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SUBJECT: Confederation of Cuban Workers (CTC) and the Political Situation.

There are enclosed two memoranda of separate conversations held between Eusebio Mujal, Secretary-General of the Confederation of Cuban Workers (CTC) and the Embassy's labor officer and between Modesto Barbeito, Secretary of Organization of the CTC, and the same officer.

The conversation with Mujal was prompted by the Embassy's desire to discuss with him reports from a number of reliable sources to the effect that in the union elections that took place during December and January, the Bloque Obrero Progresista (BOP), that is the Workers Bloc, of the Batista Acción Progresista Party, had in several, and possibly numerous, instances worked out joint slates with the Communists. (The outstanding case reported was that of the Habana provincial federation of the Construction Workers Federation. Here, however, Mujal is reliably reported to have stepped in and broken up the slate before it was ever put on the ballot.)

It will be noted from the first memorandum that Mujal is well aware that this process has been going on. It was of course not only prejudicial to the CTC but to his own position in the CTC. His account of his protests to Pepito Perez Gonzalez, leader of the BOP, and to President Batista is interesting. It now remains to be seen whether in accordance with his report, anything drastic is really done about the BOP or at least about its inclination to seek out Communist help (an inclination which has frequently been attributed to other sections of the Batista political and government organization). The matter was discussed by the Ambassador with General Batista in a recent interview.

By the time of this writing developments have borne out that Mujal and Barbeito were correct in their expectations of what the labor terms for the 1955 sugar crop were to be: a smaller crop, a lower wage, and less "superproduction" pay, with bulk loading of sugar authorized by the government. It must be commented, however, that by constantly declaring before the conclusion of the sugar negotiations that labor would tolerate no reductions in the 1955 conditions, Mujal, José Luis Martinez (Secretary-General of the Sugar

JdeZengotita:mbw
REPORTER

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Workers) and other labor leaders did nothing to prepare the way for their members' acceptance of what these leaders obviously thought would be the inevitably lower terms of the 1955 crop year. They may have reckoned that to speak pessimistically in public before the settlement of the negotiations would be to invite lower terms than necessary. In any event initial reaction to the 1955 terms in the plenary assembly of the Sugar Workers was on the tempestuous side, with some of the more demagogic leaders strongly attacking Martinez and Mujal.

The whole matter of the spirit in which General Batista will approach his elected term of office remains a question. That is to say, there is no certainty yet that he has worked out a real program to strengthen the economy or looking toward necessary political and social reforms. On the contrary, reports are spread of Batista's and his collaborators' planning to enrich themselves on a still greater scale (some critics even accuse Batista of aspiring to a share in every possible profitable enterprise, à la Trujillo or Somoza); and the new congress, about to convene, is nowhere regarded as capable of making any important contribution to the solution of national problems. Rather, the congress is thought of, with its large government majority, as a rubber stamp assemblage of mediocrities who have arrived at a coveted staging point for personal aggrandizement. While neither Mujal nor Barbeito could be expected to show themselves wildly enthusiastic as Batista enters a new term of office and Mujal may be suspected of going on too little evidence in drawing conclusions about Batista's attitude towards his job, their views can be taken as typical of those of many Cubans and are important in themselves because of the positions of the two men in the CTC.

It is of interest, and may perhaps belie what has been said in the foregoing paragraphs regarding Batista's attitude as he prepares for a new term as president, that the Government has in fact decreed bulk loading of sugar (it is true that no labor is to be displaced by the process, but even in that form bulk loading was opposed by the CTC. And it is true, also, that the Government feared that if it did not introduce bulk loading, Cuba would ~~lose~~ the British sugar market, its second largest). By no one but Barbeito has it been suggested to the Embassy that the Government would attempt to impose indemnified dismissal, although, as suggested in the first memorandum, Mujal may not have been candid in denying Barbeito's story to that effect.

The report that Mujal will leave his CTC post of Secretary-General has gained increased currency. While generally it is coupled with the rumor that he is to be next Minister of Agriculture (Mujal does in fact have an interest in agricultural matters, as witnessed by his establishment of a dairy farm; and he is said to have pet ideas on the subject of rural education), Mujal seems in

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the enclosure to have repudiated ministerial ambitions in unnecessarily strong terms if he was not sincere. He may of course, as so many others, have aspired to a Ministry and been turned down by Batista.

