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15 DEC 1953

STAGE ONE REPORT

ANNEX B

FRIENDLY ASSETS AND POTENTIAL

CIA HISTORICAL REVIEW PROGRAM  
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ANNEX B

FRIENDLY ASSETS AND POTENTIAL

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ANNEX B

PART I

Political Leadership

B. RUFOS

Synopsis of Favorable Factors:

1. Subject's military record reflects he is an above the average officer who has had sufficient ability to inspire confidence of his exile military associates so that they will follow him in an eventual military attack against the current Guatemalan government.
2. Subject is anti-Communist, pro-United States, and apparently has no excessively militaristic or dictatorial ambitions.
3. Subject possesses an inadequately organized and trained FI apparatus, which, however, could be used as a basis for mounting larger FI operations against the current Guatemalan regime.
4. Subject's PP apparatus, although now relatively ineffective, can serve as framework for a larger PP effort against the current Guatemalan regime.
5. Subject has the confidence and support of the Honduran Government, which provides the movement with an FI and PP Headquarters and distribution base.
6. Subject seems prepared to cooperate with FBSUCCESS officials. He indicated readiness to take fullest advantage of future CIA aid and assistance.

7  
Synopsis of Unfavorable Factors:

1. No method is now available to determine effectiveness of Subject's PP organization.
2. No method is now available to determine the exact extent and effectiveness of Subject's FI nets or informants.
3. Because of lack of experience and necessity, security practices of Subject's group need to be tightened up to control any possible Communist infiltration.

4. [

His same contacts may resent accounting for funds paid for carrying out future PP or FI assignments. ]

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5. Subject lacks experience to organize, direct, and coordinate an operation of the magnitude now planned.

6. The general popularity of Subject in Guatemala and the actual number of his hard-core supporters is uncertain. In 1950, Subject's attempted coup was foiled by a Communist penetration. According to [ ] on three later efforts in 1952-53, Subject promised success for his movement but was unable to launch a successful coup against the government because of lack of support within the country.

8. Use of Subject must proceed without a CIA operational clearance.

9. Subject has little military field experience and naturally no unconventional warfare experience.

10. No control can be exercised over Subject at the present time.

1. Biography--See Attachment A.

2. Personality--Subject, primarily a military leader, commands respect and discipline from his followers by his sincere and reasonable manner. Subject does not possess a hard, driving, fiery personality, but his orders are obeyed without question, despite his quiet and reserved attitude. His associates in Honduras clearly indicate that Subject is the absolute leader. He, however, is flexible in considering problems and has demonstrated an ability to compromise.

Subject appears to be deliberate in his manner of thinking and speaking. He is not one who would be considered to commit rash acts or launch into a military operation without being fully prepared.

Subject is of average physical appearance, and in contrast to certain Latin American military officials, is meticulous in his dress and personal habits.

3. Ideology--Subject is regarded as being a sincere anti-Communist and pro-United States. He abandoned a promising military career in 1949 to protest against the Communist influence in the Arevalo Government. He constantly has remained active in plotting against the Communist dominated Guatemalan governments. No information exists regarding his particular feelings as to new social reforms or methods of governing a Guatemalan administration which he might head.

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4. Motivation--No information is available to indicate specifically what Subject's primary motivations are. From the record it is believed his dislike of Communism in the Guatemalan Government prompted his activities against Arevalo, but subsequent events which included the payment of large sums to him for his group's activities, undoubtedly must be considered. In conversations, undesirable personal ambition and motives of financial gain were not revealed.

5. Financial--No information is available regarding source of Subject's income, other than amounts which are being paid him by CIA. There is no information to indicate whether he possesses property or securities inside or outside Guatemala. Subject is not a member of a wealthy Guatemalan family.

Subject has only made demands from CIA to sustain his organization and not for his personal reimbursement. A request has been made for the accounting of money paid to him by CIA. [

6. Area Background--Has lived in Central America, with brief exceptions of visits to United States and exile periods in Colombia and Honduras. Subject is currently residing in Honduras.

7. Control--No control now exists over Subject. Possible in the future, financial control can be exerted, since he is responsible for funding various PP and FI organizations under his control.

8. Security--A covert name check has been initiated on Subject, but no results have been received at current date. According to instructions from the DCI this project is authorized to proceed without compliance with normal operational procedures because of the urgency and sensitivity of the PBSUCCESS operation.

Subject personally is discreet and security conscious. However, lacking formal security training and adequate resources, certain operating practices have not been sufficiently secure. He has indicated willingness to initiate new methods which will tighten up the security of his operations.

His immediate family, who live with him, are cognizant of many of his operational undertakings.

The physical security of his Honduras Headquarters is considered adequate.

9. Contacts--No specific information is available regarding Subject's military or political contacts who could assure him military support in a revolutionary effort.

Subject has stated he has general support in Guatemala, but to date has not supplied the details of this claimed support. He is reputed to be aided by approximately 200 Guatemalan exiles.

EYES ONLY

The Honduran Government has permitted Subject to organize his group in Honduras. The nature of the personal and political relationship between [ ] and Subject is confused.

10. Political Ability--Subject has held no political offices and has not been active in any Guatemalan political party. No information is available regarding the attitudes of prominent anti-Government political parties toward him. Subject claims general support, particularly among the anti-Communist University students.

No information is available regarding a statement of his political ambitions for the future. His precise political ambitions are not known.

11. PP Ability--There is no information indicating Subject has had PP experience, although currently his propaganda groups do coordinate their activities with his Headquarters. Subject has indicated, however, he expects to turn this particular activity over to a qualified assistant, who possesses adequate training and background. He has written an anti-Communist book, Yo Acuso, of doubtful PP value.

12. Military Ability--Subject's military record, (see Attachment A), indicates a rapid rise. Although reasons for this advancement are not spelled out, Subject's capacity for command must be considered as a responsible factor. No information exists regarding the opinion which other Guatemalan officers have for Subject. There is no information available regarding U. S. military officials' opinion of Subject's military judgment and command capacity.

13. Intelligence Ability--There is no information that Subject has worked with any intelligence service, except CIA. He is, however, acquainted with FI procedures as a result of his anti-government activities while in exile. He is in contact with numerous sources in Guatemala with Central American Military Attaches stationed in Honduras.

Subject admits lack of background in conducting well-organized FI activities, but is convinced of their importance and is willing to cooperate with CIA representatives in improving his FI nets.

14. Replacement--Subject appears to be far above the level of his staff assistants, none of whom apparently are being considered as an eventual replacement for RUFUS.

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ATTACHMENT A

Full Name: RUFUS

Alias: Julia RESTREPO - pseudonym

Date and Place of Birth: 1914 in Guatemala

Present Citizenship: Guatemalan

Relatives and friends in the United States: Peter Woolson, San Antonio, Texas

Wife: Odilia

Brother: Julio Federico PAIZ, brother-in-law also known as Federico PAIZ Herrera, leader of anti-Communist student group.

Political affiliations: An Aranista. Opposed to the moral corruption of the Arbenz regime. At present, anti-Communist.

Travel outside Guatemala: On 8 November 1951, left Bogota, Colombia for Panama. Reportedly made a trip through the Central American Republics, thence to the U. S. and in January, 1952, reported to be either in Mexico or Salvador.

Education:

Six years of primary school

Two years Industrial Technical School of Guatemala

Three years basic military studies at the Military Academy

Six mos. specialized training in Artillery at the Military Academy

One year basic course in School of Applied Tactics, Guatemala

Three months at General Staff course (Ground) Ft. Leavenworth, Kansas

Four and a half mos., Service Course at Fort Leavenworth, Kansas

Military Service:

Entered Military Academy in 1933 and graduated in 1936

Captain in June, 1939

Major in June, 1944

Lt. Colonel in ?

Arrested on 27 August 1949 for failure to send troops to the capital on 18 July

Employment history:

Entered Military Academy in June, 1933 and graduated in June, 1936

Captain in June, 1939

Major in June, 1944

Lt. Colonel in ?

Commander of Artillery Unit, Ft. Matamoros, 1936-1937

Instructor of Artillery, Ft. Matamoros, 1937-1942

Chief of Artillery of the Atlantic Sector, 1942-1944

First Chief of Expeditionary Force of the Defense of the Atlantic Sector, July 1944

Instructor of Artillery, Ft. San Jose, Sept - Oct 1944

Chief, G-4 Section, General Staff, Oct 1944 - June 1945

Chief, G-3 Section, General Staff, June - Nov 1945

Sub-Director of Military Academy, Nov 1947 - March 1947

Professor of Tactics, Second Course Military Academy, May 1946 - March 1947

EYES ONLY

Director of Military Academy, March 1947 until early 1949  
Transferred to Chief of Garrison at Mazatenango, a secondary post  
Detailed to visit USMA in September 1947  
Arrested August 1949 by government police  
In November 1950 led an armed attack on the Military Base in  
Guatemala City, wounded and imprisoned  
On 11 June 1951 escaped from National Prison and granted safe  
conduct to El Salvador

Publications: Wrote a book La Ases in 1951

Court Record: Arrested by Guatemalan Government in 1953 for political  
activities

Description:

Age	<u>39</u>
Height	<u>5 feet, 5 inches</u>
Eyes	<u>Dark brown</u>
Sex	<u>Male</u>

Weight	<u>135 lbs.</u>
Hair	<u>Black</u>
Build	<u>Slender</u>

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ANNEX B

PART II

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ANNEX B

PART II

A. GUATEMALA

1. [ ]

a. The KUFIRE agent coverage, Guatemala, is currently being handled through two projects, these being the ESCONSON and ESCROW projects.

1) ESCONSON Project. Principal agent, ESCONSON-2, is a Guatemalan national [ ]

[ ] He served for several years as a member of the Guatemalan secret police. He is also known to have engaged in intelligence activities for the Guardia Judicial or plainclothes police of the Guatemalan government and also for the Guatemalan military intelligence service. ESCONSON-2 (formerly ESCALATOR) is believed to have identification documents of these various intelligence organizations and it is assumed that he uses them when necessary to obtain information. He is known to have at least four sub-agents.

a. ESCONSON-3 is a Guatemalan, salesman-peddler, who previously worked for the secret police and was developed by ESCONSON-2 [ ] for use by our organization. ESCONSON-2 and ESCONSON-3 are close friends and the latter allegedly believes that he is collecting information for indigenous anti-communist groups. The information which he obtains concerns political matters, army, government and communist activities. He is also available for surveillance activities when such are required.

b. ESCONSON-4. Was developed by ESCONSON-2 [ ] and had worked previously in the information section of the Guatemalan Guardia Judicial. He is a [ ] by profession.

c. & d. ESCONSON-5 & -6. Exact identities are not clear. ESCONSON-6 is believed to be a brother of ESCONSON-3.

2) ESCROW is a Spaniard [ ]

[ ] ESCROW has furnished information of great value which he has obtained from his high level contacts in Guatemalan political life. He also has extensive contacts among Guatemalan communists and left-wing circles. He is currently considered our most [ ] and valuable agent in Guatemala.

b. Of the agents mentioned above, ESCROW is of outstanding value from the standpoint of psychological barometer work. In addition to ESCROW, however, Station Guatemala is utilizing the services of:

1) ESOTROPE, who was born in Guatemala and became a U.S. citizen following her marriage to ESOTERIC, an American citizen. At present ESOTROPE is being used to prepare a psychological barometer report which can be used as a guide for PP activities.

EYES ONLY

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2) ESOTERIC is not being used at present except as a witting informant. However, he would be willing to engage in any activities which did not take up too much of his time and which he did not consider as possibly embarrassing to him. ESOTERIC originally handled ESCONSON-2 but asked to be relieved from this because it interfered with his commercial activities.

3) An exiled Peruvian, [ ] who is referred to locally and signs receipts for payment as [ ] is presently being carried on a developmental basis. He has not been security cleared. He has prepared an extensive study of the Guatemalan labor movements, union confederations, Communist fronts, etc. and has contacts among the lower ranking Communist element although hard core Communists despise and distrust him.

