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FOREIGN SERVICE DESPATCH

NOV 28 1956 737.00 (W) / 11-2856

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

316
DESP. NO.

November 28, 1956
DATE

25 For Dept. Use Only	ACTION	DEPT.
	REC'D	IN K O. OTHER
	11-29	12-51A-10

Assigned to [unclear]
RM/RMA-2 CIA-4 20-2 P-1 Em-5
Army-30 Navy-30 Air-24

SUBJECT: Joint Weeks No. 48 for State, Army, Navy and Air Departments from SANA.

(OFFICIAL USE ONLY) POLICE BREAK UP STUDENT PROCESSION. MANY

INJURED. On November 27 a procession of some four hundred students attempted to march from the Habana University campus to the site on the waterfront in downtown Habana where eight students were executed by the Spaniards in 1871. The date is an important one to students, and schools are closed. The students reportedly had a permit for ceremonies at the site, but not for the procession. After the procession had gone a few blocks the authorities attempted to break it up by using fire hoses. Students retaliated by throwing rocks and attempting to seize the fire trucks. In the resultant melee shots were fired. Ten students were injured by gunfire, as well as one fourteen year old boy, in serious condition with a head wound. Seventeen police were injured by rocks. The students retreated into the campus, which police then cordoned off. During the balance of the day downtown Habana was heavily patrolled by police, but the city was quiet and orderly. Classes at the University have been suspended today. About fifteen students have been arrested.

(CONFIDENTIAL) Comment.

This ill-considered and unfortunate incident again exposes the administration to charges of despotism and tyranny by the opposition. There are no indications that such happenings represent the settled policy of the administration. Rather, they appear to be the hot-headed actions of some elements within the national police, reflecting the personal tendencies of their former Chief, Brig. Gen. Rafael SALAS Cañizares, who died October 31 from wounds received in the shooting at the Haitian Embassy on October 29. The Embassy has received several reports that that assault was carried out in the face of flat orders to the contrary from BATISTA personally, and it is generally agreed that Salas was difficult to control and favored violent and extreme tactics. Apparently his successor, Col. Hernando HERNANDEZ, formerly second in command, has not yet been successful in any attempts he may be making to alter the existing philosophy. Publicly, the police maintain that no policeman fired a shot yesterday, and that all gunfire came from people in buildings and on rooftops around the

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JL Topping:mbw
Correction made

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scene of the melee. This version is of course flatly denied by the Students' Federation (FEU), and is difficult to accept. Remarks of various police officers in private conversation with Embassy officers yesterday indicated that they knew that the shots had come from their own forces.

(UNCLASSIFIED) REVOLUTIONARY PLOTTING. The administration continues to maintain, in public and privately, that plans for invasion and insurrection are well advanced, with the principal ringleaders being former President Carlos PRIO, Fidel CASTRO, leader of the "26 of July" Movement, and Rafael Leonidas TRUJILLO of the Dominican Republic. During the past week public emphasis has shifted from the activities of the Cuban figures to denunciation of Dominican activities. The official version was well expressed in statements to the press by Minister of the Interior Santiago REY, and by comments of Senator Jorge MECALLING, second in command of Rolando MASFERRER's PUR (Radical Union Party; a member of the Government coalition) on a television program. They maintained that the Dominicans promote unrest and uprisings in Cuba in the hope of damaging the Cuban economy and possibly causing widespread burning of fields of sugar cane, to the advantage of the Dominican Republic.

(CONFIDENTIAL) Comment. In private, the administration has reported to the Embassy several allegations of conspiratorial activities by the Cuban figures. With the exception of travel to and from the Dominican Republic of some known Cuban revolutionaries, it has not been possible to verify any of the allegations, some of which are demonstrably false. Yet it is clear that the administration is sincerely convinced that an invasion or small scale uprising is probable.

