

9 July 1952

MEMORANDUM FOR: DEPUTY DIRECTOR OF CENTRAL INTELLIGENCE

SUBJECT: Guatemalan Situation

Summary:

The growing Communist tendencies of the present Guatemalan Government have alienated the majority of Guatemalans to such an extent that a popular uprising to overthrow the government is to be expected as a normal reaction. Forces supporting the government are confined to the Communists and fellow-travelers and to those members of the Armed Forces and labor who have benefited materially under the present regime. The recent passage of the Agrarian Reform Act, which makes land available to all Guatemalans in the Communist pattern, is expected to win further adherents to the government although it is opposed by the landowning class whose influence will wane as the Act takes effect.

Armed action against the government has been planned and pending since early this year and is now imminent. Details of the plan for such action, which follows through to the establishment of a democratic government, are known to us. [ ] considers that if proper support can be provided the plan is feasible and practical and has a good chance of succeeding if it is put in effect by 1 September 1952.

Col. Castillo Armas, now resident in Tegucigalpa, Honduras, is the leader of the movement which is supported by organized groups in Honduras, El Salvador, Mexico and Guatemala. Cordova Cerna, resident in Guatemala City, is Castillo's man in Guatemala. Carlos Simons, resident in Guatemala City, is the leader of another large anti-government group in Guatemala which is planning armed action, but which is not as yet working in coordination with Castillo. Coordination is being effected. These three are of exceptional ability and character and are fast friends of the U. S.

Castillo's movement has the moral support of President Somoza of Nicaragua and of President Galvez of Honduras, and it is believed that material support from these two men would be forthcoming if they could be assured of U. S. approval.

Castillo's plan envisages moving against the government with clandestine armed forces from the borders of Mexico, El Salvador and Honduras and from the sea on Puerto Barrios in conjunction with

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internal revolt. He can arm the group in Mexico through purchase of materiel in that country and his other forces have some arms available. However, he will require assistance with materiel from some source outside the area. His requests for combat air support are not considered to be necessary, but his request for air transport support should be met. His requests for shipping support can be met through procurement in the area. Simons can procure arms locally for his part in the action. Considerable local financial support has already been obtained by both Castillo and Simons, but further support is indicated. Castillo's additional financial needs are estimated at \$175,000 and Simons' at \$50,000, to include purchase of arms available in the area.

Conclusions:

1. Armed action in Guatemala is imminent.
2. The success of any action undertaken without further outside support is questionable and may well result in the elimination of all effective anti-Communist opposition in Guatemala.
3. Support in the form of direction, arms and equipment, enlisting the aid of area chiefs of state, finances, and air transport and shipping support can guarantee a good chance of success.

Recommendations:

1. That two more men from WHD be sent [ ] to assist the man now there in advising on operations.
2. That support with arms and equipment be provided. (These to be returnable upon successful conclusion of the operation.)
3. That Somoza and Galvez be informed that any assistance they give to Castillo will not reflect to their discredit.
4. That financial support in the amount of \$225,000 be provided. (This amount to be reimbursable upon the successful conclusion of the operation.)
5. That air transport and ocean shipping support be arranged by the other parties interested in the operation.

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