4) ESODIC is a retired Guatemalan [ ] who is engaged in activities which permit him to travel without question to any part of Guatemala. It is questionable, however, as to whether he will undertake a commission which might compromise him and his decision on this matter would probably be based on the judgment of his brother with whom he consults daily. ESODIC is not believed to be a strong character. He is not known to have volunteered information to previous U. S. Army and Air Attaches. His contacts in the present Guatemalan government are limited to his friends among the military. He speaks, reads and understands English as well as Spanish and has travelled in the United States at various times. As previously stated, however, he is regarded as of less importance than his brother, concerning whom biographical information has not been submitted to Headquarters yet.

5) ESODIC's brother is [ ] years older than ESODIC and is also [ ] a man of strong character and at one time a [ ] The elder brother is regarded as being impetuous but probably amenable to reason if properly handled and certainly in a position to know or to learn valuable information concerning the feelings and activities of members of the Guatemalan armed forces. It is planned that Station Guatemala will submit biographical and other information concerning the elder as well as the younger brother with a view to possible utilization of their services.

6) ESKIMOID is an American citizen presently under development in the belief that he can supply information concerning agricultural and commercial matters in Guatemala. ESKIMOID was given [ ] with the view toward having him mount an intelligence net in Guatemala and primarily directed at the Communists. It is not believed, however, that he was successful in this attempt. He is not at present considered a source of information although he was approached on one occasion and requested to act as a cut-out. He indicated his willingness to cooperate but showed an unusual security consciousness, fear for personal danger, and timidity with respect to possibly compromising himself and his commercial activities. Station Guatemala is planning to continue the development of ESKIMOID in the belief that this individual may prove of value. The exact services which will be requested of him have not yet been ascertained.

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7) ESLABON is an individual in whom Station Guatemala is very interested but with whom no direct contact has been established as yet. He is not cleared for operational use though his further use is contemplated. He is known to have supplied valuable information over the course of several years to [ ] Asst. Air Attache to the U. S. Embassy in Guatemala City. Upon the departure of [ ] for duty in the United States, arrangements were made for Station Guatemala to take over and supervise ESLABON through a cut-out but this never materialized. ESLABON is known to have complete and detailed information concerning the plans and activities of the Caribbean Legion and also to have excellent connections with Communists and leftists elements in Guatemala and other Central American countries. Station Guatemala plans to utilize ESLABON's services as soon as proper clearance can be obtained.

c. In addition to the aforementioned individuals, Station Guatemala is also interested in obtaining the collaboration of

1) [ ] and

2) [ ]

[ ] at Guatemala City. These individuals have contact with Col. Arturo Mendizabal Pena, the Captain of the Guatemala City Airport and a close personal friend of President Arbens. According to Kenneth S. GIVLOCK, Chief of Station, Guatemala City, [ ] has been most cooperative in every way, to the extent that he has revealed to GIVLOCK the existence and identities of his "agent" net through which he controls or checks on the movement of his company's union and of [ ]

3) [ ] is known to be a paid source of [ ] for information concerning the C.G.T.S. (Confederacion General de Trabajadores Guatemaltecos). It is possible that he also reports on the activities of the Communist Party of Guatemala. [ ] is known to have furnished propaganda items distributed in Guatemala and Honduras and information concerning the identity of persons in Honduras who receive such propaganda and distribute it in that country. During recent months [ ] has claimed to be a courier for the Communist Party and for C.T.C. elements between Mexico and Central American countries. [ ]

[ ] has indicated a willingness to place [ ] in contact with and under the control of GIVLOCK. According to GIVLOCK, an effort will be made to utilize the services of [ ] if this can be handled through a capable cut-out or other method.

d. In addition to the agents, informants, and prospective contributors mentioned above, it is contemplated using the services of Arthur G. VAIVADA, a trained contract agent with an outstanding record of accomplishment [ ] Arthur G. VAIVADA, an American citizen, [ ] years of age, is believed to be just the type needed to carry out the needed KUFIRE penetration and other activities within the target area. It is the writer's considered opinion that this agent should not be used in connection with the ESSENCE Project.

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ANNEX B

PART II

B. HONDURAS

1. [

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**ANNEX B**

**PART II**

**B. HONDURAS**

**2. RUFUS ASSETS**

**a. Mission:**

The general mission of intelligence organization is certainly clear to Rufus. He seems to be fully aware of the necessity of having technical and political information available to him, during the planning phases of his military operation. The matter of specific missions for individual nets, however, is something that heretofore has not arisen, since all reporting sources have been acting on their own initiative, responding only occasionally to specific requirements levied on them.

**b. Targets:**

In spite of the lack of guidance, an attempt seems to have been made to cover most of the targets of primary interest. Although very little has been done to place or recruit agents for specific targets, RUFUS' friends and associates in Guatemala and neighboring countries have provided him with contacts on whom he can call for certain types of information.

**c. Personnel:**

**Agent nets**

For purposes of easier assessment, the Rufus intelligence structure can be divided into two major categories: nets operating inside Guatemala, and independent agents in neighboring countries.

The first group is controlled by a resident principal agent (SEQUIN) who reports via couriers directly to Rufus and who acts as a principal agent for the nets operating within Guatemala.

The second category is composed of a series of witting informants in Honduras, San Salvador, and Managua who report either directly or indirectly to Rufus. This provides Rufus with a very loose and informal reporting group who pass on by means of letters, notes, and conversations, any bits of information that they feel may be of interest to him. In addition to the above there are one or two agents that have been recruited for specific penetrations of the Communist party in Honduras and the Communist Party (PGT) in Guatemala City.

In conversations with Rufus and with the officer whom he has designated as his intelligence assistant (SETTLER) every effort was made to obtain full details on the nets operating in Guatemala. During the entire debriefing Rufus was most cooperative, but it became obvious after a time that only SEQUIN had the intimate knowledge of each of the nets and agents required for a proper evaluation. Since SEQUIN is living in Guatemala City and is unable to leave, and since the brevity of Lugton's trip did not permit a visit to Guatemala, the information given here is based entirely on the debriefing of Rufus and SETTLER. Rufus himself frankly admits that his knowledge of specific names and details is scanty and went on to explain that because of the demands placed on his time by other duties he has not been able to keep

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up with the mechanics of his intelligence network in Guatemala.

The entire Rufus intelligence structure in Guatemala is controlled and run by SEQUIN who has Rufus' full confidence and runs the network at his discretion. Rufus seems quite content to receive the reports which SEQUIN forwards to him without requiring SEQUIN to reveal his source or methods of operating. For this reason, many of the details which are not available at this writing will have to be supplied when direct contact has been made with SEQUIN in Guatemala City.

There follows, then, a brief description of each of the nets and agents allegedly in operation in Guatemala and Honduras, with a chart showing lines of responsibility and the flow of information.

Nets in Guatemala:

Net #1--Reporting agent, SISTRUM, a Colonel in [ ] section of the Guatemalan Army General Staff. SISTRUM was formerly [ ] of the Guatemalan Army, and is considered qualified to submit accurate reports on the Guatemalan Army at the policy level. No information is available on the number or quality of reports produced in the past by this source, as they have been buried in letters written by SEQUIN to Rufus. SISTRUM passes his reports to a friend, (SISTRUM-2) who in turn gives them to his sister, who passes them directly to SEQUIN.

Net #2--Reporting agent, SACHET, a sergeant in the G-2 section of the Guatemalan Army General Headquarters. SACHET is related to SEQUIN, and makes periodic visits to SEQUIN's home to deliver his reports. Rufus was not familiar with the number of type of reports furnished by this individual in the past, but remarked that he felt the source might prove very useful in the future.

Net #3--Reporting agent, SCARLET, a major in the Guatemalan Air Force. This officer lives at home and is on flight status as the present time. He does not work in an office, but spends most of his time at military air-fields. According to Rufus SCARLET has access to air order of battle and tactical information. SCARLET communicates with SEQUIN through SCARLET-2, a Guatemalan doctor who takes flying lesson from SCARLET. Rufus states that he does not believe that this source has been fully developed as yet.

Net #4--This net is controlled by SHINGLE who allegedly has numerous informants in opposition political groups as well as the revolutionary groups now in power in Guatemala. SHINGLE also controls SLEEKER, a communist party penetration agent, presently employed as a clerk in party headquarters in Guatemala City. SLEEKER has been passing daily reports on activities of the communist party. These reports remain unevaluated at this time, due to the paucity of operational information available at Headquarters. SLEEKER appears to have had no formal intelligence experience or training, but he does receive instruction from SHINGLE who at one time was Chief of [ ] SLEEKER communicates with SHINGLE through cut-outs and letter drops using a rather flimsy open code. If this net can be brought under tighter control, it appears to have a potential worth further development. SHINGLE's brother acts as a cut-out between SHINGLE and SEQUIN.

Net #5--SEQUIN's contact with his informants in the various military districts is maintained by SONNET, who under travelling salesman cover,

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visits the interior of the country at periodic intervals and collects reports from informants in the military garrisons. Rufus is not aware of the identities of the informants in each of these districts, as they are mostly individuals that have been selected by SEQUIN or SECANT. It is hoped that a careful study of the potential of this net will lead to the development of well placed agents throughout the Guatemalan military garrisons to provide an accurate order-of-battle reporting net.

Net #6--SECANT, a retired Guatemalan Army Major presently employed as a [ ] in Guatemala City, maintains numerous contacts and informants among his former associates in the armed forces. SECANT also acts as SEQUIN's adviser on all matters pertaining to military intelligence. According to Rufus, SECANT and SEQUIN exchange military information freely, although it is not known how much SECANT actually knows of SEQUIN's operations.

Net #7--SEQUIN has one additional contact, who, although he has not been exploited in the past as a source of information, may prove useful in the future. This individual is the radio-technician for all the communications equipment in the Guatemalan [ ] He is also employed by TGR (Voz de la Guardia Civil) and TUV (Voz de Guatemala) to handle maintenance on their equipment. If brought under proper control, subject is in a position to provide much needed communications intelligence. In addition, the possibilities for using this individual for sabotage operations are being studied. [ ]

Nets in Honduras:

Net #1--Reporting source in this net is an informant of Col. Luis Morales, the Guatemalan Military Attache in Tegucigalpa. This informant is actually controlled by Rufus, who recruited him about 5 months ago when subject was coerced into service of Col. Morales under the threat of being reported to the Honduran authorities and deported. Subject collects gossip and rumors for Col. Morales, and has also been assigned the task of reporting on the activities of the Rufus group in Honduras. Rufus has furnished this informant with unimportant bits of information which were passed on to Morales to allay any suspicions the latter may have had concerning the informant's true allegiance. On several occasions Rufus sources in Guatemala have reported that information passed by this informant to Morales has been transmitted to the Guatemalan government. If this is true, this net may provide an opportunity for an excellent deception program. In the meantime, subject passes occasional reports to Rufus on the operation of Guatemalan government agents in Honduras.

Net #2--This net represents an attempt on Rufus' part to penetrate the communist party in Honduras and eventually in Guatemala. A young Guatemalan student, exiled in Honduras, was recruited by Rufus and given the task of establishing himself with the Communist student groups in Honduras. This has been done, and at the present time this individual is allegedly well accepted by his Communist associates. During the past few months subject has passed several low-level reports on the activities of student groups in Honduras. Future plans for this individual call for his seizure, along with other communist students, by the Honduran authorities for subversive activities, prosecution, and eventual deportation to Guatemala. At this time it is felt that subject's bona fides will be sufficiently well established with the Guatemalan Communist party. In addition to this, subject is [ ] a member of the Central Committee of the Communist Party in Guatemala. Subject communicates with Rufus through letter drops and cut-outs, and is presently undergoing a thorough assessment by the case officer.

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Net #3--Informant in this net is [ ] of the Direccion General de Policia in Honduras. Subject reportedly has studied in the United States, and attended courses at the F.B.I. school. Although this source has not been fully developed, he has passed numerous reports on subversive activities in Honduras. Rufus feels that as this individual has not yet been brought under control, no heavy demands should be placed on him.

