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The University Student Federation (FEU) issued a manifesto on June 21 in which it expressed its solidarity with Guatemala, made ARBENZ an honorary president of the FEU, denounced the armed attack on Guatemala and the "interests of the United Fruit", and condemned American foreign policy as undemocratic. The FEU called a pro-Guatemala meeting within the University for about noon yesterday. According to an eye witness, the meeting was attended by only 200 to 300 persons and was very anti-American in spirit. Petitions were circulated for signing and two "brigades" were said to be being organized to fight for Guatemala. At the end of the meeting shots were fired and a policeman was seriously wounded. Whether the shots came from within or outside the University is disputed. The police thereupon dispersed the meeting and made an undisclosed number of arrests.

(LIMITED OFFICIAL USE) Comment. The Embassy believes that there can be little doubt that Communists have inspired or have been implicated in these various incidents and that they are utilizing and creating pro-Guatemala sentiment as a cover for active anti-Americanism. The Embassy is informed that the Communists also plan further anti-American acts, including demonstrations at the Embassy and violence against American interests in Cuba. Reported "recruiting" of Cuban youth to fight for Guatemala is discounted as impracticable, probably intended only for propaganda purposes, and not taken at all seriously by those who "sign up".

(UNCLASSIFIED) APPLICATION OF PASSPORT CONTROL LAW. On June 19 the Ministry of State began issuing the certificates of validity required by the recent passport control law (see Weeka No. 24). These certificates are valid for 60 days, before the expiration of which travel must begin. By June 22 some four or five thousand certificates had been issued. There is dissatisfaction with this measure aimed at impeding communist travel, El Mundo calling it "ineffectual, late and useless" as far as the United States is concerned and generally an "unnecessary bother" to achieve an objective attainable in other ways.

(LIMITED OFFICIAL USE) Comment. The fact that several thousand certificates were issued in the first day or two indicates that screening of applicants cannot be very thorough. It is probable that, at least until the first rush is over, only a hard core of well-known communists would be refused certificates.

(UNCLASSIFIED) BATISTA ON HIS SUCCESSOR AND NOMINATION FOR PRESIDENCY. Upon his return last week from a visit to the Province of Pinar del Rio, Batista indicated to reporters, with reference to his successor as President if he should be a candidate for the presidency in the elections scheduled for November, that the Council of Ministers would resolve the question. Last Sunday the President

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told reporters that his "proclamation as President seems unavoidable and will have to be accepted at the proper time".

(LIMITED OFFICIAL USE) Comment. The President's statement of last Sunday confirms his statement to the Ambassador some four weeks ago that he would run for president. His declaration regarding the manner of choosing his interim successor is of interest in that it disposes of speculation on the subject which, in spite of the provision of the Constitutional Statute of 1952, had off and on debated the possibility of choice of a successor otherwise than by the Council of Ministers.

(UNCLASSIFIED) POSSIBLE POLITICAL THIRD FRONT. Since last week there has been much talk and speculation regarding a possible political "Third Front" which would be anti-government and would be based on the registered Ortodoxo party as its legal vehicle. It would be made up of registered and other Ortodoxo elements, dissatisfied PRIO Auténticos, dissident Demócratas and Liberals, and any others who might share the desire to participate in elections but who do not wish to join either the government parties or GRAU (who continues active and holds periodic political rallies). All reports are that so far efforts to form such a "Third Front" are in a very preliminary state and far from any concrete proposals or agreements.

(OFFICIAL USE ONLY) Comment. In view of the divergent elements involved, it is believed that, unless personal ambition to elective office proves a powerful amalgamating force, such a "Third Front" will be well nigh impossible to form. One controversial problem would be the name to be given the registered Ortodoxo party if it is to be the legal party of such heterogeneous factions.

(UNCLASSIFIED) CUBAN LABOR FEARS REGARDING SUGAR QUOTA. Fears continue to be entertained in labor circles regarding the possibility that Cuba's quota in the United States sugar market may be cut. Reportedly these fears have been sharpened by information sent to the National Federation of Sugar Workers (FNTA) from the labor delegation now in Washington (see Weeka No. 23) to the effect that the danger is great of the Cuban quota's being cut next year. (The distinction is not popularly made between a cut in the quota and a cut in percentage participation in the annual increase in the market). The FNTA is undertaking a series of public meetings protesting against any cut in Cuba's sugar, which began with a demonstration in Las Villas on June 21.

(OFFICIAL USE ONLY) Comment. There is no evidence as yet of anti-American feeling being stirred up over the sugar quota. Beyond question, however, it is an issue that could easily be agitated to that end.

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(UNCLASSIFIED) VISIT OF PRESIDENT OF HAITI. On June 21, President Paul E. MAGLOIRE arrived on a state visit to Cuba, accompanied by an entourage of 35 persons, including Pierre LIAUTAUD, Secretary for Foreign Affairs, and Brig. Gen. Antoine LEVELT, Chief of Staff of the Haitian Army. He was received with full honors at Camp Colombia military airport by President Batista and other high Cuban officials, who accompanied him to the Hotel Nacional over a route well posted with military guards. In the afternoon President Magloire made a formal call on President Batista at the presidential palace. A full program of events has been arranged for his visit. He is scheduled to leave Cuba on June 26.

