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FROM : AMEMBASSY, HABANA AUG 11 1954 167

DESP. NO.

TO : THE DEPARTMENT OF STATE, WASHINGTON.

August 11, 1954

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8/12	041-10	OCIR-2 ARA-2
		ARMY-35 NAVY-39 AIR-24 CIA-15 OSD-4-OCB

SUBJECT: Joint Weeka No. 32 for State, Army, Navy and Air Departments from SANA.

Part I

Action Office Symbol
Name of Officer

Political

(UNCLASSIFIED) CABINET RESIGNATION AND NEW MINISTERS. After an all-night session the Council of Ministers presented their resignations to the President on the morning of August 5, in order to clear the way for the appointment of the Council that will hold office during the electoral period. To date the following new appointments as ministers have been made, with only the Ministers of State and Finance carried over from the out-going Cabinet:

- Minister of State: Dr. Miguel Angel CAMPA y Caraveda.
- Minister of Finance: Dr. Gustavo GUTIERREZ Sanchez.
- Minister of Agriculture: Dr. Osvaldo VALDES de la Paz.
- Minister of Justice: Dr. Raul LOPEZ Ibañez.
- Minister of Labor: Dr. Ricardo EGUILIOR Vinent.
- Minister of Health: Dr. Carlos SALAS Humara.
- Minister of Defense: Dr. Pablo CARRERA Justiz.
- Minister of Commerce: Sr. Carlos M. PERRETTI Vidal.
- Minister of Education: Dr. José LOPEZ Isa.
- Minister of Public Works: Ing. Antonio CARVAJAL y Rojas.
- Minister without Portfolio (in Charge of Transport):
Dr. Arsenio GONZALEZ Genzalez.
- Minister without Portfolio: Sr. Mario LEYVA.
- Minister without Portfolio to head National Housing Commission:
Ing. Eugenio COSCULLUELA.
- Secretary to the Presidency and to the Council of Ministers:
Dr. Cristobal MUÑOZ.

Only the portfolios of Interior and Communications now remain to be filled.

It has been announced that the president will turn over to his as yet unannounced successor on August 14.

JdeZengotita/ cv
REPORTER

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(UNCLASSIFIED) AUTENTICOS HAVE STORMY HABANA MEETING. The meeting of the Habana Municipal Assembly of Grau's Autenticos on Sunday, August 8 proved most stormy. There were 129 candidates for the 27 places on the ticket for councilmen that the meeting was to nominate. Chairs were thrown and, according to one paper, blows struck with bottles. Finally, while Florencio NIBOT, President of the Municipal Assembly, held the fort, Humberto BECERRA, President of the Provincial Autentico Assembly, went off to see Grau, who chose the 27 candidates. There were shouts and threats against Nibot and Becerra, and one disappointed aspirant by the name of Ricardo OLMEDO, known as a petty gangster, was reported by the papers to have said that with his friends he would create a stir in the municipality.

(OFFICIAL USE ONLY) Comment. As in the case of the Las Villas provincial Assembly of the Autenticos the week before, the trouble in the Habana Municipal Assembly, it appears from the papers, arose over nominations given to late adherents to the Autentico cause. In both cases the ascendancy of Grau within the Party appears to have been completely demonstrated.

(UNCLASSIFIED) KIDNAPING AND SHOOTING OF POLICE IN AUTENTICO SQUABBLE. In the wake of the violent nominating meeting of the Habana Provincial Assembly on August 8, (see preceding item) the following morning Ricardo Olmedo, his brother, and some friends kidnaped Florencio Nibot, his brother and son, and threatening Nibot with a hand grenade proceeded in two cars to take them off on the way to the home of Humberto Becerra, where, Olmedo said, Nibot and Becerra were going to put him on the Autentico councilmen's ticket.

In Habana a Bureau of Investigation car became suspicious of the two automobiles and stopped them. A lieutenant and sergeant in plain clothes got out and indicated they wanted to search the car. After Nibot's brother and son had got out of the car, Olmedo opened pistol fire on the police, who answered in kind. He escaped but four of ~~his~~ his accomplices were captured. In the shooting the lieutenant and sergeant and Nibot's son were seriously but not dangerously wounded.

