(Unclassified) REBEL ACTIVITY. There has been active rebel activity since the latter part of May. Rebels who landed from the Corinthia on May 24 (WEEKA 22, May 29) clashed with Cuban troops on May 29 near Holguin, Oriente; the Army claimed 16 rebels killed, including their leader Calixto SANCHEZ Whyte. There were rumors of landings in various parts of the island but they were all denied by the Government. Police reported that after a gun fight in which no one was injured they arrested some 35 armed men who had gathered near Cienfuegos, Las Villas to move against Government forces. There was an encounter between the Cuban Army and Fidel CASTRO's "26th of July" group at El Uvero, Oriente early on May 26, reportedly resulting in several casualties on both sides. On June 1, the Army reported another clash with CASTRO and claimed 9 rebels had been killed and 4 wounded without any Army losses. The Army has sent some 800 of its best troops to the Sierra Maestra to smoke out CASTRO, including the battalion equipped under MAP, and the Army Chief of Staff has said they will need no more than one week to do so. Some residents of the Pico Turquifio area — Sierra Maestra's highest peak — have been evacuated.

(CONFIDENTIAL) COMMENT. The Army has set itself a time schedule of one week on the Castro issue and its time is running out. The situation was deteriorating rapidly however and the Army was forced to take strong measures to quell rebel activity in order not to appear ineffective.

(UNCLASSIFIED) TERRORISTIC ACTIVITIES. Terroristic bombings continued in Habana and the interior during the past week. The bomb which exploded at the Electric Company plant at 2:10 A.M. on May 28th (WEEKA 22, May 29) blacked out the business and commercial center of Habana until 11:10 A.M. on May 30, a total of 57 hours, during which time most shops in the area remained closed. It was reported that the bomb caused damage estimated at $375,000. Police are looking for an Electric Company employee they claim was responsible for the bombing, and have already arrested his wife.
(Official Use Only) COMMENT: The Embassy hears from oppositionist sources that bombings are becoming a favorite pastime, with everyone getting into the act without any particular planning or cooperation. The money loss resulting from the work stoppage was undoubtedly much greater than the damage caused to the electric plant by the bomb itself.

(UNCLASSIFIED) ELECTIONS. Late on June 3, 1957 the Committee on Election Legislation, set up as a result of the Joint Congressional efforts to find a peaceful solution of Cuba's political problems (WEKENA 19 of May 8), voted to cancel existing voters' identity cards (carmetas) and to issue new ones for the 1958 elections. The Autentico (Cuban Revolutionary Party) members of the Committee -- who had returned to the Committee after withdrawing from it twice in a week -- voted against the measure, saying they favored revalidation and re-use of the old carmetas. The Committee's action will be submitted to the Congress for its vote.

(Official Use Only) COMMENT. The Carmets are used for registering political parties. Autentico leader and former President Ramon GRAU San Martin who was the only opposition candidate during the 1954 elections -- although he withdrew before the actual election date -- has been opposing the cancellation of the carmetas because he reportedly has a large number of/issued to his followers in 1954 still in his control. Chances of eventual agreement on 1958 elections planning are as slim as ever and it is rumored that the major oppositionist groups may not participate in the elections. Manuel Antonio (Tony) VARONA, leader of the unregistered Autentico faction, recently returned from Miami where he interviewed exiled Autentico leader and former President Carlos PRIO Socarras. The Embassy hears VARONA will shortly place before the Government the conditions PRIO insists be met before his group will participate in elections. The conditions have not been made public but the Embassy understands they set out terms to which the Government could not possibly agree. One result of the lessening chances of agreement on elections planning between the Government and the opposition groups is to encourage those who advocate violence as the only way of getting BATISTA out of office.

(Official Use Only) UNREST IN SANTIAGO DE CUBA. There has been growing unrest in Santiago de Cuba during the past week. Police have reportedly been enforcing an "unofficial" curfew and on Sunday, June 2, 20 women were temporarily detained by police authorities following a public demonstration against violence and terrorism.
(CONFIDENTIAL) COMMENT. Although Cefiño faces charges of directing an illegal strike and is under suspicion for complicity in the bombing of the main electric producing plant in Habana on May 28, the Government apparently decided to permit him to go to the ILO Conference, in view of his position on the Governing Board, and in order to head off possible criticism by detaining him here in Habana.

On June 4, the Urgency Court in Habana ordered the arrest of Cefiño, accusing him of involvement in the bombing of the electric plant.

(UNCLASSIFIED) PSYCHOLOGICAL: Events in Taipéh and Haiti received the greatest attention in the Cuban press. Both Excelsior and Información felt the attack on the American Embassy at Taipéh was at least instigated by Communists. The fact that a group of the attackers tried to open the safe containing secret papers, said Excelsior, was proof that the Embassy gutting was not just the result of spontaneous mob action. The main communist motive said this paper, was probably not to obtain secret papers but to take advantage of the tension and promote friction between the Chinese Nationalists and the U.S. Información agreed that the communists must have exploited the situation and fomented the mob action but pointed out that this would not have been possible without a cause -- which the Americans gave by hurting the Chinese pride. While it might have been contrary to Western law, said this paper, if a Chinese judge had been allowed to sit with the American military tribunal, the Chinese might have been able to save face and the incident avoided. Most of the commentary on Haiti took place when the country broke out in civil warfare before Figueroa was made provisional president. Pueblo called Haiti a madhouse where nobody understood what was happening and where 10 presidential candidates all used the magic word "elections", while none had a program. El Mundo stated that while General Magloire had to go, such a situation (common in Latin America) results in a vacuum into which step the demagogues thus perpetuating the disorder. Diario de la Marina did not believe the provisional presidency of Figueiro would settle things, for being a candidate
himself, the advantages of his office will force the other candidates to take action before elections are held.

ARMY, NAVY, AIR -- Negative

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