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FROM : HABANA 593 September 13, 1950

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SUBJECT : RUMORS OF CABINET CHANGES. PRIO-GRAU RAPPROCHEMENT.

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Rumors of impending changes in the Cuban Cabinet received added impetus following the recent and sudden resignation of Minister without Portfolio Ramon VASCONCELOS. The President's failure to name Vasconcelos' successor has led many to believe that this vacancy may remain unfilled pending a general Cabinet reshuffle. Literally dozens of names have been mentioned in the speculation as to who will enter into any new Cabinet that may be formed. These rumors continue despite recent public statements by both Prime Minister VARONA and Minister of Commerce ANDREU to the effect that while a few "individual" Cabinet changes may be made, there will be no Cabinet "crisis" since that would signify failure of President PRIO's policies (known in recent months as the "nuevos rumbos").

El Crisol on September 8 stated that Varona would probably be named either Minister of Justice or of Labor and that Minister of Justice Oscar GANS, while preferring the Ministry of State, would probably become Prime Minister. Presidential Secretary Orlando PUENTE was described as irreplaceable and it was indicated he would retain his post.

Ing. Carlos HEVIA reportedly will leave the Cabinet to devote himself exclusively to his duties as President of the National Development Commission. It is rumored that his replacement as Minister of Agriculture would be Eusebio MUJAL, now Secretary General of the CTC Labor Confederation. (His departure from the leadership of the CTC is considered by many labor experts as an essential prerequisite to the unification of the Cuban labor movement excluding the Communists. Emilio SURI Castillo, head of the sugar workers and a strong contender for Mujal's job, was quoted in the press of September 11 as having stated that, although his labor organization would regret to see Mujal relinquish his duties as head of the Cuban labor movement, it was, nevertheless, transmitting a message to the President congratulating him on his choice of Mujal for Minister of Agriculture.)

ETCrain/elw
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According to Prensa Libre, the Autentico Senator from Oriente Province, Sr. Codina SUBIRATS, is also being considered for the agriculture portfolio.

Doctor José R. ANDREU reportedly is unwilling, particularly in view of the threatened reestablishment of black markets, trade restrictions, et cetera, to continue as Minister of Commerce and would like to be appointed as Minister of Health (a position he may actually receive).

Ing. Sergio I. CLARK may retire from the Cabinet. As possibilities to succeed Clark as Minister of Communications Virgilio PEREZ, TEJEDA SETIEN, and Sergio MEJIAS have been mentioned.

Minister of Defense Ruben de LEON, who has announced that President Prío would only take him out of Defense to name him Prime Minister, may be replaced by Segundi CURTI who resigned as Minister of Defense earlier this year to run (successfully) for reelection to Congress.

Doctor Ernesto DIHIGO reportedly is anxious to leave the Ministry of State to return to his academic duties in the University of Habana. It is not known what truth there may be in this allegation. He has been mentioned as a possible successor to Dr. Inocente ALVAREZ as Cuba's Ambassador to the United Nations but, reportedly, does not want this position (although it has been announced that he will head Cuba's delegation to the forthcoming General Assembly). Sr. Guy PEREZ Cisneros, Special Assistant to the Ministry of State and an Alternate Cuban Delegate to the UN General Assembly, stated confidentially on September 12 that he did not think there would be a Cabinet crisis and that he felt Dihigo would remain on as Minister of State. He based his views partially on the fact that Dihigo is going to the UN temporarily as head of Cuba's Delegation to the General Assembly and not permanently as Cuba's Ambassador to the United Nations. While it is believed that Alvarez would like to take over Dihigo's job as Minister of State, the President reportedly prefers that he devote himself to his duties in the Senate to which he was elected on June 1, 1950, and which is scheduled to convene on September 18, 1950. Undersecretary of State Raul RUIZ is mentioned as a possible dark horse among the aspirants for the State portfolio.

Minister of Education Aureliano SANCHEZ Arangó is mentioned as one of the few Ministers "certain to remain in the Cabinet". According to rumor he might remain as Minister of Education or perhaps be appointed Minister of Finance. One of the several persons mentioned as possible replacements for Sanchez Arango in the Ministry of Education is Antonio FUENTES Rodriguez, former Senator and

formerly Minister to Honduras. It is also rumored that former Minister of Education Luis Felipe PEREZ Espinos in the GRAU Administration may again become Minister of Education.

