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FOREIGN SERVICE DESPATCH

FROM : AMEMBASSY, HABANA
TO : THE DEPARTMENT OF STATE, WASHINGTON.

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JUN 30 1954
June 30, 1954

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SUBJECT: Joint Weeka No. 26 for State, Army, Navy and Air Departments from SANA.

Part I

Political

(UNCLASSIFIED) COUNTRY CLUB PLOTTERS CONVICTED. On June 24, 1954, the Urgency Court of Habana found guilty five of the six defendants on trial before it on charges of "an attempt against the powers of the State" growing out of the Country Club affair (see Weeka No. 21). The Court sentenced César LANCIS Bravo and Tomás REGALADO Molina to six years' imprisonment, Francisco CAIROL Carrido and Luis Felipe (Pincho) GUTIERREZ to four years; and Carlos GIL Cairol to two years. The Court acquitted a domestic employee of the couple in whose house the conspirators were alleged to have met with Aureliano SANCHEZ Arango. The couple themselves had sought diplomatic asylum and are now outside Cuba.

(UNCLASSIFIED) ARMS, POLICE UNIFORMS AND CLANDESTINE RADIO EQUIPMENT SEIZED. The Bureau of Investigations of the National Police announced that it had seized in one residence in Habana two tripod machine guns, two pistols, dynamite, and a quantity of police uniforms, and in another residence radio equipment consisting of a receiver and a transmitter of low power but capable of interfering with police transmissions. It was also announced that a plan to assassinate President BATISTA had been uncovered. The police claimed that they had been able to make these seizures and arrest two persons in connection with them through use of the list of Aureliano SANCHEZ Arango's contacts said to have come into their possession as a result of the Country Club affair (see Weeka No. 21).

(OFFICIAL USE ONLY) Comment. The impression gained at the Bureau of Investigations by an officer of the Embassy was that the seizures had been made as a result of an informer's tip.

(UNCLASSIFIED) CONTINUED PRO-GUATEMALA INCIDENTS. While there have been no further pro-Guatemala and anti-American incidents in Habana (see Weeka No. 25), there were two additional cases in the

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interior of the Island of missiles being thrown through the windows of the offices of American-owned companies.

(OFFICIAL USE ONLY) PROPAGANDA ACTIVITIES OF GUATEMALAN AMBASSADOR. Lt. Col. Adolfo GARCIA Montenegro, Guatemalan Ambassador to Cuba, has been very active in granting press interviews and issuing statements to the press, all designed to give maximum publicity to Guatemalan versions of the situation and reports of developments. The press has not been niggardly in granting him space. The Ambassador has apparently felt no constraint in picturing Guatemala as a blameless democracy fulfilling her international obligations but subjected to aggression by mercenaries financed by the United Fruit Company with the backing of the United States. In one interview the Ambassador was reported as flatly denying that the arms recently acquired by Guatemala came from any country behind the Iron Curtain but also as saying that even if he knew in which country they had been acquired, he would not reveal the name so as to protect that country from the pressure Guatemala is suffering.

(UNCLASSIFIED) LABOR DIFFICULTIES AT TEXTILE PLANT. Last-minute information in the papers, as yet unconfirmed, is to the effect that at the Matanzas factory of Rayonera Cubana, troops have had to occupy the premises and pull workers out forcibly as a result of a labor dispute. The company had started proceedings before the Ministry of Labor to lay off unnecessary personnel. Allegedly union leaders intervened to induce the workers to go slow. Thereupon the company included the union leaders among those whose dismissal it was seeking from the Ministry. On the death of one worker from heart failure, the union has charged that he was beaten by the police.

(OFFICIAL USE ONLY) Comment. The Cuban textile industry, largely a wartime growth, has been in the doldrums for a considerable period. The legal prohibition against the dismissal of workers has complicated the situation from the owners' point of view. Latterly the owners of the Rayonera have attracted attention through their cooperation with the Textile Workers Federation in a campaign against a proposed trade agreement with Japan, which might create competition for Cuban textiles on the domestic market.

