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SUBJECT: Labor Developments - Cuba (January - June 1956) 2151A-10 \*IN-7

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SUMMARY:

The IX National Congress of the CTC and preparations for it dominated CTC affairs during the half year. It appeared at first that there would be strong opposition to the Mujal leadership at the Congress from leaders of powerful federations and oppositionists to the Batista government. By the time the Congress met, however, there was complete agreement among the federation leaders, and virtually all CTC officers, including Mujal, were overwhelmingly elected. The CTC issued a 30 point plan for economic development. Practically all the points are familiar, and there seemed to be little but propaganda motives behind the plan. Mujal was pushing an elaborate ORIT anti-Communist campaign in Brazil, Argentina, and Chile: it would be financed mostly by the CTC and AFL-CIO and employ Cuban organizers. The 1956 sugar crop was increased by 200,000 tons over that for 1955. Wages were set at the same level. No difficulties attended the beginning of the harvest, despite agitation for a wage increase that had preceded it. A national congress and elections for officers of the National Federation of Sugar Workers are scheduled for August 26. There were strong opposition elements within the FNTA to the present leadership and Mujal himself is discontented with Secretary General J. L. Martinez. The long-postponed congress and elections of the Tobacco Workers were finally held. Despite all the criticisms there had been of the incumbent Secretary General, he was reelected. The Federation continues weak although many of its individual unions are strong. The Habana Bank Workers Union elections returned deposed Secretary General Aguilera to that position. He was not permitted to take office by a Ministry of Labor decree. The last known Communist to hold important union office was removed therefrom by a Ministry of Labor decree. The Communists continue ineffectual in the labor movement, and their influence in the CTC IX National Congress was negligible. There was a National Aviation Federation Strike against a Pan American plane attempting an intra-Cuba charter flight. Gilberto Goliath, Secretary General of the Maritime Workers, died, leaving the federation in weak hands. There was overall union opposition to plans to institute a ferry system between the United States and Cuba for loaded truck trailers, although the sailors' union favored them. While in a number of cases the Supreme Tribunal found the compulsory checkoff constitutional, the question had not been entirely clarified, and collection fell far short of 100%. The census manpower survey was revealing unemployment of the proportions of between 20 and 30 percent. ATLAS still clung to its ineffectual existence.

INTRODUCTION:

The quarterly labor report for the first three months of the current year was not submitted when due owing chiefly to a combination of two circumstances: 1) as the deadline for the report

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approached the Cuban political situation suddenly became agitated and disturbed with arrests taking place, a serious plot discovered in the army, and finally an attack launched against the Matanzas barracks; 2) at the time the Embassy was without a political officer and these developments had to be covered by its labor officer. However, the most important events of the first quarter in the labor field--namely, the discord within the CTC and the National Federation of Sugar Workers (FNTA) that followed the sugar strike of the end of 1955, the hunger strike of the labor leader-congressmen, and the wranglings and rivalries involved in the jockeying for power positions that took place preparatory to the IX CTC National Congress--were reported by the Embassy in despatches (Nos. 534 of January 30 and 630 of March 1, 1956).

The half year being covered in the present report was all in all a relatively quiet one on the Cuban labor scene principally because of the absorption of labor leaders with the IX National Congress and with the elections of delegates and other maneuvers that preceded that Congress.

## I THE CTC

### a. Internal Developments

As already indicated, the IX National Congress dominated CTC activities during the first half of the year. Until the beginning of April (See Despatch 630 of March 1, 1956), it was generally believed that a hard fight was in store at the Congress for the MUJAL leadership. Vincente RUBIERA, Secretary General of the solidly organized and well-financed Telephone Workers' Federation and Angel COFIÑO, Secretary General of the equally powerful Federation of Electric Plants, Gas and Water Workers, were in close consultation, and appeared to be making common hostile cause, with Priista labor leader Marco Antonio HIRIGOYEN, who, while without a formal union base to back him, nevertheless enjoyed the support of minor leaders scattered throughout a wide number of unions as well as of Prío sympathizers. Moreover, the three were members of the CTC nine-man Bureau of Direction. Rubiera, who nurtured political ambitions within the Movimiento de la Nación, had already suspended relations between the Telephone Workers and the CTC. He had failed in efforts to have his Federation withdraw entirely from the CTC and in those efforts had revealed powerful resistance in the Federation to any policy of separation.

