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Presented by Wisner
to State Dept. (Holland)

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(4)

SUBJECT: Disadvantages and damages resulting from a decision to discontinue or substantially modify PFSUCCESS.

a. Pulling the plug on Calligaris and his organization with attendant possibilities of open recrimination as well as probable collapse of internal and external Calligaris organization. Difficulty, if not impossibility of reviving and revitalizing this organization and these individuals.

b. The possibility that there might be an attempted and abortive coup on the part of elements of the Calligaris organization; the results of such a fiasco both in terms of wiping out elements of potential resistance against the regime and charges and recriminations, are believed to be sufficiently evident to avoid the necessity for a fuller spelling-out here.

c. Sudden letting-down of Somoza which, coming on the heels of recent strong reassurances of continuing support and at a time of great pressure upon Somoza, might also result in open recriminations and great difficulties in obtaining his future "cooperation" with any form of covert venture which he might have reason to believe was stimulated or backed by us. If he chose to be very tough about the matter he has within his direct or potential control a lot of people and a lot of hardware which could be "worked on" or used by him to our considerable embarrassment.

d. Pulling the plug on the situation in Honduras which has been carefully built up to the point of our apparent ability to obtain the cooperation from Gomez and Co., which we need. According to the local estimate of the situation, the key members of the Honduran Government are currently not only committed to the support of the operation but are anxious to proceed vigorously. A reversal of direction at this time might have the effect of driving Gomez into a state of neutralist funk and would, in any case, make it extremely difficult to obtain his cooperation in the future.

e. The killing-off of this operation at the present time, if not accompanied almost simultaneously by a substantial new program of similar nature, would soon be known to the Guatemalan Communist regime and would tend to reassure that regime and strengthen its position. Doubtless the collapse of the Calligaris organization would be seized upon by the Guatemalan regime and widely heralded within the country -- as well as outside -- as proof of the "strength and rectitude" of Arbens and Co.

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f. Both State and this Agency would be immediately faced with the 36th-question: "What are we going to do about Guatemala, and what can we do that would be effective?" We are on notice of the fact that in the upper echelons of the Administration it is expected that something will be done -- of a drastic nature -- to remove the menace of Communist-controlled Guatemala. Moreover, there seems to exist a considerable degree of expectation in certain quarters of the Congress that something is brewing, and in any case, that something must be done. These are real factors in the problem which must be taken seriously into account. There is also the question of public opinion, with noticeable indications of a rising feeling of concern about Guatemala and the ever-present possibility that this will crystallize in terms of a demand for action. The significance of this last point is not that it is or would become a partisan political issue domestically, but rather that an accumulation of pressures of the kind referred to could have the effect of forcing action on a too-hasty basis and possibly with fewer assets than are believed to be available at present. Any action taken after a public clamor would be much more demonstrably attributable to us than action taken prior to such public debate and demand.

g. It remains our estimate that there has been a continuing and increasing disintegration in the political situation in Guatemala and in surrounding countries, and that if the present trend is unchecked, it is entirely possible that governments in addition to that of Guatemala may fall prey to Communist infiltration, subversion and ultimate take-over.

h. Finally, there would be a serious adverse effect upon the morale of our own personnel if the operation were to be abruptly called off. This is, of course, not vital inasmuch as our people are professionals and are supposed to take their orders in good part and carry them out conscientiously. However, there would be an inevitable, intangible loss of heart and taste for an attempted subsequent resumption of an operation of this character, and this would be understandable.

The foregoing points are not submitted by way of argumentation. They simply represent our best efforts to outline the principal deterrents and difficulties which would result from a decision to jettison the operation at the present time. Some, if not most, of these difficulties and deterrents would tend to be the greater as we proceed further into the operation and become even more engaged than we now are.

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