



THE FOREIGN SERVICE
OF THE
UNITED STATES OF AMERICA

837.001 Prio Socarras, Carlos/9-2448
No. 795
American Embassy
Habana, Cuba, September 24, 1948

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Subject: Views of President-Elect Carlos Prio

DEPARTMENT OF STATE
OFFICE OF
AMERICAN REPUBLIC AFFAIRS

OCT 6 - 1948

The Honorable
The Secretary of State,
Washington.

Rec'd
Oct. 4

Sir:

I have the honor to refer to the Embassy's despatch No. 786 of September 21, 1948, subject: "Political Situation in Cuba", to previous reports regarding the public statements made by President-elect Carlos PRIO Socarras since his election June 1, 1948, and to forward a brief summary of Prio's views on a number of important issues.

Communism

Prio has indicated on several occasions that as President he would follow the same policy towards Communism as he followed as Minister of Labor. He said on one occasion that democracy meant liberty for all parties but that it did not necessarily mean that there would be no democracy if there were no Communist party. This does not augur well for the Communist Partido Socialista Popular (PSP) in Cuba. It may mean that the PSP will be declared illegal and driven underground. A controlled American source has reported that the PSP is making urgent preparations to go underground and expects such a declaration of illegality. It may, moreover, be reasonably expected that any vestige of Communist influence left within the labor movement in Cuba will be vigorously eliminated.

Labor

Prio has indicated in at least one speech that he views the labor problem as one stemming from the relationship between a very strong force (capital) and a very weak force (labor). He has pledged himself to maintain and increase the standard of living and wages of Cuban labor. He has also pledged himself to try to get Congress to enact a labor code. All of these promises indicate

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Prio's preoccupation for labor and are evidence that he may continue and even increase the "revolutionary social" program of President Grau and the Autentice Party. Radical labor measures would not be surprising and it remains to be seen what may be the attitude toward capital. The fact that Prio is known to be preoccupied with the overall economic picture and his willingness to recognize the inevitability of a gradual decline from the peak in the Cuban economic picture, make his hitherto expressed views on labor a rather significant indication of policy in the economic field.

Revolutionary Nationalism

"Revolutionary nationalism" will apparently be the ideological stand of the Prio regime. Sometimes this has been referred to as "revolutionary democracy". The "revolutionary" idea is always stressed. This is extremely hard to define but is the theme which has dominated Cuban politics since 1933. It is the excuse for existing turmoil, confusion and uncertainty. Prio defined revolutionary nationalism as (1) strong defense of the economy of Cuba in an effort towards greater industrialization and (2) preference for Cubans in all employment. He said that this was to take place in an atmosphere of complete respect for internal liberties in Cuba and respect for the equality of nations internationally. How "revolutionary nationalism" will reconcile the conflict in interests and rights that easily can result from such a policy, has not been explained.

Other Economic Ideas

Prio has indicated that he believes in the industrialization of Latin America, especially Cuba, but that he does not think that this should be artificial. He has also indicated a belief in greater agricultural diversification in Cuba and a creation of new markets for sugar and tobacco. In reply to a direct question, he indicated that he had no plans for the nationalization of any public services in Cuba.

Cuba

Prio's promise to suppress gangsterism has probably received more favorable publicity in Cuba than any other statement he has made so far. At the same time he promised to clean up the administration. While this promise probably did not receive the enthusiastic approval of President Grau, it has the skeptical support of all the better elements in Cuba. Prio has indicated that he wishes to inaugurate a huge plan of public works and that he will concentrate on the building of branch roads so that agriculture will be better able to get its produce to the markets. His public works program will depend partly upon the passage by

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Congress of the Plus Valia law, a project of raising appraisal values of real property and using the increased taxes thereby received for a public works program. As the Department is aware, there is certain legislation complementary to and called for in the Constitution of 1940 which has never been passed up to the present time. Prio has pledged as did, incidentally, Grau in 1944, to give his full support to the passage of this legislation, which includes the law setting up a Tribunal de Cuentas (comparable to a Comptroller General's office), the National Bank Law, and the Labor Code. Prio has also pledged complete freedom of press and radio and complete liberty of thought during his regime.

