**	Approved for Release: 2021/07/08	C02628708	
· · · · ·		· · · · · · · · · · · · · · · · · · ·	
	AL INTELLIGENCE AGENCY	This Document contains information a tional Defense of the United States, w ing of Title 18, Sections 793 and 794, of amended. Its transmission or revelatio to or receipt by an unauthorized pers by law. The reproduction of this for	ithin the mean- the U.S. Code, as on of its contents on is prohibited
· <del>····································</del>	2101 POR LIAIN SALAN (201		
COUNTRY	Paraguay	REPORT NO.	(b)(3
SUBJECT	Paraguayan Political Crisis	DATE DISTR. 7	May 1954
		NO. OF PAGES 2	(b)(1) (b)(3)
DATE OF	INFO.	REQUIREMENT NO. RD	
PLACE A	QUIRED	REFERENCES	(b)(1) (b)(3)
	BY GAPS	5	
	THE SOURCE EVALUATIONS IN THIS REPORT A THE APPRAISAL OF CONTENT IS TEN (FOR KEY SEE REVERSE)		(b)(3)
SOURCE:			(b)(1) (b)(3)
			•
1.	As a result of the recent political crisis in Federico CHAVES, Jose Antonio MORENO Gonzalez, and Ezequiel GONZALEZ Alsina, Minister of Educ detention at the Colegio Militar. CHAVES has nation, which probably will be accepted. The the Colorado Party was planning to meet situation. Firing has ceased, and approximate date.	Foreign Minister, ation, are now under submitted his resig- governing board of to study the	(b)(1) (b)(3)
2.	If CHAVES' resignation is accepted, strong can guayan presidency are Tomas ROMERO Pereira, fo Interior, and Ramon MENDEZ Paiva, present Mini	rmer Minister of the	
3.	Factions favoring Epifanio MENDEZ Fleitas, for Bank of Paraguay and Police Chief, had part in A military plane left Asuncion for San Pedro t to Asuncion.	mer president of the the recent events.	
4.	the present situation is organized plan or conspiracy, but the revolt d as a result of orders from Nestor FERREIRA, Ca the arrest on 4 May of Major Virgilio CANDIA a Following these arrests, CANDIA supporters sta Headquarters, while in Asuncion Army Battalion quarters, injuring several police officials and Police Chief.	eveloped spontaneously valry Commander, for nd other cavalry officer rted fighting at Cavalry 40 took over police beau	
	CONFEDENTIAL		

(b)(3)

## CONFIDENTIAL

## -2-

5. General Alfredo STROESSNER, Chief of the Paraguayan Armed Forces, reportedly broke with FERREIRA over the above-mentioned arrests, with the result that FERREIRA is now under arrest. STROESSNER controls the city of Asuncion, the police, and all the armed forces, with the possible exception of the cavalry.

1. <u>Comment</u>. It is rumored that the cavalry may go to Asuncion to attempt the release of FERREIRA.

(b)(1) (b)(3)

(b)(3)

## CONFIDENTIAL