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CIA HISTORICAL REVIEW PROGRAM
RELEASE AS SANITIZED

2003

MEMORANDUM FOR: []

Economic File - FBSUCCESS

FROM: []

SUBJECT:

Possibility of Controlling Newsprint
Supply to Guatemala

1. This subject has been reviewed on two separate occasions and both times the conclusion reached was no FBSUCCESS assets could be developed by an attempt to limit the supply of newsprint and ink to Guatemala.
2. In the first place, U. S. Government effort to control American sources would be ineffectual, as sources of supply at the present time are world wide, with the United States, Canada and Sweden actively competing for the market. To meet competition, American firms frequently must offer papers produced outside the Western Hemisphere, principally from Sweden and quite recently from European sources.
3. Furthermore it is common practice in the publishing field to meet individual shortages of newsprint by borrowing from the nearest source. This practice is customary and is utilized by all commercial channels from the producer down to the ultimate user.
4. Guatemalan newsprint consumption is an insignificant part of the total consumption of the Caribbean area and the small quantities consumed could readily be obtained from any number of miscellaneous sources.
5. Generally speaking, newsprint supply cannot be controlled by overt economic methods short of utilization of full wartime control measures. An example of an unsuccessful attempt of this nature was an effort made in 1944 by the State Department to restrict supplies of newsprint to Argentina. It failed notwithstanding the fact newsprint was in short supply at the time and that handicapping factors such as concealment of U. S. Government interest was not involved.
6. Other elements of press control have been analyzed without success in developing FBSUCCESS assets, such as supply of printing inks, press maintenance and repairs parts, International Wire Services, shipping and warehousing operations and financial aspects.
7. All elements have been explored by adequate research and discussions with two cleared contracts in New York actively participating or associated with the newsprint supply business.

16 December 1953

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