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CIA HISTORICAL REVIEW PROGRAM  
RELEASE IN FULL

14 February 1954

2003

MEMORANDUM FOR: C/P

FROM : Kenneth S. GIVLOCH

SUBJECT : JMBIUG Ideas in Response to LINC 451

1. With reference to LINC 451 requesting that certain information be obtained from JMBIUG with regard to his ideas concerning the political program, etc., of any new government, prior to my departure from Guatemala I conferred with him, and he very graciously consented to prepare a memorandum in answer to the specific questions you had requested. Attached is one copy of the memorandum prepared by him. He specifically stated that he had not had much time to think over this matter after receiving my request and that this memorandum should not be considered as an official expression of his opinions with regard to the subject matter. He pointed out that it is very brief and will serve to indicate the line on which he is thinking and was submitted by him solely with that intention. He stated that in order to convey his ideas in full it would be necessary to exchange ideas and discuss in detail the various points in the memorandum, since sometimes words used may be interpreted according to the background and orientation of the person to whom his ideas are conveyed and not be exactly the interpretation he intends.

2. As of further possible interest and use in determining what political program should be established, I had George L. TRANGER of the Guatemala Station prepare a memorandum of his views on the same questions. Attached is a memorandum by him which may be of some help. TRANGER is a keen observer and is an officer of sound judgment, and I think that his views definitely should be taken into consideration in preparation of the program.

3. Station Guatemala does not have a copy of either of the above-described memoranda.

KSG/eaf  
16 February 1954

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1. "What political platform should an anti-Communist group which is seeking to overthrow the government espouse?"

Answer: One of the best guides to such a platform is contained in the letter sent by George Meany, President of the A.F. of L., to President Arbenz published in the New York Times of Sunday, February 7. In addition to the points mentioned in that communication, a new group should reaffirm its belief in the freedom of peoples and the dignity of man. It should definitely associate itself with the western world.

2. "What should be the announced position of such a group on matters of agrarian reform, foreign capital, the role of the army, the role of labor unions, the subject of nationalism, etc.?"

Answer: Such a group should make definitely clear that it has every intention of seeing that land is available to those who need it; however, such land should go to the Indians who want the land and not to favorites for political reasons. The word "Agrarian" should be dropped, and the term "Land Reform" used. Such a group should announce that it will administer the law impartially and that it will pay fair and just prices for any lands taken over under the law. It should point out that the present situation has gone beyond the law and that anarchy rather than orderly government is taking place. Foreign capital should be invited to come in with proper guarantees to the investors while at the same time such a platform should make clear that Guatemala would expect just returns from such investments and would not expect to be exploited. This will have an appeal to those who are true nationalists but are neither pro-Communist nor anti-American. The Army should be told that it will be rid of its leaders who are permeated with graft and that such leaders will be removed from office. The standards of the rank and file of the Army will be maintained at a high level and they will receive necessary equipment for their training in order to maintain the security of Guatemala and this Hemisphere in association with the other American states against Communist aggression. Labor Unions should be told that they will be free to

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elect their own officers and not to be dominated by two or three at the top; that to have a really truly effective union they must be free not only from those without who would exploit them but from their very own. They should certainly be encouraged to associate with the free labor movement of the world and no longer be subject to the domination of the Soviet-controlled trade unions.

Nationalism: It seems to me that the new group must of necessity stress the sovereignty of its nation while at the same time making it clear that this does not mean it does not welcome help, technical know-how, and assistance from its friends. The new group should make it clear that they stand on their own feet and are not subject to any foreign power. For instance, the very able newspaper Prensa Libre, while vehemently opposed to Communism, is very nationalistic, but I would not regard it as anti-U.S. by any stretch of the imagination. They do not hesitate to criticize us on small issues if they think we are wrong purely on the merits of the case, but on the large issues this newspaper agrees with what the United States is trying to do in the world today. We must not confuse, in our desires to have a new group take over, nationalists with anti-gringos. Some of the intellectuals are very proud of their country and should be. We must be very careful not to alienate them. Today they are on our side; we want them on our side tomorrow.

3. "What political actions must an anti-Communist group once it has seized power carry out in order to remain in power? What should it actually do on the planks contained in its pre-coup platform after coming into power?"

Answer: It should immediately move in by replacing those known as Communists or fellow-travelers. It should restore the Board of Education to non-Communists, it should oust the Communist teachers, it should regain its control over radio, ~~and~~ reform, and other important places where the Communists have infiltrated. The new group should not take punitive measures against people who just disagree with them or who were personal enemies in the past. They should be very tolerant of opposition in the country so long as it is not Communist. They should promise within six months to hold really free elections, and I think it is incumbent upon us

