

CIA HISTORICAL REVIEW PROGRAM
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1 Aug. '53

2003

INTERIM STATUS REPORT

Economic Program to Weaken Pro-Communist Government of Guatemala

1. We have determined the most vulnerable aspect of the Guatemalan economic structure to be its dependence on coffee as a main source of income. In this respect, we have undertaken exploratory talks with the research staff of RQM/OIS and arrived at a research outline designed to produce the pertinent information required to evaluate operational opportunities. (Attachment A)
2. The exploratory talks and resulting outline have been followed up with a memorandum from CWH to C/OIS requesting the necessary research. (Attachment B)
3. Clearance is being initiated on the governing official of one of the U.S.'s largest coffee distributors for purposes of consultation and possible operational use.
4. Priorities have been assigned to certain aspects of the above mentioned research project. First priority has been given to personality information on key persons for whom clearances may be necessary for operational purposes. Second priority has been given to seasonal aspects of harvesting, handling, and distribution of the Guatemalan coffee crop—in order to provide a guide to the timing and phasing of research, planning, and operations.
5. A preliminary report of several possible approaches to depriving Guatemala of its coffee crop income was prepared on our request by [] CEW/ATD, Training Division expert on Economic Warfare. (Attachment C) [] is currently preparing additions to this report.
6. WH has assigned its economic officer to coordinate the study, ECD has assigned a qualified staff officer to assist in the program development, and OIS has assigned four members of its research staff to the coffee study. The Economic Warfare Training Officer of ATD is contributing to the research and acting in an advisory capacity, and PM/AM has assigned an officer to collect information and data on shipping companies and volume of shipping available to the Guatemalan coffee trade.
7. Success of complicated economic operations depends on current and absolutely accurate information, collection of which requires considerable time. The OIS research panel has estimated one month will be necessary to gather the background information we have requested, with the provision that they will provide informal interim reports, and will service rush requests for special items as needed. Planning and evaluation will re-

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quire an additional two to four weeks, and operational clearances on persons needed in the operation will take approximately three months from date of initiation.

8. Several operational proposals are under consideration, but cannot be fully developed or evaluated until sufficient background information is collected. Specific attention will be given to possible detrimental effects on U.S. nationals and U.S. firms, of the various alternative proposals.

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