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Specific - Information on Guatemalan Labor Situation

CIA HISTORICAL REVIEW PROGRAM  
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Herewith forwarded is a recent report on the  
Guatemalan Labor situation submitted by EMERALDITE  
on request of this Mission.

Boyd I. Rolander

HIR/cav  
Attach.  
cc: 3 - Wash.  
1 - Lincoln  
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*Guatemala Filed in: Labor - Secret*

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Subject: The Labor Movement in Guatemala and Allied Subjects  
Date of Information: 5 March 1954  
Date of Report: 10 March 1954  
Evaluation: C-3  
Source: REFRAIDITE

1. INFORMATION ON THE "COMITE GUBER. ANTI-COMUNISTA" OF GUATEMALA:

According to latest information received from Guatemala, the COMITE GUBER. ANTI-COMUNISTA still maintains an office in the "Casa de la Libertad", Guatemala City. However, its lack of activity and registrations was climaxed by the flight of its directors. The CGAC never functioned as a true political or syndical group, and if it has not disappeared, its functions have been suspended.

The CGAC could have a strong backing from artisans, small proprietors, and market workers, especially in Guatemala City, but the CGAC, from its inception, worked against the Government of Jacobo ARBENZ, without having even a mediocre organization to support it. Moreover, the CGAC committed the error of not planning a clear, constructive program that would have served to attract the masses. Its politics consisted in being anti-Communist and combatting all the social reforms of the Government without offering any solution to the extremely grave problems of the Guatemalan workers.

There has also been pressure from the Government, which jailed the distributors of anti-Communist leaflets and accused the strong adherents of anti-Communism of being participants of plots (real or supposed) against the Government. This terror has helped to nullify the CGAC.

2. FINANCIAL SUPPORT OF UNIONS IN GUATEMALA:

The syndicates have established in their statutes the payment of membership dues not exceeding one percent of the worker's salary and bonus for his time of service as a member. The best-financed syndicates are: SINDICATO DE TRABAJADORES DE LA EDUCACION DE GUATEMALA (STEG), which relies on a membership of 4,000 and collects dues as stated above (article 68 of the statutes); The (SAMP) SINDICATO DE ACCION Y MEJORAMIENTO FERROCARRILERO, which also collects dues as stated above (article 49 of their statutes). The SAMP began its activities with 6,000 and now has 4,000 dues-paying members.

The SINDICATO DE TRABAJADORES DE LA UNITED FRUIT COMPANY (STUFC) also collects dues in the same manner.

Many syndicates enjoy a reasonably good financial status but only one, the SAMP, has invested in an office and furniture. The SAMP has deposits

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totalling more than 30,000 Quetzales in the INSTITUTO DE FOMENTO DE LA PRODUCCION (INFOP) and in the CREDITO HIPOTECARIO.

Syndicates are supposed to pay to their FEDERACION DE INDUSTRIA the sum of Q.05 per member per month, but they do not do this generally. They are also supposed to pay an equal sum to the CONFEDERACION GENERAL DE TRABAJADORES DE GUATEMALA (CGTG), but only a few comply with this regulation.

The CGTG is supported by Government subsidy; that is, the Guatemalan Government gives the CGTG more than 5,000 Quetzales monthly, in cash, and then charges this expenditure to reserve funds. Moreover, the State has loaned the CGTG motorcycles and at least six jeeps; the gasoline for these vehicles is taken from some Government Ministry under various pretexts.

As if this help were not enough, the CGTG maintains on the payroll of the DIRECCION DE OBRAS PUBLICAS at least ten Communist workers who collect their salary from the DIRECCION DE OBRAS PUBLICAS, but work for CGTG or in the Communist Party. Another group is on the payroll of the INSTITUTO GUATEMALTECO DE SEGURIDAD.

Each conference, congress, or meeting of the CGTG receives a special Government subsidy. It is said that at first the CGTG received money from the FEDERACION SINDICAL MUNDIAL but the CGTG no longer needs this money.

Moreover, while in Guatemala, source was told that an American workers institution—source was not told which one—helped the FEDERACION DE TRABAJADORES DE GUATEMALA, now allied to the CGTG, through the offices of Mr. Manuel PIRO Uzaga, who is today the Guatemalan Consul in Mexico. PIRO later turned his back on the Americans who sought to bring this organization within its orbit.

### 3. THE STRENGTH OF ATLAS IN GUATEMALA:

The ATLAS only has power in the SINDICATO DE TRABAJADORES EN ALCOHOLIS Y LICORES, the SINDICATO DE MECANICOS, and the SINDICATO DE TRABAJADORES MUNICIPALES. Its influence is negligible.