(OFFICIAL USE ONLY) Comment. This incident may well serve to remind people of the gangsterism that prevailed during Grau's term of office and it can be expected that the Government will see that it is used for that purpose. In declaring that violence will not be permitted to disturb the electoral process the chief of police has already made a propagandistic allusion to the state of affairs that obtained in Grau's term of office.

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(UNCLASSIFIED) NICOLAS CASTELLANOS AUTENTICO CANDIDATE FOR HABANA MAYOR. Nicolas CASTELLANOS, Mayor of Habana at the time of the golpe of March 10, 1952, has been nominated to that office by the Autentico Party.

(OFFICIAL USE ONLY) Comment. In view of the strong feeling against the golpe the move is a shrewd one; for the chance to put Castellanos back where he was on March 9 will have its psychological appeal to some voters.

(UNCLASSIFIED) ORTODOXOS QUALIFY IN ONLY THREE PROVINCES. The Supreme Electoral Tribunal ruled against the effort of the registered Ortodoxos to qualify for the elections in Habana and Las Villas Provinces, recognizing their right to run candidates in Camaguey, Pinar del Rio and Oriente (except for the Victoria de las Tunas Municipality.)

(OFFICIAL USE ONLY) PSP ELECTION STAND. Literature circulated clandestinely by the Communist Partido Socialista Popular makes it clear that while condemning Grau for corruption and his anti-Communist record, the Party will urge members and sympathizers to vote for him as "a vote against the dictator". This is called "the negative vote". The campaign is accompanied by what looks like a half-hearted effort at "united front" tactics consisting of an appeal to abstentionist Ortodoxos and Priistas to vote against Batista.

(UNCLASSIFIED) CTC AND POLITICS; CANDIDATE REFUSES TO RESIGN UNION OFFICE. Conrado BECQUER, Vice Secretary-General of the Sugar Workers' Federation (FNTA) and Secretary of its Las Villas Federation, who has been nominated for representative on the Las Villas Autentico ticket, has indicated publicly that he will not take leave from his union positions despite the Confederation of Cuban Workers' (CTC) ruling that all union officials must do so when they run for public office. Because of CTC General Secretary Mujal's power and his repeated emphatic references to this ruling, a tense and interesting situation has been created.

(OFFICIAL USE ONLY) Comment. Becquer bases his stand on the autonomy of the member unions and the fact that the rules of the FNTA do not require him to resign. Mujal answers that the CTC ruling is not merely that of the Executive but was taken by a national congress. The underlying facts are that while the CTC unions have theoretical autonomy, power and command lie with the CTC leadership in a degree remarkable in a free trade union movement. The FNTA situation is complicated by the fact that Secretary General MARTINEZ is also a candidate and presumably will take electoral leave, which would put Becquer in line to take his place during the campaign.

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(UNCLASSIFIED) MARINELLO ACQUITTED AGAIN. For the third time in ten days a prosecution of Juan MARINELLO failed when the Urgency Court acquitted him and a half dozen more Communist leaders August 6 on charges of subversive activities based on literature found by the police in the offices of a Vedado taxi drivers' union. These three failures in prosecutions against Marinello follow on a number of others in recent months.

(LIMITED OFFICIAL USE) PRESIDENT'S FINANCIAL INTEREST IN NEW RADIO CHAIN. President Batista is reliably reported to have at least a 50 per cent financial interest in the eight-station Cadena Nacional Cubana radio network which went on the air August 1 with cigar-manufacturer Jose I. PIEDRA as president. Piedra is a long-time close friend of Batista's son-in-law, Antonio PEREZ Benitoa. Batista had heavy financial interests in the old Cadena Azul (Blue Network), which closed last February in a labor dispute involving only the Habana station. The same interior stations which made up Cadena Azul are now incorporated into the CNC line-up, but the Habana station is a new one.

