

**CIA HISTORICAL REVIEW PROGRAM
RELEASE AS SANITIZED**

24 April 1954

2003

MEMORANDUM FOR: Director of Central Intelligence

SUBJECT: Position Paper on PBSUCCESS

I. Appreciation of the Situation

A. Conclusions of the Board of National Estimates

The following estimate of the situation in Guatemala and adjoining countries is taken from a special estimate prepared during the past week by the Board of National Estimates. General Bull headed the Special Panel and the views of State (OIR) and the service intelligence agencies were solicited in the preparation of the estimate. The terms of reference of the estimating panel included the following questions:

What is the present strength of the Communists in Guatemala?

What are the current strengths and attitudes of Honduras, Nicaragua and Salvador and what are the effects upon them of a continued march of Communism in Guatemala?

On whose side is time?

The conclusions of the Board of National Estimates as of 22 April 1954, are as follows:

"1. We consider that the conclusions of NIE-84 remain essentially valid. In particular, we reaffirm the first conclusion, as follows:

"The current political situation in Guatemala is adverse to US interests. The Guatemalan Communists exercise a political influence far out of proportion to their small numerical strength. Their influence will probably continue to grow as long as President Arbenz remains in power.

"2. The Communists now effectively control the political life of Guatemala. Arbenz' decisions on domestic and foreign policy are reached, not in the official cabinet, but in a kitchen cabinet composed

of Communists

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"of Communists and pro-Communists. There is no prospect of a break between Arbenz and the Communists.

"3. There has probably been an increase in popular disillusionment with the Arbenz regime. There is certainly increased desperation among opposition elements. In present circumstances, however, the possibility of effective internal political action to alter the situation does not exist. We believe that effective revolutionary action would require the active support of a major portion of the Army.

"4. The disposition of the Army toward the regime is therefore crucial. We note indications of unrest, even of disaffection, within the Army and consider that a revolutionary potential now exists there. We do not believe, however, that the Guatemalan Army is likely to take spontaneous action against the Arbenz regime.

"5. The Communists will be concerned to neutralize the revolutionary potential in the Army, and, with the passage of time, may succeed in doing so.

"6. The solidarity of the other Central American states in opposition to Guatemala has weakened during the past year and may further decrease.

"7. In view of the foregoing considerations, we believe that time is on the side of the Communists in Guatemala."

B. Assets Available to PBSUCCESS

1. Inside the Country

a. General

Before listing specific assets, the population of Guatemala should be mentioned as a strong, potential asset. Predominantly anti-Communist the people, once aroused from their normal political inertia, could play a powerful role against the Arbenz regime. Increasing government repression and Communist brutality are having their effect evidenced in numerous instances of popular

unrest throughout

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unrest throughout the country. A few typical examples taken at random are the signature of an anti-Communist petition by 50 people in Communist Escuintla; a new vigorously anti-Communist newspaper in Chiquimula; large pockets of avowed anti-Communists at numerous points in the Mazatenango area; public meetings attended by several hundred people at Puerto Barrios; and the denial to the Communists of the local labor organization at Quezaltenango.

Though only tied together informally at present, considerable focus has been given to the large Catholic group by the extremely effective pastoral letter of April 4 issued by the Archbishop of Guatemala urging all Catholics to combat Communism. This letter

can, and it is believed will, have continuing effect if its message is continuously replayed.

Additional unity of purpose is provided by the psychological assets available in Guatemala as well as the encouragement generated by the vague but growing recognition that "something is in the air" - a well-backed movement is around the corner. Calligeris' announced leadership and well-received political manifesto of late February have contributed to this. It has also been a consequence of the paramilitary program, not presently military and formidable, but psychologically persuasive. A consciousness of the stick behind the carrot is considered a prerequisite to creating any effective opposition in Guatemala, Communist-dominated as it is today.

b. Psychological

Psychological assets include many newspapers and radio stations, not controlled or influenced by CIA, which are still independent. "El Espectador", for example, is strongly anti-Communist. So is Clemente Marroquin Rojas, the most influential journalist in Guatemala City. Admittedly these independents must move with caution and their days of independence may well be numbered but for the moment they survive.

