

RELEASE AS SANITIZED

2003

DISPATCH NO. ~~EGG-A-1220~~ LINCVIA: COURIER
(SPECIFY FOR SEA POUCH)~~SECRET~~ PBSUCCESS RYBAT

CLASSIFICATION

JUN 11 1954

TO : LINCOLN

DATE:

FROM : Chief of Station, Guatemala C J

SUBJECT: GENERAL— KUGOWN

SPECIFIC— KUGOWN Operational Report (ESSENCE)

1. As previously reported the ESSENCE complex was not seriously damaged as a result of the SEMANTIC compromise and we concluded that regrouping within the last week had reached the point where ESSENCE could resume operations on a limited scale. However, when the suggestion was put to him, he made the following comments which were orally passed to the station by Eliot P. RAZMARA:

a) At the present time the government may think that it has broken the internal opposition and consequently may soon release most of the prisoners against whom there is no conclusive evidence. If operations are resumed prematurely, the government will recognize that an effective organization still exists and may torture the prisoners and through them implicate others who have thus far escaped detection.

b) Charnaud McDonald has declared (to the press) that the government will release full details of the alleged plot in the near future. Meanwhile it is presumed that the government is still rounding up evidence, completing its case. If new operations are initiated, the government probably will not reveal the awaited details and will not relax its vigilance nor lessen its investigative activities.

c) Meanwhile, it is best that we concentrate on shoring-up the morale of the branches throughout the country, reassuring them that the organization is intact and not seriously weakened by the temporary set-back. We should also take advantage of this breathing spell to lay the groundwork for future operations.

2. ESSENCE is already sending messengers to provincial branches for the purposes stated in para. 1 (c) above. In connection with this activity he has recommended that small amounts of money (\$10.00 to \$20.00) be given to each branch as positive evidence that the organization is not only functioning but has the wherewithal to pursue its objectives. RAZMARA has been told to advance money for this purpose. As quickly as possible the branches are being told to maintain an apparent aloofness for the present, to desist from overt political activity (meetings, distribution of propaganda, etc.) but, to prepare themselves for underground, clandestine activities if future developments indicate the need to do so.

3. Since both ESSENCE and RAZMARA are convinced that it would be unwise to resume operations at this time, the station is not pushing its request. However, every effort will be made in the meantime to develop by-product intelligence reports from the various branches and thus avoid the existence of a completely inoperative and non-productive complex.

8 June 54/GLT/sgl
Distribution:
2-Linc; 2-Wash; 1-files

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George L. Tranger

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