Cofiño had made harsh attacks on the CTC for its attitude in the sugar strike of end-December and its action against the labor leaders (including Congressmen Jorge CRUZ Perez, Conrado RODRIGUEZ and Conrado BECQUER who had at least encouraged violence in that strike and had prolonged it after the CTC had officially ended it. These three congressmen and others who had been relieved from union

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offices because of their attitude in the sugar strike used all their resources (including in the case of the two Conrados abundant demagogic gifts) and their positions to wage a vigorous and utterly uninhibited campaign against Mujal.

Even though the public was receiving the impression during February and March that the IX National Congress would be a knock-down drag-out affair where Mujal's leadership of the CTC would be hotly contested and the Cuban movement possibly split, and although some leaders of individual unions were during those months zestfully preparing themselves for battle behind the Rubiera-Cofiño-Hirigoyen leadership, insiders at the top of the CTC were well aware that Rubiera and Cofiño, at least, were merely flexing muscles and bearing teeth in order to insure that Mujal would let them retain their positions in the Bureau of Direction and confirm their incumbent lieutenants in the CTC secretariats. As to Hirigoyen, insiders foresaw that he would be able to bring virtually no base support to the Congress and would be blithely ditched by his supposed collaborators Rubiera and Cofiño. By April it was plain to insiders that the latter two had already come to an agreement with Mujal regarding the positions in the CTC to be allotted to them and their lieutenants by the IX National Congress, and that virtually all the delegates who would attend the congress could be counted as responsive either to one of these two or to Mujal. The Hirigoyen problem ceased to be of importance when he was jailed on charges of conspiracy in March and kept under arrest till the eve of the Congress.

In Despatch No. 898 of June 13, 1956 an account and an evaluation were given of the IX National Congress whose opening was marked by a unity declaration signed by all the Secretaries General of the Federations, including Rubiera and Cofiño. The roughly 2800 delegates uniformly supported the platform by votes in the neighborhood of 2000 to less than 20. Mujal was reelected Secretary General and Rubiera and Cofiño were reelected to the Bureau of Direction. The lieutenants of all three retained their positions in the secretariats. In fact, there was only one change in the Bureau of Direction--Facundo POMAR Soler, Secretary General of the Transport Workers and a close collaborator of Mujal's, replacing Hirigoyen--and only one among the eighteen secretaries, a Hirigoyen lieutenant being dropped. Out of considerations explained in Despatch 898, the term of the CTC officers and the period between congresses was extended from two years to four.

To summarize from Despatch 898, the IX National Congress revealed Mujal's control over the CTC and the essential unity of the Cuban labor movement. It confirmed that a stable, harmonious, and mutually advantageous, though not necessarily collaborative, relationship had been established between the Batista government and the CTC. In keeping with that relationship, the Workers' Bloc of

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the President's Progresista Party cooperated with Mujal at the Congress and in its preparation. However, it could not be assumed that the vote at the Congress was representative of the extent of the extent of Mujal's support throughout the movement as a whole. But when the showdown came, that vote showed, the people who run the movement and the cadres were with Mujal.

The Congress demonstrated that for the time being, at least, the Communists, their ideology, and their various current lines are negligible factors in the CTC. It reflected also some weaknesses of the CTC. For all the secretaries of the CTC and the impressive departments they head (Propaganda, Political, Economy, Social Affairs, Youth and Sports, etc.) the CTC is today largely Mujal; it is he who tends to all the problems which the top leadership must face. Concomitantly, such of the secretaries as he trusts become his trouble shooters, and the departments they head are, most of them, utterly inoperative. The resolutions passed revealed large parts of the movement as still absorbed by a "save the job" psychology; but it is probable that of the need to offer inducements to new investment, the top leadership is fully aware.

