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September 19, 1956
DATE

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SUBJECT: Joint Weeka No. 38 for State, Army, Navy and Air Departments from SANA.

(UNCLASSIFIED) ILO CONFERENCE. The VI Regional Conference of American States members of the International Labor Organization closed Friday, September 14, after a two weeks session. Locally, most attention was paid to the attempt of the group of Worker Delegates to prevent the seating of Julio César BALLESTER Hernández, the Dominican Worker Delegate, by refusing to assign him to any committee, threatening to boycott a committee on which he might appear, and questioning his credentials. The movement was given prominent play in the local press, and seriously interfered with the work of the Conference. However, it was unsuccessful on all counts. The Dominican delegation was restrained in its reactions, and remained in attendance throughout the Conference. Ballester, though finally appointed a deputy member of one committee, did not attend sessions thereafter.

Internationally, the highlights of the Conference were the walk-out of all Worker Delegates when Giacomo ADDUCI addressed the Conference on behalf of the World Federation of Trade Unions, and the speech by our delegate, Assistant Secretary of Labor J. Ernest WILKINS, on the Centennial of the Birth of Woodrow Wilson, delivered on the closing day. Mr. Wilkin's speech was very well received, and nine Latin American delegates subsequently made spontaneous speeches praising Wilson and United States democracy.

(CONFIDENTIAL) Comment. As stated previously, the actions of the Workers group against Ballester were motivated largely by political considerations, particularly the current strained relations between the Cubans and the Dominican Republic, and the desire to make an anti-dictator record. The campaign was spear-headed by the Cuban Worker Delegation, with the passive assistance of the Cuban government delegation including the president of the Conference, ably and energetically abetted by the United States Worker Delegation, led for this purpose by Serafino ROMUALDI, International Representative for Latin America of the AFB-CIO.

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Vicente LOMBARDO Toledano, Mexican pro-Communist labor leader, was twice scheduled to address the Conference in the name of the WFTU. Adducci spoke in his stead on Wednesday, September 12, Lombardi having been unable to obtain a Cuban visa. Adducci's speech was mild and unobjectionable. He was picked up, searched, and questioned the following day by the Cuban Military Intelligence Service (SIM), and photographed in the company of a Cuban Communist whom he said he did not know. Adducci later protested informally to the Cuban government, and the Italian Ambassador has since lodged a formal note of complaint with the Ministry of State. Adducci departed on September 18.

(UNCLASSIFIED) PANAMANIAN DELEGATE ATTACKS UNITED STATES. On September 13 the Panamanian Worker Delegate, José Heriberto RIVERA, in a speech before the plenary session of the ILO Regional Conference, complained that the development of trade unionism and of improved economic conditions in his country were hampered by the existence of the Canal Zone, with its special privileges. He added that the principle of equal pay for equal work was violated in the Zone, and that this discrimination caused deep unrest among the workers and population in his country. He was answered by John T. FISHBURN, of the Department of State, in his capacity as a governmental advisor, who pointed out that by recent treaty, whose provisions in this respect were now in effect, workers in the Zone were paid on the basis of equal pay for equal work.

(OFFICIAL USE ONLY) Comment. Mr. Rivera attempted by various means to obtain support for his position throughout the Conference. His efforts were unsuccessful. Mr. Fishburn's reply to his charges was clear, reasonable, and convincing, and no other delegation to the Conference evinced any desire to pursue the matter.

(UNCLASSIFIED) LABOR OFFICERS CONFERENCE. A Conference of Labor Officers from our Embassies in Latin America is being held in Habana this week. Interested officers from all of our Embassies "south of the border" are attending, as well as delegations from the Department, the Department of Labor, USIA and ICA. J. Ernest Wilkins, Assistant Secretary of Labor, is sharing chairmanship of the Conference with John T. Fishburn of the Department, representing Assistant Secretary HOLLAND. The Conference hopes to complete an extensive agenda, covering various subjects of mutual interest to the participants, by September 21.

(UNCLASSIFIED) CONGRESS OPENS. The second regular session of the Cuban congress during 1956 began on September 17. The first item of business was consideration of a presidential message running to four hundred pages. Summaries of the message were available but the document itself has not been delivered. It is principally a detailed summary of activities of the various ministries during the past six months. The most interesting item is an account by President BATISTA of the meeting of presidents at

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Panama, emphasizing the importance and value of the meeting. It is expected that the congress will devote most of its attention to the preparations for the partial elections scheduled for 1957.

(UNCLASSIFIED) GOVERNMENT PLAN FOR PARTIAL ELECTIONS. Leaders of the Government coalition, headed by President Batista, held a much-heralded meeting September 13 to agree upon details of the proposed partial elections scheduled for November, 1957. They agreed in principle, but left the details - the crux of the matter - for later determination, apparently by the Congress. It was announced that the elections would include at least part of the Deputies, as well as mayors and councilmen. Constitutional amendments will apparently be required, but the Government is confident of the necessary Congressional support.

(OFFICIAL USE ONLY) Comment. The announcement is a general disappointment, largely because of the atmosphere of expectancy and importance built up around it by the Government. Nothing new is added, and nothing clarified. The Government's plans appear to be less well developed and advanced than had been thought.

(UNCLASSIFIED) AGENDA OF SPECIAL PRESIDENTIAL REPRESENTATIVES. The Habana press on September 18 featured statements made on arrival in Washington by Minister Gustavo GUTIERREZ, President Batista's representative on the special presidential commission, to the effect that the agenda should include subjects broader than the field of activities of the OAS.