A controlled

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A controlled group in Guatemala City publishes a weekly, "El Rebelde", directs poster and leaflet teams, a telephone provocation team, "goon" squads and runs intermittent radio broadcasts. It also operates a political organization consisting of a coalition of numerous political groups known as the National Anti-Communist Front (FAN), which provides coverage of the entire country. This is supplemented by a special group, "Inspectors", who periodically travel throughout the country contacting numerous agents.

Several other small anti-Communist publications in various parts of Guatemala receive financial aid and guidance.

c. Military and Paramilitary

As stated above the Board of National Estimates concludes that a revolutionary potential exists in the Guatemalan Army. Specific data may be adduced to confirm this estimate.

Disaffection and dissatisfaction is evident throughout all echelons. The high command is particularly vulnerable to defection and in some instances defection in place is practically assured. The Minister of National Defense, Jose Angel Sanchez, is opposed to Communist control over Arbenz and is considered inclined towards supporting any well-organized opposition movement. The Chief of the Armed Forces, Colonel Carlos Enrique Diaz, is probably discredited and considered no longer loyal to Arbenz. The Chief of Staff, Colonel Enrique Parinello de Leon, has repeatedly indicated his desire to see the end of the Communist-controlled regime. The Chief of the Air Force, Colonel Luis A. Giron, is believed disaffected. The Minister without Portfolio, Colonel Elfego Monzon, is actively, covertly organizing within the Army for a coup and

Plans are under way to incorporate his assets with those of the JUNTA and a meeting is being planned to effect this union. Thus, within the high command a definite capability exists to defect in place sufficient numbers of influential military leaders to ensure control over the Armed Forces before any overt action is undertaken.

In furtherance

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In furtherance of the objective to defect the Army, two distinct operations are in progress; the JUNTA, through its military contacts and an independent effort by CIA targeted at key personnel. The JUNTA leadership, being primarily composed of Guatemalan Army officers in exile, has achieved certain success to date. The leaders of this organizational effort have been examined by polygraph and cleared as to the validity of their statements. The independent effort is now being carried out by a case officer in the field following 60 days of intensive study of the most promising targets of importance.

In addition, a military organization of younger officers positively pledged to Calligeris is in existence. They have been organized and contacted by Calligeris' military representative in Guatemala. The Calligeris organization presently has four trusted military leaders in the four sectors of Guatemala City and ^{a leader} in each of the nine target garrisons. These leaders estimate that, on D-Day, they can capture from within all the garrisons except Quiche, Mazatenango and San Jose, where added efforts to prepare capitulation are in progress.

At best, the apparently "safe" garrisons will be taken without firing a shot. Where this does not work, correct disposition of friendly elements plus the denial of weapons and ammunition to enemy forces should quell opposition. If necessary, civilian paramilitary units will step in to provide overwhelming force.

As regards this civilian paramilitary organization, substantial numbers of men in each of the nine garrison areas in Guatemala are already pledged. The number of men available in each garrison area are listed below. Three columns are given to show the various estimates, ranging from the most conservative to the optimistic. Column I figures cannot, of course, be guaranteed but are the result of checking Calligeris' figures with individual leaders who have been exfiltrated from Guatemala. These figures have been sufficiently confirmed by questioning, where possible, that it is the belief of the LINCOLN staff that they are accurate. Moreover, in no instance has questioning shown initial estimates to be seriously erroneous.

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	I	II	III
	Total Positive Pledges	Total Which There is Reason to Believe Exist in Area & Are Anti-Govt to Point of Taking Action	Calligeris Claimed Support. Presently Unconfirmed but not Disproved
Guatemala City	1725	4225	9125
Coban	920	1750	4850
Quezaltenango	415	19 15	8490
Mazatenango	195	2095	4000
Quiche	187	1887	4000
Puerto Barrios	471	671	1485
Jutiapa	660	2060	6000
Zacapa	565	1175	1200
San Jose	4	150	150
TOTAL target garrison vicinity	<u>5142</u>	<u>15,928</u>	<u>39,300</u>

In addition to the above civilians available in the garrison areas, four other civilian organizations in important tactical areas, ringing Guatemala City, are envisaged. Strength figures in these areas computed in the same manner as above are as follows:

