

CIA HISTORICAL REVIEW PROGRAM  
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2003

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<p>Remarks: <i>OK. Is Wilson should this be forwarded? Is Wisner concerned (I haven't heard him mention this.) or is it more a subject for J.C. King?</i></p>																
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EYES ONLY

29 May 1954

MEMORANDUM FOR : C ]

FROM : C ]

SUBJECT : Factors we consider important concerning a consultative meeting of the American States on Guatemala

1. We feel that a consultative meeting of the American States on ~~Guatemala~~ arms shipments to Guatemala and the general situation in that country would ~~not be~~ productive at this time. Such a meeting would serve largely as a delaying action for Guatemala and would give her an opportunity to air her charges against the US at an inter-American forum with the possibility of winning support from such countries as Mexico and Argentina. ~~While~~ such a meeting might embarrass the Arbenz Government, <sup>it is true, but</sup> it certainly would not bring about its downfall. On the contrary, it might serve as a kind of catalyst to unite the various elements behind the president for the sake of upholding the national prestige before the other American States. Furthermore, it is possible that Guatemala could produce "evidence" of US intervention, a step that would ~~not only embarrass~~ the US but would be damaging to US prestige and influence in Latin America. Such a development would be an unfortunate prelude to the Rio economic Conference scheduled for this fall, a conference that will be most difficult and embarrassing <sup>for</sup> to the US without any added impedimenta.

2. <sup>forgoing</sup> These conclusions have been reached on the basis of the following observations:

a) Foreign Minister Toriello has indicated that Guatemala would certainly attend <sup>consultative</sup> such a meeting and would strongly defend its position. He has indicated confidence regarding support from other countries.

Buoyed by his success at the Caracas Conference, he now considers himself Latin America's No. 1 statesman and seems to be eagerly awaiting another opportunity to perform. *A repetition of his Caracas success could in no way be beneficial to the US.*

b) Public opinion in Latin America regarding arms shipments from Iron Curtain countries to Guatemala is sharply divided. On the one hand are the ultra conservatives who would be anti-Guatemala on any issue that smacked of Communism. On the other are such *democratic* countries as Mexico and Costa Rica; and such outstanding statesmen as Padilla Nervo, who has stated that Guatemala *has the right to* buy arms wherever she wishes, and President Figueres, who ~~has~~ refused to make any derogatory statement against Guatemala in a conversation with Ambassador Hill. *Despite urging by* the latter ~~tried to lead him into it~~. Not to be overlooked is Argentina, who gave tacit support to Guatemala at Caracas by abstaining from voting on the Anti-Communist Resolution, and more recently has shown a friendly gesture by decorating the Guatemalan Ambassador, Manuel Galich. *This* In a consultative meeting Guatemala could count on a measure of support from such countries as Mexico, Costa Rica and Argentina, and would derive (great) propaganda advantage from supporting statements by important Latin American statesmen. *US.* *↑* ~~US~~ prestige, by the same token, would suffer.

c) At a consultative meeting Guatemala could defend itself by *urging the* the fact that *the* US has refused for many years to sell arms to Guatemala, despite the terms of the arms standardization program (and the US-Guatemala Military Agreement). Guatemala could prove that all other countries of the Hemisphere have been able to purchase arms from the US, thus pointing up discriminatory action on the part of the US. Furthermore, it could be proved that all efforts to purchase arms in Western Europe were frustrated by the US.

d) Guatemala could take ~~the~~ stand that the US is in effect trying

to interfere with the trade program of Latin America ~~program~~ <sup>not only in arms but all commodities</sup> by trying to enforce east-west trade restrictions. It would not take much persuasion to win support of Chile, Mexico, Argentina, Brazil - all leading countries in the area - on that point. That would be a very delicate issue to have aired prior to the Rio Economic Conference. Again it would serve the cause of Guatemala and be ~~very~~ harmful to US interests.

~~a) The Guatemalan Government is considering holding a consultative~~

~~conference~~

e) As a retaliatory charge against the US, Guatemala might produce embarrassing "evidence" that US ~~trained~~ trained saboteurs, armed with US sub-machine guns and using US-type explosives had attempted to blow up a train-carrying part of the arms shipment from Puerto Barrios to Guatemala City on 19 May. The Guatemalan press carried photographs of the nitroglycerine cartridges which failed to explode and were used to connect the charge with the detonator. The Minister of Interior has stated that this type of explosives is not used by any branch of the Guatemalan Government and "possibly not in any Central American country".

In addition to the above considerations

f) ~~The~~ Guatemalan Government probably would welcome a consultative conference as a delaying action, allowing for distribution of arms, realignment of forces, as well as protection against any revolutionary attempt against the government.

*The*  
g) But supposing that, anti-Communist  
statement of a consultative meeting prevailed  
over all the foregoing, and the consensus  
went against Guatemala, what then? The  
~~possibility that really effective action against~~

possibility Allen's remark that any  
~~action~~ sanction would be void  
or action taken which would  
effectively reverse the present  
situation in Guatemala.