Net #4--Rufus has one additional informant in the immigration section of the Direccion General de Policia. This individual furnishes Rufus with a daily list of all air travellers arriving in Tegucigalpa, with their point of origin, nationality, and passport number. Source has never been pressed for any additional information, although Rufus feels that his access to police files may facilitate local file and personality checks.

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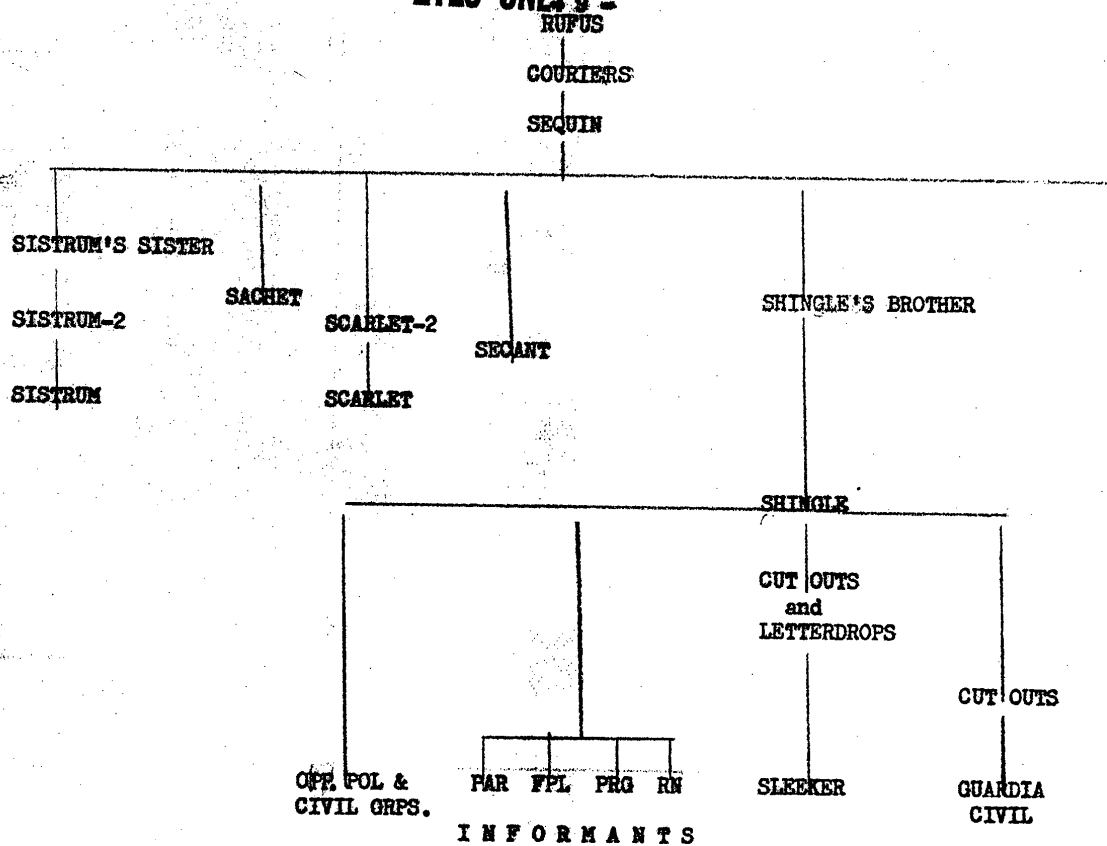


DIAGRAM OF RUFUS INTELLIGENCE

ASSETS IN GUATEMALA

**EYES ONLY**

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RUFUS

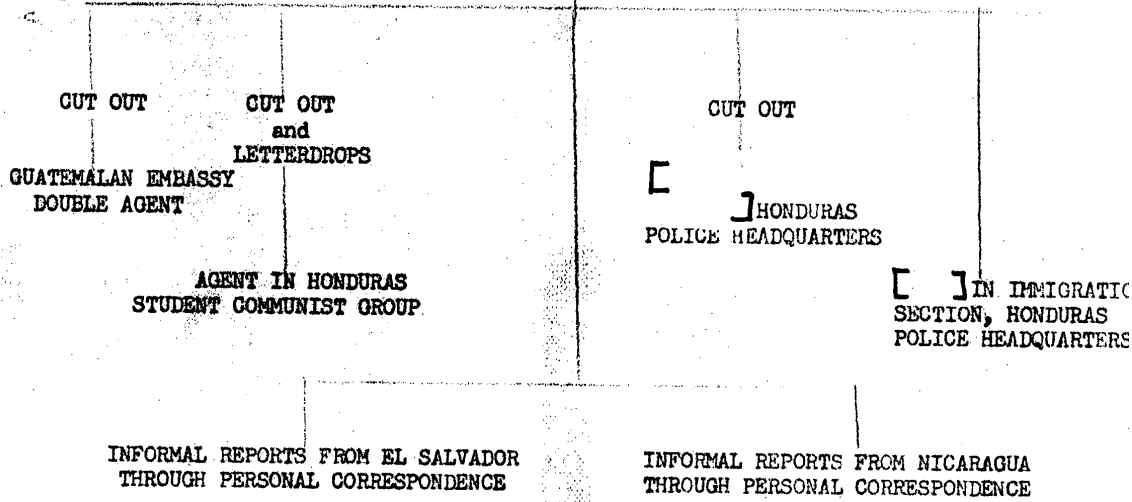


DIAGRAM OF RUFUS INTELLIGENCE  
ASSETS IN HONDURAS, EL SALVADOR  
AND NICARAGUA

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d. Cover:

The case officer's cover in dealing with Rufus and members of his group is that of an American businessman with former military intelligence experience. The case officer is ostensibly a member of a group of anti-Communist, U. S. business and professional men who have joined together to do whatever possible to combat world communism. This group concept is extremely valuable when dealing with Rufus and members of his group since it permits a considerable latitude in the type and number of personnel who can be brought in contact with the Rufus organization. At no time have the names of the leaders of this group been mentioned to Rufus nor has he or any of his assistants inquired as to their identity. In the future as additional people are brought in contact with Rufus, their particular interest can be readily explained. It seems logical to Rufus that a group of this sort would be composed of men from various professions and, consequently, he and his men are not surprised when they are brought in contact with advertising men, radio technicians, ex-military men, etc. Moreover, the group concept justifies the case officer's ability to procure technical equipment and guidance. To date specific justification has not been required but in the future, if any technical surveillance or TSS equipment is to be used, a satisfactory explanation must be given Rufus concerning our ability to procure these items. The case officer has paved the way for this by explaining to Rufus that the group has friends in radio companies and photographic establishments who would be willing to provide necessary support.

The case officer's cover as an advertising consultant doing a survey of Latin American market potential for American consumer goods allows him considerable mobility and can also be used to explain to Rufus unexpected trips he may make in the future.

There is no cover problem in dealings between Rufus and the members of his group, all of whom have known him for some time and are well aware of his activities. Rufus is living in Tegucigalpa as an exiled Guatemalan with no evident means of support and is publicly known as a revolutionary conspirator. There is no problem either in contact between Rufus and his principal agents or between these principal agents and their sub-agents since all are or have been members of one or another anti-Communist movement within Guatemala and are presently united under Rufus' banner.

Agent cover, then, poses no particular problem at this time since most agents have been recruited or developed after they were in position. Most of the agents and informants in Guatemala and neighboring countries operate under a loose commercial cover which is quite acceptable in Central America since there are a great number of "Comicionistas" who make their living by buying and selling throughout the various cities. This type of cover is not particularly strong, but since most of the agents using it are generally speaking rather low-level, the cover is adequate for their work.

The most acute problem of cover, particularly in Honduras, will not be that of the principal agent and individual agents in the Rufus structure but rather that of the American case officer's coming in contact with the group. Since the major cities of Honduras are small and the number of Americans limited, it is difficult for an American businessman to operate for an extended period of time in the area without despoiting some of his time to his cover job. For short, "one shot" trips, tourist cover is

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adequate since tourist travel through Central America during the winter months is common.

However, for extended periods of time, a well developed but flexible commercial cover is necessary to afford the protection and mobility needed by case officers handling and in direct contact with Rufus personnel or agents. Staff Officers under official cover must use cut-outs or other security precautions in their dealings with staff or contract agents. Furthermore, staff officers under official cover will not have direct contact with Rufus personnel.

e. Personal Security:

At the present time, no Headquarters security checks have been received on any of the principal agents, agents or informants utilized by Rufus. It is also planned to independently check on the principal agents and key figures by utilization of resources existing or to be developed by Stations Guatemala, [ ] Since the element of time will not permit complete operational clearances on all of the key individuals, it will be necessary to rely on Headquarters and field files checks.

At the present time the Rufus group has no internal CE setup. However, before a new member is taken into the Rufus group he is investigated through "trusted friends" of Rufus who can report on his past activities, motivation, and character. If the results of this check are favorable, the individual is taken on on a trial basis for a period of one to two months during which time his activities are carefully supervised, and he is assigned specific tasks to test him. If after this trial period no derogatory information is developed, the individual receives increasingly important assignments and the full confidence of the group.

f. Physical Security:

Rufus and a group of his followers are installed in a two-story house in downtown Tegucigalpa. This installation is overt and is the recognized headquarters for Rufus' opposition activities in Honduras. The house has no effective guard alarm systems. However, there is at least one armed member of the group in the house at all times, and the first floor windows have been blocked out. At the present time Rufus is contemplating installing an alarm system in the house. No safe storage exists within the house; all sensitive operational files are maintained on the second floor in Rufus' bedroom. Since the house is known throughout Tegucigalpa as Rufus' headquarters, it is never used as a location for operational contacts. For this purpose, there are several safehouses in or near the city. Two of these are homes of followers of Rufus who permit the use of their houses at various times during the day. Rufus also controls a small farm, located on a hill just outside of Tegucigalpa, which can be used for clandestine meetings. All three of these locations are considered relatively secure from the standpoint of technical surveillance. However, they can become easily contaminated in a short period of time since two of them require the use of automobiles to visit them, and both of the cars used by Rufus are completely blown. At the case officer's suggestion Rufus is endeavoring to procure at least two or three additional safehouses in the city and one some distance out of town in order to provide several alternate spots for contact. All the installations in use at the present have at least one armed guard at all times.

EYES ONLY

g. Contact and Communications:

At the present time contact is maintained between the case officer and Rufus through meetings at one of the safehouses described above. Meetings are always pre-arranged, and no overt contacts either by telephone or letter are utilized. Emergency contact can be established by the case officer with Rufus by telephone using a pre-arranged code. Although this system is recognized as inefficient, it was utilized during the preliminary assessments conversations with Rufus, since considerable personal contact was necessary during that period. In the future, a secure system of letterdrops and cutouts will be established to provide both a primary and alternate communication channel.

Contact between Rufus and SEQUIN is maintained by couriers who fly between Guatemala City, Salvador, and Tegucigalpa. These individuals, whose movements are not suspect, are sterile and carry legitimate documentation. In addition to this, some correspondence does reach Rufus from friends in Guatemala, but these people are not integral components of the nets controlled by SEQUIN.

A system of radio communication between Guatemala City and Tegucigalpa has been discussed with [ ] but inception depends on the availability of trained radio operators. It is also contemplated that an alternate S/W link can be set up between SEQUIN and the case officer in Tegucigalpa.

Methods for contact with agents in Honduras vary with the individual. In some cases cutouts are utilized and in others the agents have been reporting to Rufus directly. This latter practice is being abolished. Steps have been taken to provide each of the reporting agents in Honduras with a primary and alternate system of communication utilizing the dead drops, cutouts, etc.

h. Coordination:

There is no indication at the present time that the Rufus organization receives financial aid from any non-U.S. groups inside or outside of Guatemala. Rufus claims to receive, however, a great deal of cooperation in the form of information from friendly diplomats in Honduras, Salvador, and Nicaragua, as well as from political friends in Honduras and the group of Costa Rican exiles in Tegucigalpa.

i. Timetable:

Unless Rufus' FI operations are quickly tightened and expanded, two unsatisfactory developments may occur. On the one hand, there is the danger that penetration agents now used by Rufus and those contemplated for future activities could be compromised if they were required to remain under deep cover for extended periods of time. On the other hand, Rufus feels that if the entire operation is delayed too long (he did not elaborate on what he meant by too long) that some of his agents might become restless and possibly defect or become associated with another abortive attempt such as the Salama revolt.