Since the conversation with Mujal here reported, three more CTC sources have confided that he will retire. They say that he recognizes that with harder times ahead for Cuba and with the Government not so disposed as those of Grau and Prío to yield all along the line to labor, Mujal can only see a period of decline ahead for the CTC and prefers to leave the organization with a high place assured him in its history. These sources report that Mujal favors not Facundo Pomar but Jesus Artigas as his successor, and they add that Artigas, generally an unsmiling and somewhat sour individual, has begun unwontedly to smile at everyone in the halls of the Workers' Palace. The Embassy notes that Artigas has certainly been attracting newspaper space lately by assuming extreme and perhaps demagogic stands on questions such as the annual Christmas bonus, acceptance of the terms of the sugar harvest, and labor conditions within his own union field, the drug industry.

For the Ambassador:

Juan de Zengotita
Juan de Zengotita,
Second Secretary of Embassy.

✓ Enclosures: *att*

1. Memorandum of Conversation with Eseubion Mujal.
2. Memorandum of Conversation with Modesto Barbeito.

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January 20, 1955.

Memorandum of Conversation

Participants: Eusebio Mujal, Secretary-General CTC
Juan de Zengotita, Second Secretary

Under instructions from the Ambassador I obtained an appointment with Eusebio Mujal for the evening of January 14 to discuss with him information transmitted to the Embassy by an American business man regarding the elections to union offices at a group of Habana docks of a number of Communists or fellow travellers who ran on an election ticket with candidates of the Workers' Bloc of the Government Progresista Party.

I said to Mujal that this was the fourth or fifth specific case we knew of where such mixed slates of Progresista and Communist candidates had been put forward.

Mujal answered by saying that back at about the time of the elections for president, he had warned Pepito Perez Gonzalez, leader of the Progresista Worker's Bloc, that the Bloc was following a policy that would bring it into conflict with the leadership of the CTC and the Government and that further the Bloc was being infiltrated by the Communists, which was something that would create difficulties for it and the Government.

Since then things had not improved and instances had been brought to Mujal's attention of continuing cooperation between the Communists and the Bloc, especially in connection with union elections. Accordingly, Mujal had thought it best to thrash the whole thing out in the presence of General Batista and a few days before our conversation (that in on about January 11) when a group of labor leaders had gone out to Kuquine to talk over the sugar situation with Batista, Mujal had got Perez Gonzalez and the President-elect aside to discuss the Bloc. He was taken by surprise, however, when after his opening remarks Perez Gonzalez declared that he thought Mujal was largely right and it was his opinion that the Bloc ought to be dissolved or at least inactivated. As a result Mujal concluded to me that he thought the problem was solved, but in subsequent remarks he indicated an awareness of Communist activity going on within the labor movement.

He went on to talk about Communism in Cuba, saying that if one studied the problem, he would find that it was intimately and complexly linked with the racial question. And because of the racial issue Mujal thought that Pepito Perez Gonzalez (who is Negro and a former member of the Party) was still more than half a Communist. To illustrate he mentioned Aresenio Gonzalez Gonzales, the ex-Communist

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former Undersecretary of Labor and present Minister in charge of Transport. Gonzalez Gonzalez, Mujal said, had been a member of the Party till just three years ago, but he thought his break with the Party was genuine, clean and complete. But Perez Gonzalez was Negro, and Mujal thought that Perez Gonzalez had not broken spiritually with the Party in the way that Gonzalez Gonzalez had.

Mujal mentioned having called in Justo Gonzalez, Secretary-General of the Habana Provincial Federation of the Metal Workers, who had been flirting with the Communists, and telling him he had to make up his mind whether he was going to play ball with the Communists or with the CTC and that if with the first, he was going to be thrown out of his job. Gonzalez had answered that he would like a week to think this over.

This seemed to me to illustrate one of the puzzles in the attitude of so militantly anti-Communist a labor movement as the CTC towards the Communists, and I asked Mujal how in the event of Justo Gonzalez's saying he would ditch the Communists, he, Mujal, could have any confidence in the sincerity of his decision and in the man himself afterwards. Mujal answered that he was confident Justo Gonzalez was not a Communist or tainted with Communist ideas and that the Communists had use for him only as a labor leader and he for them only as they could help him as a labor leader. Therefore, once Justo Gonzalez had broken with the Communists in labor activities - and whether he did or not Mujal was in a position to ascertain - there would be no further community of interest between them.

I asked Mujal regarding the increasing rumors to the effect that he will give up his position as CTC Secretary-General in order to take over as Minister of Agriculture in Batista's new cabinet. He answered that he would not go into the cabinet because (though he did not say whether or not he had been invited to join it) he did not agree with the manner in which "these people" (Batista and his collaborators) did business. I asked him what he meant by this statement and he replied that there was a shocking "lack of seriousness" about the way Batista governed. He then went on to illustrate with allegations regarding the way Batista was conducting the setting of the terms for the 1955 sugar crop.