(UNCLASSIFIED) MINISTER OF STATE SAYS DOMINICAN REPUBLIC INTERVENES. In the most strongly worded condemnation of Dominican activity which has appeared for some time, Minister of State Genzale GUELL yesterday told a press conference that the Dominican Republic had been flagrantly violating the "norms and international practises of this Hemisphere", and was continuing to do so. He said that the present situation was unchanged from that existing at the time Cuba took the case before the Peace Committee of the Organization of American States earlier this year. He recalled to the reporters the incident of the recorded conversation between former Dominican Ambassador LLAVERIAS and Senator Rolando Masferrer, which he maintained proved Dominican intervention in internal Cuban affairs. He said that Cuba had exhausted all diplomatic means in its attempts to normalize relations with the Dominican Republic, and was seriously observing the continuation and increase of the Dominican actions, in order to determine what further steps to take. He charged flatly that there was a group of Cuban conspirators who were receiving training, military equipment, and financial aid in the Dominican Republic. In contrast with the Dominican attitude,

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he said, Mexico had twice taken steps against Cuban conspirators, and had assured the Government that actions against it would not be permitted in Mexican territory.

(OFFICIAL USE ONLY) Comment. The Minister's remarks are a compendium of old and continuing allegations against the Dominican Republic, to which he added nothing new. It is obvious that the administration has no interest in improving relations with that country, at least for the time being.

(OFFICIAL USE ONLY) SHOOTING AT HAITIAN EMBASSY. Minister of State Guell has informed the Ambassador that he feels that the difficulties in Cuban-Haitian relations caused by the shooting affray at the Haitian Embassy here on October 29 will be smoothed out. His statement apparently reflects the sincere desire of the Cuban Government.

(UNCLASSIFIED) OPPOSITION FIGURE TRAVELS ON CONCILIATION ATTEMPT. Juan AMADOR Rodríguez, pro-Communist member of the PNR (Nationalist Revolutionary Party) of José PARDO Llada, went to Mexico this week, reportedly to attempt to convince Fidel Castro to abandon his revolutionary plans, at least for the time being. The Directorate of the party had previously specifically refused to give him permission to make the attempt, but he has persisted in the hope of gaining political prestige.

(OFFICIAL USE ONLY) Comment. The Embassy understands that preliminary reaction from the Directorate is such that Amador may be read out of the party.

(UNCLASSIFIED) CONGRESS CONDEMNS RUSSIAN ACTIONS IN HUNGARY. On November 25 the Cuban Chamber of Deputies unanimously passed a strongly worded resolution condemning the USSR for its recent actions in Hungary and calling on similar bodies in the Hemisphere to do likewise.

(OFFICIAL USE ONLY) Comment. This action accurately reflects the strong feelings of the Cuban people as a whole, who have been outraged by the Russian actions. The resolution was immediately reported by USIS, for possible use elsewhere.

(UNCLASSIFIED) NUCLEAR ENERGY FORUM OPENS DECEMBER 16. Much advance publicity is being given locally to the First National Forum on Peaceful Utilization of Nuclear Energy, scheduled to open December 16 under auspices of the Cuban Nuclear Energy Commission. United States scientists will be principal speakers at scientific sessions to be held December 17 to 20; exhibits including USIS "Atoms for Peace" and industrial displays will be open to public until December 28. The Ambassador is scheduled to speak briefly at the opening session, on the theme of atoms for peace. The Ministry

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of State has sent notes to all diplomatic missions inviting their countries to send special representatives or observers.

(UNCLASSIFIED) Comment. Preparatory work appears well planned and effectively carried out, providing a favorable background for promulgating "Atoms for Peace".

(UNCLASSIFIED) MINISTER GUTIERREZ RECOVERING FROM ILLNESS. After major surgery in early November, the exact nature of which is so far unexplained, Minister GUTIERREZ reports that he is convalescing, but may not have his doctors' release to return to work for another 10 to 15 days. He is seeing nevertheless a limited number of official visitors and on December 1 will receive Ambassador Harold RANDALL, to discuss agenda proposals for the next meeting of Interamerican Presidential Representatives.

(OFFICIAL USE ONLY) STUDY OF MUTUAL SECURITY PROGRAM. Mr. James MINOTTO, assisted by Mr. Harold LAMAR, visited Habana from November 15 to 20 to examine all aspects of the Mutual Security Program in Cuba for the Senate Special Committee studying the Program. During their visit they met with the full Country Team, both collectively and individually. They also met a number of Cuban officials, and leading local businessmen, both Cuban and American.