(UNCLASSIFIED) GUATEMALA. New bloodshed in Guatemala drew considerable attention from editorial writers and columnists. A lead editorial in EL Mundo suggested the nebulous truce between the Guatemalan Army and Lt. Col. CASTILLO Armas' "Liberation Army" cannot long endure, that only by orderly electoral process can Guatemala really resolve its political difficulties. Excelsior deplored the incident as giving comfort to the Communists and complicating Guatemala's return to normalcy but felt Castillo Armas rightly emerged stronger than ever. Diario de la Marina similarly felt that the incident was a severe political setback for Guatemala and criticized Castillo Armas for not retiring his "Liberation Army" before the shooting began. More severely, Tiempo en Cuba termed the conflict another victory for fascism and lamented that Guatemala's future is in the hands of Castillo Armas' soldiers, whom it called ignorant beasts of a kind that could be easily influenced by the Communists. Tiempo called the conflict a frustrated counter-revolution. Alerta praised the cadets of the Military Academy for their action and launched anew into charges of United Fruit financing of Castillo Armas.

(UNCLASSIFIED) COLOMBIA. The papers that commented on the election of General Gustavo ROJAS Pinilla saw it as the fair expression of a mature, model democracy from which other American states can learn much. They praised Rojas Pinilla's leadership and Colombia's democratic process.

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(UNCLASSIFIED) ASIA. One commentator predicted Formosa would be the next military target for the Communists in Asia, while another praised the United States pledge of military support to Formosa in case of Red attack, saying this should serve to cancel any Communist plans to invade that island. Juan Luis MARTIN in El Mundo said that Siam is logically next on the Communist list because she is militarily indefensible, requiring no softening up by Red infiltration. Excelsior expressed disgust that southeast Asian nations have not concurred immediately in a pact (SEATO) against Communist advances and viewed their hesitation as another indication of inexcusable apathy.

(UNCLASSIFIED) TUNIS. El Mundo said editorially that France's concessions to Tunis do not begin to satisfy the urgent needs of the Arab populations and nationalistic troubles there and in Morocco are bound to continue unless she can establish a more stable association with her protectorates. Commentators in Información and El Mundo similarly pictured MENDES-FRANCE as pressed to liquidate the African possessions rather than risk a war which would destroy what little remains of the French economy.

(UNCLASSIFIED) EUROPEAN DEFENSE. Excelsior and Información said inertia on the part of France and Italy in connection with the European defense pact is forcing the United States to look to Spain for help in defending the Western world against Communism. Excelsior noted that France and England sought to block a United States-Spain agreement only a year ago and now cannot be counted on for European defense. Had the clamors of Paris and London been acceded to then, Excelsior said, the United States would have no friends in the Old World today.

(UNCLASSIFIED) FOREIGN AID. Several commentators praised President EISENHOWER's plea for increased foreign aid funds, and Diario de la Marina said editorially that while Latin America has resented preferred attention to Europe, not one nation in this hemisphere has failed to recognize the need for continuing such aid. This attitude, said Diario de la Marina, is based on the knowledge that the security of this hemisphere depends on the security of the free world against Communism. The newspaper added, however, that United States legislation cutting the Cuban sugar quota would be economic aggression endangering the security of the Americas to the direct benefit of the Communists.

Navy

(UNCLASSIFIED) NAVAL HOSPITAL TO BE BUILT. On August 9

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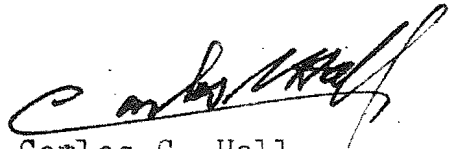
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President Batista laid the cornerstone of the Naval Hospital to be built on a high hill across from the bay from Habana. At present naval personnel is cared for at the crowded Campe Columbia military hospital. The new one will have between 250 and 300 beds and will try to match the facilities of U.S. naval hospitals.

(OFFICIAL USE ONLY) Comment. The Cuban Navy has informally indicated its desire for assistance in equipping the hospital. This office understands that the equipment required is not available under MDAP.

Army, Air

Negative.



Carlos C. Hall
Chargé d'Affaires ad interim

Participants: CCHall, HMRandall, ACertosimo, RGCushing, WBCaldwell, CAnderson, JdeZengotita, Krisel (NA).

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- NA (4) For Guantánamo.
- KA (2)

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