly pro-Guatemalan newspaper, pointed out that Guatemala's "romance" with communism was weakening the course of that country's truly nationalistic movement. Masferrer went on to recommend that Guatemala outlaw its Communist party as a measure which would disarm "the enemies of agrarian reform." On the other hand, he added, shipment of American arms to Honduras and Nicaragua was not only damaging to the prestige of the United States but would also serve the ends of Communist propaganda. Another editorial in Tiempo, following the same line, stated that the ultimate purpose of the nationalist movement in Guatemala would be defeated by the acceptance of "the hypocritical solidarity of the agents of Communism." However, the editorial continued, the contradictions in United States policy were seen in its "making common cause with the dictators of Santo Domingo and Nicaragua." Nestor SUAREZ Feliú, often pro-Guatemalan commentator of Prensa Libre, considered that the only beneficiaries of the arms shipment to Guatemala are the Communists, who, by attempting to provoke a Guatemalan conflict with Washington, were really only setting a trap for the United States, meaning intervention by the United States in Guatemala.

The most strongly anti-Guatemalan reaction continued to appear in the newspapers El Mundo and Diario de la Marina. In a series of editorials El Mundo called for action by the OAS to prevent the

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disruption of peace in the American continent, recommended that Guatemala be told that the Americas are not disposed to allow Soviet interests to use that country as a springboard to penetrate the continent, gave Costa Rica as an example of a country where a social development program can be carried forward without the collaboration of the Communists, and branded the proposed non-aggression pact with Honduras as a typical Communist device to break up American unity. Juan Luis MARTIN, international affairs commentator of the same paper, declared that the arms shipment can leave no one indifferent and that it was necessary to adopt a policy which, while sympathetic to the really democratic social transformation Guatemala needs, prevented the establishment of a bridgehead of Pan-Sovietism in the Western Hemisphere. Martin called on ARBENZ to prove his good faith by permitting inspection of the shipment by the Inter-American Defense Board. Gastón BAQUERO, city editor of Diario de la Marina, wrote that no consideration "can take precedence over the security system which defends the world against the Soviet advance." For Baquero the problem of the United Fruit Company, as well as every other problem and conflict, were of only secondary importance in comparison with that of the presence and influence of Communism in the Continent. Victor BILBAO, Director of Excelsior, expressed concern although he maintained a somewhat mild approach to the Guatemalan situation, stating that "measures of spiritual health and material security" should be adopted to prevent the disruption of peace in the continent.

The popular magazine Bohemia gave a pro-Guatemalan slant to its reporting of attitudes toward the situation caused by the arms shipment. It gave considerable space to the points of view expressed by the Guatemalan Ambassador on a recent television program and those of Ramón VASCONCELOS (see Weeka No. 21). Bohemia also quoted briefly from the article by Gastón Baquero (see above) and reproduced President Batista's statement of May 23 on the arms shipment (see Weeka No. 21). However, referring to the latter, the magazine without justification concluded that the "official policy (of Cuba) was closer to the spirit that shone through the (television) program than to the extremist thesis of Baquero."

#### Army

Negative.

#### Navy

(CONFIDENTIAL) EVALUATION OF CUBAN NAVY PERFORMANCE IN OBTAINING MERCHANT SHIP DATA. The Cuban Navy continues full cooperation and assistance in regard to merchant ship data being requested by both the U. S. Navy and State Departments. Its performance in this connection leaves considerable to be desired in the way of completeness and timeliness. In case of war it will need consider-

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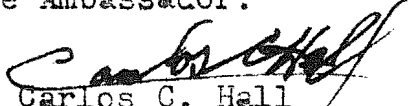
able instruction and guidance if its resources and information are to be trusted. The present situation of checking on all arrivals and departures of ships does serve the purpose of being a good drill for the Cuban Navy and the U. S. Naval Attaché.

(UNCLASSIFIED) ARRIVAL OF S. S. ALFHEM IN CUBAN PORT. The Swedish S. S. Alfhem arrived on May 31, 1954, at the Cuban port of Antilla in the Province of Oriente.

Air

Negative.

For the Ambassador:

  
Carlos C. Hall  
Counselor of Embassy

Participants:

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