A few remarks need to be made regarding the political situation within the CTC in the wake of the IX National Congress. Externally, the situation seems quiet, Mujal's leadership undisturbed. In fact, not all is so peaceful as it seems. Relatively little has been heard recently from the Contrados, Jorge Cruz Perez, or Anibal ALVAREZ (former Financial Secretary of the FNTA, who was suspended from that position for his part in the sugar strike), but it is expected that, as explained below, at the forthcoming congress of the National Federation of Sugar Workers (FNTA), the Contrados and Alvarez will be able to muster some support and raise a considerable row. Senator Rolando MASFERRER's Movimiento Sindicalista Radical made no show whatsoever at the CTC Congress, but at the FNTA Congress it also is expected to make a fight against the FNTA leadership.

From conversations with Mujal the Embassy has received the impression that while he is in a genuinely conciliatory mood towards Rubiera, he definitely intends to punish Cofiño for his activities of the beginning of the year. Possibly Mujal is riled because Cofiño has attacked him so insistently over the intervention of unions and has shouted so self-righteously about democracy in the movement, when, as everyone knows, less than two years ago he had Mujal intervene his own Habana Provincial Federation in order to stave off a probable victory by Oscar SAMALEA over Cofiño's candidate to head that Federation.

According to Mujal, he has thus far refrained from action against Cofiño because of the latter's long record as Cuban worker delegate to the ILO and the fact that the ILO Regional Conference is meeting in September at Habana. For the same reason, he says, he stepped in to dissuade the government from replacing Cofiño as President of the Electric Plant Workers Retirement Fund when his

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last term expired early this year. However, Mujal implied, after the ILO regional conference Cofiño "will get his." Mujal may of course change his mind; he is not a person to nurse grudges.

Hirigoyen has resumed residence in the United States, thus leaving, at least temporarily, the Cuban labor scene, whence the IX National Congress had in any event pretty effectively removed him. Mujal tells the Embassy that he has given Hirigoyen CTC money to cover his travel expenses and tide him over for a while in the United States and that he arranged matters with the authorities in order that Hirigoyen might leave despite the fact that he was under indictment for conspiracy. This is generous of Mujal in view of Hirigoyen's payment in the past of his help to him; but, also Mujal may find Hirigoyen's absence well worth the expense it has cost him.

Incidentally, inquiry by the Embassy of both Mujal and "Tony" VARONA, President of the Prío Auténtico Party, as to the relative positions of Hirigoyen and Pablo BALBUENA in the Priista labor following has elicited the clarification that while Prió himself holds Hirigoyen in higher regard than Balbuena, the latter is favored as leader of the Party's labor sympathizers by its other leaders.

b. Thirty-Point Plan

In early May Mujal gave to the press a thirty-point plan for economic development, which, he announced, he had presented to the Government, the Banco Nacional, the sugar mill owners, the cane growers, and the Economic Junta. The thirty points consisted almost entirely of bromides: the establishment of industries to elaborate the by-products of sugar; the establishment of an iron and steel and other metals industries; industrial expansion; agricultural expansion; development of a merchant marine; creation of a cattle, pork and fowl industry; electrification; reforestation; irrigation; town and housing development, etc. The plan contemplated that new companies should be formed with the capital participation of the State, private investors and workers. "The latter will contribute capital through their organizations of defense and of social security, as well as individually."

The thirty points (transmitted in full and discussed in the Agricultural Attache's despatch No. 229 of May 16) need hardly be taken seriously. Mujal enjoys such gestures. They bring publicity, may impress some labor people with the fact that he is thinking constructively and from both a national and a class point of view, and enable him to say, when employers or others criticize the CTC, that he has made concrete proposals for economic expansion to which the employers have not responded.

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With the money the movement may be able to collect from the compulsory checkoff there is no reason why the federations should not be able to make capital contributions to enterprises or organize production cooperatives. But Mujal, as the Embassy has had ample occasion to comment, is too busy with routine, day-to-day CTC operations to devote himself seriously to such projects. Then too, while he may retain from his Marxist past some lingering faith in socialist or cooperative enterprise, he no doubt recognizes even more vividly the efficiency of private enterprise and the dangers from dishonesty to which state and cooperative enterprise are subject in Cuba.

c. International Activities

The Department has already been informed of the circumstances surrounding the transfer of the meeting of the ORIT Executive in early February from Habana to Miami. Mujal did not so much fear demonstrations by sympathizers of the labor leaders deposed or suspended for their part in the sugar strike as, he said confidentially, the show of police that, in the uncertain political situation, the authorities might feel was necessary in the event of such demonstrations.