(UNCLASSIFIED) VISIT OF DAUGHTER OF FRANCO. Carmen FRANCO Polo, Marquesa de Villaverde and daughter of Spanish Chief of State FRANCO, arrived in Habana on June 18 for a four-day visit in company with her husband and the Count of Balmaseda, José PARRA Lazaro, and his wife. She was widely entertained by the Spanish colony and called on President Batista.

(UNCLASSIFIED) GERMAN MINISTER PRESENTS CREDENTIALS AS AMBASSADOR. On June 17, 1954, Dr. Theodor SUSS, who had been Envoy Extraordinary and Minister Plenipotentiary of the Federal Republic of Germany to Cuba since July 22, 1953, presented to President Batista his credentials as Ambassador Extraordinary and Plenipotentiary.

(UNCLASSIFIED) SUGAR MILL OWNERS VOTE AGAINST PARTICIPATION IN MIXED RAILWAY COMPANY. The feeling was fairly general late last week within Cuban-owned segments of the sugar milling industry that the Mill Owners Association would eventually yield to Government pressures and would, though under protest, vote as a group to agree to participate in the mixed company which was set up by recent decree to operate the Western Railways (see Weeka No. 24). The matter was brought up in the general assembly meeting of the National Sugar Mill Owners Association, on June 21, in the form of the question, "Shall we collectively give our consent to purchase the 5-million peso block of mixed-company shares which has been set aside for us in the Government's reorganization of the former United Railways?" In the balloting, 76 voters said "No", 10 said "Yes", and 10 abstained from voting; 16 qualified voters were absent.

In the vanguard of the vigorous opposition to this proposal were representatives of several large American-owned sugar mills which, because of their situation in the eastern provinces, use facilities of the Consolidated Railways System as distinct from those of the Western Railways.

In contrast to this negative decision of the National Sugar Mill Owners Association, the Association of Sugar Cane Growers voted unanimously last week to subscribe its 3,500,000 peso share of participation in the mixed company to operate the Western Railways.

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(OFFICIAL USE ONLY) Comment. The Ambassador received a letter from the American mill operators setting forth their opposition to participation.

(UNCLASSIFIED) GUATEMALAN SITUATION. Some Cuban editorialists deplored the outbreak of hostilities in Guatemala as enabling the Soviet Union to achieve its goal of creating a civil war in Latin America and thus breaking up the unity of the continent. On the other hand, Gastón BAQUERO, editor-in-chief of Diario de la Marina, viewed the revolt as the inevitable consequence of the government's alliance with the Communists, and Victor BILBAO, director of Excelsior, considered the revolution against Arbenz the logical manifestation of the repudiation by the Guatemalan people of the Communists and Arbenz himself. Pro-Guatemalan Tiempo en Cuba, conceding that Guatemala erred in admitting Communist influence, criticized the United States for arming Honduras and Nicaragua, and stated that this was actual intervention against a nation whose only sin was to accept the unnecessary and insincere support of its Communist party in combatting a powerful American enterprise. The city editor of El Mundo, Jorge MARTI, stated that armed intervention by any state against another can not be tolerated while legal recourses remain and that the OAS was the logical organization to settle the dispute if the peace and security of the Americas are at stake.

Other comment on Guatemala included that of Juan Luis MARTIN, commentator for El Mundo, who declared that in view of Guatemala's intention to establish a Communist regime in America, it was imperative that the nations of the continent join together in defense of the liberty of that country and remove the Communist threat to the rest of the continent. Alerta criticized Britain for its failure to go along wholeheartedly with the United States' request for the right to search vessels in an effort to prevent further arms deliveries to Guatemala. An El Mundo editorial called for strict observance of the American pattern of solidarity and the union of all democratic forces to maintain the democratic rhythm of the continent. The weekly magazine Carteles said that although Guatemala's weakest point was her toleration of Communist influence, the United States Government had failed to understand the nationalist sentiment prevailing in Latin America and that this failure was winning friends for Guatemala.

Army

Negative.

Navy

(UNCLASSIFIED) CUBAN VESSEL TO VISIT U.S. The Cuban Navy Frigate MAXIMO GOMEZ will depart Havana on June 24 and arrive New York June 28, carrying a cargo of money from the National Bank of Cuba.

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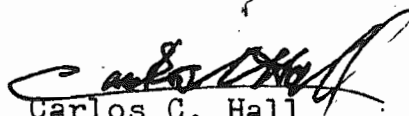
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Some material, type not known, will be on-loaded in New York and the ship will return to Havana. The Commanding Officer is CDR Humberto CANCIO Gonzales, and 13 officers and 139 enlisted men are on board.

Air

Negative.

For the Ambassador:


Carlos C. Hall
Counselor of Embassy

Participants:

CCHall, PJReveley, FCFornes, Jr., DSGreen, JdeZengotita,
WBCaldwell, CSpears, JCanter, Elmore; Slaton (MA), Rakow (NA),
Mason (AA).

Copies to: AmEmbassies Ciudad Trujillo, Port-au-Prince, Guatemala City.

MA (4) For USARCARIB and USARFANT.
NA (4) For Guantánamo.
AA (2)


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