(OFFICIAL USE ONLY) Comment. Gutiérrez advised the Embassy in advance that he would take this stand but appeared disposed, when leaving Habana, to discuss it first within commission meetings. Perhaps the desire for publicity, and for a position of leadership among Latin American spokesmen, were irresistible. Initial editorial and columnist comment strongly supports Gutiérrez and is critical of the United States position.

(OFFICIAL USE ONLY) AMENDMENT PROPOSED FOR PUBLIC ACCOUNTANCY BILL. It is expected that the bill already passed by the Cuban Senate regulating the practice of public accountancy, and barring operations of foreign accounting firms, will be coming up before the lower house in the session now under way. Following an unsuccessful campaign directed toward killing the bill, United States firms now have decided to concentrate instead on a campaign to amend the bill so that established firms can continue. This avoids a clash with groups insisting on a regulatory law, and the support of important administration leaders.

(UNCLASSIFIED) TRIAL OF INSURRECTIONISTS. The trial of those accused of complicity in the abortive assault on the military garrison at Matanzas on April 29, 1956 (see Weeka No. 18) ended

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last week, with the conviction of seven of the defendants and the release of the remaining eight. The seven convicted received sentences of three years. The trial was orderly and calm and conducted in an atmosphere of impartiality and justice.

(CONFIDENTIAL) LITTLE EVIDENCE OF TENSION. Intelligence services of the Cuban government are apparently inclined to feel that some sort of insurrectionary attempt will be forthcoming before the end of the year. They are perhaps influenced by the repeated declarations of Fidel CASTRO Ruz, leader of the "26 of July" Movement, that 1956 is the "year of decision", and by various reports and rumors of arms movements and sales, some involving the Dominican Republic. However, these services do not seem particularly concerned, and there are few signs of increased precautions being taken. The Cuban Navy has stepped up its air patrols of the northern coast and the Straits of Florida, but no other change has been noted.

(OFFICIAL USE ONLY) KRUSHCHEV. One of Habana's most important newspapers, Diario de la Marina, on September 14 began publishing the entire text of Krushchev's destruction of Stalin speech before the XX Communist Party Congress in serial form. The text was supplied by USIS. Diario de la Marina carried it as "from the New York Times".

(UNCLASSIFIED) FINAL SUGAR FIGURES. Final figures indicate that with a United States quota of 2,597,000 Spanish long tons, a World quota of 2,571,000 tons, and a local consumption of 300,000 tons, for a total of 5,468,000 Spanish long tons potential disappearance in 1956, Cuban sugar stocks at the end of the year will be somewhat less than half of the 1,572,480 Spanish long tons officially declared to be in stock on December 31, 1955, since Cuba's effective quotas, local and foreign, exceed its 1956 production of 4,599,887 Spanish long tons by about 828,000 tons.

Psychological.

(UNCLASSIFIED) SUEZ. NASSER and the Suez Canal again received the heaviest editorial treatment in the Cuban press during the week. In spite of the ominous rumblings of the Near East, Habana dailies were generally in agreement that armed conflict is unlikely. Prensa Libre expressed the opinion that the Suez crisis will continue for some time without a solution acceptable to all parties, and that although England and France are in a difficult position in the Near East, so is Nasser. Excelsior made reference to United States foreign policy, stating that Washington had often hesitated in the past, but in the case of the Suez question United States position has been clearly defined; as opposing the use of force and searching for a peaceful solution. In spite of this clear definition of policy, Excelsior felt the United States middle-of-

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the road position is not satisfying to either side. Avance considered the resignation of the canal pilots. Without experts to work the canal, Avance pointed out, operations will be seriously hampered, a problem that Nasser may have overlooked. Información felt that the Suez conflict was coming to a climax. In this newspaper's analysis of the situation, Egypt has not sufficient cause (or backing) to go to war, and Nasser has been placed in the uncomfortable situation of maintaining his position as head of the Arab world and at the same time not pushing his hand too far to cause a serious break with the West. Información further pointed out that Washington has not faced the Suez problem squarely because the government does not want the Suez situation to become a campaign issue in the forthcoming election. Información also stressed the importance of unity on the part of the western powers.

Army.

(UNCLASSIFIED) NEW COMMANDING OFFICER FOR ISLE OF PINES.
Col. Manuel UGALDE y Carrillo has been designated Commanding Officer of the military district of the Isle of Pines, replacing Maj. Juan CAPOTE y Fiallo.

(CONFIDENTIAL) Comment. In his new position, Col. Ugalde is in charge of the prison in which Col. Ramón BARQUIN and the others convicted of participation in the conspiracy he headed, discovered in April of this year, are held. There have been rumors that his assignment was due to an attempt, or planned attempt, to release these men. Thorough checks did not confirm these rumors. The transfer, if significant at all, represents a temporary loss of military prestige for Ugalde, who is considered corrupt, greedy, unscrupulous, and ruthless on occasion. Others consider his loyalty doubtful, but Batista seems to trust him, and to date at least has taken care of him.

Navy, Air.

Negative.

Vinton Chapin
Vinton Chapin
Chargé d'Affaires a.i.

cc: ~~ALL~~, Port-au-Prince and Ciudad Trujillo

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Contributors: Political: JLTopping
Presidential Representatives)
Accountancy Bill) CABeenstra
Sugar: CEDavis
Krushehev speech: RGCushing
Psychological: SPHelms
Army: LtColJETreadway

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