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HGG-1-689

Chief, Lincoln

Chief of Station, Guatemala

INFO: Washington

FBSUCCESS

Anti-communist, Anti-government Activities and Attitudes

Reference - HGG-A-654

1. Enclosed as matters of possible interest to FBSUCCESS are two memoranda of conversation relating to subject activities and attitudes.
2. The memorandum of 25 January 1954 relating to the alleged views of Lic. SILVA Pena and Alejandro ARENALES Sr. contain information concerning President ARBENZ, the possibility of a communist-inspired "bogatazo" prior to the OAS meeting at Caracas, the "prostituted" Guatemalan Army and recommendations concerning the use of exiled forces.
3. The information contained in the memorandum of 22 January 1954 is believed to have come from ESQUIRE.

George L. Trauger

28 January 1954

Enclosures: as noted

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MEMORANDUM OF CONVERSATION

Jan. 25, 1954

TO: The Chargé d'Affaires a.i.

FROM: John Calvin Hill, Jr., Second Secretary of Embassy

An associate of Lic. Eugenio SILVA Peña requested to have a conversation with me at my house on the evening of Saturday, January 23 and told me the following:

Lic. Silva Peña and Alejandro ARENALES (Sr.) had had a long conversation the previous evening about what could be done about the situation here and had reached the following conclusions: (a) President ARBENZ was completely with the Communists and nothing could be done with him; (b) the Army was completely "prostituted" and could not be counted upon to act in the near future; (c) the situation was pressing because there was a real danger that the well-armed Communist Government forces would deliberately provoke a "Bogotazo" before the Caracas Conference in order to confuse the situation and to confront the United States with the unpleasant dilemma of having to choose between premature and forceful intervention and seeing the internal opposition liquidated; and (d) that therefore the only way out was for CASTILLO Armas and others on the outside to invade the frontier areas soon with "outside" (i.e. U.S.) support, in which case the internal opposition could act and the Army could be expected to come over. It was, as my contact reported it, their idea that Castillo Armas and the exiles should be ready to strike as quickly as any disturbances broke out.

My contact went on to say that Silva Peña and Arenales were nationalistic and would not openly say to the Ambassador or the Embassy that Guatemalans needed non-Guatemalan help to solve their problems. However, they wished to know the Ambassador and the Embassy better and we should be alert to read between the lines as to what they had to say. He added, as his personal opinion, that Silva Peña was becoming interested in doing something about the Communist problem here but would not be prepared to act for several months to come.

I emphasized that it was well that there was no thought of approaching the Ambassador or the Embassy with a request for material aid. We were committed to a policy of non-intervention and such a request could not fail to be embarrassing to the Ambassador and to

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put him in an impossible situation. On the other hand, I added, it was a mistake that Guatemalans sometimes made to think of U.S. help solely in terms of arms, plotting, etc. The problem of Guatemala and Communism touched on many points of our legitimate political activity in the international sphere and there was much that we could do to help opposition to Communism apart from such narrow considerations as arms aid. We needed, for instance, sound advice from Guatemalans opposed to Communism as to how various policies we might adopt would affect their plans. We could do much to help in creating a climate favorable for Guatemalans resisting Communism, and I thought that the Ambassador or the Embassy would always be pleased to hear views on this subject.

JCHill:rd

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Mr. Krieg

January 22, 1954

A. B. Wardlaw

ANTI-COMMUNIST ACTIVITY AND RELATED SUBJECTS

The source of certain reports which I have submitted recently informed me last night that the anti-Communist group continues very much concerned about the situation which is likely to develop in Guatemala City when they put into action their plan of an invasion of the country. While the anti-Communists feel that the Army would remain neutral or would even assist the invaders, the Army would be no match for the Guardia Civil and the Communist-led workers whose arms would be much superior to those of the regular military forces.

My informant also said that the anti-Communist group is very much afraid that Army leaders such as Colonels DIAZ and SANCHEZ might anticipate the invasion by staging a coup in the capital which would result in the overthrow of ARBENZ but would not bring about a real clean-up of either the Communists or the crooks in the Government. The anti-Communists are afraid that such a move would cause a disorganization of their own movement and lead many persons to support such a Government in the false hope that they would take care of the situation properly. He said that such a move might occur at any time.

