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CIA HISTORICAL REVIEW PROGRAM
RELEASE AS SANITIZED

2003

LINCOLN

CONTACT REPORT

C/R No. 10

DATE: 1710 25 January 1954

PLACE: C J

PERSONS PRESENT: C J and Special Contact #1

COVER USED: Extreme personal confidence
(Department of Defense)

DISCUSSION:

1. At 5-10 PM, 25 January 1954, Special Contact #1 who is known to you and in whom the writer has complete faith and confidence as to reliability, was interviewed in his automobile at C

J He stated that since the initial contact with him on 17 January 1954, he had made certain inquiries and had dispatched a personal emissary to the general area of interest.

2. The highest official of the Special Contact's organization in the area is C J

3. C J according to this source, had held a similar position in C J and had cooperated completely with the State Department with very unfortunate results. C J is convinced that officials of the State Department were guilty of violating confidential information furnished them or allowing it to fall into the hands of the pro-Communists. When the Communists interrogated C J prior to his expulsion from C J it was obvious that they had full information on the data that he had furnished the State Department.

4. As a result of C J experience with the "official U. S. Government", he does not have any confidence whatsoever in their intentions or ability and has cited Yugoslavia, Czechoslovakia, China and Korea as examples of "official U. S. bungling." Although not named specifically they questioned the integrity and patriotism of certain high State Department officials and know that information furnished usually filters through to these people with uniformly disastrous results. C J although not adamant on the subject, probably will not be too cooperative with any U. S. agents unless requested to do so by his organization's highest authority.

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5. There will be no organizational support as such, or even unofficial blessing to an endeavor in which the U. S. backing becomes known. However, individual members of the Hierarchy probably would cooperate if their identity could be discreetly obtained and the approach discreetly handled.

6. The Special Contact advised that no direct approach should be made to [] as he would (1) refuse to cooperate, and (2) he is closely watched in both Guatemala and San Salvador, which is his territory. The situation is so bad that there is reason to believe that members of his household staff report on his every movement and contact. Therefore, to make contact with him directly would jeopardize not only his life which he cares little for, but would jeopardize his entire organization if it could be proved that he had contact with either a representative of an opposing force or with a representative of the U. S. Government.

[] 7. According to informed persons in the conservative element [] in Guatemala, it is the consensus that the overwhelming mass of people [] have been susceptible to the Arbenz propaganda. The reason for this tolerance is due mainly to two propaganda themes: an appeal for nationalism with an undercurrent that they are the under-dog and all of their neighbors are doing everything they can to keep them from progressing economically and politically. The second theme is based partially on fact, that Arbenz is not a Communist and he has made some improvement with regard to social legislation and economic legislation. In other words, the mass of the people take the view-point that Arbenz has at least tried to do something for them and they are convinced that he could have made greater strides in their behalf if it hadn't been for these "imperialistic cartels and vested American business interests who want to keep them in a state of starvation wages and dependency." In other words the propaganda has been effective.

8. Underscoring the fact they are not military men, it is their estimate that it would take a minimum of 20,000 well-armed and well-trained troops to take and hold Guatemala. A lesser force could probably effect a temporary coup d'etat, however, according to their sources, forces surrounding Arbenz are presently taking measures for such action and are caching supplies and equipment for a counter-action. It was intimated that Arbenz forces, if the initial strength appears to be rather strong, would offer a token resistance utilizing a strong counter-action within a period of a few days after their initial setback. In that manner, those attempting to overthrow the government will have exposed all of the anti-Arbenz sympathizers, etc.

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9. The Special Contact advised that the thinking at the present time among those who would like to assist us if they could trust us, is that the United States will create a similar situation to that in other areas. They have actually pleaded with the leaders of the "March Disaster" not to attempt this thing unless they had full strength and could achieve success. If an attempt is made and it becomes apparent that there was either official or unofficial American assistance, there will be most disastrous results in that not only Guatemala will suffer but the Communists will gain prestige and sympathy in other Central and South American areas and might tip the scales so completely in their favor that a major military action would be required not only in Guatemala but other countries as well.

10. The Special Contact advised that in view of the feeling prevalent with regard to the United States, he did not feel it was wise to ask specific questions which would reveal more information than he would get. He stated that ~~C~~ [] name was mentioned as one of several anti-government leaders in exile, but that ~~C~~ [] like the others, does not have popular appeal nor is he well enough known to have "grass root support." He stated that while he did not obtain the name, but would endeavor to within the next ten days, there is a young man in his late 30's or early 40's in Guatemala City in whom many people have respect and feel that he has the special ability, colorful personality and resourcefulness to capture the imagination of the people. He would make no promise but stated he would attempt to obtain this name.

RECOMMENDATIONS:

11. For the purpose of developing this Special Contact, the following is submitted for your consideration and advice: It is quite obvious during the discussions that the Special Contact has confidence in the writer; however, it is equally apparent that he has some reluctance in believing that information as indicated above will be heeded by the person or persons who will make the ultimate decision with regard to "furnishing unofficial aid or assistance to one or the other of these groups." Therefore it is suggested that the writer be allowed to contact this informant and advise him generally that there is a great deal of interest in his initial report and that as a result of his information and observations even more careful consideration is being given to the matter and that the writer has been requested to convey the appreciation to whoever his contact happens to be and that additional detailed information will be given the highest priority and consideration, and that under no circumstances will he or his sources be put in any embarrassing position.

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