The Communists do not permit other syndicates to compete with theirs (the CGTG). The force of ATLAS is visibly weakening. In the last Executive Committee meeting of the CGTG, ATLAS succeeded in placing Juan CUELLAR TORREZANA on the Conflicts Secretariat, but in the reformation that took place during the Congress of 28 January, CUELLAR was eliminated.

### 4. THE GUATEMALAN GOVERNMENT AND WORKERS BENEFITS:

The Guatemalan Government has approved a minimum daily wage of Q.00 to farm workers. The IHFCP, a Government institution, does not pay this wage, nor does ARBENZ himself (on his cotton plantations of El Cajon, located in Santa Lucia Cotzumalguapa, Department of Escuintla.)

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The Government also approved a minimum daily wage of Q.25 to city workers, but turned down the reforms of the Labor Code that established such things as automatic strikes (a great loss of authority by the employers in their factories and offices.) In agrarian matters, ARBENZ has imposed the Law of Agrarian Reform.

Moreover, ARBENZ allows the Communists to enforce labor laws in a strict and biased manner. The Communists impose upon employers work conditions that are insufferable. For example, the Communists forced companies like the LICORNERA NACIONAL to raise salaries as much as 40 per cent.

5. THE REASONS GUATEMALAN WORKERS ARE LOYAL TO THE PRESENT GOVERNMENT:

The reasons may be as follows:

a. ARBENZ has succeeded in convincing the Guatemalan workers that the reactionary Right intends to establish a dictatorship, the first step of which would be to deny syndical liberty and return to the time when employers completely imposed their will on the workers. As examples, he cites the cases of Peru and Venezuela.

b. ARBENZ awakens the chauvinism of the Guatemalan people by telling them that they will be invaded by Yankee troops and that it is necessary for Guatemalans to unite in support of the Government to defend the national sovereignty. ARBENZ, in private conversation, has said that BLISS was his teacher and the United Fruit Company his Mr. BRADEN.

c. If it is said that the Communists influence the Guatemalan Government, then it is only fair to add that the Communists do only what the Government wants them to do. In this sense, the subsidy given to the CGTG has undermined its independence. The Government, having the only workers organization practically in its hands, makes the workers march to its tune.

6. THE COMPLAINTS OF THE GUATEMALAN WORKERS:

There is a certain amount of discontent in various workers' sectors for the following reasons:

a. The Communists have unjustly replaced several worker leaders who do not accept their ideology and are making their arrogance felt by denying help to those who are not Communists. The Communists give paying jobs only to their sympathizers. The workers who do not get jobs or are threatened by the Communists become potential enemies of the Guatemalan Government.

b. The Communists devote themselves to the task of agitating workers in private industry, and give special attention to the employes of foreign enterprises. But they ignore all the problems of Government workers, most of whom are enemies of the Communists. The claims of the bureaucrats are overlooked by the CGTG. One of the most powerful syndicates, CAMINOS, with a membership of 6,000, had a legal suit under study by the Minister of Public Works

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and Communications for a year and a half, until CAMINOS was obliged to threaten a strike to rupture relations with the CGTG. Now in order to keep CAMINOS happy, the CGTG has given a CAMINOS member a post on its Executive Committee.

A group of bureaucrats has discussed the formation of a FEDERACION DE TRABAJADORES AL SERVICIO DEL ESTADO, independent of the CGTG, but the head of this movement, Licenciado Adrian RECINUS Sandoval, Administrative Inspector of Labor, is afraid to take the step.

7. THE CGTG COMPARED WITH THE CTM:

The statutes of the CGTG have many declarations of democratic flavor. Its structure tends to comply with the Labor Code, which divides syndicates into artisan and employer groups. The tendency of the CGTG is to form industrial syndicates but the difficulty is that it operates in a country without industries. The CGTG does have certain similarities to the CTM, but it differs from the CTM in a basic aspect: the CTM permits the existence and operation of other national centrals, but the CGTG not only does not permit presumptuous rivals.

8. CHANCES OF AN ALLIANCE TO COMBAT THE POWER OF THE CGTG:

As long as Colonel Jacobo ARBENZ is in power in Guatemala, there is NO chance to combat the power of the CGTG.

9. CHANCE OF DISSENSION WITHIN THE CGTG:

There is a chance of dissension within the CGTG.

Before the CGTG's II Congress, held from 28 January to 1 February 1944, a group of leaders of the FEDERACIONES GRAFICA, TEXTIL, and COMERCIALES CIVILES had agreed to intervene in an organized manner in the elections of the new Executive Committee to oust the Communists headed by Tomas YANCOS of the FEDERACION GRAFICA. But, at the last moment, something strange happened — these forces did not make themselves evident. Source believes that Colonel ARBENZ does not permit any group to operate which would threaten the power of the Communist Party.