Doctor Tebelio RODRIGUEZ del Haya, Minister of Gobernación, apparently more an idealist than an administrator or politician, has reportedly failed in his efforts to overcome the obstructionist tactics of the "vested interests" (the Ruben DE LEON clique) in the Ministry and may retire to private life. Virgilio Perez, former Minister of Agriculture and a recently defeated candidate for Senator who has been mentioned as a possibility for the Communications Portfolio, is also mentioned as a possible replacement for Dr. Rodriguez del Haya.

Even before he took office as Minister of Finance, Sr. José Maria BOSCH had confided to his friends that he had no intention of remaining in the Cabinet after September 1950. Whether or not he has changed his views (the Embassy has heard some reports to the effect that Sr. Bosch has developed presidential aspirations), it is generally believed that he will leave the Cabinet. It is not known who would succeed him. It would appear almost impossible politically for the President to reappoint his brother, Antonio, as Minister of Finance. As indicated above Aureliano Sanchez Arango has been mentioned as a possibility for the post.

Minister of Public Works Febles VALDES will reportedly leave the Ministry of Public Works. Aquiles CAPABLANCA has been mentioned as his possible successor.

Minister of Health Ramirez CORRIA will reportedly retire from the Cabinet. Senator Felix LANCIS, mentioned as a possibility to replace him, has reportedly now been dropped from consideration for the post. As stated above, Minister of Commerce Andreu is said to have the inside track for this job. Two unfavorable reports concerning Ramirez Corria, both of which are unconfirmed and undenied, have recently come to light. One of these (Habana's 508, September 1, 1950) consisted of an accusation by Suri Castillo that Ramirez Corria had contributed \$6,000 a month to the maintenance of the now defunct Communist newspaper Hoy. Another is to the effect that he contributed \$300 (~~\$300~~) reportedly also having been contributed by Dr. José DIAZ Garrido, Acting Mayor of Habana until September 10, and \$100 by Oscar Gans) toward the publication of a book sponsored by Juan JUARBE Juarbe, Secretary of Foreign Affairs of the Nationalist Party of Puerto Rico, favoring the independence of Puerto Rico.

Minister of Labor MORELL Romero may leave the Cabinet to assume his position on the Court of Constitutional and Social Guarantees (a part of the Supreme Court). Prime Minister Varona, Minister of Education Sanchez Arango, and former Minister of Labor Edgardo BUTTARI are mentioned among the possibilities for the Labor Portfolio.

Comment

High government officials are issuing almost daily statements to scotch persistent rumors of wholesale Cabinet changes and it is possible, as these officials themselves admit, that only "individual" changes may take place not involving any shifts in policy. Estimates as to the timing of any changes that may be made range from one week to two or three months.

It is possible that the continued discussion of Cabinet changes as well as the delay in their announcement may be based on the negotiations thought to be in progress between the Prio and Grau factions of the P.R.C. (Autentico) Party for the settlement of differences and the reuniting of the party as the only means of assuring success in the 1952 presidential elections. Grau is said to be holding back fearing that once committed to the reuniting of the party much of his bargaining power would be lost. In these negotiations (which would probably bring Mayor of Habana CASTELLANOS back into the party and also possibly bring Vice President Guillermo ALONSO Pujol and his Republicans back into the government coalition) Grau would probably demand Cabinet posts for his henchmen. In that case many of the names now being bandied about as Cabinet prospects may merely constitute a smoke screen to be withdrawn only when the entry of Grau men into the Cabinet is announced. Of the Grau group, ex-Minister of Gobernación Humberto BECERRA and ex-Minister of Agriculture Francisco GRAU Alsino are mentioned most frequently. Ing. José Ramon ("Pepe") SAN MARTIN, ex-Minister of Public Works and a presidential possibility, would also be a strong candidate for a ministerial post provided he could be induced to accept.

For the Chargé d'Affaires ad interim:



Earl T. Crain,
First Secretary of Embassy.