Anibal ALVAREZ and José VEGA Cuetara, two of the suspended FNTA officials journeyed to Miami to present a complaint against Mujal to the ORIT Executive. Reportedly, ORIT refused to hear the two men because their complaint related to a purely internal matter of an affiliate. Alvarez gave to understand to the Cuban press, however, that a number of the Latin American members of the Executive (very few aside from the CTC must have been at the meeting) privately expressed concern to him with the CTC situation.

\* \* \* \*

ICFTU Secretary General Jacob OLDENBROEK visited Habana early in February. Apparently, he spoke with Mujal principally about the prospects for anti-Communist work in South America. He wanted to send Hirigoyen to Chile again, observing to the Embassy labor officer (who knew Oldenbroek from London) that Hirigoyen would do more good there than he was doing in Cuba. Mujal was not feeling disposed at the time to do anything at all for Hirigoyen, and Hirigoyen apparently tried to use the Oldenbroek proposal to assure himself reelection to the CTC Bureau of Direction. Oldenbroek expressed himself to the labor officer as much impressed with Mujal and the CTC and as very happy with the progress of ICFTU, especially in South and Southeast Asia, where he represented it as beating the WFTU almost everywhere that the two organizations clashed. How candidly Oldenbroek may have been talking, the Embassy cannot judge.

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Regarding Mujal's ambitious plans for CTC anti-Communist organizational work in close cooperation with AFL-CIO and ORIT in Chile, Argentina, and Brazil, the Embassy has reported regularly in the last few months to Washington. As of this writing, Rafael OTERO Borlaff and Modesto BARBEITO have gone to Chile and Samuel POWELL to Brazil on this work, while Victor ALEGRIA expects soon to go to Argentina. Mujal went to Washington in mid-June and spoke with Assistant Secretary Holland and AFL-CIO President MEANY. He expects financial assistance for the organizational drive from the CTC) and the discrete cooperation of the American Embassies. He planned himself to visit the three countries in late June but had to postpone his trip because of the problem of the FNTA elections.

The Embassy has also reported on plans of the ICFTU Plantations Offices in Habana to send organizers to Central and South America and the Caribbean. So far as the Embassy is aware, only Diosdado PINO Leon, aka Eladio LEON Pino, has departed, assigned to the Caribbean.

The CTC is entertaining the idea of sending Pedro RIVASES Malo to Haiti in August for organizational work. The Department may want to ponder the advisability of this proposal in the light of the activation in Haiti and perhaps discuss it with ORIT Assistant Secretary ROMUALDI. Rivases Malo has visited the United States on a Point IV grant and written an interesting pamphlet regarding our labor movement.

## II SUGAR WORKERS

The 1956 sugar crop was set by Presidential decree at 4,600,000 tons, up by 200,000 tons over the 1955 crop. Wages were left the same as during the 1955 year; that is to say, they were set, as in 1955, at a theoretical price of 4.40 cents per pound. This may be readjusted upwards retroactively at the end of the year on the basis of the true average price for the first ten months of the year and by the proportion that the true average price exceeds 3.96 cents a pound.

The decree setting the terms of the 1956 crop made an important concession to labor in that it contained an artifice rescinding provisions of a decree of a few months before permitting employers in cases of resignation, retirement, or death, not to fill the empty job unless a replacement was really required. This concession can only be counted as another instance of Batista's retreating from policies opposed by labor.

As was brought out in Despatch 534 of January 30, 1956, the 1956 harvest began without any hitch, despite the considerable agitation that had preceded it in the sense that wages must be in-

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creased over those of the 1955 harvest. The leaders of that agitation were for the most part those acted against and suspended or removed from their offices by the CTC and the FNTA at the end of the December 1955 sugar strike. They had things other than wages to agitate about by the time the terms for the 1956 harvest were set; and such workers as might have followed them in action against the wages had blown steam in the strike. Moreover, the majority of the sugar workers had not been collecting pay for some time when the terms were set and were more anxious to begin doing that than to go on strike before ever beginning to work.

