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RYBAT/PBSUCCESS

DISPATCH NO. [] 703

~~SECRET~~
CLASSIFICATION

TO : CHIEF OF STATION, LINCOLN

DATE 5 JULY 1954

FROM : []

[] [] INFO: CHIEF, WHD

SUBJECT { GENERAL - Operational.
SPECIFIC - Report Submitted by WELLBANK.

REF: [] 1126.

Attached hereto is a report submitted by Clayton S. WELLBANK. 2 July 54.

[]
FRANKLIN D. HALLER

INCLOSURE:
Report...WELLBANK

5 July 1954
FDM/hdw

DISTRIBUTION:
2-LINCOLN w/encl in duplicate.
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~~SECRET~~
CLASSIFICATION

8 JUL 1954

FROM: WELLBANK

Attachment
[] 703

The attitude of the CALLIGERIS Group toward the [] CALLIGERIS settlement as reflected by SEQUIN:

1. They had been let down by the U.S. through the intercession of JMELUG.
 - A. As soon as JMELUG entered the picture the arguments seemed to go against them.
 - B. Osorio had already been pro [] and this feeling was strengthened even more upon the entrance of JMELUG.
 - C. CALLIGERIS, for obvious reasons, didn't have to and could not buck JMELUG effectively.
2. They distrust [] completely.
 - A. Although he was an anti-Communist in name he never was active in the cause and was used by Arbenz as [] [], as non-Communist window dressing in [] []. He was no threat to the Arbenz Regime and was WILLING to draw his salary for doing nothing although it was evidenced that he was being used by the Communists.
 - B. He has no status or prestige with Army officials and could be used by these officials who resent CALLIGERIS and, although theoretically non-Communist, support Arbenz.
 - C. He is supported and maneuvered by three very clever and unscrupulous politicians, namely: Lic. Eugenio Silva Pena, Lic. Ernesto Viteri, and Lic. "Toto" Gonzalez. These men did not come to the Conference as they wished to stay in the background with their doubtful character, for the present time.
3. With CALLIGERIS having all the cards, his followers are bitter that they were not played properly. One of the legal advisors of [] told [] that they arrived in Salvador ready to turn the power over to CALLIGERIS and didn't see how CALLIGERIS could come out with such a poor deal.
4. They are afraid that CALLIGERIS will be eliminated in one way or another in Guatemala City if he doesn't have power to protect himself and his principals.
5. They are afraid that his group will be so completely disillusioned that they will soon drop their support if CALLIGERIS does not make a political comeback.

6. At the present time SEQUIN feels that Salazar will vote for CALLIGERIS for President of the Junta, with Oliva, but feels very strongly that [] should be completely eliminated in a satisfactory manner as soon as possible. He recommends an Ambassadorship to England or some other well-paying foreign post of prestige. He emphasizes that [] danger lies in his stupidity and lack of principle which makes him a ready pawn for more intelligent and astute men who seek to maneuver him for their personal ends. He even feels that [] is not sincere in his anti-Communist sentiments and could be a tool of the Communists if not eliminated from sources of power.

7. SEQUIN wants to know what the Group is willing to do to help CALLIGERIS regain his position. Are they willing to instruct JMBLUG's transfer with glory if he does not support?

8. SEQUIN feels that CALLIGERIS should maintain a secret intelligence organization in Guatemala similar to his present one in order that he may be in a position to forestall efforts to eliminate him. Several CALLIGERIS men were sent to Guatemala today to help arrange public demonstrations of welcome for CALLIGERIS.

9. SEQUIN leaves for Guatemala 3 July and expects to return to Salvador in three or four days. CALLIGERIS returns to Salvador 3 July to proceed with JMBLUG and [] about 10:00 a.m. on 3 July for Guatemala.

10. SEQUIN received telegrams from Nicaragua and Honduras to CALLIGERIS expressing dismay that he was not given sufficient authority to complete the job he began.

11. SEQUIN feels that CALLIGERIS's Intelligence Group in Guatemala should still have connections with our Group.