	I	II	III
Area I	70	70	70
Area II	350	1300	3520
Area III			
Area IV	<u>150</u>	<u>1350</u>	<u>9420</u>
Total Tactical outer org.	<u>570</u>	<u>2720</u>	<u>13,010</u>

The entire complex of friendly military and paramilitary assets will be firmly organized, finally trained and led on D-Day, by the paramilitary assets developed and existing outside Guatemala. These assets are discussed under 2c below.

d. Intelligence

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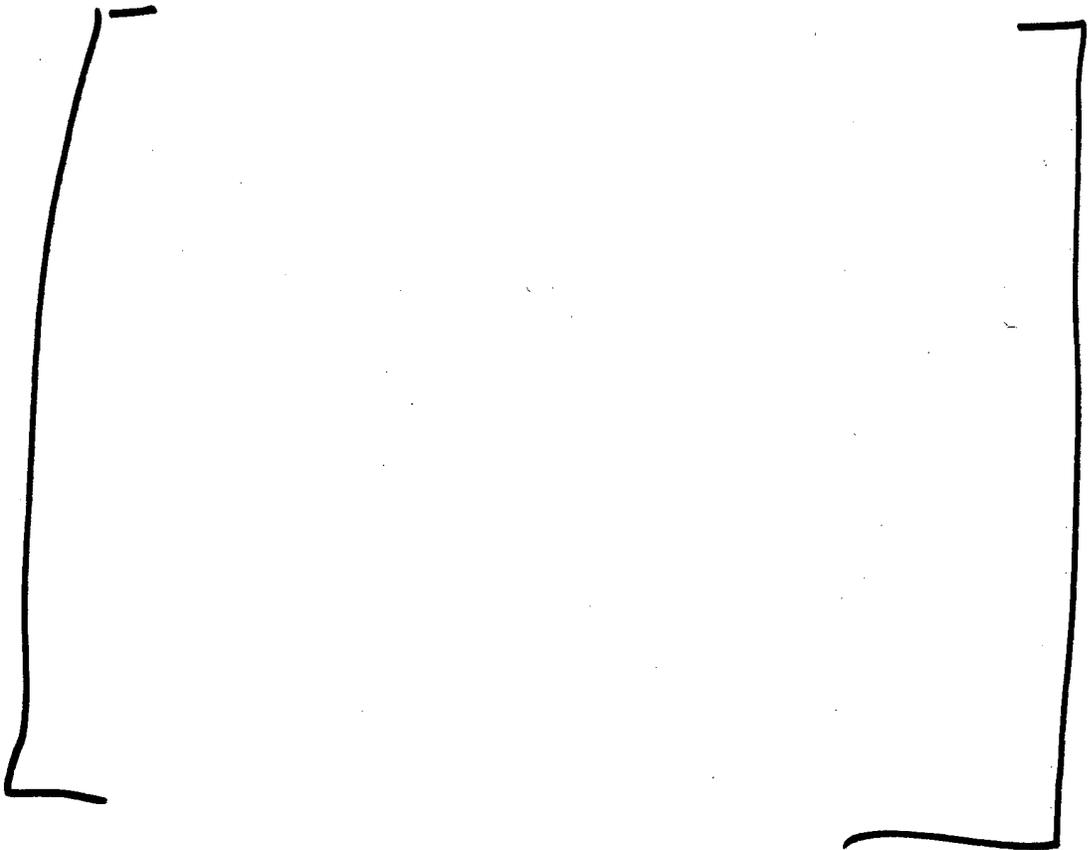
d. Intelligence

Intelligence from within Guatemala is provided mainly by the JUNTA Intelligence Service located in Honduras and discussed in the next section below. In addition the Guatemala City Station is providing good intelligence on political and psychological subjects as well as from sources on the Government, Army and Communist Party. In addition intelligence is provided by the propaganda organizations mentioned above as well as by the State Department and the service attaches.

2. Outside the Country

a. General

One of the major assets of the GROUP outside of Guatemala is the backing provided by other countries.



