

CIA HISTORICAL REVIEW PROGRAM
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HUL-A-

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~~SECRET/RYBAT/FBSUCCESS~~

16 May 1954

Chief of Station, Guatemala

LINCOLN

Operational

Notes for Graham L. PAGE

1. Attached please find sterile notes for Graham L. PAGE. These notes respond to HGG-A-1063 and HGG-A-1087. They are to be returned to Station files as soon as PAGE has studied them.
2. Please inform PAGE that his field cryptos are being used in the attached notes. For convenience, ESQUIRE is designated "Roland."
3. For the information of Guatemala Station and PAGE, Headquarters was informed by cable on 14 May of the agreements reached on the K-Program at the 11 May meeting between BANNISTER, CLOWER, PAGE and NUTTING. It was pointed out in the cable that the K-Program originally comprised intelligence, defection, "priming" and labor defection, but that it would now, for purposes of security and concentration on key issues, be restricted to intelligence and military defection. PAGE's assumption of control over ESQUIRE and his high regard for ESQUIRE's ability were noted. []'s threefold duties—intelligence, KUGOWN appeals to the Army and recruitment in Guatemala City garrisons—were listed. It was explained that BURNETTE would handle the backstopping and commo for PAGE, and that BURNETTE's diplomatic status provided PAGE more protection than CLOWER, as a bodyguard, could provide. A separate cable was sent on the use of CLOWER as the case officer on ESCOBILLA, SEMANTIC and SECANT.
4. LINCOLN would appreciate cabled confirmation that BURNETTE has taken over the backstopping and commo responsibilities for PAGE.
5. BANNISTER is hereby informed that the responsibility for coordinating CE information in Guatemala, regarding government knowledge of and counter-plans to FBSUCCESS, devolves on him. He is to coordinate and evaluate both the intelligence reports procured by PAGE from [] and the information obtained by regular Station assets.

Attachment
JCD/JTN/eaf
16 May 1954

Distribution

- 2 - Guatemala
- 2 - Washington
- 3 - LINCOLN

[]
JEROME C. DUNBAR

~~SECRET/RYBAT/FBSUCCESS~~

May 16, 1954

PART ONE

1. Your letters of May 7 and the letter you wrote to Roland on May 14 have been read with great care and interest. The following observations may be of help in pushing your thoughts further.

2. Since Mac is worried about the peasants, it may be a good idea to intimate to him that [] and Major Martinez are well on the way to being bought by the consejo. You might say that a certain vestigial loyalty to labor leftism still hinders the former, a certain allegiance to Mr. Big the latter. However, their opportunism exceeds their loyalty; the problem remaining before the consejo is only how to assist these individuals in rationalizing their defection. This much may suffice to elicit Mac's views on these men and their availability. You can evade details by saying that you are generally informed of these negotiations and are not conducting them yourself, and have obtained the foregoing information to allay Mac's concerns. (It may help to suggest that the approach to both men was made in a third country; both of them have been abroad in the last seven months.) It should be added that no political promises have been made to these two, nor will any be made; the approach to them, distasteful as it was to the consejo, was made only in order to avoid the bloodshed of a peasant revolt. Both men have been given to understand that their job at the opportune moment is to keep the peasants quiet.

3. The foregoing paragraph is, of course, untrue. Mac's investigation of its accuracy should be discouraged by a lecture on compartmentation, i.e., he should not pursue the matter personally, nor would the two near-defectors reveal their intentions to him. On this basis, a number of things, none of them unfavorable, might happen. If Mac is not with us, his leakage of the information would at least embarrass the two men. If he talks loosely, the leakage would be equally embarrassing to them. If he is with us, he should feel encouraged.

4. As regards the matter of arming and training peasants, you might put a proposition to Mac. He undoubtedly remembers the Martinez-Pellecer clash in Escuintla: here was a case of a government official and a Communist, both of them with every reason to think that they had Mr. Big's blessing, colliding on the specific issue of land allocation. Both of them could afterwards maintain that they were right, the one in keeping order, the other in pushing "socialist construction" forward. This parallel can be applied to the case of the evident conflict between the Army and the Communist partisan forces. No doubt both are blessed by Mr. Big, and both of them are working on the assumption that they have Big's support. Now, why cannot an Army detachment, where its forces are manifestly superior and where the anti-Communism of the CO is assured, make a perfectly "innocent" raid on such a Communist partisan training class or arms cache? The Army

detachment commander could blandly state afterwards that he had received urgent reports that a revolutionary group was plotting in his area of command, and that he took immediate steps to quell the affair. He can even be "sorry" afterwards, if necessary. However, because of the duality and inherent Army-RGT conflict, it would appear likely that Mr. Big—as in the Martinez-Pellecer case—would have to concede that raider and raided were both right, and would make no reprisals. In the meantime, some useful results might have been gained: the Army would have shown its superiority to Commie power, the partisan training program would have been exposed, peasants would possibly be dissuaded from further training, etc. Naturally, all this could also be presented to Mac as a very preliminary test, both of his assets and his claims that the Army can stop the peasants. Mac's reactions ~~xx~~ to this one should be interesting.

5. As for transport workers, take an optimistic view, as in the case of the peasants. Point out the strength of anti-Communism in their unions and hint at negotiations going on with the labor leaders, ~~but~~ without naming names. It would then be very useful to draw Mac out on his ideas ~~xx~~ as to how transport should be paralyzed at the right moment.

