

No. 897

Habana, September 3, 1942

AIR MAIL

Subject: With reference to the case  
of the S. S. COLABEE  
COLABEE

The Honorable

The Secretary of State,

Washington, D. C.

Sir:

Referring to despatch No. 866 of August 31 and previous correspondence concerning the COLABEE case, I have the honor to enclose, with the request that it be forwarded to War Shipping Administration, a communication and memorandum annexed thereto prepared by Mr. Pearsall, Manager for the Caribbean Area of War Shipping Administration, regarding further developments in this matter. It will be noted that Comodoro Arguelles, Chief of Staff of the Cuban Navy, discussed the case yesterday with Mr. Pearsall and Dr. Figueredo, and that Comodoro Arguelles hopes to be able to formulate his recommendations at a very early date.

Respectfully yours,  
For the Ambassador:

Ellis O. Briggs  
Counselor of Embassy

Enclosures:

1. Communication from Mr. Pearsall
2. Memorandum from Dr. Figueredo

File No. 885.7

EOB/hmc

Enclosure No. 1 to Dispatch No. 897  
of September 3, 1942, from the Embassy at Habana

Habana, September 3, 1942.

To: Mr. Chalmers Graham,  
Admiralty Counsel,  
War Shipping Administration,  
Washington, D. C.

From: C. H. C. Pearsall,  
Manager Caribbean Area,  
War Shipping Administration,  
Habana, Cuba.

Subject: S. S. COLABEE Case

Attached please find a memorandum submitted by Dr. Carlos Figueredo, following a meeting with Comodoro Arguelles at which I was present yesterday.

Although we spent a pleasant three quarters of an hour, the memorandum reflects the gist of what happened.

C. H. C. Pearsall

CHCP:elm

To Department in original and hectograph.



Enclosure No. 2 to Dispatch No. 897 of  
September 3, 1942, from the Embassy at Habana

COPY

September 2, 1942.

MEMORANDUM

This morning Mr. C. H. C. Pearsall and I had an interview with Comodoro J. Arguelles, in connection with the S. S. COLABEE case.

Our discussion with Comodoro Arguelles had been delayed waiting for the issuance of a decree placing in his hands the full authority under the Cuban Navy to handle all matters relating to shipwrecks, salvaging, etc. This decree was issued on August 26, 1942.

Among other things, the decree provides and brings under the jurisdiction of the Navy all matters pertaining to wartime traffic, accidents, and transfers these authorizations from the former departments of the Government handling them; namely, the Captains of ports, Directors of Customs and the Treasury Department. The decree suspends, for the duration of the war, all rights to claim any reward under salvage to salvors of vessels and provides that compensation should only amount to the value of the work actually done and actual reasonable expenses involved.

It is my opinion that the decree is broad enough to permit Comodoro Arguelles to settle the matter personally between the owners and crew of the ORIENTE, in connection with the COLABEE case.

Comodoro Arguelles very definitely stated that he is ready to consider the case promptly as arbitrator and will not consider any unreasonable demands.

It was agreed that early next week I would present the details of the case to him and he instructed me to go over the matter carefully with Comandante Villagelin, so that he (Comodoro Arguelles) may arrive at his final decision.

Comodoro Arguelles apologized for the delays coincident to the consideration of this matter and indicated that same had been chiefly caused by the recent political crisis in the Government and assured us that he would give us every consideration in an endeavor to bring the matter to a speedy conclusion.

I shall keep you fully informed upon each and every step in the further development of this case.

(signed) Carlos Figueredo