

copy

To

Mason

and
Sater line

I have duly notified
(only) Mason
that we regard this
matter as at least a
fishy and at best a
provocation - and
have requested them
to pay the cost of
their amenities to
banking treatment of
for which you are
understand that
you are not
involved and
requesting
approval
18 May

MEMORANDUM FOR THE RECORD

SUBJECT: Cesar A. Lanuza, Louisiana, Malacatan, Guatemala
Now at Room 1008, Park Hotel (14th and E Sts)

1. Lanuza appeared at the Administration Building at about 11:45 a.m. this day, stating to the receptionist "I want to speak to somebody about Guatemala." He was referred by the receptionist to [] Assistant to the Director.

2. Lanuza is of medium build, strong features, wears horn rimmed glasses, a sprinkling of gray in very dark hair, erect in his stature, speaks English well but with a distinct accent, seemed to be well balanced and made a very favorable impression.

3. He left El Salvador on 15 April, going to the Mayo Clinic "to get well." He arrived in Washington, checking in at the Lafayette Hotel the evening of 14 May. (He has subsequently moved to the Park Hotel.) On the morning of 15 May he was given a letter which had been held for him from General Miguel y Digoras Fuentes, dated 6 May and stamped as received in the Hotel Lafayette on 8 May.

4. Making frequent reference to the letter, Lanuza narrated the following story:

He is associated with General Miguel y Digoras Fuentes in an effort to dispossess the present government of Guatemala. A complete plan to accomplish this was furnished to a Mr. Hill in the American Embassy, San Salvador, on 29 January 1954. No reply has ever been received from Mr. Hill.

One [] introduced to General Fuentes one [], indicating that [] was a member of an anti-Communist German military group. [] stated to Fuentes that he was aware of Fuentes effort to overthrow the present government of Guatemala and offered him financial assistance in accomplishing his job. Fuentes asked him if he had anything he could give him at the present time to indicate his immediate good faith. [] furnished him \$2,000 in 10-dollar bills, then "pumped" Fuentes as to who in the Guatemalan Army Fuentes was counting on.

*Salvador
Office*

Lanuza stated that since Fuentes had previously been taken "by Armas in a similar manner, causing a shake up in the Guatamalan Army," that Fuentes was reluctant but did give [] some names. He asked [] what group he represented and [] said he would tell him later. He said he was contacting him as a result of the papers he had given Mr. Hill, of the American Embassy.

Fuentes then started work on his plan but at a subsequent meeting [] came in to tell him that "his chiefs" had told him to cease helping Fuentes.

At this time Lanuza stated that [] told Fuentes that he ([]) represented Central Intelligence and was backed up by the United States Army. [] said that General Mullins was seeking an interview with President Osorio, of El Salvador, that General Mullins had been denied this interview, and that if General Fuentes could get General Mullins an interview with Osorio that [] would see that Fuentes got more help "in a limited way." Lanuza stated that Osorio would see no one.

*debris
- hot
11/11/60
11/11/60*

At about this time General Fuentes' intelligence people told him that Armas knew that Fuentes was trying to get help from CIA. This information came to Fuentes through one [] who works for United Fruit Company. Fuentes asked [] why Armas knew of Fuentes' activities and yet Fuentes did not know about Armas' plans. [] answered that Armas was kept informed by the United Fruit Company.

At one time [] told Fuentes that under certain conditions his group could furnish Fuentes with arms and anything else he needed through El Salvador. Osorio told Fuentes that he was neutral but that Fuentes could pass the necessary arms through El Salvador. Lanuza said "we knew Osorio was treacherous and would seize the arms. We feel that underneath Osorio has an understanding with the Guatemalan Government. We do not know whether it is because he likes them or fears them."

*Fuentes
himself
denied
this*

Later [] asked Fuentes to arrange an interview with one Canessa, Minister of State, El Salvador, for General Mullins. Canessa was out of the country at the time, but when he returned Fuentes approached him and Canessa said it would be "suicidal" to get Osorio's help. As a result of this [] told Fuentes his group could not help him any more.

*[]
Killer
can't
interview*

5. Lanuza says that General Fuentes feels action must take place quickly and that General Fuentes can accomplish the mission if he is given adequate financial assistance.

~~SECRET~~

6. [] told Mr. Lanuza that he was not competent to make a statement of any kind to him but that he would be contacted by someone at his hotel.

[]

NOTE: All names are spelled phonetically.