The long-postponed elections in the FNTA now seem definitely set for August 26. When they were put off from February of 1955 until November of that year, it had been said in support of that step that they would thus not interfere with the harvest and grinding, and it had been protested against the measure that few workers would be at the mills in November to vote in the elections. Later they were postponed again, till early this year. That they will indeed be held on August 26 as now scheduled seems assured by the recent appearance of a long decree in the Official Gazette, the primary purpose of which seems to be to enable Mujal to have considerable say regarding the composition of the union commissions that supervise the elections.

There exists a disturbed situation within the FNTA, which, having between 400,000 and 500,000 members and a compulsory check-off in real operation, is by far the most important component of the Cuban labor movement. As already intimated, the Conrados, Anibal Alvarez and other anti-Mujalites have some real force in the FNTA member unions. Becquer, for example had been Secretary General of the Central Trinidad for almost 20 years. These men are only suspended and not expelled from their FNTA jobs, and it was understood that at the next FNTA congress they would be given a fair chance to state their case and to have the delegates pass upon it. They have been preparing for that chance ever since.

Also, according to reports which are hard to check, which seem reliable but may be exaggerated, Masferrer's MSR has developed some following in the sugar industry, especially in Oriente province and ought to put a show of some anti-Mujal strength at the FNTA Congress.

That, as of this writing, the FNTA Congress situation shapes up as much different from that of the CTC Congress seems confirmed by Mujal's confidential statement to the Embassy that his people at present control sugar unions sending only 60% of the delegates to the FNTA Congress. It remains to be seen by how much his skill, power, and experience will succeed in raising that percentage at the Congress itself.

An additional factor disturbs the FNTA Congress prospects,

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namely: relations between Mujal and FNTA Secretary General José Luis MARTINEZ. As long ago as three years back it was being reported that the two men were at odds. During most of 1955 things seemed to be going well between them, perhaps chiefly because Martinez needed Mujal's support to maintain his own authority in the FNTA. For some months now, it has been rumored that Mujal would "dump" Martinez for a trusted lieutenant in the FNTA.

Asked about this situation by the Embassy, Mujal answered that Martinez had made it impossible for himself to continue as head of the FNTA by indulging in excessive and stupid graft. The way he had permitted Aníbal Alvarez to manage the FNTA treasury (Despatch 534 of January 30, 1956) was notorious. It has recently come out, according to Mujal that Martinez has collected large sums from various sugar mill owners against his receipt to them for advances on the compulsory checkoff. This money he has simply used for his own purposes. The situation is made worse by the fact that the receipts cannot really be considered valid for their purposes, since they are not countersigned by the FNTA Financial Secretary. Mill owners who find themselves defrauded by Martinez may not be willing to excuse him before the law. It was notable that Mujal seemed less shocked by Martinez' alleged dishonesty than by its magnitude in material terms and the stupidity with which it had been practiced.

Mujal's favorite candidate to succeed Martinez may well be Prisciliano FALCON Sañu, who was Secretary General of the Oriente Provincial Federation of the CTC, and was moved from there to the same position in Camaguey upon Cruz Perez' removal from the job. However, the Workers' Bloc of the Progresista Party may well press the claims of Julain SOTOLONGO, ex-Communist, now FNTA Secretary General for Camaguey. While Falcon is also an ex-Communist, he left the Party more than fifteen years ago; while, like so many prominent members of the Progresista Workers' Bloc, Sotolongo was still in the Party just before or perhaps even after Batista's coup of March 10, 1952. The question of whether he is not a Party infiltrator cannot be discussed lightly.

Owing to the manner in which Alvarez was discovered to have made use of the FNTA treasury and Martinez of the compulsory check-off, Mujal is playing with the idea of having the FNTA congress adopt special measures under which Facundo Pomar may continue as FNTA Financial Secretary, closely assisted by public accountants. Pomar has held the position under such special arrangements since Alvarez' suspension.

Incidentally, J. D. Martinez changed the name of his newspaper La Campaña Cubana to La Opinión. It is said that he merely engaged in a maneuver to avoid paying some debts. The format, type, and content of the new paper continue unchanged, which means that, unimproved, it probably is the poorest of Habana's score of daily newspapers.

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### III TOBACCO WORKERS

The National Congress, and the elections for officers, of the National Tobacco Federation (FTN) were finally held just before the CTC IX National Congress at the end of April. As readers of these reports are aware, the FTN congress and elections were overdue by more than two years.