EYES ONLY



J. Finances:

The entire financial picture of Rufus' intelligence operations is still not clear. In support of the Guatemalan nets, Rufus each month furnishes SEQUIN funds for distribution at SEQUIN'S discretion to the sub-agents and informants whom he controls. The exact sum which Rufus passes to SEQUIN is not known at this time.

There is no proof at present that the money given to Rufus for his intelligence operations is actually getting to the sources. It is believed that considerable light could be thrown on this subject by SEQUIN and SHINGLE when they are questioned in detail concerning their operations.

At the present time, no money is being paid for rumor campaign "informants."

According to Rufus, none of his agents receive regular salaries or bonus payments, since he has always considered that a fixed salary creates an obligation on the part of the person who gives it, and if for some reason these salaries are not forthcoming, the recipient becomes discouraged. Payments, therefore, have always been made on the basis of "personal necessities" in sums commensurate with the agent's requirements. This is true of all informants in Honduras and is believed to be true for most of the agents operating in Guatemala.

When questioned as to how he explains the large sums of money which he has in his possession or passes on to agents, Rufus answered that he can readily attribute them to friends sympathetic with his cause in and out of Guatemala who are supplying him with funds. According to Rufus, the only people who are witting of U. S. financial aid are: SETTLER, [ ] and [ ] SETTLER feels that quite a few people may imagine that there is American financial support, but he believes that they have no proof of this.

Rufus mentioned that he would eventually require supplies of Honduran, Nicaraguan, and Salvadoran currency, although he could not determine at the moment what quantities he would need.

k. Control and Motivation:

Control:

Controls over agents in the Rufus structure are virtually non-existent. Rufus himself recognizes that this is not desirable, but points out that, in the case of his own followers, the necessity for control is minimized by the existence of rather strong motivation. Control over local informants, particularly those who are unemployed or cannot live from the proceeds of their cover occupation, is definitely financial. Lugton discussed at some length with SETTLER and Rufus the use of more positive and effective controls. They both found such concepts as coercion and the threat of blackmail interesting, but admitted that they had never thought of using them on their own people. In some respects Lugton felt that their reaction was that these methods were just not "sporting".

Motivation:

The primary motivation of the principal agents and agents appears to be ideological. The degree of motivation ranges from what Rufus and SETTLER

described as "almost fanatic" to a much less violent but determined belief on the part of the majority of the individuals that Communist domination could mean the eventual ruin of Guatemala. The intensity of this motivation seems to be in most cases to be in direct proportion to the personal hardships suffered under the present regime.

Financial motivation cannot be discounted, particularly in the case of local government officials in Honduras, Nicaragua, and Salvador who are not actually employed by Rufus but who pass on to him information that they feel may be of interest to him or respond to specific queries he may make. Although these individuals do not receive any fixed remuneration, they do feel free to call upon Rufus for financial "help" when they require it.

1. Equipment:

Communications Equipment:

No communications equipment is presently in use by Rufus. After a preliminary study of the communications methods presently in use between SEQUIN and Rufus, it is contemplated that a clandestine radio link will be established between SEQUIN and Rufus. This link would be controlled in Honduras by an American case officer and would provide a rapid channel for passing reports out of Guatemala and sending in REI's.

It is also contemplated that a series of clandestine radio stations be set up in the vicinity of the headquarters of each of the Guatemalan military districts to service those agents who are allegedly already in position in each of these districts. The reports from these agents would be passed to the radio operators and then sent directly to Rufus, providing him with a continuous and efficient order-of-battle reporting structure.

Audio Surveillance Equipment:

No audio surveillance equipment is presently being used by Rufus. A good possibility exists that audio surveillance can be mounted against the Guatemalan embassy in Tegucigalpa either in the form of telephone taps or microphone installations in the embassy proper. At the present time Rufus has a penetration agent in the Guatemalan embassy and he has been requested to submit as soon as possible a complete plan of the embassy with a accurate diagram of the rooms, electric wiring circuits, telephone lines, etc.

In addition to this, Rufus feels that it might be possible to provide his agent in the Guatemalan embassy with a portable recorder.

A definite need exists, particularly in Tegucigalpa, for effective country surveillance. Rufus' headquarters in Tegucigalpa is under physical surveillance twenty-four hours a day, and there is every reason to suspect that the telephone lines into the house have been tapped. Since this house is the focal point of most of Rufus' activities it would be in the best interests of all concerned to have this house checked periodically.

The possible need for forged documentation was also discussed with Rufus, who did not see any immediate need for devices of this type, but who felt that in the future forged Guatemalan passports could be very useful. Lugton agreed to investigate the possibilities of obtaining these, but emphasized that due to the sensitivity of such documents their use would have to be fully justified.

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Although it is difficult to predict at this time, it may be possible to supply SLEEKER with a miniature camera to facilitate his copying documents extracted from the files of Communist Party headquarters in Guatemala City.

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EYES ONLY

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ANNEX B

PART II

C. EL SALVADOR

PAGES 17-22 DENIED IN FULL

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EYES ONLY

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ANNEX B

PART II

F. HEADQUARTERS SUPPORT

1. The following support arrangements have been completed or are in progress. All intelligence and intelligence information received from these arrangements will be teletyped daily to the U.S. station of FBSUCCESS. The arrangements are:

A. Press clipping service: Chief, CIA Library, has agreed to supply daily press clipping service, beginning at once, from 36 U.S. periodicals.

B. Foreign press coverage: Chief, FDD, has agreed to undertake immediately a survey of available press samplings from the area. Meanwhile, on 16 December FDD will give us a list of thirty (30) additional newspapers published in the area which FDD analysts consider likely to give fullest information bearing on the subject under reference. Chief, CIA Library, has agreed to arrange for immediate acquisition of these foreign periodicals.

C. Foreign radio broadcasts: FBIS has agreed to increase its service on broadcasts originating in Latin America, beginning immediately. The amount of pertinent information likely to be obtained from FBIS monitoring probably can be handled expeditiously through present facilities. Our survey so far suggests that it may not be necessary to establish a B line, if this implies, as we understand it, direct transmission of the FBIS total world take.

D. Contact Division: Has already provided a summary of information at present available regarding the main source of rumors current in New Orleans, about reference subject, and will continue to do so. Contact Division also has agreed to submit to RQM/OIS for screening, all incoming data on reference subject, including data on arms shipments, before releasing it to other customers.

E. The Deputy Assistant Director/OI: has ordered a survey of  available in  but not heretofore screened and will inform us of the volume and type of data available through this channel. We understand from  that no direct service for transmission of this traffic to the U.S. station of FBSUCCESS can be arranged except by routing through  Our preliminary estimate is that the risk involved might outweigh the value of the information obtained in this way.  is studying the whole problem and will report shortly. All special reports and collections of all information on reference subject handled in OOI will be referred to the Deputy Assistant Director as a special project and he will transmit these materials personally by messenger from his own office.

F. RQM/OIS direct support:

a. We have arranged for coordination of all support requirements through a single channel in RQM/OIS.

b. We are servicing previously established requirements for data on petroleum supply and storage facilities; water supply; tourist travel, etc.

EYES ONLY

- c. We are prepared to proceed at once on such special support undertakings as collection of materials for sustaining programs on the air.
- d. We are prepared to assemble standby files of indexes to sources and of reference materials likely to be required for rapid reference.
- e. We propose to check potential needs and adequacy of biographic data.

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ANNEX B

PART III



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ANNEX B

PART III

A. GUATEMALA

COMITE ESTUDIANTES UNIVERSITARIOS ANTI-COMUNISTAS (CEUA) AND THE NEWS-PAPER, EL REBELDE

The existence of an anti-communist university group bearing the name Comite Estudiantes Universitarios Anti-Comunistas (CEUA) became known in 1951 and with the continued growth of the communist menace in Guatemala our agency decided to endeavor to aid this organization in its struggle against Communism. Following the ill-conceived and abortive Salama revolutionary attempt, some of the leading members of the CEUA sought refuge in Honduras and Salvador. The activities of the CEUA refugees or exiles have been studied in a separate report.

Donald O. HEDIGER, a staff agent assigned to Station Guatemala entered into direct contact with two members of the CEUA organization utilizing a cover story that he, HEDIGER, knew of a group of American and Guatemalan business men who were willing and anxious to financially contribute to an anti-communist campaign in Guatemala but with the understanding that their identities would not and could not be revealed for obvious reasons. One of the CEUA representatives proved to be a vacillating type with whom little could be done but the other, who was subsequently given the cryptonym ESSENCE, has become the main-spring of our PP activities in Guatemala.

Over the course of the months following this first meeting, ESSENCE has organized an entity known as Organizaciones Anti-Comunistas Unidas (OAU) which now groups together the Comite Civico Nacional (CCN), the Comite Nacional Feminino (CNF), Comite Obrero Anticomunista (COA), and the Comite Juvenil Anticomunista (CJA). It is also believed that other groups will become associated with the OAU through infiltration by ESSENCE sub-agents. These probably will include the Partido Unificacion Anticomunista (PUA), the Partido Unificacion Democratica (PUD), and the Partido Independiente Anticomunista del Oriente (PIAGO).

The entity known as Organizaciones Anti-Comunistas Unidas (OAU) is dominated by the CEUA which, in turn, is dominated by ESSENCE through sub-agents ESSENCE-1 and ESSENCE-2. ESSENCE himself takes no part in the overt operations of OAU or of the CEUA.

The CEUA, also known as ESSENCE-A, has engaged in overt white propaganda activities of an avowedly anti-communist and anti-government nature and has organized a distributing mechanism covering Guatemala. Within the overt organization, ESSENCE is building up a secret and selected organization known as ESSENCE B which will be controlled by ESSENCE by ESSENCE-3. This organization will engage in covert anti-government and anti-communist black propaganda, will be composed of approximately six persons, and will include ESSENCE-3 and ESSENCE-4 who will be the only ones aware of ESSENCE's activities.

The direct action group now known as ESSENCE-C will be headed by ESSENCE 5 working under the direct instructions of ESSENCE.

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A courier group for maintaining liaison with exiled groups will be known as ESSENCE D and the couriers will be trusted members of ESSENCE A operating under the control of ESSENCE-1 and ESSENCE-3.

The anti-communist news bulletin, known as ESSENCE-E, will appear to be the official organ of ESSENCE-A. Control is exercised by ESSENCE through ESSENCE-6. This newspaper or news bulletin has now come out under the name El Rebelde. So far as is known, the only issue published to date was that of 23 November 1953 and ten thousand copies are believed to have been published.

It is also planned to organize a radio program which will be known as ESSENCE-F and will be handled by ESSENCE through ESSENCE-7. It is planned that this radio program shall appear to be financed by means of advertisements solicited from local businessmen.

KEY PERSONNEL:

The key individuals first met by Donald O. HEDIGER, who operated the direction of the Chief of Station, Guatemala, were [ ] and the individual now known as ESSENCE. (Biographical information concerning ESSENCE is given in Attachment # 1.)

The first individual mentioned, [ ] is a member [ ] of the Asociacion de Estudiantes Universitarios (ASU), [ ]

[ ] and prominent in non-communist student activities in Guatemala. Subsequently, it was found that DIAZ-DURAN was a very vacillating individual, weak, with little organizing ability, and unwilling to do nothing which might embarrass him. He was dropped and, to date, there has been no repercussion.