(UNCLASSIFIED) SALE OF PREMIUM GASOLINE AUTHORIZED. Ministry of Commerce Decree No. 3102, published in the Official Gazette, November 23, provides for sale and distribution of 90-octane gasoline in Cuba in addition to regular grade, within 60 days. Oil companies have sought this authorization for over a year, but profit-margin demands by service station operators delayed approval and caused the government to suspend a decree issued in July which authorized sales. In developing the new decree, the government apparently has been able to effect compromises and eliminate any significant further resistance.

(UNCLASSIFIED) SUGAR. On November 24, 1956, President Batista announced the 1957 sugar crop would be 5,150,000 Spanish long tons. The 1956 crop was 4,600,000 Spanish long tons. The average length of the 1956 sugar crop was 72 days, so it is expected the 1957 crop will give an additional 15 days of work to the sugar workers. The President also announced a return to the basic wage rate of 4.70 cents for the 1957 crop, or an increase of almost 8% over 1956. This increase replaces the cut of 7.31% in effect for the 1956 crop. On the basis of the 4.02% increase in the wage "Differential" in 1956, President Batista estimates the increase in the final liquidation of the 1956 crop to growers and cane workers prior to December 15, 1956 will approximate \$25,000,000.00

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Minister without Portfolio Amadeo LOPEZ CASTRO stated that, as a result of the agreement recently reached at the International Sugar Council in Geneva, the Cuban sugar outlook for the next two years is bright. He said the agreement is favorable to Cuba in the following aspects: (1) Cuba is permitted to produce and export sugar for uses other than human consumption, a factor which the previous Geneva agreement did not take into consideration. (2) Greater liberty and flexibility for Cuba in shipping sugar during the first few months of the year. (3) A control of quota adjustments which will permit Cuba to export more if the price is maintained above 3.25 cents a pound. (4) A manner of regulating deficits, which assures Cuba of flexibility in handling such deficits.

In spite of the rosy outlook for Cuban sugar over the next two years, top officials of the Sugar Millowners' and Cane Growers' Associations are unanimous in urging a policy of prudence relative to the planting of excessive quantities of new sugarcane for future harvest. In other words, they advocate careful planting so that the wild planting spread of the years 1950-52 will not occur again. The Millowners' Association feels that the rainfall during 1955 and 1956 has not been normal and sufficient for a good development of the sugarcane and, for this reason, the area of cane in condition to be harvested in 1957 will only produce approximately 5,250,000 tons of sugar. This same area under normal rainfall, should produce approximately 6,000,000 Spanish long tons of sugar. They therefore feel the prudent thing to do is not to increase the area in sugarcane but intensify the production per area through the use of good varieties of cane, proper cultivation, fertilizers, and irrigation where possible.

Psychological.

(UNCLASSIFIED) Havana dailies stressed the following international events in their editorial columns during the week: (1) Soviet imperialism in Hungary and Poland; (2) the return of MOLOTOV to the Soviet political scene; and (3) the Suez situation. Avance pointed out that Soviet action in Hungary was a clear indication of how the Kremlin would react to figure breaks with the Moscow line. Información stated that peaceful coexistence with the USSR is impossible, because the Soviets are not genuinely seeking peace, and predicted that Poland would lose eventually in her attempts to get along with the Soviet Union. Excelsior was of the opinion that the independence of Poland was in reality a sham and that the present Soviet-Polish relationship is nothing more than a collaboration arrangement dictated by Moscow. Excelsior looked hopefully at the Suez situation, expressing the opinion that NASSER may now change his attitude of leaning toward the Soviet block because of the recent events in Hungary. Pueblo felt that the Poles were well aware of Soviet methods and that the people were just making the best out of the new Soviet policy in their country, while waiting for the ax to fall. In general, all newspapers looked upon the return of Molotov to the Soviet political scene as a step toward the return

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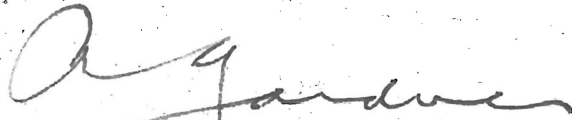
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of Stalinism which would serve as a danger signal to TITO,
KHRUSHCHEV, and the world in general.

Army, Navy, Air.

Negative.



Arthur Gardner

Participants:

Political: JLTopping
Atoms; Gutiérrez: GEBeenstra
Gasoline: LHPrice
Sugar: CEDavis
Psychological: SPHelms

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