According to Mujal if Batista and his collaborators had got down to business the terms would have been quickly settled and everything would have been ready for the grinding to start on January 15, as it should have. But instead Batista acted as though the problem didn't really matter very much, and the mill owners, growers, and labor leaders had to meet fruitlessly day after day. José Luis Martinez (Secretary-General of the Sugar Workers Federation) had a plenary assembly of his union on his hands and could do nothing towards preparing the way for its acceptance of the prospective terms for the crop. On the night before (January 13) Mujal, Mart-

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inez, other labor leaders and leaders of the mill owners and the growers had at Batista's instructions gathered at the Miramar home of one of the leaders of the owners, to await a call from Batista, which they were given to understand would set the terms for the crop. They waited till two o'clock in the morning, only to find out that Batista had gone off to the Isle of Pines early in the evening or in the late afternoon. This Mujal evidently thought typical of Batista's attitude these days towards his responsibilities.

I asked Mujal what he thought the terms for the 1955 crop would be. He thought the crop itself would be reduced to about four and a half million tons, that wages would be reduced proportionately to a price of 4.39¢ and that there would be a reduction in the superproduction pay. (His confidence on these points would seem to belie his statement about Martinez's not being able to prepare his plenary assembly for the final crop terms. Accordingly any difficulties that may develop as a result of this inability would seem in part accounted for by poor leadership on Martinez's and even Mujal's part).

Mujal confirmed that all during the sugar discussions the Government has been pressing on labor the absolute necessity of adopting bulk loading. I asked him if the Government seemed to entertain any thought of reviving its plans to institute indemnified dismissal. He said no, and added: "At least, Batista didn't say anything about it to me the other night". (He thus, and I think significantly, given his well known ability for fibbing, almost used the identical words, only in the negative, with which his lieutenant Fidel Barbeito had indicated to us a few days earlier that Batista had raised the subject with Mujal).

Regarding the intervention of the Guantánamo union Mujal suggested that it would be helpful if the Base could find some benefits to concede to the new union, in order to strengthen its position with the Base workers. I said I would pass his thought along.

On the Havana Post Mujal said that he had simply not been able because of the sugar negotiations to get around to closing the agreement with Mrs. Pessino. He was hopeful, however, of doing so early the following week.

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January 12, 1955

Memorandum of Conversation

Participants: Modesto Barbeito, Secretary of Organization, CTC
Juan de Zengotita, Second Secretary

Mr. Barbeito referred to the current discussions over the 1955 zafra. He did not think it would be possible for labor to preserve the same terms and conditions for that zafra that it had won for those of 1953 and 1954.

He added that bulk loading of sugar was another bitter pill that labor was going to have to swallow. The Minister of Labor was driving the need of it home in the current discussions. Mr. Barbeito gave to understand that the CTC leadership recognized the inevitability and need for adoption of bulk loading. He accepted as genuine the claim that the British would buy no sugar unless it were delivered in bulk. He added that in the United States equipment was being changed to handle only bulk loads. It was going to be hard to sell bulk loading to rank-and-file labor, but it would have to be done. One obstacle was that the hacendados are not themselves of one mind on the subject. Those at ports wanted bulk loading; those away from ports did not.

In answer to a question, Mr. Barbeito said he thought the Government would press once more for despido compensado. CTC Secretary-General Mujal had talked to President Batista the day before (January 11) and President Batista had raised the subject again.

Mr. Barbeito expressed disappointment that President Batista was surrounded with intimates and advisers of such poor caliber. This was in sad contrast to his first elected term of office. At present he has few advisers worth much, and of these Lopez Castro seemed tired and almost desirous of retiring from public life. Mediocrities like Minister of Defense Carrera Justiz seemed to have great influence with Batista today, and Carrera Justiz was responsible for the mad plan to build a canal across the island. Of course, when he took office on February 24, Batista might choose a new and better team.

According to Mr. Barbeito, as of this moment Mujal seems to be considering leaving the CTC to enter politics again. Asked why Mujal should be entering politics at this rather late date, Mr. Barbeito said that that was the way Mujal had been talking and that from other sources he had heard that Mujal was being considered for Minister of Agriculture. However, in the talk of

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January 11 President Batista had mentioned nothing to Mujal about a Ministry.

Asked who would succeed Mujal in the CTC, Mr. Barbeito answered that it would probably be Facundo POMAR Soler, Secretary-General of the Transport Workers. Pepito PEREZ Gonzalez, head of the Workers' Block of the President's Progresista party had not the capacity for the job and José Luis MARTINEZ, also a Progresista and occasionally mentioned for the job, would not want to leave the Secretary-Generalship of the Sugar Workers' Federation.

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