MODUS OPERANDI:

On one occasion, 15 September 1953, 106,600 anti-communist stickers, labels, and flyleaves were released in Guatemala City and in 123 outlying towns and fincas. These propaganda items were prepared by ESSENCE and his group and printed in local shops. CEUA members took the lead in the distribution in Guatemala City but seem to have been aided by railroad workers and bus drivers in the case of outlying towns. Of interest was the observation that the best results were achieved with flyleaflets which could be picked up, read, and redistributed. Less success was encountered in the use of stickers. Flyers or leaflets are also cheaper to print and to distribute.

The first issue of El Rebelde was printed in the Talleres Gutemberg, 6 Av. 15-70, Guatemala City, and the basis for some of the articles was supplied ESSENCE through HEDIGER. The newspaper or news bulletin EL REBELDE first appeared on 23 November 1953 and is scheduled to be a weekly publication. The first edition is believed to have been of 10,000 copies. Little or nothing is known about the distribution except that one of the distributing centers is located at 4a Av. Norte #18, Guatemala City. El Rebelde is sold for five centavos per copy and, apparently, the distribution is not interfered with by the Guatemalan authorities. It is assumed, though not known, that distribution on a national scale will be attempted

EYES ONLY

if not already accomplished.

CHARACTER OF THEMES:

El Rebelde is violently anti-communist and anti-government and its style of presentation is regarded as generally good; probably better than the majority of news bulletins in other Latin American countries. It is regarded as essential that the type of theme and language used be kept at a level acceptable to the target at which it is aimed. The articles in El Rebelde are probably far beyond the understanding of the average Guatemalan since the level of education is low. However, since El Rebelde purports to be the organ of the anti-communist student organization, it is regarded as normal and more or less to be expected that this bulletin, at least in its first editions, should obviously be aimed at the educated and at the young university student audience. It so desired, later editions can be slanted downward to reach a broader audience. It is still too early to judge whether or not El Rebelde is reaching a large audience or whether or not it is having the desired effect since to date and as far as we know only one issue has been published.

It is of interest that the first issue of El Rebelde contained a facsimile of one of the stickers apparently distributed on 15 September 1953. This is regarded as unfortunate since it would have been better not to have so obviously tied up the news bulletin with the distribution of propaganda. As mentioned previously, ESSENCE intends or intended to form a special group for the distribution of black propaganda. In this particular case, no great violation of fundamental principles was committed since the propaganda distributed on 15 September 1953 carried the words Dios-Patria-libertad; this being the motto of El Rebelde and of the CEUA. Any black propaganda distributed in the future must bear no such clear indication of its origin.

It is also observed that one of the lead articles addressed to the university students of Guatemala and which appeared in the first issue of El Rebelde was signed with the initials O. H. C.; these coincide with the initials of the pseudonym Oscar H. CARTER, tentatively assigned by Station Guatemala to ESSENCE.

It is known that ESSENCE hopes to organize a radio program but it is not known whether or not he has done so to date. It is believed that a radio program might be even more successful than the news bulletin in reaching the illiterate masses.

OVERSEAS OR COVERT SUPPORT:

It is known that the bulletin El Rebelde solicits aid, both moral and financial, in carrying out its campaign and there is reason to believe that financial support is also being received from RUFUS as well as from Station Guatemala. It is known that the proposed field project submitted by Station Guatemala, which has not yet been officially approved -- though it has unofficially -- by Headquarters, calls for an expenditure of \$32,025 as financial support to the ESSENCE project by Station Guatemala. There is no information as yet available concerning the amount of funds supplied by RUFUS from the funds advanced him through other channels by this organization.

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EYES ONLY

CONTROL OF MEDIUM

Since the great majority of funds are supplied directly or indirectly by this agency, the result is that a certain amount of control can be exercised. In the case of the funds from Station Guatemala, however, it has been clearly stated to ESSENCE that these funds come from a group of American and Guatemalan businessmen who oppose communism and are willing to contribute while remaining anonymous but with the understanding that ESSENCE would be a free agent and not a political puppet. It was on this understanding that he accepted financial support from this "anonymous group". There is no indication at present that ESSENCE can be controlled although he can be guided by Station Guatemala. It is equally obvious that the control over ESSENCE by RUFUS will depend entirely upon the control this Agency exercises over RUFUS himself.

Biographical information on ESSENCE has previously been submitted to Headquarters but this Project has not yet been presented for formal approval. The appropriate Headquarters desk is currently preparing the ESSENCE project although biographical information is still lacking concerning the unidentified members of the ESSENCE net.

CONCLUSIONS AND RECOMMENDATIONS:

The ESSENCE Project offers great possibilities in carrying out an effective anti-government and anti-communist campaign in Guatemala. It is the writer's belief, however, that efforts must be made to achieve a means through which the ESSENCE activities will be able to reach and influence the great mass of Guatemalans who, because of illiteracy, cannot be reached by a news bulletin which is written on a rather high or "intellectual" plane. It is further believed that every effort must be made to go from the general to the specific in the sense of attacking specific incidents and, if necessary, people rather than keeping to a generalized program. It will may be that this is the plan which ESSENCE intends to follow and it is impossible at this time to judge accurately since we have but the first issue of El Rebelde and no knowledge of his future plans with respect to editorial policy.

One point of great interest is that the ESSENCE Project is an excellent training ground and should result in the formation of a cadre of trained, capable young men who can be counted on to carry on their anti-communist work in future years and after the ESSENCE Project itself has been abandoned. [

]

The matter of financial control and of control in general is the greatest weakness and a way must be found to check on sums advanced and on utilization of funds supplies so as to insure that the greatest possible advantage is achieved. If properly handled, it is possible that the proper administration of funds may also become the wedge through which lasting control can be attained over ESSENCE.

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ANNEX B

PART III

A. GUATEMALA

Potential KUGOWN ASSETS:

In addition to the KUGOWN assets previously mentioned, there are Guatemalan newspapers which offer certain but undeveloped KUGOWN potential. Basic information concerning some of these newspapers is given below:

A. Accion Social Cristiana

Background: A weekly newspaper published in Guatemala City with a circulation of approximately 5,000.

Key Personnel: The owner is not identified. The director is Juan Alberto Rosales F. and the manager is Antonio R. Calderon G.

Modus Operandi: Unknown.

Character of Theme: The general theme of the newspaper is rightist and Catholic and in opposition to the government.

Target Audience: The paper carries news of general interest and presumably is aimed at a Catholic audience.

B. Aqui Esta

Background: This monthly newspaper was founded in San Salvador in 1951 and is estimated to have circulation of approximately 3,000. The files do not reflect where it is published at the present time.

Key Personnel: The owner and director is Santos Miguel Lima Bonilla.

Character of Theme: The newspaper is anti-Communist in character.

C. Aurora

Background: The newspaper was founded in 1952 and is published weekly in Quetzaltenango.

Key Personnel: The owner and director is Elias Valdes, and the administrator is Ramiro Sanchinelli. For additional information regarding Elias Valdes, see the assessment on Correro de Occidente.

Character of Theme: This publication is known only as an independent.

D. Correo de Occidente

Background: This newspaper was founded in 1950 in Quetzaltenango and is a daily with an approximate circulation of 3,000.

Key Personnel: The paper is owned by Eduardo A. Rodriguez and others. The director is Jose Alfredo Palmieri. The manager is Eduardo Rodriguez R., and the editor is Elias Valdes.

Character of Theme: The newspaper is opposed to the government but is not considered a strongly rightist publication. It is dedicated to the publication of general news items.

E. Corresponsal del Sur

Background: The newspaper is a weekly founded in Mazatenango in 1953. Its circulation is unknown.

Key Personnel: The owner and director is Victor Manuel Zamora.

Character of Theme: The newspaper is known as an independent and is dedicated to the publication of items of general interest.

F. La Epoca

Background: The newspaper was founded in Guatemala City in 1952 and is a weekly with a circulation of 3,500.

Key Personnel: It is owned by J. Antonio Guzman G. and Otto Samayoa Giron. Guzman is the Director. J. Fernando Juarez y Aragon is the editor and Samayoa is the manager.

Character of Theme: The newspaper is known as an independent but generally adopts an anti-Communist stand.

G. El Hombre de la Calle

Background: The newspaper was founded in Guatemala City in 1953 and is published sporadically. Its circulation is unknown.

Key Personnel: The owner and director is Eduardo Arreola.

Character of Theme: The newspaper is moderate in orientation and reflects the writings and personal opinions of the owner.

H. La Hora

Background: This is a daily newspaper founded in Guatemala City in 1944 and has an approximate circulation of 8,000.

Key Personnel: The owners most recently listed are Baltasar Morales, Clemente Marroquin Rojas, Lizardo Diaz, Rigeberto Bran Amitia, and others. At the present time it is not known exactly who is in charge of the management of this newspaper. Both Morales and Marroquin Rojas resigned and recently established a new daily newspaper named El Espectador. Marroquin Rojas was the presidential candidate in 1950 of the opposition parties Concordia Nacional and Union Patriotica. He is an ex-minister of Economy and Labor and was an opposition deputy at the time of his nomination in 1950.

Character of Theme: The newspaper is considered well prepared by journalistic standards, has a general interest appeal, and is considered an influential organ in Guatemalan daily life.

EYES ONLY

I. La Hora Dominical

Background: The newspaper was founded in 1948 in Guatemala City and is a weekly with an approximate circulation of 15,000.

Key Personnel: The owner and director is Oscar Marroquin Rojas. He is a relative of Clemente Marroquin Rojas.

Character of Theme: The newspaper is anti-Communist in character.

J. Impacto

Background: Impacto was established in 1951 in Guatemala City and is a daily with a circulation of 8,000.

Key Personnel: The owner and director is Clemente Marroquin Rojas and the editor is Leopoldo Castellanos Carillo.

Character of Theme: This is an opposition organ with emphasis on editorial comment.

K. El Imparcial

Background: The newspaper was founded in 1922 in Guatemala City and is a daily with a circulation of 28,000.

Key Personnel: The owner is identified as Marta Castaneda viuda de Cordova. The editor is David Vela and the manager is Ramon Blanco.

Character of Theme: The newspaper is generally anti-Communist, but is known as a strong independent. As indicated by the circulation, it is widely read in the nation and has a general interest appeal.

L. Mundo Libre

Background: Mundo Libre was founded in 1949 in Guatemala City and is a weekly publication of unknown circulation.

Key Personnel: The owner and director is Jose A. Miranda.

Character of Theme: This organ is in opposition to the government and is strongly rightist. It has given active support to General Ydigoras Fuentes.

M. Prensa Libre

Background: Prensa Libre was founded in 1951 in Guatemala City and is a daily with a circulation of 8,500.

Key Personnel: The newspaper is owned by Pedro Julio Garcia and others. The director is Garcia. The editor is Alvaro Contreras Velez and the manager is Isidoro Zarco.

Character of Theme: The newspaper is regarded as an independent but takes a generally anti-Communist stand. It is considered a well prepared daily and prints news of wide appeal.

EYES ONLY

N. Tribuna de la Verdad

Background: This newspaper was established in Guatemala City in 1952 and is a weekly of unknown circulation.

Key Personnel: The newspaper is said to be owned by the Comité Anti-Comunista de Locatarias de los Mercados de la Capital. The director is Horacio Cordeva Monsen.

Character of Theme: This paper is strongly anti-Communist and is the publicity organ of the market women's anti-Communist committee.

O. El Espectador

Background: The first issue of El Espectador was published on 7 September 1953 in Guatemala City. It is a daily; however, its circulation has not yet been estimated.

Key Personnel: Baltasar Morales is the Director and Jose Alfredo Palmieri is the manager and columnist. Other personnel of the newspaper are as follows: Carlos Larranaga Gomar, Sports Editor; German Duarte, Miguel Albanes, Hector Quinones, Francisco Baesa, and Rigoberto Bran Armitia, reporters.

Morales and Palmieri resigned from the daily, La Hora, to found this paper. They are considered very capable newspapermen and are outspoken critics of the present government. Palmieri, Morales, and Laranaga are known to be definitely pro-American.

