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CLASSIFICATION

TO CHIEF OF STATION, LINCOLN

DATE 28 June 1954

FROM [ ]

INFO: CHIEF, WHD

SUBJECT { GENERAL Operational  
SPECIFIC Report Submitted by WELLBANK

Transmitted herewith is a report given by WELLBANK covering current events and border activities.

[ ]  
FRANKLIN D. MALLEK

INCLOSURE:

- 1. Report-WELLBANK
- 2. Clipping- UNDER SEPARATE COVER

28 June 1954  
FDH/hdw

DISTRIBUTION:

- 2-LINCOLNw/encl 1 in dup & encl 2 UNDER SEPARATE COVER
- 2-Washington w/encl in dup
- 2-FILES w/encl 1 in dup

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CLASSIFICATION

30 JUN 1954

FROM: WELLBANK

28 June 1954

On a trip to the frontier Sunday, 27 June 54, I was escorted from Candelaria to San Cristobal by a Customs Guard since I was unable to open the trunk of my car (results of damage from a recent and minor accident). This Guard became garulous and told me about the 40 CALLIGERIS men whom he and his fellow guards arrested on the finca San Antonio Abad two weeks ago. He confirmed what I already knew; that the men were released in SEQUIN's care after they were relieved of their arms. In order to check ERRATIC's story that these men were picked up because they were boisterously drunk, I asked the guard how he found out about them. He said that the Customs Service in Candelaria had been informed of the place and time that these men could be picked up. (ERRATIC informed the PBRIME Ambassador that they were picked up because they were drunk and practically out of control.) SEQUIN told me in connection with this subject that an old light weight soldier, Col. Antonlin GONZALEZ, told plans of this movement to RECINOS (an ERRATIC man who told it to SAAVADRA who is unreliable.) SAAVADRA and RECINOS visited the farm a few days before the proposed movement. For this reason SEQUIN is sure that ERRATIC was behind the exposition and capture and is very bitter and highly emotional when ERRATIC's name is mentioned. He feels that he is a tremendous threat to the whole movement and wondered if it would not be better to have him shot. (I countered that such action, although effective, would be disastrous from a propaganda standpoint and that we may find some way to neutralize ERRATIC without causing the program any difficulty.)

SEQUIN informs me that ERRATIC has approximately 30 men in Ahuachapan ready to march across the border when they have sufficient arms. I was also informed by the Customs Guard that the Quartels at Jutiapa and Asuncion Mita had defected. SEQUIN has been unable to confirm this and I have not been able to corroborate it from any other source. However, SEQUIN feels that ERRATIC is perfectly capable of taking advantage of such a situation to use these Quartels as a threat to CALLIGERIS and thus improve his bargaining position in the final showdown. SEQUIN is convinced that ERRATIC wants to be nothing less than President. (Note: Inclosed is a clipping of ERRATIC's speech where the part of CALLIGERIS is not stressed. Forwarded under separate cover.)

On my trip to the border I was interested in seeing some of the rumored 11,000 Salvadoran troops stationed there. I was unable to see any in quantity and from a superficial examination judged that the border would still be fairly easy to cross at night.

SEQUIN asked Rodolfo MELHADO whether PRUD was pro-ARBENZ and was an important factor in the neutrality of OSORIO, which had been reported as being the case by other sources. MELHADO answered strongly in the negative and said that PRUD WAS DEFINITELY ANTI\*Communist but that there were some who were trying to introduce a wedge between the Salvadoran Army and PRUD by declaring PRUD sympathetic to the ARBENZ Guatemalan Government and anti-Salvadoran Army.

Col. Oscar MENDOZA, brother of Miguel and Rodolfo MENDOZA, has joined the CALLIGERIS forces at the front presumable from his post as Military Attache in Cuba (?).

SEQUIN has a story and it is widely circulated in Salvador that Col. ARRASOLA, Artillery Officer of the Guatemalan Army, defected with 500 men when sent to attack CALLIGERIS at Zacapa (?).

SEQUIN feels that most of the fleeing anti-Communists will go to Mexico rather than Salvador and Honduras since the atmosphere in Mexico is quite friendly and the border practically unguarded.

A shipment of arms destined for Guatemala was uncovered in Mexico. SEQUIN is not quite sure if this was for the Guatemalan Government or ERRATIC. He is highly emotional about ERRATIC and in connection with these arms felt that ERRATIC could easily start a fairly powerful movement in the West where he has extensive support. He did, at one time or another, have a large number of friends.

COMMENT:

It seems to me that SEQUIN and some of the CALLIGERIS forces are getting very emotional if not hysterical about ERRATIC at this point and should be restrained from any rash action.