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Psychological

In addition to independent media, the following controlled external PW assets are available:

Publications and Radio

Boletin del Ceuage	5000 copies (3000 smuggled into Guatemala)	Published weekly in Honduras by controlled anti-Communist group of Guatemalan exiles.
Radio Programs	Honduras	Same group.
Leaflets and Bulletins	Honduras (smuggled into Guatemala)	Same group.
El Combate	5000 copies (3000 smuggled into Guatemala)	Published weekly in Salvador by anti-Communist front group (FAGE)
Radio Broadcasts (Cristal YSY)	Reaches about 50 miles beyond Guatemalan border	Same group.
Pronto	Newspaper, just begun Distribution in Guatemala being developed, if possible	Published in Mexico by anti-Communist Guatemalan group (FEGAM)
Bulletin for the Liberation of Guatemala	Newspaper, anti JUNTA but also anti-Communist	Published in Mexico (a few reach Guatemala) by Comm. for the Liberation of Guatemala (LIONIZER)

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A principal, if not the principal, psychological asset is a clandestine radio [] which is expected to go on the air April 26. Broadcasting tapes are and will be prepared at LINCOLN. This station will be beamed at Guatemala from where it will be purportedly broadcasting. Programs are planned for the next thirty to forty days and two weeks of tapes are now ready for use. This radio will also provide the radio support needed immediately prior to the uprising unless it is inoperative or its use is undesirable in which case a contingency station fully under our control will be used. Preparations for this installation are substantially completed.

A writing staff of Guatemalans has been installed in safe houses near LINCOLN to provide the support needed for the above assets as well as preparing additional propaganda material for field distribution. A reporting system has been devised for psychological purposes which is providing substantial raw material for the writers. This is supplemented by hourly FBIS service and the receipt within 18 hours of publication of daily newspapers from Guatemala, Costa Rica, Nicaragua, Mexico, Salvador and Honduras.

To buttress the effects of the Caracas anti-Communist resolution two conferences in Mexico City have been arranged. The first scheduled for May 1 will be sponsored by the "Latin American Laborers in Exile" largely under the auspices of ORIT. Though not directly targeted at Guatemala, it is anticipated that considerable propaganda against the target will be generated. The second to be convened 27-30 May will be called the "Congress Against Soviet Intervention in Latin America". It will be attended by many prominent anti-Communists from every country in Latin America and will have as its main object the focusing of the attention of Latin Americans on the Communist situation in Guatemala thereby constituting a call for all anti-Communists to aid in the struggle.

c. Paramilitary

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c. Paramilitary

In the paramilitary field Calligeris is, of course, the leader and has with him an Executive, a senior Colonel, plus four ex-officer personnel as a staff. In addition there are 67 trainee graduates of one of our schools; 9 radio operators and crypto clerks in training plus 5 more on the way, who are already experienced. Recently about 40 more men arrived from Guatemala as sub-unit leaders or special task personnel while some 212 men with varying degrees of experience and different capabilities are available on a stand-by basis and will provide the nucleus for various shock forces. Adequate provision has been made for logistical support.

d. Intelligence

The primary intelligence assets are those initially provided by the JUNTA (Headquarters in Honduras) but now sufficiently reformed, compartmented and polygraphed to be legitimately considered the equivalent of a direct PBSUCCESS asset. This separate but controlled service has penetrations in the major Guatemalan Government departments. all military garrisons, the Communist Party (PGT) [

] A CE Section has been developed giving exclusive attention to Communist penetrations of the JUNTA, conducting investigations and developing safeguards. Moreover, radio operators will soon be deployed within Guatemalan target areas to provide W/T communications for intelligence and EEI's.

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C. Security

Ever since the work was first started on the preparation of a plan for PBSUCCESS it has been fully recognized that the U. S. would be accused of being the main sponsor of most if not all activities directed against the Arbenz regime. Written statements to this effect were included in the report on Stage One written in December 1953; in a paper written in March 1954 and presented to the Secretary of State, and, in addition, there have been numerous oral reports to the same effect. Moreover it has been consistently assumed that in an operation of this scope some evidence supporting the accusations would unavoidably be available to unfriendly powers or individuals. Nevertheless it was concluded that there was sufficient likelihood that no irrefutable evidence of a legal nature would be discovered to justify the undertaking particularly when the risks were weighed against the importance of the project.

