

CIA HISTORICAL REVIEW PROGRAM
RELEASE AS SANITIZED

2003

VIA: COURIER
(SPECIFY AIR OR SEA POUCH)

DISPATCH NO. ~~HGG-A-1188~~

~~SECRET~~ PBSUCCESS RYBAT

CLASSIFICATION

TO : LINCOLN

DATE JUN 1 1954

FROM : Chief of Station, Guatemala

INFO: Chief WHD; []

SUBJECT: GENERAL— K-Program

SPECIFIC— Meeting with SWALLOW

1. On 30 May, Graham L. Page, accompanied by ESQUIRE (who had made the necessary arrangements the day previous) called upon SWALLOW at his residence in Guatemala City. It was pointed out to SWALLOW that PAGE, though in no official capacity, would be able to reflect some of the thinking prevalent in responsible American circles on the highest policy-making level of the Administration. There can be little doubt that SWALLOW immediately and fully grasped the distinction we were trying to convey.

2. We told SWALLOW that while it would be inappropriate for the JMBLUG to raise certain issues reflecting excessive American preoccupation with the internal affairs of Guatemala, PAGE was in a position to give it to him straight without necessarily implicating the United States government. JMBLUG would undoubtedly be willing to vouch for PAGE's bona fide should SWALLOW decide to seek such assurance; the substance of PAGE's message, however, was unlikely to get official backing. All through our conversation the implication was clearly that SWALLOW accepted PAGE's bona fide without questioning.

3. SWALLOW, who in official American circles enjoys a unique reputation for personal probity and whose dedicated opposition to communism has never been questioned, is the prototype of a young, tough, healthy, athletic obviously endowed with a keen and intelligent appreciation of the political situation and with no illusions whatsoever as to the magnitude of the danger posed as a result of developments in Guatemala. In talking about the attitude of the Guatemalan people and specifically the officers' corps, his remarks breathed scarcely veiled contempt and he repeatedly corrected himself in deference to the presence of ESQUIRE. The trend of our conversation and certain concrete statements made by SWALLOW clearly indicated that [] and that his desire to be of service was mainly prompted by this underlying consideration.

4. PAGE told SWALLOW that the United States had come to the firm resolve to accomplish the removal of the Arbenz regime. Recent developments and the patent efforts of the Guatemalan government to play down the seriousness of the communist issue had merely served to stiffen that resolve. In adherence to the

~~SECRET~~ PBSUCCESS RYBAT

CLASSIFICATION

FORM NO. 51-28A

3 JUN 1954

HGG-A-1188

Page 2

principles of good neighbor policy the United States Government did not feel at this stage that it could afford to interfere directly in the internal affairs of Guatemala. It was still our belief that the Guatemalan people themselves could and would take care of the situation. For that reason, CALLIGERIS had found unofficial American backing in his endeavor to overthrow the Arbenz regime.

5. A group of private Americans, referred to as the consejo, in league with CALLIGERIS [] had formed a unit and was directing moves designed to unsaddle Arbenz and his associates. The underlying concept of its blueprint for action was to stage a civilian uprising inside of Guatemala. Success and failure of this enterprise would hinge essentially upon the attitude of the Army in such an event. This in turn would largely be determined by a small group of officers in the Army High Command, in effective control of the armed forces, viz SUMAC-2, STANDEL-1, SMILAX, and STANDEL-2.

6. PAGE's function in Guatemala was to impart to this Army group the knowledge of American determination to thwart the attempt of international communism to establish a Western Hemisphere beachhead in Guatemala. In pursuit of this objective, the consejo was anxious to avail itself of SWALLOW's good services in forming a reliable estimate of the situation as regards the anticipated reaction of the Army High Command to the eventuality of an armed insurrection. It was further desired to effect direct contact between PAGE and selected ranking officer who could be depended upon not to disclose to the government what they would be told. Applying those standards, the consejo had come to the conclusion that the only member of the aforementioned group, meriting trust, was SMILAX. Our request to SWALLOW was therefore to lay on a meeting between PAGE and SMILAX "on neutral ground." SWALLOW, in remarking upon the feasibility of the High Command project, pointed out that we were likely to be faced with a very unsatisfactory situation. The Guatemalan government had been successful in corrupting the officers' corps to an unprecedented extent, mainly by means of handing out monetary and other material inducements. Neither SUMAC-2 nor STANDEL-1 could possibly be counted upon to hold in confidence a message of the type PAGE was contemplating to impart. More likely than not they would advise Arbenz.

7. PAGE interposed that the consejo was completely devoid of illusions as regards the trustworthiness of the individuals mentioned by him. However, it was felt that the degree of American involvement in PBSUCCESS might conceivably be a determinant factor and swaying those elements of the officers' corps who at this time still see their salvation in backing Arbenz. For that reason, also, would the consejo raise no objections should SWALLOW decide to pass the gist of its message to Army officers whom he feels he can trust. SWALLOW answered that he appreciated this point.