10. ORIT'S VIEW ON THE GUATEMALAN CHALLENGE AND WHAT ORIT PLANS TO DO IN THIS RESPECT:

ORIT believes that the Guatemalan union problems should be handled in this manner:

a. Encourage the Guatemalan revolutionary movement to maintain sectarian organizations such as the PARTIDO GUATEMALTECO DEL TRABAJO (PGT) which has dissident groups within its principal federations and unions. It, the PGT, was offered its aid to the PARTIDO DE ACCION REVOLUCIONARIA (PAR) and an official of the PGT began to organize the workers bloc of the PAR, but the official was strongly opposed and some say that formation of the bloc was resisted by close friends of ARBENZ's.

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The PARTIDO DE LA REVOLUCION GUATEMALTECA (PRG) has also tried to form its workers bloc but the Communists in the Labor Secretariat have opposed this.

ORIT should begin action to undermine the parties of the Guatemalan Government, but to date nothing has been done due to lack of funds.

b. Help the UNTL by giving ideological content to its program. ORIT began by sending the UNTL abundant propaganda with the hope of orienting it toward an effective workers union. ORIT hoped that two persons would come to the school in Montarrey, but ORIT acted prematurely the UNTL has not given its members the proper ideological training.

For the ORIT, it was a real venture to begin to work with these people who have no doctrine but who are enemies of Communism and who publicly state that they want a dictatorship established that will destroy Communism.

Serafino ROMUALDI has been insisting that ORIT present a protest concerning the exile of three leaders of the UNTL, but in a letter written two days ago, he himself states that he has read that two leaders of the UNTL, exiled in Tegucigalpa, Honduras, are in contact with the COMITE DE ESTUDIANTES UNIVERSITARIOS GUATEMALTECOS EN EXILIO and that the COMITE has offered the two leaders a page in their publication, CAUSA. The COMITE is a fossil student organization that opposes everything in Guatemala even the most elemental of social guarantees. The COMITE attacks everybody from Juan Jose AREVALO to Victor Raul HAYA de la Torre and Romulo BETANCOURT (whom the COMITE calls Communists). This has ROMUALDI most alarmed, and he has asked the COMITE to clarify its position as the ORIT and the AFARS anti-Communist but they are not pro-Fascist or followers of dictatorships.

Luis Alberto BONGE, Secretary General of ORIT, wrote an open letter to Colonel ARGENZ in which he analyzed the attacks made against the ORIT and its affiliated organizations.

11. PROMINENT WORKER LEADERS, OF ALL POLITICAL PERSUASIONS, NOW IN GUATEMALA:

The prominent labor leaders, militants of the Communist Party, are:

Victor Manuel GUTIERREZ, Secretary General of the CGTG, member of the SINDICATO DE TRABAJADORES DE LA EDUCACION, has attended more than seven international labor congresses. He is an author of leaflets, is dynamic and steady. He has a normal school education, and is an "honorable" Communist of nationalist tendencies. He is Deputy for the Department of Guatemala. He has differences and arguments with Jose Manuel FORTUNE, Secretary General of the PGT.

Carlos Manuel PELLEGRIN, Secretary of Conflicts of the CGTG, has also attended international congresses. An ex-official of the Guatemalan Embassy in Paris, it is said that he permitted himself to be bribed by all manner of Europeans who subsequently immigrated to Guatemala on credentials provided by him. It is also said that he used a certain sum of money in an irregular manner. He is also a teacher. Presently a Deputy for the Department of Guatemala, he is a dynamic man who speaks well and who is audacious and unscrupulous. His mistress is a wealthy Spanish girl who is co-proprietress of the Restaurant "Las Farolas" located on 6th Avenue, near the National Palace.

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Jose Alberto CARDOZA, Secretary General of the FEDERACION DE TRABAJADORES GRAFICOS. A Deputy for the Department of Guatemala, CARDOZA is a man who was never very important and who is being replaced by Tomas YANCOS, another GRAFICOS, who is not a Communist. CARDOZA is poorly educated, is a poor orator, and has poor union technique. His virtue is servility.

Max SALAZAR, trained in Moscow, says that he is a tailor—he has never put hand to needle. He occupies the chair of the Secretariat of Organization of the CGTG, and is a tenacious, haughty, and dynamic man who feigns poverty.