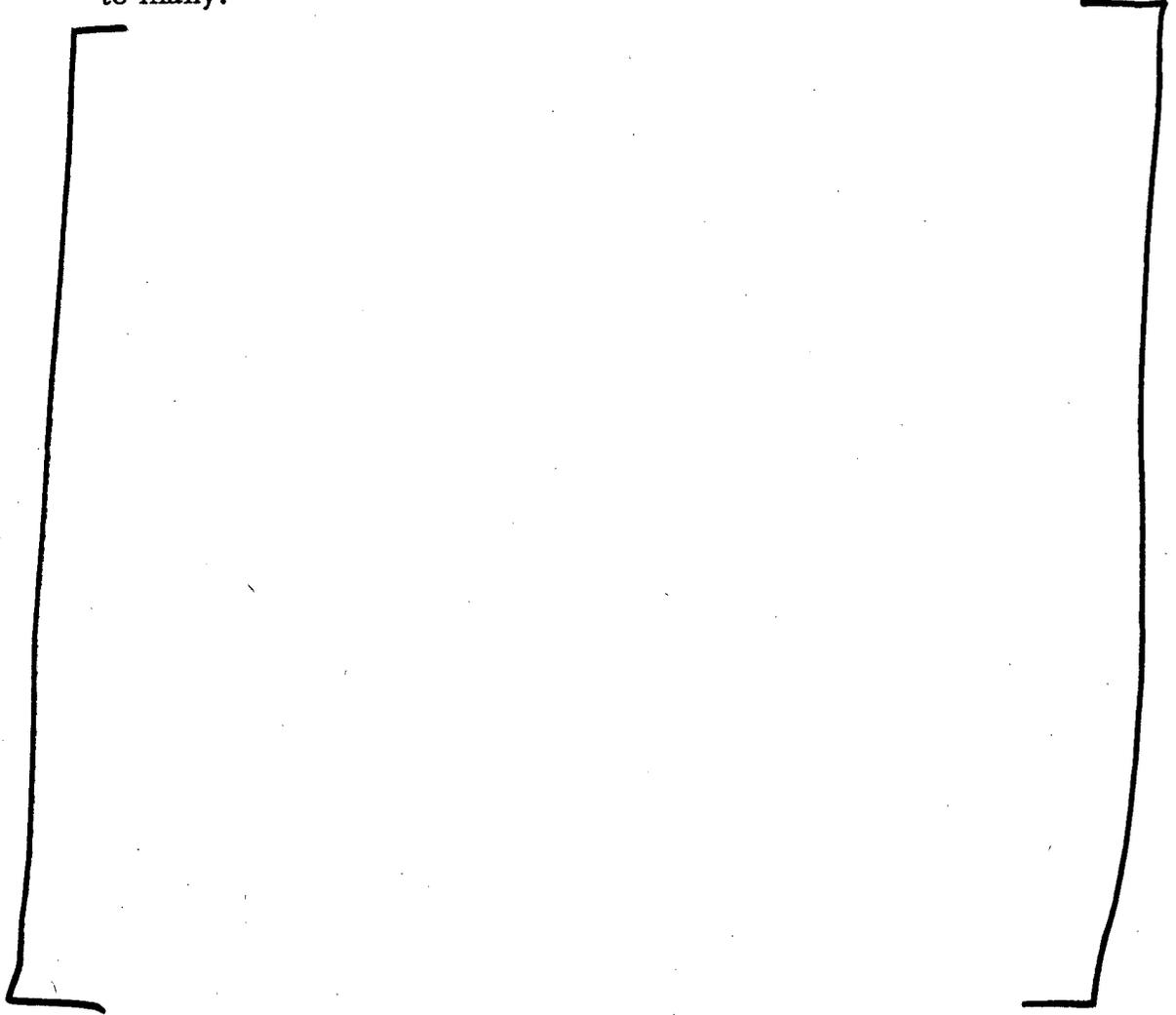
A careful review of all known factors bearing on security now in existence including [] of the U. S. Embassies in Guatemala and Honduras indicates that so far the estimates have been accurate and that security has been as well maintained in this project as could reasonably be expected. Consequently it is fair to assume that no irrefutable evidence tying the project to the U. S. Government is in the hands of the enemy. It would of course be as impossible in this case as in all others to guarantee this last statement but it can be asserted that the risks of U. S. involvement today are not such as to warrant, in our opinion, a termination or modification of the project on security grounds, if it is otherwise desirable.