Character of Theme: The policy of the paper will be anti-Communist. It is expected to furnish militant opposition to the government.

B. HONDURAS

COMITE DE ESTUDIANTES UNIVERSITARIOS ANTICOMUNISTAS GUATEMALTECOS EN EXILIO (CEUAGE), AND THE CEUAGE PROPAGANDA ORGAN; BOLETIN DEL CEUAGE

1. Background

About mid-year of 1951 the existence of the Committee of Anti-Communist University Students, (Comite de Estudiantes Universitarios Anticomunistas), CEUA, became known. In late 1951 one of the members of this organization delivered a list of the group's membership to the U. S. Embassy in Guatemala City. Copy of this list is not presently available.

The CEUA group initially engaged in sporadic propaganda efforts of the poster and gummed sticker variety, with Communism in Guatemala as the primary target. During 1952 several of the more militant members of CEUA, in addition to stepping up their propaganda attacks on Communism and the incumbent administration in Guatemala, began to engage in certain ill-conceived and abortive sabotage attempts. The Guatemalan government took the sabotage attempts as an opportunity to strike back at CEUA, and did so by first imprisoning, torturing and later exiling several of the key figures in the CEUA. These exiled CEUA leaders subsequently appeared in Honduras and El Salvador where they reorganized in both countries under the name of Committee of Anti-Communist Guatemalan University Students in Exile (Comite de Estudiantes Universitarios Anticomunistas Guatemaltecos en Exilio - CEUAGE). On 1 November 1953 the CEUAGE group in El Salvador reorganized again, under the name of Anti-Communist Front of Guatemalans in Exile (Frente Anticomunista de Guatemaltecos en Exilio - FAGE). The exile groups CEUAGE in Honduras and FAGE in El Salvador remain related to the CEUA organization in Guatemala, but all three groups, CEUA, CEUAGE and FAGE appear to operate under the covert direction and/or control of RUFUS (see [ ] memo of 11 July 1953). The CEUA group in Guatemala is responsible for the publication of EL REBELDE; the exiled students' group in El Salvador (FAGE) publishes EL COMBATE. These publications will be treated in separate papers. This assessment deals with the publication, Boletin del CEUAGE, which is published in Tegucigalpa, Honduras by the CEUAGE group there. Publication of this bulletin began in June 1953; at the date of this writing approximately thirteen issues have appeared. It is, perhaps significant that one of the directors of the CEUAGE group in Honduras is a brother-in-law of RUFUS.

II. Key Personnel

A. Leaders of CEUAGE group in Honduras:

1. Federico PAIZ Herrera - Secretary of Organization
2. Mario QUINONEZ Flefil - Secretary of Records
3. Edgar QUINONES
4. Manuel MORALES Orell - Secretary of Finances
5. Rafael SISNIEGA Otero - Secretary General
6. Roberto GOMEZ de Leon - Secretary of Propaganda
7. Mario LOPEZ Villatoro - Public Relations Secretary



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B. Key figures on staff of Boletin del CEUAGE:

1. Cosme VISCOVICH Palomo - Director
2. Mario LOPEZ Villatoro - Printing Chief
3. Lionel SISNIEGA Otero - Administrator

C. Very little detailed information is presently available on any of the above individuals, except as follows:

1. All are members of the CEUAGE group (CEUA, in exile) and thus, presumably, are ideologically anti-Communist, and politically in favor of replacement of the present Guatemalan government by a pro-Western, democratic government;

3. No security clearances have been obtained on any of the above. For biographic information on [ ] Mario Lopez Villatoro, and Cosme VISCOVICH Palomo (see Attachments a, b, and c.)

D. The business address of the Boletin del CEUAGE is:

Apartado Postal #462  
Tegucigalpa, D.C.,  
Honduras, C.A.

The cable address of same is:

CEUAGE - Tegucigalpa, D.C.  
Honduras, C.A.

III. Modus Operandi (See [ ] 322, copy attached)

A. Preparation of material

According to [ ] of the  
PAGE group in El Salvador and presently resident at [ ]  
San Salvador), who approached the USIA officer in San Salvador  
on 2 November 1953, the Boletin del CEUAGE is published as follows:

1. The material is prepared in El Salvador.
2. The paper is printed in Tegucigalpa, Honduras, on the presses of La Republica.
3. The finished bulletin is returned, after printing, to El Salvador for transmittal to Guatemala. Some copies have been airmailed directly from Tegucigalpa to Guatemala City.

B. Printing and publication.

1. As stated above, the actual printing is done in Tegucigalpa. The paper presently appears weekly, although future plans for publication call for semi-weekly, later thrice weekly, and ultimately, daily issues. Most of the issues to date have been

printed on a high quality, air-mail weight paper. The quality of the newsprint is, in fact, superior to that used by most Latin American newspapers. The makeup of the paper was, initially, rather poor, but this fault has been largely remedied in the more recent issues. Publication has recently been increased from 5,000 to 10,000 copies per issue, again according to [ ] who also told the USIA officer in San Salvador that operating funds are gathered by contribution from persons interested in combatting Communism.

2. Efficiency of printing and publication cannot be judged beyond the points noted above.

G. Distribution

1. According to [ ] copies of Boletín del CEUAGE are not sold on the streets or newsstands, (of Honduras or El Salvador) but are sent free to the press, university faculty members, the Church, Diplomatic Corps, etc. Most copies are dispatched to Guatemala for distribution there.

2. The most effective distribution within Guatemala is that carried on by clandestine means. Most of the copies going to Guatemala are transmitted from El Salvador via a clandestine overland route. This is done in order to avoid confiscation by the Guatemalan government. ESCONSON - 2 was informed by an unidentified source at the "Casa de la Libertad" at #18, 4th Avenue North, Guatemala City (which houses the CEUA and other anti-Communist organizations), that the Guatemalan government regularly confiscates all copies of the Boletín del CEUAGE that enter the country through normal channels. (See copy of HGG-A-493 attached). According to the same source, copies of the bulletin available at the CEUA headquarters in Guatemala City had been brought into the country via the clandestine overland route. ESCONSON-2 could not elicit any information regarding the quantities received by means of the indicated clandestine route. However, Station Guatemala City stated (in HGG-A-493, dated 17 November 1953) that, "we do know that there has not been widespread distribution to date within Guatemala. We are unable to report any public reaction to the bulletin at this time."

3. According to HGG-A-400, dated 23 September 1953, (copy attached), articles appearing in the Guatemalan papers, La Hora and El Espectador on 18 September 1953, stated that the Guardia Judicial (judicial guards) had confiscated 500 copies of the Boletín del CEUAGE from the offices of Pan American Airways in Guatemala. This information was reported by Dario SOTO, a representative of CEUA of Guatemala, who added that the shipment of newspapers arrived from Tegucigalpa, Honduras, on 17 September 1953; that they filled all legal requirements for printed matter, had been legally transported, and that his group wished to protest such action by government officials.

4. According to a report of a KUBARK staff agent recently returned from Tegucigalpa where he was in touch with RUFUS and CEUAGE leaders, the following information applies to the publication and distribution of Boletin del CEUAGE:

a. The paper is printed in the city of Tegucigalpa overtly at the Imprenta La Republica. The government does not interfere with local printing, as CEUAGE has promised no local distribution. CEUAGE has distributed a few copies of the Boletin del CEUAGE within Honduras, but not in such numbers that the government of Honduras would object. About 6,000 copies per week are printed at a total cost of 500 lempiras (US \$250).

b. The majority of the papers are distributed over the border into Guatemala clandestinely. They are taken in bags to Santa Rosa de Copan. From there a trusted Honduran picks them up and breaks them into small packages. These packages are passed over the border as contraband to Chiquimula and from there in trucks to Guatemala City. There they are delivered to a CEUA safehouse where they are picked up by local CEUA area chiefs and distributed by hand. About 4,000 copies are distributed in this manner. (The present status of this overland route is in doubt due to recently tightened Guatemalan border controls).

c. A hundred copies, which are always confiscated, are sent into Guatemala by Pan American Airways air freight. This practice is being continued by CEUAGE, in spite of the confiscation, for various reasons. For one thing, the CEUAGE staff in Tegucigalpa feels that by allowing the Guatemalan government to confiscate a large shipment every week, attention is diverted from the much larger quantities of the paper which are smuggled into Guatemala via the clandestine overland route. Secondly, it is believed that the copies which are confiscated eventually are circulated throughout the higher echelons of the Guatemalan administration, and this is very desirable from the CEUAGE point of view.

#### IV. Character of Themes

##### A. General Description

1. The Boletin del CEUAGE is a tabloid-type bulletin, and, as such, consists in large part of the somewhat sensational or expose type of journalism. It is decidedly anti-Communist and every article, editorial, and feature deals with some aspect of Communism, ranging in scope from news and features on international Communism, through Communism in Latin America, down to the central theme of the paper-Communism and Government in present day Guatemala. The symbol-slogan of the CEUAGE group is: "God, Country, and Liberty", and the paper exploits this theme wherever possible, not only through repetition and graphic illustration of the symbol-slogan, but also by framing attacks

EYES ONLY

on Communism in Guatemala in terms of violations of, and contrasts with, the ideals which are characterized by the CEUAGE slogan, symbolized by the Guatemalan flag, and represented by the abstract terms: Labor, Individual Freedom, Equality, Justice, Truth, etc. CEUAGE attempts to define the basic principles of a political program which is ready to aid and materialize in Guatemala. According to [ ] CEUAGE editorials will focus on Communist actions in opposition to each of the symbols that constitute the flag, and will, at the same time, intensify its present ideological campaign based on the abstract themes mentioned above. The following is extracted from [ ] memorandum of 11 July 1953 (q.v.):

"CEUAGE will be converted into a semi-weekly, increase its circulation, and continue its attack, denouncing the crimes of the revolutionary governments of Guatemala and showing that the laws decreed in events of a social nature constitute political arms in the hands of the Communist state, to destroy private industry, create legions of unemployed and extend the misery of the diverse sections of the country. It (Boletin del CEUAGE) will have a section exposing the leading public officials, army officers, and labor and farm leaders, publishing their photographs and histories on their political and professional lives."

B. Major themes

1. Central American and Pan American solidarity in the common fight against Communism.
2. Soviet imperialism.
3. Soviet influence over, and interference in Guatemalan internal affairs.
4. Attacks on key officials in present Guatemalan government.
5. Praise of anti-Communist martyrs, especially anti-Communist Guatemalan leaders who have been imprisoned, tortured, executed, and/or exiled.
6. Pan-American student solidarity.
7. Malfesance and corruption in present Guatemalan administration.
8. Abuses of agrarian reform in Guatemala.
9. Present day economic ills in Guatemala blamed on Communists and administration.
10. Salama atrocities.
11. Guatemalans traveling to Soviet Russia and Satellites.
12. Anti-Communist cartoons and jokes.

C. Style of presentation

1. As mentioned previously, the presentation of CEUAGE verges on the sensational, "tabloid" approach. This approach is manifest in many of the photographs which do not spare the reader from the gory details of atrocities. The same may be said of certain articles based on interviews with exiled Guatemalans who have undergone various tortures at the hands of Communist goon squads, and/or the Guatemalan police and security services.

2. In general, the language employed in the paper is of a higher caliber than that to be found in most tabloids. This is to be expected, since most of the writers are presumably from intellectual and university circles. However, it would appear that the style and diction, the arguments themselves, would go over the heads of the masses of the Guatemalan population. If we were to judge solely on the basis of style and content, exclusive of the atrocity aspects, we would conclude that the paper must appeal chiefly to the literate anti-Communist middle class, professional people, disgruntled landowners, students, intellectuals, and anti-Communist elements of the army.

D. Critique of themes and presentation.

1. As mentioned previously, the physical make-up of CEUAGE could be improved. The newsprint is of such superior quality when compared to most Latin American papers as to cause speculation on the bulletin's source of funds. The caliber and style of presentation are above average for papers of this type. The themes and issues are one-sided, but CEUAGE makes no attempt to be anything but anti-Communist; therefore, as a propaganda medium, it is not expected to be completely objective in approaching its targets.