(UNCLASSIFIED) PRESIDENT OF HAITI LEAVES. On June 26, after six days of reception, military review, visits to institutions, and the like, Paul E. MAGLOIRE, President of Haiti, and his entourage departed for Puerto Rico.

(UNCLASSIFIED) GUATEMALAN SITUATION. In General, Cuban press reaction thus far to ARBENZ' resignation has been one of "good riddance". Excelsior pointed out that Arbenz' reasons for resigning

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were not credible and that he was unable to convince anybody that he was not deep in complicity with the Cominform in its intrigue to destroy friendly relations between the American republics and between them and the United States. El Mundo looked upon the resignation as a step toward the solution of the Guatemalan conflict but warned that if Arbenz had armed the civilian population, the danger remained that Communist leaders would unleash a wave of terrorism which would impede a return to normalcy. L. R. VELARDE in Alerta said that the elimination of Arbenz and his Communist friends had changed the Guatemalan situation completely and that negotiations and cease fire should inevitably follow. Velarde warned that before his successor was accepted, there should be assurances that he was not an Arbenz puppet. Only Tiempo regretted the Arbenz resignation and saw in it and the establishment of a military regime the possible attempt to cope more effectively with the rebels, who "under Anti-Communist guise have betrayed the country to the United Fruit Company".

Before the Arbenz resignation Habana editorialists and commentators lined themselves up as they had in the past few weeks. Thus, such newspapers as Excelsior, El Mundo, and Diario de la Marina, and their commentators, urged immediate OAS consideration of the Guatemalan civil war, viewed the Soviet veto in the Security Council as marking the open intervention of Moscow in the Guatemalan dispute, and considered the injection of the United Fruit Company as a smoke screen to conceal the Communist issue. On the other hand, the leftish liberal magazines Bohemia and Carteles continued to express sympathy for the Guatemalan cause. Bohemia, in attempting to state what it considered a balanced opinion, said that Guatemala was in the midst of a nationalist movement which sought to break its dependence on foreign monopolies paying starvation wages. The magazine conceded, however, that Guatemala should be "neither a remote and absurd branch office of Moscow nor a sordid, miserable barracoon of the United Fruit Company". Carteles deplored the "external pressures" on the Arbenz government, pointed out that the United States failed to understand the psychology of the Latin American peoples, and denied that Guatemala was Communist-controlled.

Army

(UNCLASSIFIED) CHANGE IN FOREIGN LIAISON OFFICER. Captain Pedro P. SAINZ y Casado has been assigned as Chief of the Information Section of the General Staff and as Foreign Liaison Officer, replacing Major Benjamin CAMINO y Garmendia. Major Camino has been selected to attend the next course at the Command and General Staff School, Fort Leavenworth, Kansas.

(UNCLASSIFIED) CUBAN MILITARY ATTACHE TO U.S. IN HABANA. Colonel Ramon BARQUIN y Lopez, Cuban Military Attache to the

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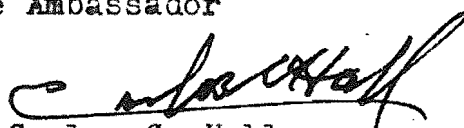
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United States, arrived in Havana on June 27, 1954 and will probably return to Washington on July 3, 1954. Colonel Barquin accompanied Lt. Col. John KIEFFER, USAF, of the National War College who, at the invitation of the Cuban Army, is giving a series of four lectures during this week on geopolitics to selected Army personnel.

Navy, Air

Negative

For the Ambassador


Carlos C. Hall
Counselor of Embassy

Participants:

CCHall, HMRandall, FCFornes, Jr., JdeZengotita, ACertosimo, WBCaldwell, CSpears, JCanter, Rakow (NA).

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AA (2)

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