



No. 54

CONFIDENTIAL

Rec'd
Jan. 31

Subject: Newspaper Alerta! sold to Prío's Backers

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The Honorable
The Secretary of State,
Washington.

PUBLIC AFFAIRS DIVISION
American Republics Division
POS-A

DEPARTMENT OF STATE

Sir:

I have the honor to report that the afternoon newspaper Alerta!, which has been in existence for some 15 years, has been sold by Diario de la Marina, ostensibly to Ramón VASCONCELOS, well-known newspaper writer, and Manuel SANCHEZ Maspon, a business man formerly part-owner of a department store. The formal transfer of ownership is scheduled for Feb. 1, but the new owners actually began publishing Alerta! on Jan. 24.

According to an employee of Diario de la Marina, the purchase terms were \$50,000 in cash, with an additional \$50,000 to be paid in five yearly installments of \$10,000 each. This is a good price for a newspaper that has been losing money steadily for nearly two years; that has a daily circulation of only 6,594 copies Tuesday through Saturday, and 29,653 copies on Monday (no morning papers appear on Monday, with the result that afternooners of the same day have greatly increased circulations). Marina gave notice it would abandon the newspaper on Jan. 1, 1949, but reconsidered late in the month of December, apparently when negotiations for its sale neared completion.

As neither Vasconcelos nor Sánchez is believed to have cash necessary to swing the purchase of a newspaper, it is generally rumored that President Carlos PRIO Socarrás, and his brother, Antonio, advanced the money. Each is independently wealthy. Antonio PRIO now is Minister of Finance, but he aspires to be Mayor of Habana in 1950. Alerta!, it is said, will back Antonio's candidacy, and at the same time, support President Prío and his party, Partido Revolucionario Democrático (Auténtico).

Marina will permit Alerta! to be published in the former newspaper's extensive shop at a reported modest charge of \$500 per month for a five-year period. The editorial offices will be moved from Marina's newsroom to a building next to its former owner's plant on Ignacio Agramonte, which now is used to store newsprint.

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The new owners will assume all personnel expenses, including shop workmen.

Ramón Vasconcelos, who will be Director, is an ex-Senator and at present a Minister Without Portfolio (See Confidential Biographic Data Report of Dec. 1, 1947, and Supplementary Memorandum of Sept. 27, 1948). He is a close friend of President Prío and abandoned the Liberal Party, which he reorganized, to support the present chief executive in his 1948 campaign. He has written for some years in Prensa Libre, and enjoys a tremendous following. He is highly regarded in newspaper circles; is on the Board of Directors of the Reporters' Association, and is a Professor in the Manuel Márquez Sterling Professional School of Journalism.

Sánchez Maspón will be business manager of the new Alerta. Until about three years ago he was a part-owner of the department store Los Precios Fijos, but at present he is reported to be only moderately well off. He is well-liked, honest, and what is more important, has excellent connections with Spanish commercial interests. Spanish merchants always support a newspaper that defends their interests, and it is to be expected that Sánchez will want to follow this line.

The sale of Alerta removes from its editorship Dr. Raoul Alfonso GONSE, an honest and forthright journalist who has always been pro-United States, Dr. Gonsé who also maintains a law office, plans a vacation before looking for a new newspaper job.

Respectfully yours,

For the Chargé d'Affaires, a.i.:

C. Allan Stewart

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Public Affairs Officer

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