2. It is difficult to assess or critique the themes and presentation of CEUAGE from the target audience point of view. In terms of similar media to which the audience has been exposed it is the opinion of the writer that CEUAGE is above average for its kind, not without faults, but with a significant increase in publication and distribution facilities, would be adequate for the audience previously referenced.

V. Target Audience

A. Owing to a lack of available and authoritative information on this subject any discussion of the target group and the impact of CEUAGE on that group must be restricted to the category of speculation.

B. It is not known by the writer what the intent of the CEUAGE publishers is in regard to the target audience. However, regardless of the intended audience, whatever it may be, the paper appears to be aimed at the groups mentioned in

paragraph IV, C, 2, above. Beyond the fact that the paper is sent free to the press, the Church, university faculties, diplomatic officials, little is known about the recipients of the clandestine distribution within Guatemala, the volume of such distribution, or the impact, influence, and/or effect of the medium's output on the target. If the target audience does, in fact, consist primarily of the groups mentioned in IV, C, 2, above, then the writer is of the opinion that the paper is appropriate for such an audience. As has been pointed out, CEUAGE is not deemed an appropriate medium for reaching the lower class, illiterate, and strictly agrarian segments of the populace. Foreign Service Despatch # 192 from Embassy, Tegucigalpa (copy attached) contains the following information on CEUAGE:

"The bulletin of CEUAGE of November 14, 1953 contains a photostatic copy of a clipping taken from DIE TAT of Switzerland and a translation of the item that includes the statement that 'Guatemala is today completely isolated from the policy of the Central American countries and its foreign policy is directed according to instructions from the Kremlin.'

COMMENT: From time to time bits of evidence that the circulation of CEUAGE in Honduras is arousing public interest come to the Embassy's attention."

C. Reaction to CEUAGE on the part of the Guatemalan government has been expressed by means of denunciations of the bulletin in the pro-Communist and/or government-controlled press, intimidation of CEUA leaders in Guatemala, attempts at suppression of the overt and covert distribution, as well as the previously mentioned regular confiscation of those copies sent into Guatemala from Tegucigalpa via Pan American Air Express.

#### VI. Relation to Other Media

A. Again according to the [ ]-322), the CEUAGE group in El Salvador (now called FAUS), plans a radio program through San Salvador station YSI. Of interest in this respect is the further information contained in Foreign Service Despatch # 192, from Tegucigalpa, as follows:

"The Embassy has learned that the Honduran Minister of Government informed the editorial staff of CEUAGE that a program sponsored by CEUAGE cannot be broadcast from a Honduran radio station as it would likely offend Guatemala.

COMMENT: It is understood that the Minister examined the script of a proposed program. The Government's objection was reportedly based on a reluctance to give official sanction to Guatemalan political exiles to attack their government by innuendo from Honduran soil."

B. Refusal on the part of the Minister of Government to allow CEUAGE to sponsor an anti-Guatemalan administration program broadcast from Honduras may, in fact, reflect a legitimate reluctance by the Honduran government to be a party to such

broadcasts. On the other hand, the Minister's refusal may be due to his own personal attitude, and as such would seem to at least substantiate various other reports in our files to the effect that the Honduran Minister of Government is sympathetic towards the Guatemalan Communists, if not actually in their pay.

C. According to [ ] themes played up in CEUAGE will be coordinated with articles appearing in the other RUFUS-controlled newspapers, COMBATE in El Salvador, and REBELDE in Guatemala. CEUAGE and other elements of the RUFUS group claim that they can purchase space in "independent" newspapers such as EL ESPECTADOR, EL IMPARCIAL, LA HORA, PRENSA LIBRE, IMPACTO, etc. In addition, the CEUAGE campaign will also be coordinated with, and play a major role in the overall, concerted PW program, under the guidance of [ ] and RUFUS.

D. When [ ] approached the USIA officer in San Salvador on 2 November 1953, he [ ] asked for no money contribution from USIA, but did request anti-Communist materials for both newspapers and radio programs. (See [ ]-322 and [ ]-325, copies attached).

#### VII. Support of CEUAGE

A. CEUAGE claims that it receives overt support in the form of money contributions from individuals and groups interested in combatting Communism. The extent and exact nature of such local support cannot be determined at the time of this writing.

B. CEUAGE also receives covert support from the funds advances by KUBARK to RUFUS. What part of these funds has gone toward the support of this particular medium is not known to the writer. However, according to [ ] the sum of \$4,100.00 is to be allotted to CEUAGE for both newspaper and radio propaganda, during the first phase of PESUCCESS. As noted previously, the cost of publication of Boletin del CEUAGE is about U.S. \$250.00 per week.

#### VIII. Control of CEUAGE

A. As stated previously, the CEUAGE group in Honduras is reportedly controlled by RUFUS, at least insofar as the paper, Boletin del CEUAGE is dependent upon RUFUS for financial backing. In effect then, the paper is controlled by KUBARK, but again, only to the extent that RUFUS and [ ] are controlled by KUBARK. In the absence of detailed information, including accountings from RUFUS and his subordinates, the matter of control lends itself more to speculation than to accurate determination and evaluation.

#### IX. Security

A. No security clearances have been requested on any of the CEUAGE or Boletin del CEUAGE personnel. Appraisal of the security of the publication and distribution of the paper must be deferred until more information becomes available. This subject becomes an integral part of the security of PESUCCESS as a whole and will be treated as such.

X. Summary, Conclusions, and Recommendations

A. Paragraphs I - IX, above, represent a compilation and digest of all the information on Boletin del CEUAGE presently available to the writer. In my opinion this information has been inadequate as a basis for an accurate and comprehensive assessment of the bulletin as an effective PW instrument for PSUCCESS. Nevertheless, certain tentative conclusions may be drawn on the basis of the information contained herein. It is the writer's belief that Boletin del CEUAGE has at least the potential, and perhaps current, effectiveness required for the role assigned to it in project PSUCCESS. We are not now able to accurately judge such factors as:

1. Amount, method, and efficiency of distribution.
2. Method and efficiency of printing and publication, or costs of same.
3. Target audience intended, reached, and impact on same.
4. Support of medium-overt and covert.
5. Control over medium.

B. The writer recommends:

1. That information be collected to fill in the present gaps in order to make possible a more definitive appraisal of Boletin del CEUAGE.
  2. That present support of the paper be continued on the basis of presently available data.
  3. That exploitation of this medium be continued and expanded concurrently with the development of other aspects of PSUCCESS.
  4. That detailed accountings be submitted to RUFUS by the CEUAGE group, and turned over by RUFUS to us.
  5. That control of the CEUAGE group be determined in terms of extent of direction by [ ] and RUFUS and direction of the latter by us.
- C. The value of Boletin del CEUAGE as a PSUCCESS asset depends chiefly on the medium's ability to reach the appropriate target audience and to influence that audience in the desired direction. We cannot now gauge this paper's capabilities to accomplish these two objectives, but we can conclude that the potential exists today, and merits any support necessary to further control, develop, and exploit the Boletin del CEUAGE for our purposes.



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List of Attachments: (copies)

- a. Biographic data on [ ]
- b. Biographic data on Mario Lopez Villatoro
- c. Biographic data on Cosme Viscovich Palomo
- d. HGG-A-334, dated 29 July 1953
- e. FSD # 110, from Tegucigalpa, dated 10 September 1953
- f. HGG-A-400, dated 26 September 1953
- g. FSD # 192, from Tegucigalpa, dated 16 November 1953
- h. HGG-A-493, dated 17 November 1953
- i. [ ]-322, dated 20 November 1953
- j. [ ]-325, dated 20 November 1953
- k. [ ]-333, dated 27 November 1953
- l. Clipping from Prese Libre, dated 10 November 1953
- m. [ ]-1254, dated 25 November 1953, with attachment.

PART III

C. EL SALVADOR

FRENTE ANTICOMUNISTA DE GUATEMALTECOS EN EXILIO (FACE), AND THE FACE  
PROPAGANDA ORGAN EL COMBATE

I. Background

A. The background of the Anti-Communist Front of Guatemalans in Exile (Frente Anticomunista de Guatemaltecos en Exilio - FACE) is substantially the same as that of the CEUAGE group in Honduras. Whereas the CEUA leaders who fled to Honduras reorganized under the name of CEUAGE, those anti-Communist student leaders, members of CEUA in Guatemala City, who fled to El Salvador reorganized on 1 November 1953 under the name of FACE. Thus both CEUAGE and FACE have common origins, aims, and work under an interlocking directorship under the over-all guidance and control of Rufus and [redacted]. Just as the CEUAGE group in Honduras publishes the newspaper Boletín del CEUAGE, the FACE group in El Salvador has as its propaganda organ the newspaper El Combate. As has been mentioned in the CEUAGE assessment, the original CEUA group in Guatemala publishes the newspaper REBELDE, which is the subject of a separate paper.

B. As we have seen, there is a definite relationship between the Guatemalan Organization CEUA, the Guatemalan exile group in Honduras CEUAGE, and the Guatemalan exile group in El Salvador FACE. This relationship may be extended to the respective organs of these groups, REBELDE, Boletín del CEUAGE, and EL COMBATE. In addition, the propaganda efforts of these three groups are, according to [redacted] coordinated through RUFUS, and are to be considered as three outlets working together on a common program, rather than as three separate and distinct media working at diverse purposes. The exact relationship between these three groups and their organs and RUFUS is not presently clear. We do know however that what has been said of Boletín del CEUAGE as regards key personnel, modus operandi, character of themes, target audience, relation to other media, support, control, and security, may in large part be applied to EL COMBATE, and perhaps to REBELDE as well. In assessing EL COMBATE we are faced with the same dearth of detailed information, operational and otherwise, which was the case with Boletín del CEUAGE.

II. Key Personnel

A. Board of Directors of FACE:

1. Directors:

- a. Licenciado Carlos Salazar (hijo)
- b. Licenciado Luis Coronado Lira
- c. Colonel Antolin Gonzalez
- d. Captain Rene Fernandez Alfaro

2. Secretary: Prof. Federico Paiz Herrera

3. Treasurer: Eduardo Taracena de la Cerda

B. Staff of El Combate:

1. Director: Licenciado Luis Coronado Lira
2. Printing Chief: Br. Federico Paiz Herrera
3. Administrator: Br. Eduardo Taracena de la Cerda

C. Relationship between FAGE - El Combate and CEUAGE - Boletín del Ceuage:

1. According to [ ]-322 (copy attached), Eduardo TARACENA de la Cerda is Secretary of CEUAGE, in addition to being Treasurer of FAGE, and Administrator of the FAGE organ, El Combate. In the first issue of Boletín del Ceuage (June, 1953). TARACENA was listed as being the Secretary General of the Committee of Anti-Communist Guatemalan University Students in Exile in El Salvador (Comité de Estudiantes Universitarios Anticomunistas Guatemaltecos en Exilio en El Salvador). From this it may be seen that the Guatemalan students in exile in Honduras and El Salvador originally organized under the name CEUAGE in both countries. On 1 November 1953 the CEUAGE group in El Salvador reorganized under the name FAGE and began publication of El Combate on 7 November 1953. CEUAGE and FAGE are basically the same organization. (See copy of [ ]-333 attached).
2. Br. Federico Paiz Herrera is the Secretary of Organization of the CEUAGE group in Honduras. He is also Chief of Printing of El Combate for the FAGE group in El Salvador. Professor Federico Paiz Herrera, (father of above or same as above?), is Secretary of the FAGE group.

D. The business address of El Combate is:

Apartado Postal 441  
San Salvador, El Salvador, C. A.

