

Air Priority
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FOREIGN SERVICE DESPATCH

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FROM **AMEMBASSY, HABANA**

1837
DESP. NO.

TO : **THE DEPARTMENT OF STATE, WASHINGTON.**

May 2 1952

DATE

REF :

May 2 1952
5-6-52

Action Office Symbol **1AD**

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SUBJECT: **Weeka No. 18 for State, Army, Navy and Air Departments**
From SA-A

Sec. I.

May Day was celebrated quietly throughout the Island, with no significant disturbances. The press reports that police dispersed several small bands of Communists said to be passing out anti-government pamphlets.

Today's issue of Hoy declares that in spite of many soldiers and many arrests, there were "dozens" of meetings but refers specifically to only two. Fears that the Communists, whose appeal for permission to stage a rally of their own was rejected, might attempt to disrupt the CTC's meeting proved to be without foundation. They were denounced repeatedly at this meeting which nevertheless went off without incident.

BATISTA was represented at the CTC rally by Minister of Labor Jesús PORTOCARRERO, who assured the workers of the government's determination to maintain all the "conquests" of labor and a policy of cordiality between the employing and working classes for the benefit of both and the nation in general. How far the government is prepared to keep Portocarrero's pledge may soon be put to the test should legislation establishing labor courts be adopted. This is reportedly now under consideration by the Council of Ministers. When this issue was before the recent session of Congress, labor insisted that all existing gains and concessions be incorporated into the code under which the courts would function--including those achieved through illegal strikes and those granted by the government over constitutional restrictions.

Eusebio MUJAL, CTC secretary-general, and the other CTC leaders in their speeches stressed labor's past gains and future objectives and the CTC's determination to oppose the Communists. Batista's name brought cheers when it was mentioned in conjunction with concessions to workers. Mujal, who has been pursuing a determined policy of cordiality with Batista, offered to resign if the workers felt this would be

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Page 2 of 1837
Desp. No. 1837
From Habana

CONFIDENTIAL
SECURITY INFORMATION
(Classification)

Page _____ of _____
Encl. No. _____
Desp. No. _____
From _____

in the interest of improved relations with the government. This was shouted down.

Apparently May Day saw no change in the CTC's present policy toward the Batista government and no softening of Batista's firm attitude toward the Communists. It was the calmest labor day in several years.

The Consultative Council established under the Constitutional Statutes promulgated April 4 met for the first time on April 28 under the Presidency of Dr. Carlos SALADRIGAS. The meeting was held in the auditorium of the Ministry of Education and not in the Capitolio as some had thought likely. So far 79 members of the authorized total of 80 have been appointed by Batista and all attended the opening meeting. Inaugurating the session, Saladrigas stated that the new Council was not a parliament nor did the government pretend to supplant the Congress. He added that in the Council Batista would have his most loyal and efficient counselors. He asserted that the Council's assets consisted of integrity, competence and liberty of opinion. After this opening speech all members of the Council took the oath of allegiance (in writing). A committee was appointed to draft, within a period of five days, rules of procedure for the Council. The Council then listened to the reading of the President's Message.

In his Message Batista expressed confidence that the Council would be "productive and dynamic." He cited the articles establishing the Council and outlining its duties. He referred particularly to Article 139 of the "Statutes" relative to the Council's duty to initiate legislation which it would submit to the Council of Ministers. He requested the Council to devote itself particularly to economic and social problems, criticizing in this connection the anarchy which existed in this field under the former government. He said that the legislation drafted by the Council on social-economic questions should form the foundation of social peace. In closing Batista reiterated his "respectful and courteous salute to the worthy members of the Consultative Council now engaged in a task of superior responsibility at the service of the permanent and fundamental interests of the nation."

Editorial reaction relative to the inauguration of the Consultative Council has with some exceptions been favorable. Ramon VASCONCELOS, editor of Alerta, is critical despite the fact that he is a Council member. He pays tribute to Saladrigas and GARCIA MONTES, President and Vice President of the Council, respectively, but considers the Council itself as unwieldy in size. He stated in an editorial published April 29 that people

CONFIDENTIAL
SECURITY INFORMATION

Page 3 of
Desp. No. 1837
From Habana

CONFIDENTIAL
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Page _____ of
Encl. No. _____
Desp. No. _____
From _____

should "eliminate from their minds" the idea that the Council is operating in a juridical atmosphere supported by legal precepts which delay solutions and create obstacles to the simple realization of desired ends. He also considered non-use of the now empty Congressional chambers as "excessively scrupulous."