8. Regarding SMILAX, PAGE mentioned that those American officials who have had dealings with him are holding him in universally high esteem. While it was realized that he did not actually exercise effective control over any important segment of the armed forces, he was bound to have a following among his fellow-officers. It was not intended, PAGE stressed, to maneuver SMILAX into a compromising position from which he could only extricate himself by throwing in

HGG-A-1188

Page 3

with the resistance. The fact that the meeting was going to take place under SWALLOW's aegis as it were and [] would afford him sufficient assurance that it was not intended to abridge his freedom of decision. All we were desirous of accomplishing at this stage was to present to SMILAX our estimate of the situation and to place ourselves at his disposal for any question he might choose to ask. SWALLOW expressed the conviction that SMILAX who was a close personal friend of his would give his consent to attend the meeting.

9. SWALLOW mentioned that about a month and a half ago, SUMAC-4 had requested his intercession to lay on a meeting with [] This meeting had taken place at his [] residence and SUMAC-4 had been expounding in considerable detail upon ways and means of accomplishing Arbenz' overthrow. A few days later Arbenz had confronted him with an almost verbatim recital of what transpired. SWALLOW laughingly observed that SUMAC-4, if he had two mothers, would sell them both.

10. [] has been offered a non-aggression pact by the Guatemalan government; [] the offer was made orally. SWALLOW reported this in person to [] and they both had a "hearty laugh." Guatemala was currently pursuing a calculated policy of gaining time at all cost. Every move made by the government should be viewed in that light. No doubt the current phase in Guatemalan developments was characterized by a situation of flux and should be considered as most propitious from the point of view of starting anything. The Guatemalan government was in desperate need of a period of consolidation. [] SWALLOW could assure us that it would take from eight to ten months before the Army had gained mastery over the use of the arms recently delivered. No instructors had arrived yet. Once they arrived, the training of Guatemalan instructors alone would take an unconsonably long time.

11. SWALLOW emphasized that the arms delivery posed a distinct threat to the security of [] As we knew, his [] years in Guatemala had been devoted to protecting his country against communist penetration. If, therefore, any of the new arms should be made available to non-Army elements and ultimately be smuggled into his country, some action would have to be taken. He therefore proposed to see SUMAC-2 and STANDEL-1 as soon as possible and to tell them that if this should come to pass, the full responsibility for the consequences would rest with the Guatemalan Army. This, he pointed out, would be a most appropriate occasion to convey to STANDEL-1 and SUMAC-2 the gist of PAGE's message. PAGE observed that it would probably be even more effective if this message could be imparted to SUMAC-2 alone in as much as there was some faint indication that he is not as certain regarding the wisdom of Arbenz' course as he used to be heretofore. SWALLOW agreed that this might be a good idea.

12. It should be noted that SWALLOW spoke about CALLIGERIS in terms of the highest admiration, describing him as the only man who could possibly remedy the existing situation. PAGE stated that CALLIGERIS was enjoying the unqualified trust of the consejo and we would do everything in our power to further his enterprise. In this connection, PAGE remarked offhand that ERRATIC did not enjoy American backing contrary to what he may have led [] to believe. SWALLOW immediately rejoined that [] entertained no illusions whatsoever about ERRATIC's effectiveness, having reached his own conclusions mainly on the basis of SWALLOW's reporting. In fact ERRATIC had been trying consistently to have SWALLOW bring him and the President together, to no av

HGG-A-1188

Page 4

13. As you doubtlessly realize, certain calculated risks had to be taken in bringing about this meeting. We are fully conscious of those risks and consider them worth taking. Least among them is the probability that SWALLOW will make some mention of his meeting with PAGE to JMBLUG. Precautions by way of back-stopping PAGE have been taken through the station. In view of the fact that PAGE is, in actual fact, poaching upon JMBLUG's preserve, it was deemed advisable to keep him advised. It would have been detrimental to the accomplishment of PAGE's mission had we enjoined SWALLOW from talking to JMBLUG.

14. The likelihood of SWALLOW's relating what transpired to his President has also been considered. PAGE sees no harm in this. The possibility of his talking inadvertently in the presence of hostile elements should not be rated too highly. SWALLOW is no neophyte in conspiratorial matters and is bound to realize that his patronage over a meeting between PAGE and SMILAX should it leak out, would undoubtedly lead to [] SWALLOW is going to be privy to PAGE's talks with SMILAX, an unavoidable contingency under the circumstances. Inasmuch as the first meeting will mainly serve the purpose of indoctrinating SMILAX, it is unlikely that operational matters of a sensitive nature will turn up.

15. My plans regarding SMILAX will be submitted to you by separate despatch. A great deal will depend upon his reaction to our initial approach. At the risk of stating the obvious, may I point out again that any manifestation of strength behind PBSUCCESS, any tangible indication of American backing, is bound to redound to the benefit of my talks with members of the Army High Command. I noted with regret that my suggestion of indicating in some veiled fashion that the underground movement enjoys American backing has obviously fallen flat. ODACID's latest statement lacked some of the essential ingredients which might serve to engender active resistance and which in the last analysis are bound to determine which way the Army High Command is going to turn.

16. SWALLOW is scheduled to leave [] on 31 May 1954 and is expected to return on Wednesday, 2 June. He promised to extend an invitation to SMILAX as soon as he gets back and to notify ESQUIRE regarding time and date of our next meeting.

Graham L. Page

31 May 1954

GLP/sgl

Distribution:

2-Linc

2-Wash

[]

1-files