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FOREIGN SERVICE DESPATCH

737.00(W)/1-2854

FROM : AMEMBASSY, HABANA

934

DESP. NO.

TO : THE DEPARTMENT OF STATE, WASHINGTON.

January 28, 1954

DATE

REF :

GER-2 EUR-5 EE-4

24 For Dept. Use Only	ACTION	DEPT.	DC/R-2 ARA-2 S/MGA-1
	REC'D	OTHER	
	1/29	army-35 navy-39 air-24	OSD-2 OCB

SUBJECT: Joint Weeka No. 4 for State, Army, Navy and Air Departments from SANA.

Part I

Political

(UNCLASSIFIED) Settlement of Sugar Dispute. Although it still remains to be formally ratified by the Council of Ministers, a settlement of the sugar dispute (see Weekas Nos. 2 and 3) by President BATISTA has been announced. As far as labor is concerned, the presidential decision maintains the same general conditions that prevailed for the 1953 crop with wages frozen at the 1953 level and "superproduction" payments maintained. In view of a court decision declaring payment by the mills of labor union dues unconstitutional, the mill operators will probably be relieved of this burden. The President also ruled in favor of an increase in the share of cane growers in sugar production to percentages ranging from 49 to 50 per cent depending on the amount of cane delivered to the mill. The National Federation of Sugar Workers (FNIA) ordered workers to start on the crop and announced drastic cuts in its budget in anticipation of decreased revenue because of non-payment of union dues by the mills. Eusebio MUJAL, secretary general of the Cuban Confederation of Labor (CTC) declared that labor had not renounced union dues paid by the mills and that means would be sought to get around the court decision of unconstitutionality.

(CONFIDENTIAL) Comment. The Cuban Minister of State confidentially informed the Ambassador that Batista's decision in connection with the labor aspects of the sugar dispute was dictated by political considerations in an election year and was designed to win the electoral support of labor. It does not appear that the President's solution regarding grower participation in sugar production is too onerous for the mill owners to accept. Mujal's statement may have been in the nature of face saving. In general, all parties to the dispute have grounds for complaint against Batista's solution: labor because of loss of mill-paid union dues; growers because of participation percentages lower than demanded

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and than claimed essential to avoid financial loss; and mill operators because sugar production costs were not brought into line with lower prices and restricted production.

(CONFIDENTIAL) Batista Reported Aiding Grau to Achieve Auténtico Organization. The Minister of State told Ambassador GARDNER confidentially, that sums of money had been put up by Batista to ensure that Ramón GRAU San Martín would be successful in obtaining for his Auténtico party the number of affiliations (four per cent of the total electorate) required by the Electoral Code for the organization of a national party.

(CONFIDENTIAL) Comment. If this is so, it indicates that Batista has no fear of losing elections, if held, and is taking no chances that a major adversary willing to participate in elections might be forced out on account of insufficient affiliations. This disinclination to lose the one who might be the only opponent to the Batista forces in an election would be strengthened if the registered Ortodoxos refused to organize due to dissatisfaction with the Public Order Law. (See below).

(UNCLASSIFIED) Public Order Law. Opposition to the Public Order Law (see Weeka No. 44, 1953) has not abated but had become less vocal than it was after the lifting of censorship last October. It has again come to the fore with the registered Ortodoxo party threatening, on account of alleged police interference with a meeting of its leaders, not to proceed with the organization of the party if the Public Order Law is continued in force. After the closing of its VII National Assembly, the Cuban National Association of Newspapermen was received by the President on January 25 and presented to him several demands, including one for the abrogation of the Public Order Law. Batista was reported to have told the Association that the revision of the law would become "a reality" in a few days.

(CONFIDENTIAL) Comment. Batista would probably prefer to have the Ortodoxo party organized and offer electoral opposition in addition to that of Grau who promises to participate in elections with or without the Public Order Law. However, it remains to be seen whether the revision of the Law will satisfy the Ortodoxos and its other numerous critics.

(UNCLASSIFIED) Television Program Suspended. The producer of a television program called "Juventud Pregunta" (Youth Enquires) has informed the Embassy that the government ordered his weekly show suspended. The program has an invited guest who answers questions on domestic and international affairs put by young people, usually students. On the last show the journalist guest was asked insistently and vehemently by one of the students why the Cuban

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press had not reported the truth regarding the attacks last July on army posts in Oriente Province. Because of this, said the producer, but not because of the guest's reply that censorship had been responsible, the program was ordered suspended. He does not know yet whether it will be permitted to resume.

(CONFIDENTIAL) Comment. The repressive action of the Government was in all likelihood taken under the Public Order Law because of the implication in the student's questions that honest reporting of the Oriente uprisings would have confirmed charges that many of the revolutionaries had been killed in cold blood. The answers of the guest, Luis J. BOTIFOLL, the director of El Mundo currently engaged in a squabble with the paper's president, could hardly have been gratifying to the Government.

(UNCLASSIFIED) Visit of House Agricultural Committee. On January 23, 1954, 22 members of the Committee on Agriculture of the House of Representatives arrived in Habana on a visit at the invitation of the Cuban Government. The purpose of the visit was to obtain firsthand knowledge of the Cuban agricultural situation, especially with respect to sugar. The highlight of their stay in Habana was a reception offered by President Batista. The Congressmen left Habana on the 27th to visit sugar mills and centrals in the center of the Island and tobacco, fruit and vegetable areas in Pinar del Rio Province. They will have returned to the United States by next weekend. The visit is considered successful from the viewpoint of both the Congressmen and the Cubans, as well as that of the Embassy.

(UNCLASSIFIED) Berlin Conference. Commenting on the early sessions of the Berlin Conference, Cuban editorialists and political analysts generally agreed that MOLOTOV's demand for the inclusion of Red China in a later five-power conference and his denunciation of the European Defense Community virtually dissipated all hopes for a western settlement with the Kremlin. On the other hand, one commentator considered that outright pessimism was premature since it was only to be expected that the opposing sides would present their maximum demands at the opening of the conference.

Army

Negative.

Navy

Negative

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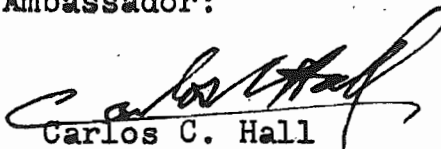
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Air

(CONFIDENTIAL) Aerial Gunnery Practice. During the past week the Cuban Army Air Force has been conducting aerial gunnery exercises at San Julian Air Base in Pinar del Rio Province. Four F-47 fighters have been kept at this air base on an alert status during the past week. Four other fighters have been patrolling the coast out of Varadero and Trinidad. The normal alert continues at the Campo Columbia military airdrome.

For the Ambassador:


Carlos C. Hall
Counselor of Embassy

Participants:

CHall, HMRandall, ETCrain, PJReveley, FCFornes, Jr.,
EMTerrell, JCanter, Rakow (NA), Mason (AA).

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6:08 p.m.

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FROM: Habana

TO: Secretary of State

NO: WIROM 141, January 29, 5 p.m.

WEEKA 4 (D-934, January 28) corrected as follows: Page 1, comment to paragraph 1 to read "it is believed that Batista's etc.". Text first full paragraph page 2 commences "Embassy informed confidentially that etc.".

737.0010 / 1-29-54

GARDNER

CC: MRS

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