

## INCOMING TELEGRAM

## Department of State

ACTION COPY

COPIES REC'D ARA

OFFICIAL USE ONLY

NUMBERED

38  
Action  
ARAInfo  
RMR

SS

C  
SPC  
LINR  
H

P

WMSC  
EIRC  
DCLICA  
CIA  
OSD  
ARMY  
NAVY  
A IR

FROM: HABANA

TO: Secretary of State

NO: 820, JANUARY 13, 6 PM.

PRIORITY

JOINT EMBASSY USOM MESSAGE.

RE DEPTTEL 465 JANUARY 8.

PRELIMINARY INDICATIONS ARE THAT RECONSTRUCTION OF TRANSPORTATION FACILITIES IS PROCEEDING RAPIDLY. CONSOLIDATED RAILWAYS, WHICH WAS PARTICULARLY HARD HIT BY REBEL ACTIVITY IN ORIENTE, CAMAGUEY, AND LAS VILLAS PROVINCES, ESTIMATES TOTAL DAMAGE TO ITS RIGHT-OF-WAY AND ROLLING STOCK AT APPROXIMATELY \$2.5 MILLION, OF WHICH 50 PERCENT RECOVERABLE FROM INSURANCE. ITS LOSS OF REVENUE DURING PAST SIX MONTHS HAS BEEN APPROXIMATELY \$3 MILLION. PRESIDENT OF COMPANY STATES THAT PROSPECTS FOR GOVERNMENT SUBSIDY TO MEET EXTRAORDINARY RECONSTRUCTION EXPENSES ARE PROMISING. WORK HAS ALREADY COMMENCED, AND HE ESTIMATES PROVISIONAL REPAIRS ADEQUATE TO HANDLE SUGAR CROP CAN BE COMPLETED WITHIN FIVE WEEKS.

EMBASSY ENDEAVORING TO OBTAIN FROM MINISTRY OF PUBLIC WORKS AN ESTIMATE OF HIWAY DAMAGE, BUT MINISTER PRESENTLY ON SURVEY TOUR OF EASTERN PROVINCES. PRELIMINARY REPORTS INDICATE BUS AND TRUCK TRANSPORTATION ALREADY RESTORED BETWEEN SANTIAGO DE CUBA, HOLGUIN, AND BANES, AS WELL AS BETWEEN CAMAGUEY AND BANES. CENTRAL HIWAY HABANA TO CAMAGUEY ALSO OPEN.

DISTRIBUTION OF PETROLEUM PRODUCTS BY TRUCK IN ORIENTE AND CAMAGUEY PROVINCES RESUMED. GOC HAS NOT AS YET SUGGESTED ANY US AID IN RESTORING TRANSPORTATION SYSTEM, AND ON BASIS OF PRESENT INDICATIONS EMBASSY INCLINED TO DOUBT SUCH REQUEST

Control  
Rec'd:72174 PM 3 05  
JANUARY 14, 1959

ACTION:

INFO:

RM/R FILES

11:10 AM  
CMA/C  
1/19/59Document must be returned  
to the RM/R Central Files

937.712/1-1359

HBS

OFFICIAL USE ONLY

PERMANENT

RECORD COPY • This copy must be returned to RM/R central files with notation of action taken.

OFFICIAL USE ONLY

UNLESS "UNCLASSIFIED"  
REPRODUCTION FROM THIS  
COPY IS PROHIBITED

OFFICIAL USE ONLY

-2- 820, JANUARY 13, 6 PM, FROM HABANA

REQUEST LIKELY. IN CONVERSATION WITH USOM DIRECTOR MIRO CARDONA, AGRAMONTEL AND SORI MARIN EXPRESSED SYMPATHETIC INTEREST IN POINT IV PROGRAM AND POSSIBILITY ITS EXPANSION, BUT DID NOT ENTER INTO DETAILS. SEE TOICA 334 AND EMBASSY DESPATCH 723 FOR FURTHER REPORT THESE CONVERSATIONS.

SMITH

LLS

OFFICIAL USE ONLY