

ROUTING FORM

Doc. No.:

Date: 23 MAR 1954

Indicate title of person to take action and that of the originator. Place comments thereunder by numbered paragraphs. Initial in center of page and draw a line across the page and forward. Each recipient is to repeat above procedure until action is completed and ready for filing. This cover sheet must be retained with enclosure.

TO

FROM

DATE

Document of 26 Feb. 1954

23 MAR 1954

EEI EXTRACTED

MAR 23 1954

Suggested cable

TO: DIR

sent 3/23/54 LINC 1288

Re memo of conversation between Gregory Lawrence & L. P. Sabol, dated 26 Feb, imperative delivery referenced equipment be delayed by ~~at least~~ at least till autumn, by any means possible. ~~No harm in company signing contract, but delivery must not be made, as would interfere drastically with PBSUCCESS.~~ However, company should accept contract to preclude supply from uncontrollable non-PBPRIME source.

DC/P

CIP

-EW

DC/B

above approved

Pls. indicate file no. of this document & give me the no.

Jerry - Pls check # and advise

CIA HISTORICAL REVIEW PROGRAM
RELEASE AS SANITIZED

2003

EW fi
11.6

DATE: February 26, 1954

SUBJECT: Construction of 50 Kw Radio Transmitter Station for Government of Guatemala

PARTICIPANTS: Mr. L. J. Sabol, Manager, Washington Office, Westinghouse Electric International
Gilbert LAWRENCE

COPIES TO:

Mr. Sabol called to inquire for the position of
ment. Westinghouse was offered the contract to supply this equipment
by Maurice L. Parisier and Company, 1475 Broadway, New York 36, New
York, who has a letter of intent from the Guatemalan Government for
construction of an entire transmitting facility, including building,
antenna tower, etc. ODACID

As factors in favor of acceptance by his company, Mr. Sabol cited
that electronics equipment of this kind is available from several man-
ufacturers in the United States (RCA, GE and others) and in Europe
(Phillippe of Holland, Italian Marconi and others); that although no
complete units are immediately available, all components can be easily
obtained and assembly should easily permit any manufacturer among those
cited to meet an early delivery date, probably no more than 90 days.
The amount of the sale would be approximately \$130,000. Factors to be
weighed against the sale, he conceded, are the power of the station,
which would be equal to one of Washington's largest, WTOP, and would have
a range sufficient to reach any part of Central America from Guatemala;
and the use to which the station might be put under present political
conditions. Since the equipment is no longer subject to export license
from the United States, Mr. Sabol particularly wanted to know what the
attitude of the State Department would be toward going ahead with the
sale.

I told

~~CONFIDENTIAL~~

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I told Mr. Sabol that in the present absence of any controls over the export of this equipment, the decision would rest entirely with his company, which would certainly wish to weigh any disadvantages against the probable profit. The Communists have gained a commanding position over Government information facilities in Guatemala, including radio, and independent stations have been forced to discontinue anti-Communist progress; further, the Government radio station, TOW, for which this equipment is intended, follows a consistent propaganda line which is pro-Communist, pro-Soviet and anti-United States. This is serious enough in Guatemala, but even more serious to Guatemala's neighbors, particularly the two small countries of El Salvador and Honduras, which have been resisting Communist influence based in Guatemala. The United States Government has a broad policy of firing up Central American resistance to Communist influence from Guatemala, implemented in numerous aid programs; certainly it would be counter to such policy for an American company to supply communications equipment which would certainly be utilized against these countries by the Guatemalan Communists. Public relations aspects in the United States should also be considered, since a strong public opinion is already aroused over the threat of Communism in Guatemala, as manifested by the current wave of demands for embargo on Guatemalan coffee.

Mr. Sabol said that he knew his company would consider very carefully all aspects of the sale and that he would communicate with me further.