Spain

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Prio has indicated that he will not break relations with General Franco and gives as his reason the fact that there is a huge Spanish colony in Cuba which would not approve. He finds himself in the middle of two forces on this point. The Senate and House of Representatives are on record as favoring the breaking of relations with Spain but other powerful forces in Cuba, such as the Spanish colony, the powerful and influential Diario de la Marina and probably a number of industrial and commercial interests are in favor of the establishment of full diplomatic relations with Franco.

Mexico, Guatemala, Venezuela and Costa Rica

There is no doubt that the Prio regime will feel a warm ideological solidarity with the "revolutionary" governments of these four countries. Prio has denied that any aggressive alliance exists between Cuba and these governments, but has said that the whole thing is defensive. In his denial he has implied that concerted interest at least exists.

Dominican Republic, Nicaragua and Honduras

Prio has made it very clear at every opportunity that he does not like tropical dictators. He has also indicated that in his opinion the people of Cuba sympathize very strongly with those forces attempting to oust Trujillo, Somoza and Carias. He has stated, however, that he is not in favor of governmental intervention against tropical dictators but rather feels that the people themselves should take the necessary action. He has agreed with Arevalo that the people of America have an "international political conscience which points the accusing finger at the rulers and political groups who perpetuate themselves by electoral frauds." Apparently

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he hopes for some strong kind of international pressure, at least insofar as Cuba, Mexico, Guatemala, Venezuela and Costa Rica are concerned, against Trujillo, Somoza and Carias. On the surface he says that the Government of Cuba will not intervene. This probably does not mean, however, that his regime will not close its eyes to plotting for action against tropical dictators. The fact that he has described relations between Cuba and Mexico, Guatemala, Venezuela and Costa Rica as only a defense alliance against dictator countries serves chiefly to arouse conjecture as to the precise meaning and implication of "defensive alliance".

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The fact that Prio has indicated that Cuban foreign policy will support very closely relations with Mexico, Guatemala, Venezuela and Costa Rica and other democracies but that there will be no relations with dictator countries and the USSR, does not necessarily mean an immediate break in diplomatic relations with those countries, although that is something which might be expected. It is believed that the Soviet Legation in Habana realizes that its days in Cuba may be brief. Activity in the Soviet Legation has, it is reported by a controlled American source, decreased considerably during the last few months, as has the number of personnel attached to the Legation. Of course this may be due to the international picture as much as to the status of relations between Cuba and the USSR.

United States

Prio has indicated that he has not altogether forgiven the United States for not recognizing the 1933 Grau regime. He has also indicated that while he has been forced during the past fifteen years to recognize the economic importance of the relations between Cuba and the United States, he has not changed his "anti-imperialist" views very much since his student revolutionary days. He indicated in Guatemala that his distrust of Ambassadors Welles and Caffery continues and that he considered that the Government of the United States intervened unjustly in Cuban affairs in 1933. He is likely to support the Grau Doctrine which he has called the economic parallel of political non-intervention.

Prio recognizes that the United States is Cuba's best market and he claims Cuba can produce sugar cheaper than the United States and that the United States needs this sugar. He has also praised the United States attitude at the recent ITO Conference in Habana where he said the United States showed that she was willing to listen to and appreciate the wishes of countries not in the same economic class with her. He has said that this treatment by the United States of Cuba and other countries as equals allows Cuba to ally herself to the United States without being a slave or belittling her dignity as a free country. Lastly, Prio has indicated that in the event of an international conflict Cuba will not hesitate to line up with the United States and the other democracies of the world.

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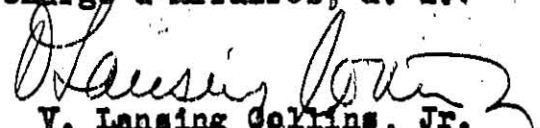
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The above summarizations of what President-elect Prio has said during the last two months are based only on public statements - they are public promises and pledges. Prio is a "politico" and knows he must make public statements and pledges which he will not be able to carry out. This brief analysis is submitted with this reservation in mind.

It will be noted from this analysis that there are many topics, especially in international relations, which the President-elect might have been expected to touch upon. His failure to do so is further proof of the inward-looking train of thought, of the lack of breadth of vision, of the sectional or insular outlook of the Autentico Party, the advisors of the President-elect, and of the President-elect himself.

Respectfully yours,

For the Charge d'Affaires, a. i.:


V. Lansing Collins, Jr.
Second Secretary of Embassy

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