Carlos M. LECHUGA, writing in El Mundo of April 29, referred to the Council as a caricature of legislative procedure, complete even to the President's Message. He felt that the Council would be able to act rapidly and efficiently, "especially since it did not have to answer to a confused electorate." "Who would have thought," said Lechuga, "that 80 compatriots could lead us to a superior destiny?"

The University resumed classes on April 28 without, however, having abandoned its position of opposition to the regime.

Aldermen throughout the Island are either swearing allegiance to the Batista regime or leaving office. Almost without exception the only aldermen refusing to swear allegiance to Batista are the Ortodoxos and the Communists. These are being removed from their positions.

Eduardo OCHOA, Ortodoxo Mayor of Holguin, was ordered expelled from the party by Roberto AGRAMONTE for having conferred with Batista. Emilio OCHOA, President of the Ortodoxo party, is the brother of the Mayor, a circumstance which may lead to further friction within the Ortodoxo party. The Mayor is resisting the expulsion order, stating that Agramonte has acted dictatorially and without authorization.

ARMY

Negative.

NAVY

Negative.

AIR

President Batista was the guest of honor of the Cuban Army Air Force at a ceremony at Campo Columbia Airport on May 1, 1952. The occasion for this ceremony was the recent reorganization of the Air Force with consequent shuffling of personnel, wholesale promotions and retirements. An aerial review took place with participation by B-25 and AT-6 airplanes. Following this, Batista made a speech in which he stressed the importance of the Air Force in defense plans for Cuba today in view of the

CONFIDENTIAL
SECURITY INFORMATION

Page 4 of
Desp. No. 1837
From Habana

CONFIDENTIAL
SECURITY INFORMATION
(Classification)

Page of
Encl. No.
Desp. No.
From

fact that it is an island nation. He stated that off-shore defense of Cuba would be a joint task of the Cuban Air Force and Cuban Navy. He further stated that the reorganization of the Air Force had been effected on the initiative of military leaders and as a result of military agreements and commitments with the United States.

Colonel Juan ROJAS y Gonzalez, former Commanding Officer of the 7th Regiment at La Cabaña Fortress, has been promoted to Brigadier General and named Chief of the Cuban Army Air Force. Colonel Manuel LARRUBIA y Paneque, former Chief of the Cuban Air Force, has been assigned as Director of the Military Academy. Sweeping promotions and retirements throughout the Air Force were effected at the same time.



Earl T. Crain
Chargé d'Affaires ad interim

Participants:

ETCrain; DGClark; HWDodge; ISLippe
Elmore (MA); Pitts (AA)

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TO : THE DEPARTMENT OF STATE, WASHINGTON.

May 2, 1952

DATE

REF :

MAY 1952

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From DEPARTMENT OF STATE

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MAY 5 - 1952

SECTION II

ECONOMIC

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While the end of April totals of production for the sugar industry are not yet available, it is considered that the general level of activity and production has been well maintained although from now on a decline should be noted due to the closing down of mills as they complete their activities. As of Friday, May 2, nine mills had ended their work. Comparatively heavy rains in some sections of the country caused temporary suspension but generally speaking the industry is following the pattern which had been expected and which predicts a bumper crop.

The efforts of the cane growers and some small mill owners to persuade the Government that the Sugar Stabilization Institute should be made a "single seller" for all sugar in the special quota have continued during the week and, if anything, the line of difference has become more emphasized. At a meeting of the Mill Owners Association a resolution opposing the "single seller" plan was passed and on April 29 this resolution was presented to President BATISTA and discussed with him by representatives of the Mill Owners Association. No decision has as yet been made but there is strong evidence that the proponents of the scheme will probably carry the day, not because their plan is economically sound but rather because they can muster greater political influence.