6. All the foregoing, you will note, is half propaganda, half testing of Mac and drawing him into operations. Now comes the moment when the monkey jumps in the water. Get him and keep him on the issue of defection of key personnel in the capital. Stress to him that we are not interested in "nice people," i.e., officers who "sympathize" with the consejo, but in officers with "divisions," men who can and will lead forces into the consejo camp at the right time. This point has been well covered in your letter to Roland, but we wish to underscore it. We are far less concerned with Mac's spreading the gospel (and indeed believe that his role as a mere propagandist ~~is~~ have hazards) than with Mac's actively marshalling forces. He is not to go after people who are "available"; he is to go after people we need. What it boils down to is this: Mac must start to think—almost immediately—in terms of the capture of the capital. This, after all, is what Mr. Big did ten years ago and on that his power still rests. Mac must make a hard and fast operation plan, choose the officers in the capital to implement it and plan their respective duties. This is what we need: not defection for defection's sake, but defection for the sake of a plan. You can tell Mac with full honesty that the consejo has a plan, as he knows, and the consejo has adequate information on which to make such a plan. However, as previously stated, this plan, because of the balance of forces, would probably lead to considerable bloodshed. We are not disposed, on the basis of our brief acquaintance with Mac, to reveal to him our plans and assets. What we do wish to see is his plan, made in total ignorance of what assets we have and only on the basis of what procedures he considers sound and what assets he has. When he has submitted all that, the consejo will have its experts check the plan for soundness and his claims of implementing assets for veracity. That done, if his plans and assets are valid, the consejo will probably propose a form of joint operations between Mac and Castle.

7. Paragraph 6 above is the hard core of your current assignment. Paragraphs 2, 4 and 5 are important, but only build-ups to this. We must concentrate on defection for a purpose and a plan.

8. We note the matter of the oath to defend the country as a possible obstacle to officer recruitment. This is inevitable. Mac should be well briefed on the Nuernberg theory that obedience to orders from an illegal regime is treason and punishable, in both domestic and international courts. Otherwise stated, officers must put the interests of their people over subservience to a regime that is against the interests of the people. There is no need to elaborate on this point to you, but it may take a while to move Mac's fairly conventional military mind on this point.

9. Also to aid Mac in recruiting people who are against Mr. Castle, it might be useful to remind him that, historically, the revolutionary juntas undergo changes in the period of consolidation. Right now, all anti-Communists, whether pro- or anti-Castle, must stand together and win together. They can settle their family quarrels once the Communists are defeated. You might tell Mac that there is an evident contradiction between his contention that we must appeal to the "unity of the army" with his assertion that the Army is split over the Castle issue. Castle already has many followers and is daily getting more; therefore, "unity of the army" necessarily means at least a modus vivendi of other officers with him; and if Mac is not willing to push this, Castle will enlarge his following and control until the "unity of the army" is strictly a Castle "unity," with a few unhappy carpers on the outside looking in.

10. This message, while concentrating on the defection aspects of Mac's work, is in no way intended to minimize the importance we attach to the intelligence and propaganda duties you outlined in your May 14 letter to Roland. Instructions on intelligence procurement form Part Two of these Notes.

11. Your letters are excellent and exhaustive. It would help us to help you if, instead of reporting play-by-play, you would focus on several key points on which you either wish us to take other action or on which you wish ~~have~~ our comments and guidance. These notes attempt to respond to what we deem the key points you have raised, and to press forward, but our assistance would probably be more effective if you stated precisely what you wanted from us. ~~Send~~ Good Luck.

PART TWO

1. As stated previously, it is of extreme importance that we exert all efforts toward improving the procurement of intelligence concerning the enemy's knowledge and plans. Thus far we do not have adequate information on this matter, and it is obvious that such knowledge is essential for the successful completion of this project.

2. It appears that first efforts should be directed toward Mac. If Mac is sincere in his desire to cooperate, this is the best manner in which he can prove it. There are two basic points in which we are vitally interested; 1) how much does the government and Army know of our plans, and 2) what moves are planned to repel or contain any opposition movement. Probably the most direct route to information on the first point is through G-2. If Mac or P have any means for gaining access to the information in that department, they should be asked to make use of those contacts at once. If not, Mac should be asked to obtain as much information as possible through all available informants in the government. It is likely that many persons in high government and Army positions are familiar at least to some extent with information which the government has on opposition plans.

3. We can start from the White Paper. The government obviously had considerable information at that time. Has it been able to bring that information up-to-date and if so, to what extent? We also know that an enemy agent known to you by name was in close contact with Pancho until a month ago. How much information did he pass on to the Guatemalan government? At this stage we are primarily interested in learning how much the government actually knows. Of course, ~~in~~ if it is apparent that current information is still finding its way to the government, we are most anxious to discover the source of this leak.

4. With respect to plans of the Army and government to counteract any moves of the opposition, this is primarily a military matter, and this information is probably concentrated for the most part in the minds of high level Army officers. Perhaps these plans are in the development or discussion stage and are not written down completely. Whatever the situation we need to know these plans as accurately as possible. Thus far there seems to have been little overt activity on the part of Army or police units. Why? Is the government uncertain and puzzled about what moves it should take, or is this part of a plan to simply sit back and hold on to the strong points? No hardware has been moved into the target country as yet. Does the government plan to take action once such movements start?

5. As Mac seems to be the best bet at this time he should be approached first. However, it is obvious that time is important, and that each day counts. The exact phrasing of the questions, within the context of the matters desired covered, must be left to you, as it will obviously be necessary to follow Mac's line of thought. In the event that Mac, through P or other contacts in the Army, is unable to obtain the information desired, or is able to procure leads only, the matter should immediately be followed up through other agents of the Guatemala station.