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PBSUCCESS RYBAT
CLASSIFICATION

MAY 18 1954

TO : LINCOLN

DATE: _____

FROM : Chief of Station, Guatemala []

SUBJECT: GENERAL—

SPECIFIC— Transmittal of Army Attaché Report

Reference: HULA-61

Attached for LINCOLN is one copy of R-74-54, entitled "Government Awards Loyal Military and Political Henchmen with Building Lots", which was prepared by the Office of the Army Attaché.

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Clara M. Heagey

Enclosure:

R-74-54 (for Lincoln only)

15 May 1954

CMH/cmh

Distribution:

2-Linc w/att

2-Wash w/o att

1-Files w/o att

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PBSUCCESS RYBAT
CLASSIFICATION

20 MAY 1954

BID NO.	CONFIDENTIAL	COUNTRY: Guatemala
MSG NO.		
REPORT NO. R-74-54	WDGS - INTELLIGENCE REPORT	I. D. NO.
SUBJECT: Gov't Awards Loyal Military & Political Henchmen with Building Lots		
FROM: OARMA Guatemala	REFERENCES: R-10-54	
EVALUATION: A-1	DATE OF INFORMATION: 8, 10 & 12 May 54	DATE OF REPORT: 13 May 1954
INCL: 0	PREPARED BY: A. E. McCormick	SOURCE: Local Press

SUMMARY OR SID REPORT:

1. Several Communists and five members of Guatemalan military awarded building lots by Government in choice La Aurora area.
2. Independent press sharply criticizes action as compensation to loyal Revolutionaries rather than fulfillment of Government agreement to solve housing problem.

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REPORT NO. 3-74-10

PAGE NO. 3

Guillermo ~~OVANDO~~ Arriola - Former President of Congress.

Alberto ~~REYES~~ Archila - Position unknown but active in "peace movements".

Humberto ~~AGUILAR~~ - Believed to be Colonel Jose Humberto AGUILAR GONZALEZ, Chief of the Army General Warehouses.

Oscar ~~JIMENEZ~~ de Leon - On RN Commission.

✓ Alaric Alfonso ~~BENNET~~ - Former PAR Deputy.

Julio Alfonso ~~AMEZQUITA~~ - Former Deputy.

Francisco ~~LOPEZ~~ Estrada - PAR Deputy from El Quiche.

Jose Luis ~~DE LEON~~ - PAR Deputy from San Marcos

Rafael ~~AGUILAR~~ de Leon - Unknown.

2. On 10 May 1954 the same newspaper, in commenting on this wholesale award of property to Governmental functionaries, pointed out that it appeared to be more in the nature of compensation to those who had served in the ranks of the Revolution rather than an attempt to solve the housing problem, in accordance with the Government Agreement of 30 April 1954. In addition, that article repeated that the cost of the lots would be 10¢ a square meter in an area where the actual property value should be at least \$5.00 a vara (2.8 square feet). Recipients will have 20 months to pay for the lots. The adjudgment will be processed through the Ministry of Finance and Public Credit or the Department of National Welfare. The article further stated that it would be natural to expect such a gift for people suffering economic hardships, but it failed to see how this applied to Humberto GONZALEZ Juarez, a prosperous businessman who already owns more than his share of property; Colonel WEYMANN, or Julio ESTRADA de la Hoz, who are already well-off. It did point out, however, that it considered Victor Manuel GUTIERREZ an exception in that he did not have "a second shirt to wear", despite the good salaries received in the Revolutionary era, or Ignacio ORTIZ, another Communist who, upon leaving Congress, had to be presented a job in court.

3. In commenting on this same measure, the EL IMPARCIAL, independent evening newspaper, pointed out that more than 40 persons employed by the Department of Agriculture had asked for lots in the same locality. They received a negative reply and were told by the Government that it was a "dangerous zone". The IMPARCIAL concludes that this is simply a case of favoritism in which the politicians are taking advantage of the situation.

4. These lots are part of the whole national finca "La Aurora", located in a new housing development area in the southern part of Guatemala City, adjoining the main airport.

COMMENTS:

1. It is obvious that the presentation of these lots is simply a reward to loyal members of the Administration and amounts to a virtual gift.

2. The principle military recipient, Colonel Eduardo WEYMANN, never misses an opportunity to be in on the receiving end of Governmental donations. He is jokingly referred to by his contemporaries as "Cash", because they maintain he'll do anything for cash.

3. Major Francisco ~~MORAZAN~~, personal secretary to President ARBENZ, also has a large lot in this same area on which he is constructing an elaborate home.

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A. E. MCCORMICK

Colonel, GS

Army Attache

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