

FOREIGN SERVICE OF THE UNITED STATES OF AMERICA

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TO: Department of State

737 000 (W) 12-2351

REC'D FEB 26

FROM: HABANA 1755 February 23, 1951

REF:

action 3-2-51

SUBJECT: WEEKA NO. 8 FOR STATE, ARMY, NAVY AND AIR DEPARTMENTS FROM SAA.

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State of Affairs
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RECORD ACTION INFO

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POLITICAL

COAS activities in connection with the IV. IAN Conference, particularly its discussions relative to agenda items and procedures, have been fully reported in the local press. However, Cuban officials have made no public expression of views on the points at issue and press commentators have likewise avoided the subject. Assistant Secretary MILLER's journey through South America has been widely reported.

President PRIO on February 16 called for a Special Session of Congress and requested authorization to send a battalion (El Mundo said "a thousand men") of Cuban troops to fight with the United Nations forces in Korea. The Senate held its first organizational meeting on February 19. The House failed to achieve a quorum and the Senate must, therefore, (under the law) delay any substantive meeting until both houses are officially in session. It is reported, however, that a Joint Committee will meet February 26 to hear the views of Ministers of State and Defense DÍAZ and DE LEÓN, respectively, on the necessity of sending troops to Korea.

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Ex-Ambassador to the United States Guillermo BELT has come out against sending Cuban troops to Korea, saying this step should not be taken unless other (presumably all other) Latin American countries do likewise. Belt's position is that Cuba is committed to supply troops only if the Hemisphere is attacked. VASCONCELOS, editor of Alerta, has attacked the proposal on grounds it would actually require 3,000 men at a cost of \$30,000,000 (based on alleged United States figures on annual cost of maintaining one soldier) to send an adequately supported battalion, with required reserves, to Korea. He also pointed out that "Prío has no sons".

ETCrain/elw
Feb. 23, 1951

CONFIDENTIAL

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The current visit of Generals CABRERA and URIA to the United States is being widely publicized with special emphasis on press service reports from Washington to the effect that the visit may have an important effect on hemispheric defense.

In another message to Congress, Prio requested action to re-finance retirement funds, many of which are bankrupt. The expected message requesting new anti-Communist legislation was not sent. Presumably, discussion as to the feasibility or necessity of such action continues.

The recent resolution of the student federation (F.E.U.) to stay out of politics has apparently already been discarded. During the week it called for a three-day student strike protesting alleged remarks broadcast by MASFERRER derogatory to the Ortodoxo leader BISBE (a University professor) and to his coeducational students. The F.E.U. also sent a message (co-signed by officers of the "University of Habana Committee for the Independence of Puerto Rico") to Puerto Rico in connection with the sentence meted out by the Court to ALBIZU CAMUJO and henchmen. These organizations protested the "persecution and imprisonment of patriotic nationalist liberators". The Communist La Ultima Hora characterized the Court's action as "brutal". The Havana Herald criticized the F.E.U. for meddling, adding that its defense of persons "declared criminals in other lands does not add to the cause of democracy".

Last week's dispute (week no. 7, February 16) on the "right of reply" to slanderous statements broadcast over the radio reached a climax on the evening of February 18 when the opposition Ortodoxo leader CHIBAS organized a march on station CMC reportedly to prevent PRC(A) Congressman (and notorious gangster) Rolando Masferrer from taking part of his radio time in replying to insulting remarks by Chibas. In stopping the unauthorized march shots were fired, resulting in one dead and several wounded. Masferrer, who was accompanied to CMC by the Ministers of Communications, Defense and Interior (REGIAS, DE LEON and DIAZ), spoke, for eight minutes, on schedule. While it is a moot point whether or not, in the face of Chibas' intransigence, bloodshed could have been avoided, the consensus is that the Government's principal error was in using a discredited figure like Masferrer for its purposes in this affair.

The machine gunning that same evening, by unknown persons, of the home of the Minister of Communications (no casualties) and a false rumor circulated next day that the Minister of Defense had been shot, have further added to existing tension, as have rumors that both the Minister of Defense and Senate President VARONA plan to talk on Chibas' radio time, also against Chibas' insults.