Surprisingly enough, Luis SERRANO Tamayo was reelected Secretary General; more surprisingly, he was also reelected one of the worker delegates to the Tobacco Workers Retirement Fund, from which he had been suspended by the Accounts Tribunal, and where almost certainly, and according to everyone's belief, he had grafted.

This federation has long been a headache to Mujal. Communists had to be removed from its national executive just two years ago; party members are still influential in some of the member unions. Many of the unions were considerably depleted in membership and others had become mere paper organizations. Of a potential of more than 50,000 members, the Federation probably has fewer than 20,000. It was generally understood that Serrano had proved too weak a leader and that Mujal's problem was to find someone to take his place. Just what happened to persuade Mujal to have Serrano re-elected is as yet unknown to the Embassy.

It would be well to bring out that while the FNT itself is in rickety condition, some of its member unions, and practically all at the major cigar and cigarette factories are vigorous.

### IV BANK WORKERS

Mujal and the Intervention Committee of the Habana Bank Workers' Union worked hard to insure the right outcome in the elections for a new executive held March 3. Alberto GUERNICA, who as a former Secretary General of the National Federation and President of the bank workers' social club, enjoys great prestige with the union members, was prevailed upon to run despite his great reluctance to do so.

All parties agreed that the elections, supervised by such high CTC officials as Secretary of Organization Barbeito and Financial Secretary ARTIGAS, were scrupulously fair. The count gave the victory to deposed Secretary General José de la AGUILERA (see Embassy's Despatch 466 of December 30, 1955) by 1194 to 1108.

The Minister of Labor quickly stepped in and by decree ruled that Aguilera and another one of the elected officers of the Habana union could not take office because they were not employed in the industry. Both had been dismissed for their part in last September's

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illegal strike and the dismissal upheld by the Ministry. Guernica declared he would not take Aguilera's place; Catholic Labor Youth Adviser Father OSLE protested in the press; even Mujal only said that the Minister was there to enforce the law as he saw it. Cofiño, Becquer, and others grew strident. Nevertheless, on March 17 a new executive took office, with Calixto FERNANDEZ Otero, who on the 3rd of March had won the elections for Secretary General of the Bank Workers' National Federation, also becoming Secretary General of the Habana union.

José Maria de la Aguilera seems to have come to the conclusion that his position is desperate. His wheedling appeal to Mujal and the delegates at the CTC IX National Congress has already been reported to the Department. In his extremity he called at the Embassy on May 25 to seek its help. Referred to its Labor Officer (they had not previously met), he obviously intended to see if the Embassy would not intervene on his behalf with Mr. William BEAULIEU of the First National City Bank of New York, who has coordinated the action of the banks in its troubles with the Habana Union. He was, however, quickly put off that particular track by a clear statement that the Embassy could not intervene in the matter. Aguilera went on to complain generally against Mr. Beaulieu and against the situation for labor created by the Batista government.

The Embassy may comment that Mr. Beaulieu has not always acted with effective restraint and has sometimes seemed bumptious in his dealings with the Habana Bank Workers' Union, but Mujal has confidentially observed that Mr. Beaulieu only says out loud what the bank employers all think.

At the present time 63 bank workers are still dismissed from the banks for their part in the September strike. Their appeal from the Ministry of Labor to the courts is still pending. In a typically Mujalian way, they are being subsidized by the CTC at a rate of about \$2,000 a month, although the CTC is in no other way supporting them. Of the 63 dismissed men, only five worked at American banks and three at Canadian. If the Ortodoxos ever come to power, or possibly some other opposition group, Aguilera, of course, may well become a leading labor figure.

## V COMMUNISTS

In mid-March the Minister of Labor at the request of the CTC intervened the Habana Beach Club Workers' Union because its Secretary General, Miguel QUINTERO, was a Communist. This removed the last avowed Communist from prominent union office in Cuba. In Despatch 419 of December 8, 1955 the Embassy reported on Quintero's case and on the factors that at the time kept him in union office. It now turns out that removing him from office has not been a simple or easy matter.