Cesar MONTENEGRO Paniagua, railroad leader, elected Deputy by the PAR, and betrayed it by going Communist, exercises the functions of Secretario de Campesinado of the CGTG. He is a mediocre orator with little education, and has been accused of accepting bribes from certain landowners for forestalling appropriation of their lands. It has been proven that he bought from the Government a piece of land in "el fuerte de San Jose" for Q.05 per square meter that is valued at Q.60 per square meter.

Victor A. LEAL, of the coffee roasters section, has been promoted and is now an official of the BANCO NACIONAL AGRARIO. Source does not have much information on this man.

Virilio GUEBIA, another of the Secretaries of Organization of the PCT.

Bernardo ALVARADO Monzon, teacher, member of the Board of Governors of the STEG. A good peon.

Dora FRANCO, teacher trained in Moscow, Secretary General of the ALIANZA FEMENINA GUATEMALTECA (AFG).

Ratzul AGUIRRE Cook, Social Welfare Secretary of CGTG, ex-leader of the employes of Pan American Airways and now an official of the National Agrarian Department. He works as inspector in the Zone of Cimaltengo where he is preparing his campaign for Deputy. He has no ideological training and very few abilities.

Concepcion Castro de MENCOS, textile worker, a member of the Board of Governors of the Textile Federation, began his career by reading speeches written by others, but now speaks little. He is tenacious in his job.

Marco A. CUELLAR, ex-PAR member, Secretary of Culture of the CGTG. He has visited the USSR.

None of these men are extraordinary in any way, either in cultural ability or in natural gifts. But by dint of good international direction, abundant resources, and above all, their willingness to work, they have placed themselves over their fellow workers.

### 13. INFORMATION ON RUBEN VILLATORO:

Little is known of Ruben VILLATORO other than the fact that he has been a member of the COAC and the COMITE DE TRABAJADORES DESOCUPADOS (CTD). In these

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quasi-phantom organizations, he dedicated himself to fight Communism but committed the same errors as did CAC. Some say that he is in the pay of Guatemalan reactionaries as he espouses their cause. It is believed that he does not have any ideological training.

13. THE CTH GIVES DINNER FOR THE ORIT:

The CTH gave a dinner for the ORIT in the Restaurant Piamonte in recognition of ORIT's excellent work in the direction of international workers organizations in defense of the Mexican migratory worker.

14. REPORT OF THE FIRST WORKERS SCHOOL THAT WILL BE LOCATED IN MONTERREY:

A memorandum, containing the basic organizational plans of the workers School in Monterrey plus the Proposed Programs of Study, have been submitted to CIOSL. It is expected that many revisions to this memo will be made in Europe. A full report on this will be made when the plans are complete and approved.

15. INFORMATION ON J. OLDENBROEK:

J. OLDENBROEK is the Secretary General of the CIOSL. He is a veteran militant of international socialism. He is a cold, clever, calculating man who is capable of anything necessary to harm Communism. Because he is too European he has had certain set-to's with the CIO and the AF of L (which would not vote for him in a new election). In his work he is very efficient.

16. INFORMATION ON THE UTC AND THE FIFTH CONGRESS:

In Colombia there are national workers organizations:

a. UNION DE TRABAJADORES DE COLOMBIA (UTC), directed by priests who are adherents of the ECCLICAL RENAISSANCE and the QUADRAGESIMO AGNO. The UTC collaborated closely with Laureano GOMEZ and won the affiliation of important organizations which before then had belonged to the

b. CONFEDERACION DE TRABAJADORES DE COLOMBIA (CTC), the central patronized by the PARTIDO LIBERAL and today in decadence due to the persecution of which it has been a victim;

c. The CONFEDERACION NACIONAL DE TRABAJADORES (CNT), affiliated to ATLAS. The CNT wanted to hold a Congress but failed miserably.

The UTC is a conservative organization which has nevertheless advocated moderate social reforms. It has training schools and newspapers (ANTORCHA and JUSTICIA SOCIAL), cooperatives, recreations centers, etc. Its congress is against Communism and Peronism.

Both the UTC and the CTC are affiliated to the ORIT which is trying to merge them in order to prevent Communist infiltration.

17. URUGUAYAN UNION ELECTIONS:

The Communists used to control the CONFEDERACION TEXTIL and affiliated it to the UNION GENERAL DE TRABAJADORES. ORIT finally defeated the Communists and

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organized the CONFEDERACION SINDICAL URUGUAYA (CSU), directed by Carlos Alberto COLOTUZZO. ORIT has driven the Communists from the textile industry.

In the GRAFICOS the Communists were also dominant, but the CSU won the elections for the Board of Governors of the CAJA NACIONAL DE PENSIONES (worker delegates to a State autonomous organization).

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