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Added support

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Added support in cloaking the U. S. hand exists in the number of other countries which both have good reasons for wanting to see the replacement of the Arbenz Government and have the means for backing a coup of the size planned. The following facts are known to many:



The known hostility of the above countries to Arbenz was useful in cloaking the U. S. hand at the time of the January 1954 White Paper. This paper directly accused Nicaragua, Honduras, the Dominican Republic and Venezuela, as well as private U. S. interests, of attempting to intervene in Guatemalan affairs with the acquiescence of "the government of the North". Much

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II. Possible Courses of Action

A. Continue the plan in substantially its present form, bending every effort toward the earliest feasible conclusion. Some adjustment of the present target date would probably be necessary in view of the delays thus far encountered in the timetable of scheduled accomplishments and developments. There would, of course, be an understanding that the final phase would not be authorized unless and until the Director had satisfied himself that conditions were favorable for the success of the operation.

B. Adopt a substantially modified form of the plan, accentuating the intelligence, propaganda, political action, and defection aspects thereof, and postponing paramilitary action until October or later. This would have to assume that there could be a vigorous and coordinated program of official and overt action and covert operations.

C. Abandon the present plan and rely upon overt diplomatic action and relatively minor political and psychological warfare activities to overthrow the present regime. What is specifically proposed is to begin with a strong official statement of the United States position toward the present regime in Guatemala, followed by an attempt to secure the support of the Caracas majority at an OAS meeting in September for the application against Guatemala of the sanctions envisaged in the Rio Pact. Essentially this would involve an economic and communications blockade of Guatemala by OAS members or at least by those members willing to support and join in the action.

III. Conclusions

A. The best chance of removing the Arbenz regime is to proceed as energetically as possible along the lines of the present plan. There is evidence of political and psychological unrest within Guatemala and of growing hostility to the regime. A revolutionary potential exists in the Army. Continued application of planned and integrated pressures should force progressively greater unrest and defection while removal of such pressures will greatly strengthen the opposition and discourage or disaffect allies and potential allies.

B. It is fair to assume that no irrefutable evidence tying the project to the U. S. Government is in the hands of the enemy. The security of the project is as good as can be expected and fully in keeping with the estimates made and reported on numerous occasions starting with the beginning of

the project

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the project. Any action against the Arbenz regime will be charged against the United States whether or not it has any responsibility for it.

C. Alternative IIB which would substantially postpone the target date offers few advantages but has numerous disadvantages, among them: possible loss of assets through disaffection or insecurity (time and exposure being in direct ratio); loss of support from other nations, almost surely Honduras which would hesitate to support near its elections, even assuming it still has a stable and friendly government; and Nicaraguan support would diminish if it could be counted on at all; disruption of the present defection program, both military and civilian, which is geared to early action; loss of intelligence as a result of the effect of further evidence of inability to act on the part of Calligeris; similar reduction in the effectiveness of propaganda; danger of an early, abortive coup by impatient elements; and strengthening of the Arbenz team since time is on its side particularly if pressures are relaxed.

D. Alternative IIC is outside the jurisdiction of CIA but presents difficult questions requiring answers not presently available. Some of these are:

1. Will evidence of Communist domination in Guatemala be available in such convincing form as to make it difficult, if not impossible, for a Latin American politician, not wishing to recognize the fact, to avoid doing so?

2. How many of the countries that voted for the Caracas resolution would vote in the same fashion, if such vote involved taking action against Guatemala?

3. Assuming an embargo is voted, when will it be possible and will it be effective in denying (a) access to Guatemala of non-Western Hemisphere shipping adequate for its trade, (b) access to imports of Mexican petroleum, (c) access to imports of Argentinean grain and (d) access to European sources of supply for industrial goods? Would such an embargo close European, Asiatic and Soviet bloc markets for Guatemalan coffee?

4. Assuming failure before the OAS, will it be possible to undertake any action along the lines presently contemplated or will our hands be tied?

5. Is it

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5. Is it contemplated that our NATO allies would be asked to recognize that the Guatemalan regime presents a serious military threat and therefore to join in the imposition of economic sanctions?

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Frank G. Wisner
Deputy Director (Plans)

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