The weekly meeting of the Council of Ministers originally called for Wednesday, April 30, was postponed until Friday, May 2. It is understood that the two principal topics of discussion will be the problem of beef supply and the establishment of labor courts. Cuban cattle producers are still demanding an increased price, which would be politically undesirable unless it can be absorbed by the Government. While considerable relief is anticipated from the duty free importation of beef (see Weeka No. 17, April 25, 1952), it will be some time before this plan can make its effect felt upon the market. As regards the

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labor courts, which late last year were so strenuously opposed by the Cuban CTC, the Labor Minister is reported as having stated that their creation is one of the principal aims of this Government; "I can assert without exaggeration that they will shortly be a reality."

May Day, a traditional labor holiday in Cuba, was generally observed, with all public and private offices as well as all industrial and commercial activities, excepting public services, closed. For the most part the Government's decision not to allow a Labor Day parade was accepted by these interests, although there were reports that Communist organizers attempted to stir up dissension and opposition to the official order. The Cuban Confederation of Labor, nonetheless, issued a manifesto in connection with the May Day celebrations, calling attention to its work in the past on behalf of the workers and taking credit for the 700 million pesos which had been received during 1951 in the form of wages. The manifesto ended with a series of 250 demands, including increases in wages and pensions, a reduction in the cost of living, the arrest and prosecution of speculators, the elimination of racial discrimination, a fair share in the profits of companies for workers, and a 40 percent cut in rents. It also called for a continuation of the struggle against Communism. The reported score at the moment is Labor Minister PORTOCARRERO's acceptance of 124 of the demands, many for study, and assurances that labor's just aspirations would have official support.

The question of where the rank and file of labor stands in regard to the Batista Government is still open to conjecture but it is becoming increasingly clear that MUJAL, the Secretary-General of the CTC, is playing his cards carefully and has decided that at least for the time being his position is in support of the new Government. In an announcement made by Mujal on Saturday, April 26, he counseled the full recognition of the new revised constitution in one breath and criticized in a second the behavior of some members of the die-hard PRC element, the Ortodoxos for their independent opposition attitude and, of course, the Communists. Undoubtedly Mujal's statement will carry considerable weight but at least in one case, that of Pascual LINARES, the leader of the National Federation of Textile Workers, it appears to have had little effect. Linares is credited with having stated to the press: "It is my personal opinion that in the case of this Government, like the others, and as the sole defense weapon of the workers, it is necessary to declare a few strikes, with their inevitable consequences, so that it (the Government) may realize that the labor movement cannot remain static and that the fundamental demands of the different groups of workers must be attended to and settled."

The newly created Consultative Council held its first organizational meeting on Monday, April 28. In President Batista's message to the new Council he said in part: "The revolutionary Government assumes this historical obligation: to watch jealously over the national economy, improve it and vitalize it." He went on to say that irreproachable conduct on the part of the Government and in the relations between capital and

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Page 3 of
Desp. No. 1838
From Habana

RESTRICTED
SECURITY INFORMATION
(Classification)

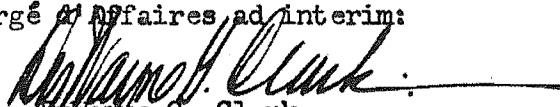
Page _____ of
Encl. No. _____
Desp. No. _____
From _____

labor should be the foundation on which the economic forces of production and the social forces of labor should rest. The next meeting of the Council is scheduled for Monday, May 5, when it is hoped that progress towards the drafting of its internal regulations can be reported.

It is understood that a draft decree law is now awaiting signature, a regulation establishing a new Ministry of Communications and Transportation which will be responsible for all activities, including land, air and ocean transport. A decree dated April 22 orders the reorganization of the National Economic Council and provides a period of 30 days for the preparation of a new law outlining its new administration.

There have been recurrent reports that Elliot ROOSEVELT has become identified with a number of new commercial enterprises in Cuba, including an assembly plant for television receivers, a packaging plant for pharmaceutical specialties in partnership with the McKay Davis Chemical Corporation of Toledo, Ohio, and several other enterprises. On a recent visit to President Batista Roosevelt was reported in the press as having stated that "American businessmen are desirous of investing in Cuba because they want to use this country as a proving ground for further investments in Latin America".

For the Chargé d'Affaires ad interim:


Duwayne G. Clark
Counselor of Embassy

Participants:

DGClark, ETCrain, ISLippe, HWDodge
Elmore (MA), Pitts (AA)

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Cuban Desk

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