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to assist behind the scenes in any way to see that this is done. Unquestionably, the new group will have to be ruthless with some of the old. Perhaps there will be trials. They should be conducted fairly and openly against those people who were traitors to the State. With regard to the second part of the question, the new group should make every effort to carry out its platform. One of the first steps it should take would be to invite the three large American interests in Guatemala, namely, Empresa Eléctrica, the Railroad Company, and the Fruit Company, to sit down around a table as friends and discuss new contracts. This in itself would have terrific impact on the people. Some preliminary work may be done in this direction by ourselves. While it is desirable to see new contracts negotiated, it is incumbent upon us to see that American investments receive fair returns. The new group should promise to make proper indemnification for properties seized; and, actually, after they have really examined the situation I am convinced that they will find that there is no necessity for exploiting all the land that has been appropriated since as a matter of fact there is no shortage of land in Guatemala and the needs of the poor could be taken care of very easily without disrupting free enterprise. The Government should encourage the big land owners themselves to join in this movement. As of today I am convinced they would be most happy, but sometimes after the fruits of victory people are inclined to forget the dangers they were in and some of these people might attempt to go back to the status quo. This would be bad for the U.S.A. The new group should promise nothing which it could not reasonably produce, bearing in mind, of course, that "politics are politics."

I might say that there are many gaps perhaps in this since I have dictated it in the last fifteen minutes between appointments. However, I reiterate what I said in the first paragraph that the basis for its new foundations can be found in the A.F. of L.'s letter to Arbenz of February 7. They must be tolerant of those who might oppose them but are not Communists; they must be ruthless with those known Communists. Naturally, they will have many friends to take care of; however, they should be encouraged to pick the ablest and not let the spoils system completely take over.

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## POLITICAL PLATFORM

### 1. Agrarian reform:

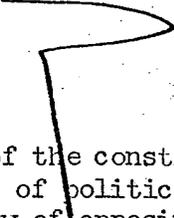
- a. distribution of economically efficient plots to landless campesinos in order to raise standards of living and to make it possible for landless campesinos to become part of "economically effective" population (i.e., producers of marketable surplus rather than mere subsistence farmers).
- b. establishment of agricultural vocational schools to teach modern methods of agriculture
- c. government aid (technical, financial, training) in introduction of new crops to assure diversification
- d. rapid expansion of highways to permit easy marketing of crops
- e. technical assistance/planning to assure economic balance between products domestic and foreign consumption
- f. agrarian financing on a non-political basis to aid new landowners to become established (i.e., purchase seeds, equipment, etc.)
- g. abolition of communist-inspired features of present reform law which make beneficiaries government serfs
- h. appointment of qualified professional persons to supervise application of agrarian reform and elimination of political hacks who lack understanding of such matters.
- i. simultaneous action to assure expansion in other fields that will guarantee markets for increased agricultural production resulting from agrarian reform

- j. measures to assure equality of treatment of both the large land-owners and farm workers
- h. <sup>adequate</sup> minimum wages for rural day laborers
- i. abolition of present abuses, illegalities in connection with land distribution
- j. protection of small land owners from expulsion from land
- k. expulsion of communists from administration of agrarian reform.
- l. agrarian reform administration subject to legal review by app.

2. Foreign capital:

- a. abolition of past special privileges enjoyed by foreign capital
- b. government aid and guidance to encourage investment of native capital in creation of new industries and expansion of old
- c. encouragement of foreign capital investments (on reasonable terms not inimical to national interests or native capital) when local capital resources are inadequate to undertake large-scale improvements.
- d. protection of national interests by establishment of reasonable maximums in profits that may be taken from country by foreign investors.
- e. provisions to assure maximum utilization of native labor in all categories by foreign concerns
- f. prohibitions against economic/political meddling in internal affairs by foreign investors and precise understandings regarding investment conditions in order to avoid diplomatic representations and conflict between governments.

3. Role of army:

- a. highly professional
  - b. apolitical
  - c. dedicated to the defense of the constitution (which will specifically prohibit the establishment of political parties based on foreign ideologies that advocate the overthrow of opposing types of government by force, violence ~~or~~, subversion, illegal manipulation of electoral processes, etc.)
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This one is "suggested"

4. Labor unions:

- a. encouragement of labor organizations devoted to genuine collective bargaining and dedicated to the harmonious progress of both labor and industry
- b. establishment of non-parcial mediation services comprised of labor and industry representatives to assure fair and orderly solution of labor disputes.  
imparcial
- c. assurance of/government participation in labor/industry negotiations to achieve legitimate objectives for workers (minimum wages, safety regulations, unemployment and retirement benefits, etc.)
- d. prohibition against activities of international agitators and organizers in domestic labor matters

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5. Nationalism:

a. recognition of popular demands for economic/political independence and assurances that such will be guaranteed by vigorous pursuit of nationalistic policies within the broader framework of international cooperation

b. reestablishment of friendly relations with all <sup>neighboring</sup> countries, particularly in Central America for the purpose of resuming former position of leadership in ~~the~~ area

c. pursuit of satisfactory conclusion to unresolved question of Belice

d. expulsion of communists and sympathizers from government to end ex-communication of Guatemala from rightful place in the ranks of the western democracies

e. *Expulsion of communists and other advocates of foreign ideologies from government in order to ~~prevent~~ prevent subversion of national sovereignty in the interests of any foreign government or groups*

( Having re-read the foregoing it is obvious that a. "Covers the waterfront" and b. through c. represent implementation in more specific detail ).