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2003

CIA HISTORICAL REVIEW PROGRAM
RELEASE IN FULL

11 June 1954

MEMORANDUM TO: J.D. Esterline

SUBJECT : Dissemination of Information on the Guatemalan Situation

1. On the premis that the Agency should disseminate the fullest report possible on the present Guatemalan situation to the intelligence community within the limists of operational security, the following recommendations are submitted:

- a. Agency indication of the possibility of a revolution in Guatemala "within 30 days" should be disseminated to the intelligence community via preliminary disseminations. This "estimate" should be spread out in at least five separate reports.
- b. The estimate should take the form of Washington Comments which will freely use overt information to give the "large picture" as a supplement to fragmantary, covert information from the field stations.

2. The comments should contain sufficient information to give a rounded picture of the following facts:

- a. The four important factors are the Communist-influenced government, the army, the anti-Communists, and the peasants under Communist direction.
- b. The recent arms shipment together with the strong reaction of many Latin American countries and of the United States has provoked a crisis which has been long brewing among the above four groups.
- c. The result of this crisis has led to the suspension of constitutional guarantees and the possibility of an OAS conference to discuss the situation in Guatemala.
- d. The positions of the four factions in the crisis are as follows:
 1. The Guatemalan government strongly rejects any implication of Communist influence in the government and blames all its troubles on the United Fruit Company and "reactionay elements" whom the President recently told his cabinet "we will kill and I will be a dictator if they want me to be." The suspension of constitutional guarantees coupled with previous official announcements of the desire of the President to settle the whole matter by a personal meeting with Eisenhower and other reports of the President's desire to thrash out the whole problem in the OAS indicates the Government is vacillating and as yet has not come up with any firm line in this crisis except to stay in power.

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2. The anti-Communists have shown increased signs of strength as indicated by the hidden anti-Communist broadcasting station, the appearance of unidentified aircraft dropping anti-Communist leaflets over major Guatemalan cities in the name of Carlos CASTILLO Armas, and Government disclosure of a "well organized plot" against the regime. The fact that constitutional guarantees were suspended after disclosure of the plot by the Government indicates the Government still does not have the situation under control. Reports of widespread arrests in the provinces indicates extensive anti-Communist sentiment throughout the country.
 3. The Army's well known anti-Communist feelings have been counter-balanced so far by their loyalty to President ARBENZ as a fellow officer and the widespread feeling in Army circles that the Army must remain apolitical. The shipment of Communist arms to Guatemala and the realization that ARBENZ has put himself once and for all in the Communist camp has now made it necessary for Army officers to make a clean choice between Guatemala and Communism. Several officers have already defected, and other indications point to the possibility of a split into loyal and opposition factions within the Army.
 4. The peasants, although non-Communist ideologically due to their relative indifference to political arguments, have followed Communist direction in agrarian reform matters and are being exhorted to resist any anti-Government/anti-Communist activities as being really directed against completion of agrarian reform and land distribution. With or without arms, they would not hesitate to provoke bloodshed to protect their supposed agrarian reform gains, and reports indicate ARBENZ is seriously thinking of arming them, even against Army ~~subsequent~~ opposition.
3. An analysis of the above indicates that an intransigent Government position supported by half-armed peasants in opposition to a wavering Army and strengthened anti-Communist forces may well result in extensive bloodshed which could be touched off by extreme action on the part of any one of the four factions.
4. It is suggested that the role of CALIGRIS should be increasingly stressed in disseminations based on the fact that overt reports of anti-Communist activities always mention his name and agency non-recognition of this established fact would lead to sophisticated guesses as to the reason for Agency silence. (A recent dissemination reported that the Guatemalan Guardia Civil had sent two groups of six men to Honduras and El Salvador to kill or kidnap CALIGRIS and his wife, and this could be referred to frequently as proof that the Guatemalan Government regards him as their strongest opponent.)
5. Because we cannot know in advance what will be reported as straight intelligence from the field station, and because it will be necessary to run the above points systematically to give a "rounded picture" of the situation, it is suggested that the points to be stressed by agreed upon and thereafter the specific manner in which they should be released as Washington Comments be decided as opportunities arise.
6. The actual outbreak of hostilities could be predicted about 2-3 days prior

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to the date by giving out a report from a source within the Guardia Civil that the Guatemalan Government has received word of a major attempt to begin on _____. This could be based on a cable which should be distributed to WH and WH/PBS only and could be arranged beforehand with the Guatemala Station.

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