1. The paper El Combate is printed in San Salvador on the presses of La Nación.

II. Additional information, such as is presently available, may be found in the attached translation of a report from [ ]

List of attachments:

1. Translation from [ ] report
2. Original of [ ] report
3. [ ]-333, dated 27 November 1953
4. Clipping from first issue of El Combate dated 7 November 1953
5. [ ]-322, dated 20 November 1953

Translation of Report from [ ] (original attached)  
Concerning Activities in El Salvador from 1-15 November 1953

On 1 November 1953, there was founded in San Salvador the organization known as Frente Anticomunista de Guatemaltecos en Exilio (FAGE), composed of a group of Guatemalan political exiles residing in El Salvador.

There was given in the writ of organization reasons for creation of the FAGE and the following were announced as the minimum points for the struggle:

1. Opposition to Communist infiltration in Guatemala as a political force
2. Opposition to the graft, corruption, etc., as have characterized Guatemala in the past
3. To implant and consolidate in Guatemala a true democracy and true social justice

It was also agreed to accept these points in the writ of organization:

- a. Invite all the Guatemalans residing in Salvador to join this association irrespective as to whether they are or are not political exiles and to receive them with open arms.
- b. To edit a newspaper, the organ of the association, which would deal with political, social, cultural, and news items. This newspaper to be called El Combate.
- c. It was agreed to pay the expenses of this newspaper through subscriptions or donations made by the members, while accepting monetary aid from outsiders who sympathize or favor the ends sought by this association.
- d. All Guatemalans residing in or out of El Salvador were requested to give their collaboration to the newspaper, including articles, news items, photographs, cartoons, ideas, and so forth.

Part II--El Combate

In accord with the resolution adopted by the FAGE, on the seventh of November, 1953, appeared the first edition of El Combate, this being in tabloid form with 8 pages of close-spaced reading material concerning political and social problems in Guatemala. El Combate for the time being will be bi-monthly, though it may become a weekly newspaper if and when FAGE is able to organize its activities.

The local authorities gave their approval to the publication of El Combate and after it appeared, expressed their congratulations.

COPY 3 OF 3 COPIES

The Salvadoran press saluted El Combate after the first number appeared. This was true in the case of Patria Nueva, Diario de Hoy, Prensa Grafica, and Diario Latino.

People of social and political rank in Salvador have requested subscriptions to El Combate, and the same is true of some members of the diplomatic corps. They have also sent their congratulations.

The newspaper Impacto of Guatemala reprinted the El Combate article titled "Una Conspiracion in El Caribe" in its edition of 11 November but without any comment. On the other hand the newspaper La Hora of this same city had some words of censor.

#### Part IV--Radio

We can count on radio station YSI, which for the time being only broadcasts on long-wave at 1250 kilocycles. They are trying to arrange for short-wave broadcasts on 6130 kilocycles. These programs will be of general information, Guatemalan music, and reading of the principal articles of CEUAGE and El Combate.

Because of the radio broadcasting laws, which have come into effect as a result of international agreements, it is necessary to be careful to not step over the line in the political propaganda campaign and especially when starting this work.

Glandestine radio broadcasts would be very effective and it is considered that the authorities would not seriously attempt to locate any such stations.

~~TOP SECRET~~  
Security Information

~~EYES ONLY~~ -25-  
ANNEX B

PART III

D. NICARAGUA

There are no KUGOWN activities in Nicaragua.

~~TOP SECRET~~  
Security Information  
EYES ONLY

COPY 3 OF 3 COPIES

~~TOP SECRET~~  
Security Information  
EYES ONLY

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ANNEX B

PART III

E. MEXICO

[ ] Of the KUGOWN assets available [ ] it is considered that Project LIONIZER alone will have direct bearing on Project PBSUCCESS. Project LIONIZER supports and maintains a committee openly favoring the liberation of Guatemala from the present Communist-dominated government. Project LIONIZER, through the small group of militant Guatemalan exiles composing this committee, distributes a periodic bulletin, anti-Communist and anti-government comic books, and some posters and handbills. Some of the material produced by Project LIONIZER has been sent by clandestine means into Guatemala but nothing is known concerning the efficiency of distribution nor the results obtained within Guatemala. Since [ ] handling the LIONIZER Project is believed to have revealed United States support of this project, and since there are indications that the LIONIZER group may be penetrated by the enemy, it is considered that the LIONIZER Project can only be utilized for purposes of diversion at this stage.

~~TOP SECRET~~  
Security Information  
EYES ONLY

COPY 3 OF 3 COPIES

~~TOP SECRET~~  
Security Information

~~EYES ONLY~~

ANNEX B

Friendly Assets and Potential

III KUGOWN

F. Washington & Hemisphere Support

Chief, KUGOWN WHD, will provide support coordination of all KUGOWN facilities in the WH Division. WH KUGOWN can request all stations to originate and obtain placement of anti-Guatemalan propaganda which will later be forwarded to LINCOLN for use in PBSUCCESS media. Conversely propaganda originating in LINCOLN and appearing in PBSUCCESS organs will be relayed to appropriate WH station for replay in local newspapers and radios. This two way action will focus attention of Latin America on Guatemala and increase the feeling of national quarantine--for which the Communist leaders will be held responsible. On a limited basis, WH KUGOWN can provide special propaganda materials and supplies to be used at LINCOLN. Also assistance in obtaining necessary equipment for the field can be given by WH KUGOWN.

Special requests for particularly qualified Latin American KUGOWN personnel to be used by PBSUCCESS at LINCOLN can be channeled from WH KUGOWN to its field stations.

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ANNEX B

PART IV



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PART IV

KUHOOK ASSETS

I. Indigenous Personnel

A. General:

1. The primary source of indigenous personnel expected to be available for the creation and expansion of the planned resistance-formulated para-military type action is the RUFUS-led Guatemalan exile group now located in Honduras. This group has alleged clandestine nets operating into Guatemala plus reported support from anti-Communist sympathizers scattered throughout Guatemala and Central America. This group also claims penetration of each military command district in Guatemala.

B. Head of Primary Group:

1. Name: RUFUS

2. Motivations: His declared opposition to the policies and personnel of the present Guatemalan government, as evidenced by his past and present efforts to overthrow the current Guatemalan government. Also certain probable rewards to be derived from a successful revolutionary movement. Constant reassessment of this motivation should be maintained as an integral part of Project PBSUCCESS.

3. Security: RUFUS' name has been submitted for a security check but the results have not yet been received. His security is decreased by the fact that his revolutionary intentions are well known to the present Guatemalan government as well as to any other interested intelligence service.

4. Resources: We have no concrete evidence to support RUFUS' claims to assets within Guatemala and a detailed discussion with him, after his knowledge of the true nature of unconventional warfare has been assured, is necessary before we can make a reasonably accurate estimate. His claimed assets, which have not yet been confirmed are as follows:

Honduras	- 100 men
Nicaragua	- 10 men
Mexico	- 50 men
El Salvador	- 40 men

These men are mostly military but some are businessmen, professional men, laborers, and clerks. Their reported motivation, which has not been checked, is an allegiance to RUFUS and discontent with the present Guatemalan government.

II. CIA Personnel

A. Irving G. GADICK, Project PBSUCCESS head of KUHOOK activities since 11 December 1953. [ He will be stationed at and operate from LINCOLN.

B. Jacob R. SEEKFORD, contract agent with orthodox military experience who has been associated with RUFUS for approximately 1 1/2 years. This

- 2 -

close association with RUFUS may have led to disclosure to RUFUS of SEEKFORD's CIA connections.

C. Vincent C. FIVALL, contract agent with military experience, KUHOCK training, and field experience in Europe. He is now receiving tradecraft training in the United States and will be the head of KUHOCK training for Project PBSUCCESS.

### XII. Physical Assets

A. A training site offered by  This site needs improvements in order to become a training base.

B. Fifteen tons of arms and ammunition is now stored in a New York warehouse. The material consists of:

1. 240 Soviet rifles, 7.62 mm, Models 91 and 91-30 mixed, plus 68,640 rounds of 7.62 ammunition;
2. 110 Madsen SMG's, model 1950, 9 mm, with magazines, spare parts and 55,000 rounds of 9 mm ammunition;
3. 6 Solothurn 20 mm machine cannons;
4. 64 Degtyarev 7.62 mm light machine guns with spare parts;
- and 5. 270 pistols, 9 mm, mixed Italian Lahtis, German Lugers, and Polish Radams but in poor, unusable condition.

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PART V



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ANNEX B

PART 5

RUFUS

1. Communication Assets Available to the RUFUS Organization

The communications assets available to the RUFUS organization have been studied to determine what communications planning will be necessary to meet the requirements for agent, lateral-staff, and tactical communications for operation PBSUCCESS.

There are no communications assets in trained radio operators, existing communication networks, or agent radio operations. There are some limited items of radio equipment available to the organization that can be used in setting up communications networks.

There are ten "ham" radio operators of unknown ability and training who have amateur radio equipment capable of operation in the 40 meter radio band using voice. Because of the many unknown factors involved, it is doubtful if any of these operators have any potential value to the organization other than as possible recruits for training as radio operators.

While the RUFUS organization is devoid of communications assets, RUFUS himself is well aware of the value of good communications and is extremely desirous of obtaining technical assistance.

RUFUS stated that he has been very much impressed by the technical services of the U. S. Army during his stay at the Command and General Staff School at Fort Leavenworth.

In his approach to communications problems RUFUS showed maturity and understanding unusual to one so unfamiliar with the subject.

RUFUS stated that he could recruit as many men for training as will be necessary and promised to make available 20 trainees by 20 December 1953.

2. Propaganda Broadcasts

The radio broadcast assets available to the RUFUS organization were studied to determine what is currently being accomplished in this field and what potential exists for expansion if such should be desired.

In addition, the radio broadcast assets of Mexico, El Salvador, Honduras, Nicaragua, and Panama have been studied to determine the best possible location for a broadcast transmitter to be used for propaganda broadcasts into the target area. The desired location must be one from which it is technically possible to deliver a program to the target area during the maximum number of daily broadcast hours. Because of the program content, the location must be politically tenable. The possibilities of utilizing existing broadcast stations and the possibilities of using clandestine broadcast facilities were studied.

**EYES ONLY**

EYES ONLY

The RUFUS Organization is currently buying time on one radio station located in San Salvador. The program presented is targeted to the Guatemalan audience but the program content is not explosive in nature. It is realized that this program is only reaching a limited audience. Because of the time-frequency-power limitations this program can only be heard within El Salvador or at best reaches across the border into Guatemala for only a few miles.

The RUFUS organization can also buy time on various other radio stations in El Salvador, Honduras and Nicaragua but the limitations are the same as those mentioned above.

Slanted programs can be presented over one Guatemalan station but use for propaganda broadcasts is impossible.

Broadcasts from central-Mexico, Nicaragua, and Panama using clandestine facilities are technically feasible to a varying degree. There are no existing broadcast facilities in any of the listed countries that could give a full coverage of the target area during the desired hours.

It is believed that broadcasts from any of these countries are politically unfeasible whether using either existing or clandestine facilities.

### 3. Lateral Staff Communications for Operation PBSUCCESS

A study of existing communications assets was made to determine what additions would be necessary to furnish adequate, secure, and rapid staff communications for operation PBSUCCESS.

Basic assets available are radio operators now stationed in [ ] installations in Guatemala City, [ ] and in base station installations in [ ] and in the vicinity of Washington.

It will be necessary to furnish staff communications between agency headquarters in Washington and PBSUCCESS headquarters in Lincoln between PBSUCCESS headquarters and agency stations in Guatemala, [ ] between PBSUCCESS headquarters and propaganda broadcasts headquarters Santa Fe; between PBSUCCESS headquarters and training areas; between PBSUCCESS headquarters and case officer with RUFUS; and lateral communications between various agency stations involved in the PBSUCCESS operation.

To meet the requirement for staff communications outlined above, it will be necessary to install a signal center in the PBSUCCESS headquarters in Lincoln with a direct teletype connection with the home office signal center in Washington. In addition, it will be necessary to install a one operating position radio station in a Lincoln safe house (probably in safe house which is used as production studio), for communications with the PBSUCCESS broadcast unit.

Additional radio operators, utilizing such cover as is most suitable, must be assigned to various stations and areas as the need for such assignments arises.

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