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UNITED STATES OF AMERICA
AMERICAN REPUBLIC AFFAIRS

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AIR MAIL

No. 241

Habana, September 20, 1945

Subject: Summary of President GRAU's Message to
Second 1945 Session of the Cuban Congress.

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The Honorable

The Secretary of State,
Washington, D.C.

Sir:

I have the honor to refer to the Embassy's
Airgram A-1822 of September 19, 1945, regarding the
Presidential Message to the Cuban Congress which
convened on September 17 for its second session of
this year. As indicated in the Airgram under
reference, the speech was not a selective review of
the State of the Nation, nor even a political manifesto,
but rather a dry and wordy summary of the first
eight months' activities of each and every one of
the dozen odd executive Ministries.

As will be amply noted from the summaries
set forth below, the speech abounded in trivialities,
statistics and vague generalities, with considerable
overlapping apparent as between the functions ascribed
to the various Ministries. All of the major issues
mentioned have already been covered in detail by the
Embassy's Despatches and Reports.

Were the Congress to spend its time in
debating the merits of the various Ministerial per-
formances listed in the President's speech, there
would be little hope for any constructive legislation
at this session. Fortunately, however, inter-party
agreement had already been reached, on the initiative
of the Administration, as to a minimum program of
basic legislation (as reported in the Weekly Summary,
Despatch No. 238 of September 19, 1945).

The substance of the President's report of
the accomplishments and problems of his Ministries
is briefly as follows:

Ministry of State: Cuba faces many problems
as a result of the war's end, but her position is
outstanding as an advocate of cooperation and

solidarity

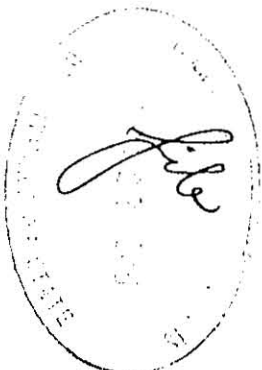
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solidarity among peoples. This was evidenced by her part in the Conferences of Chapultepec and San Francisco, despite the justifiable opposition of the Cuban Delegation to the "veto power". Outstanding wartime economic problems have been the tobacco market and importation of foodstuffs and agricultural implements. The postwar period should see an early solution of these problems and a great intensification of cultural relations.

Ministry of Justice: Decrees suspending the eviction of farmers and share-croppers were justified by supply considerations as well as humanitarian ones. Prohibition of rent increases on city property were in accord with the Government's overall policy against cost-of-living increases.

Ministry of Interior: All permanent obligations have been paid off; journalists have been organized into unions; regulations for drivers' licenses should be amended; many prison reforms have been instituted, including "experiments in the way of solving the sexual problems of inmates". There are now 361,000 foreigners in Cuba, over half of whom are Spaniards; the rest are made up principally of 70,000 Haitians, 30,000 Chinese, 25,000 Jamaicans and 10,000 Americans.

Treasury: This Ministry has the heavy responsibility of all the financial and credit functions of the State. Silver certificates in circulation are guaranteed by gold or dollars up to 98 percent. Small coinage does not neglect artistic or commemorative values. Land revenues have substantially increased and tax exemptions have benefited public service companies. National Lottery ticket distribution is fairer and running expenses reduced. Ultimate goal is overall tax reform which will be submitted to Congress in due course. Foreign trade balance continues favorable.

Public Works: Many projects, particularly road-work, have been instituted, but many others (projected by the previous regime) have been cancelled as wasteful or illegally contracted. Welfare and rehabilitation projects have been stressed.

Agriculture: Despite hurricane and drought, shortage of fuel, fertilizer and farm machinery, optimistic predictions are now in order. 1946 spring plantings call for 22 million more pounds of seed than last year. Sugar, tobacco and fruit prospects are much improved.

Commerce: Import subsidies on foodstuffs were the only feasible policy in the war emergency.

ORPA has applied price regulations to some 48 commodities in scarce supply. Great export-import difficulties have been surmounted.

Labor: The Ministry's primary purpose has been to establish harmony between capital and labor, and a postwar conference to this end is projected. Social decrees beneficial to labor include relief for hurricane sufferers; regulations covering home labor; compulsory stage acts in moving-picture theatres; improved working conditions for private chauffeurs; maritime pensions; reduced summer working hours; increased wages for maritime, railroad, sugar and textile workers; and low-cost dwellings for the laboring class. (This is indubitably an impressive record, reminiscent of the social gains of the first brief Grau regime in 1934.)

Education: Increased school attendance has been achieved in all provinces, especially in rural districts. For the first time School Breakfasts have been provided in all 126 districts set up for educational administration. A National Registry of Libraries has been established to facilitate exchange of information and experience. Illiteracy has been ascertained to exist to the extent of 10% in cities over 25,000 population and 35% in all other zones.

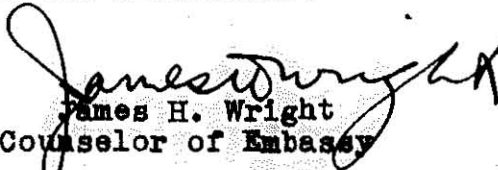
Public Health: The Ministry has sought increased budgets and improved food rations for all hospitals. The FINLAY Institute has been reorganized to permit production of vaccines. A Tubercular Hospital has been built in Oriente and 20 dispensaries established in provincial cities. Subsidies are granted to various affiliated private health institutions.

Communications: Mail and cable services have been re-established with many areas on the termination of the war. Construction of internal telegraph lines has recommenced, with an appropriation of \$50,000, and services have been improved by an estimated 55 percent.

Defense: A radical transformation has been made in the Army, in a strictly military sense. (This is a masterly euphemism for saying that BATISTA adherents have been thrown out on their ear). The Navy has made improvements in the services of buoys and lighthouses.

Respectfully yours,

For the Ambassador:


James H. Wright
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