My informant stated that a former Army officer whom he knows well and trusts had told him that Colonel Anselmo GETELLA was with the anti-Communists; whether he meant that he was in the organization or merely sympathized with them was not clear.

Regarding the recent departure of Major Alfonso MARTINEZ, my informant stated that he had learned from the Swiss Consul, Mr. Roberto FISCHER, that when Martinez applied for a visa he was carrying a brief case full of United States currency. My informant did not know whether this currency was being used to pay local bills or was assembled by Martinez to use on his travels. However, if the purpose were to pay local bills, there would be no reason for him to assemble this money in U.S. currency. My informant was also told by the owner of a local bar and restaurant that Martinez called at the bar a day or two before his departure and personally paid his bill of some \$400. The payment of the bill was not unusual, but the fact that Martinez called personally for that purpose was most unusual.

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ABW/dkp

13 December 1953

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The attached registrations pertaining to new affiliates of the Alianza de la Juventud Democratica de Guatemala (in Chiquimula) were obtained by E-2 from Rene SANDOVAL, a member of the AJDG, the Sindicato de Trabajadores de la Educacion (STEG) and the Partido Guatemalteco del Trabajo (PGT).

These registrations were obtained on 9 December 1953 at which time SANDOVAL made the following statements to E-2:

The AJDG, the Frente Unversitario Democratico (FUD), the SAKER-TI group and other democratic youth movements in Guatemala are actually affiliates of the PGT and presently are doing the most effective work in the campaign to increase PGT membership. Registrations (such as those attached) are being obtained throughout the country.

The real strength of the communist party is not in the official parties as is commonly believed but in the youth movement.

At the request of the Comite Ejecutivo de la Federacion Mundial de la Juventud Democratica the local democratic youth groups are organizing a festival in Guatemala (which will be attended by delegates from all the countries of the American continent but the meeting itself will be called Festival de la Juventud de Centroamerica y del Caribe). Guatemala was chosen as the site of the festival because none of the other countries enjoy the necessary liberty to organize and hold such a meeting.

The attending youths will represent all types of organizations: political, religious, intellectual, athletic, cultural, workers and campesinos, students, etc. Preparatory activity will include the formation of local and national committees in all countries having groups affiliated to the FMJD (which will collaborate with the organizing committee for the festival to be held in Guatemala. According to plans the meeting will be more than a festival - it will be a conference to state and defend the rights of youth, and to attract more young people to the communist movement.

The festival or conference will fight for the following objectives: a reduction of military budgets and armed forces in order to prevent wars; establishment of international economic relations (?); peace and friendship among the peoples of the world; a reduction of unemployment; mechanization of farm labor to improve the living standards of youths employed in agriculture; reduction of illiteracy; reduction of the costs of education and an increase in government scholarships; cultural and athletic opportunities for youths; political rights of youth to prevent the harrassment and suppression of their associations, press, radio, and other activities; and opposition to the militarization of youth.

*Send names on file to
if possible*

The propaganda of the youth groups in Guatemala is intended to create favorable publicity for the PGT which will shortly be the majority political party. (because of its struggle in behalf of the workers and because it will include a majority of the progressive youth of the country).

The communists have an advantage due to the fact that anti-communist forces are concentrated in the capital. In the departments there is hardly any anti-communist opposition. Also, anti-communist forces consist of older people while the "revolutionary struggle" is carried on by youths.

The economic crisis which the (Arbenz) government now faces is transitory. Next year the benefits of Agrarian Reform will be felt in the nation's economy. The new land owners will receive income from their crops and will spend this money to improve their way of life. This money will also remain in the country and will not be spent on trips abroad as it was in the past by the large finca owners.

Comment: E-2 stated that SANDOVAL is director of the Escuela Tipo Federacion del Quiche. He is now on vacation and is visiting the capital where he is working with the organizing committee of the Festival de la Juventud. E-2 did not ascertain the date of the impending festival and seemed to think that Sandoval's comments were in connection with the festival that will take place in Chimaltenango in Feb. 1954. However, that is a national affair and I believe it will be followed by an international festival later in 1954 (around October).