All political parties continue efforts to strengthen their respective positions. It now appears that the Prio Autenticos may shortly bring the Liberals into the Government despite strong opposition from the Autentico leader of Las Villas Province, Senator SUAREZ Fernandez (who reportedly was offered a Cabinet post for himself or for one of his followers if he would drop his opposition). The Government is also endeavoring to draw Mayor of Habana CASTELLANOS and ALONSO Pujol and their new, unregistered P.N.C. group into the fold.

Among possible government candidates for the Autentico presidential nomination, Minister of Education, SANCHEZ Arango, appears to be gaining strength, although HEVIA, VARONA and others continue to be prominently mentioned.

GRAU, during the week, officially proclaimed his cousin SAN MARTIN as the candidate of his new (also unregistered) Alianza de la Cubanidad Autentica. This is generally considered as merely a tactical maneuver.

ECONOMIC

It was announced at the Presidential Palace that a Cuban Technical Commission would visit the United States in the near future. The purpose of the visit will be to determine the possibilities of further cooperation between the United States and Cuba in the field of industrial production. Cuba will reportedly seek greater protection of its textile industry and the establishment in Cuba of war industries essential to the United States' defense program.

Travel agents and transport workers' unions have appointed a committee to protest to the Administration and Congress against the proposed ten per cent tax on all international plane and ship passages sold in Cuba. The committee points out that the entire economy of Cuba could be seriously affected by the measure, since it would increase the cost of travel to such an extent that many people would either abandon travel plans or acquire passages abroad, causing loss of revenue and unemployment. It is also pointed out that the measure would limit the freedom of travel guaranteed by the Constitution.

President Prío indicated in a recent speech that the Administration may be planning the nationalization of transport and other public service facilities. He said the nationalization of Autobuses Modernos was the first of a series of such moves to solve the problems of companies encountering financial difficulties. The President's speech has been highly praised by leaders of the railroad and omnibus labor

unions as well as by Eusebio MUJAL, Secretary General of the CTC. However, such newspapers as Diario de la Marina have asked editorially whether the President's statement means the present administration is moving toward Socialism and have reserved their opinion until such time as President Prio clarifies his position.

Javier BOLANOS and Calixto SANCHEZ White, leaders of the railroad and air transport workers' labor unions, announced early in the week that those two strong labor organizations would withdraw from the CTC in view of the failure of the leaders of the latter organization to support them in what they consider legitimate demands. However, later reports indicate the above leaders and Eusebio Mujal have met and reached an agreement whereby the withdrawal threat has been at least temporarily withdrawn.

Sugar workers have announced that they will not return to work after the traditional Holy Week holidays unless employers agree to and actually make payment of union dues to labor organizations prior to that time.


As of February 22, 157 mills were in full operation. Only 4 mills remain to start the current sugar crop. Out of the "Special Retained Quota" of 1,400,000 Spanish long tons, 815,120 tons have been sold at prices ranging from 4.80 cents to 5 cents per pound. Of this quantity 75,000 long tons were purchased by the United States Army at 4.80 cents per pound and 300,000 long tons were purchased by the British Ministry of Food at 5 cents per pound.

With the possible release of 200,000 long tons from the "Retained Quota" to the "World Free Quota" only 384,880 Spanish long tons of the "Retained Quota" remain unsold. The Cuban Sugar Institute, at least temporarily, has withdrawn its offerings from the market.

ARMY

Four enlisted men of the Cuban Army have been selected to attend a Motor Mechanics Course at the USARCARIB School at Fort Gulick, Canal Zone, scheduled to commence on March 9, 1951.

For the Chargé d'Affaires ad interim:



Earl T. Crain,

First Secretary of Embassy.

Participants:

ETCrain, REGomez,

Glenn (AA) Schaffer (MA)

Copies to Amembassies: Ciudad Trujillo, Port-au-Prince,

" " MA (4) for USARCARIB and USARFANT, AA (1), NA (2), 1 for Guantanamo.