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According to information from Mujal, which is confirmed by other evidence, Quintero continues to have a considerable following in the beach clubs and at some of them even to be recognized as Secretary General by the workers, and to collect dues. Mujal blames this situation on the attitude of the managers of the clubs involved and on the ahlf-sympathetic attitude towards Quintero of José MICHELTORENA, Secretary General of the Gastronomical Workers' Federation. (Apparently Francisco AGUIRRE is firm enough against Quintero now--see Despatch 419 cited above.)

The intervention of the Beach Club Workers' union has been attended practically since March by beatings up administered by both the Communists and anti-Communists. The two sides also issue a one sheet, two page, mimeographed paper full of mutual abuse. The anti-Communist one is called Anzuelo--"Hook"--the Communist Ancla--"Anchor". While amusing and indicative of a fine fighting spirit on both sides, these sheets hardly seem in any way effective or to suggest that much money is going into the struggle on either side.

\* \* \*

The Communists continue to try to operate in labor circles with their "Comites de Defensa de las Demandas Obreras" ("Committees for the Defense of the Workers' Demands"). Typically, the National Committee of these Committees, according to the weekly Gente, is headed by Antonio SABATIER, an Ortodoxo. (The Communists seem to be able easiest to set up cooperative ventures with Ortodoxos; leaving out of the "cooperative" classification, that is, whatever infiltration they may have been able to accomplish within the Batista Progresista Party, which seems considerable.) The Comites are quite ineffectual. The Comite Nacional did attract some attention by asking for a permit to hold a May Day parade, which was, of course, refused them.

\* \* \*

As already indicated, at the CTC IX Congress the Communists and their influence were nowhere in evidence. One Communist would-be delegate was refused admittance. (Despatch 898 of June 13, 1956.)

#### VI NATIONAL AVIATION FEDERATION (FAN) STRIKE AGAINST PAN-AMERICAN INTRA-CUBA CHARTER FLIGHT

As the Embassy has elsewhere reported in another connection, on April 5 airport workers refused to service or to permit the servicing of a Pan American airliner which was chartered to take the New Orleans Symphony Orchestra on a United States Department of State tour through the Caribbean and South America. The plane was supposed to take the orchestra from Habana to Camaguey, Camaguey to

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Santiago, and Santiago to Kingston, Jamaica. The FAN objected to a non-Cuban craft making these flights within the country, asserting that such flights should only be made by Cabana de Aviación, a labor point of view of a not uncommon type in western countries. PAA, however, had obtained a Cuban government permit for the flight. Cubana offered to make the flight within the country free out of deference to the cultural, semi-official character of the orchestra's mission. As the afternoon wore on, Cubana's offer was finally accepted.

On the surface this strike does not appear to differ significantly from many that are held in other countries. But while it was going on, the Embassy developed the suspicion, on the basis of certain evidence, that it was Cubana, rather than FAN, that had taken the initiative in bringing the strike about. Washington is already acquainted with FAN's capital participation in Cubana and its representation on the Company's board of directors. With such a tie up between company and union, a strike directed at a third and competing party is, naturally, not hard to arrange.

#### VII DEATH OF GILBERTO GOLIATH

Gilberto Goliath, Secretary General of the National Federation of Maritime Workers (FOMN), died in late May after months of being fatally afflicted with cancer. The IX National Congress of the CTC has a month before voted to buy him a house, which Goliath lived to see legally transferred to his family's ownership. It was widely remarked that here was one labor leader who was ending his career a poor man.

Sergio PONS Rivero is Secretary General of FOMN for the time being. He is not a very forceful personality, but then the FOMN, like many port workers' unions throughout the world, is in fact made up of a series of groups, organized around one port or one work place, which have their own union bosses and pretty much run themselves. The FOMN, as is brought out in another section of this despatch, includes the country's sailors, whose interests are not always in complete harmony with those of the port workers. Pons, by the way, was on an ICA trade union team visiting the United States about a year ago but had to cut his visit short in order to return to Cuba to take up an appointment as a director of the then newly established Fishery Institute.

#### VIII CONTROVERSY OVER TRAILER SEA FERRIES

During the half-year there has been considerable wrangling between the Union of Sailors, Firemen and Related Workers and the Habana Port Workers Federation, both of the FOMN, over a proposal by two companies to establish a ferry service between Cuba and the

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United States for loaded truck trailers. These would be loaded on the ferries with imports from the United States or exports from Cuba (mostly fruits and vegetables) and upon being unloaded would simply be attached to a truck and taken right to the consignees. The sailors have maintained that the new ferries would be registered under the Cuban flag and give employment to Cuban sailors. The Habana Port Workers have maintained that the trailer ferry would throw a large number of members out of work. The Port Workers' finally got the Transport Workers and the Railwaymen to back their point of view, and in May the CTC took a stand against the trailer ferries.

