

FOREIGN SERVICE OF THE UNITED STATES OF AMERICA

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RECD JAN 29

FROM : HABANA 1575 January 26, 1951

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ACT I O N

SUBJECT : WEEKA NO. 4 FOR STATE, ARMY, NAVY AND AIR DEPARTMENTS FROM SANA

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POLITICAL

Almost the entire Cuban press, with the exception of the Communist La Ultima Hora, strongly supported the United States proposal in the United Nations to declare the Chinese Communist regime as an aggressor. Both Great Britain and India were subjected to heavy criticism for their policy of appeasement. In its issue of January 24 La Ultima Hora published an open letter to President PRIO from the Communist so-called "National Pro-Peace Committee" protesting reported plans for shipment of Cuban troops to Korea. It stated that a "survey" would demonstrate the will of the Cuban people for peace.

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General EISENHOWER's European inspection trip was fully reported along with numerous favorable editorials which took the position that the United States Congress should await his report before taking any action, even by resolution, opposing President TRUMAN on the issue of troops for Europe.

Minister of State DIHIGO has informed the Embassy that the Cuban Government has not formulated any amendments to the program as drafted for the Fourth Meeting of American Foreign Ministers and that he has no suggestions to make concerning it at the present time. He apparently feels that the topics are sufficiently broad to cover consideration of all phases of the subjects chosen for study.

Minister of Interior Lomberto DIAZ issued a statement at Guantánamo January 24 repeating his assertion (Weeka No. 2, January 12) that the Government would soon step up its anti-Communist activity. He later conferred with the Rural Guard on suppression of sabotage at sugar mills and ports of embarkation. Ex-Cabinet Minister VASCONCELOS' newspaper Alerta of January 25 stated that Diaz had been a "rabid

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Communist" in his early years and ascribed his anti-Communist zeal to the proverbial fanaticism of the convert.

The Communist printing shop, La Popular, at Santiago de Cuba was raided and reportedly wrecked on January 21 by "unidentified persons". This shop has been active in publishing anti-United States propaganda.

The statement by the opposition Ortodoxo leader, Eduardo CHIBAS, that if he became president he would not consider the internal loans contracted by the Prio Government as a legal obligation of the State (Weeka No. 3, January 19) has backfired on Chibás and seriously embarrassed his followers most of whom had strongly objected to the statement in the first place in view of the fact that all legal prerequisites for contracting the loan had been fulfilled, including the approval of both branches of Congress.

Almost all the political parties have now replied to the Government's demand that they announce their position on the loan question. While some parties expressed dissatisfaction with the loan itself, all stated, with the exception of the Ortodoxos, that they would honor the loan as an obligation against the State. Even the Communist P.S.P. replied that it considered the loan a legal obligation, but reserved the privilege of changing its position if the loan proceeds were later shown to have been misused. Sr. Juan GELATS, a prominent local banker and head of Banco Gelats, has informed the press that in his opinion the internal loan was a "solid operation".

The long-standing question of unifying the Prio and GRAU factions of the government PRC(A) party again came to the fore with reports Grau might yet be induced to renounce his present position in the opposition on the basis of a Cabinet shake-up yet to be finally determined. The question of party unity, which may be a vital factor in the party's efforts to continue in power, is expected to plague the various party leaders for some time to come.

It has been announced unofficially that Congress will be convened January 29 in Special Session to consider several retirement fund bills.

#### ECONOMIC

The National Federation of Air Transport Workers has threatened to call a strike which would paralyze all foreign aircraft at Cuban airports unless Cia. Cubana de Aviación is promptly awarded the New York route. Similar threats in the past have not materialized.

The sugar harvest moved ahead rapidly with 87 mills grinding on January 25 as compared to 83 on the same date last year. Presidential decrees were promulgated during the week regulating wages and working conditions for the present harvest and the union dues check-off system.

A wage dispute between porters of the Habana public market and fruit and vegetable producers has resulted in increased shortages and higher prices of those goods on the local market. The Cuban Cabinet agreed, on January 25, to appoint an interventor in the market in order to provide the public with fruits and vegetables, pending a solution to the dispute.

A sizable black market in cement and reinforcing steel has recently developed in Habana.


#### MILITARY

The order reported in Weeka No. 2 of January 12, ordering all officers and enlisted men of the Armed Forces to return to their respective commands from detached duty assignments, cancelling leaves and permits, et cetera, has now been confirmed. It was issued by the Ministry of Defense on January 12 and embodied in a Naval General Staff order on January 17, 1951. Presumably similar orders have been issued by the other services.

#### AIR

Colonel Fred C. HOOK, USAF, newly appointed Chief of the United States Air Mission to Cuba was cordially received by the Cuban Air Force on his arrival from Washington January 23 for preliminary conferences here. He returned to Washington on January 25.

For the Ambassador:

  
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