

CLASSIFIED MESSAGE

DATE : 15 JUL 54

~~SECRET~~

ROUTINE	
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TO : DIRECTOR  
FROM : [ ]  
ACTION: WH 2

CIA HISTORICAL REVIEW PROGRAM  
RELEASE AS SANITIZED

2003

INFO : DCI, D/DCI, DD/P, COP, FI, FI/OPS, FI/STC, FI/RQM 3, PP 2, PP/PA,  
WH (FBS) 2, FI/RI 2, (SUSPENSE DD/1)

[ ] (IN 28098)

2248Z 15 JUL 54

ROUTINE  
PRECEDENCE

TO: DIR

INFO: SLINC

CITE: [ ]

RE: DIR 03727 (OUT 51237 )

1. ARBENZ DEFEAT GREAT BLOW TO PSE AND PCE AND HAS LOWERED MORAL PARTY MEMBERS. MANY CONSIDER ARBENZ A TRAITOR TO CAUSE FOR GIVING IN SO EASILY. PCE LEADERS FEAR GUAT AFFAIR WILL START ANTI-COMMIE PERSECUTIONS IN LATIN AMERICA AND FEAR THAT MARXIST PROPAGANDA FROM GUAT AND MEXI WILL NOW CEASE. MOST COMMIES THINK VELASCO'S ANTI-DASH U.S.A. POSITION IN GUAT DISPUTE DUE PERONISTA INFLUENCES.

2. VELASCO'S STAND AGAINST FOREIGN MINISTERS MEETING IS PART DUE TO PERSONAL FEUD HE HAD WITH UNITED FRUIT. THIS DUE VELASCO'S FAILURE OBTAIN UNITED FRUIT CONCESSIONS FOR SIMON CANARTE OWNER GAYA PAPER LA NACION. NACION HAS COME OUT VERY STRONGLY AGAINST COMPANY AND PRO ARBENZ. ALSO NACION AUTO HAS BEEN FREQUENTLY VISITING GUAT EMBASSY QUITO PERHAPS TO GET MATERIAL OR FUNDS FROM PRO ARBENZ GUAT AMBASSADOR. [ ]

DIST. EMBASSY. COMMENT: MOST PUBLIC OPINION IS STILL THAT U.S. INTERVENED IN GUAT TO PROTECT UNITED FRUIT. OUR EFFORTS TO GET

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[ ] (IN 28098)

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[ ] OFF FENCE AND TAKE STRONG ANTI COMMIE POSITION CONTINUE  
BUT HAVE NOT YET BEEN SUCCESSFUL.

END OF MESSAGE

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