#### IX COMPULSORY CHECKOFF

The papers announced early in the year a number of cases in which the Supreme Tribunal had found the compulsory checkoff constitutional. In a recent conversation with the labor officer, Mujal stated that despite these stories, which were accurate, the situation was not actually clear. He understood that there were other cases pending and that some of the justices were having second thoughts regarding the principle involved. Whatever the truth of these reports, Mujal alleged, many employers continued to regard the matter as still not settled and not many were paying up.

The Embassy is a bit at sea regarding this entire business. The recent issuance of a Ministry of Labor decree clarifying one of the original decree-laws establishing the checkoff would seem to indicate that the government has not changed its mind about the checkoff. At the same time, the CTC appears to be doing very little either about collecting the checkoff or organizing the workers who may have to pay it even though they belong to no union. It is reasonable to speculate whether someone is not being paid off, or whether Mujal is not particularly anxious at this time to see the member unions have their financial positions considerably strengthened.

It is probable, however, that enough employers are paying the checkoff to greatly improve the CTC's financial position. It has had no further financial crises lately, and in fact, as witness its interest in the South American anti-Communist campaign, seems more prosperous than at any time in the last two years.

#### X UNEMPLOYMENT SURVEY

The manpower survey planned by the Cuban census through the local electoral boards (both are part of the Supreme Electoral Tribunal), and under the guidance of its Point IV adviser, has got underway. The first returns indicate that unemployment in

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Cuba in late spring was of the proportions of between 20 to 30 percent of the labor force. More detailed information is not as yet available on a reliable basis.

If the first returns are consistently borne out by subsequent ones, the conclusions can at last be definitely arrived at that at the height, or depth, of the dead season unemployment in Cuba runs in the neighborhood of 500,000. This is a formidable figure but, of course, much under the 1,000,000 or 1,500,000 figure frequently tossed off as the number of unemployed in Cuba all year round.

The 20 to 30 percent rate of unemployment is bad enough so that some uncertainty has developed within the Cuban government as to whether the survey results really ought to be published. For that reason the contents of this section of the present despatch must be handled with the greatest reserve.

#### XI ATLAS

Cuban Atlas does not seem to have terminated its activities despite the turn of events in Argentina. It has recently sent a letter to our Ambassador asking him to subscribe to a \$5.00 bond to help the organization along. The letter, which is being ignored, was couched in nationalistic terms. This is the only evidence the Embassy has had in the last few months of ATLAS activities, but then it was always very hard to ascertain that Cuban Atlas existed at all. Manuel SAN MARTIN is still Secretary General.

#### XII GUANTANAMO NAVAL BASE

The Naval Base reports in a confidential message that by letter of June 14 from the Base Union the Commander was informed of elections for new officers that the Union had held on April 20 and of the end of the intervention. The Base then comments:

- "2 a. The letter of 14 June is the first news the Base has had concerning an election of new officers, and it is doubtful that an "election", in the usual sense of the word, was held.
- b. The list of new officers is garbled in spelling, and only one (Jose M. Poutou Suarez, Recording Secretary), can be definitely identified. Even Mr. Poutou, who was a member of the Intervention Commission, is unable to identify his fellow officers at this point, although he has promised to furnish clarifying information next week.

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- "c. it is said that some of the newly "elected" officers were unaware that they were being elected, and have resigned their offices.
- "d. There has been practically no Union activity by the group during the past six months, and it is possible that it is being maintained as a "paper" organization to strengthen the position of Eusebio Mujal Barniol, Secretary General of the C.T.C."

The Base's deductions are no doubt sound, especially in light of the fact that the CTC National Congress began on April 27, and Mujal was no doubt glad to have the Base Union's delegates there with full voting rights. There has not been time to check with Mujal regarding the Base Union "elections".

For the Ambassador:

  
Vinton Chapin  
Counselor of Embassy

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