CIA HISTORICAL REVIEW PROGRAM RELEASE AS SANITIZED

2003

15 May 1957

MEMORANDUM FOR: CI/ICD

SUBJECT

- : Jacobo Arbenz, Ex-President of Guatemala -Operations Against
- 1. On 13 May 1957 a memorandum was sent to the ID/P recommending five operational uses of a chronological biography of ex-President Arbens; this biography is comprised of INLUUK materials, Staff-D information, as well as data from other sources.
- 2. It is now believed necessary to have a panel review this biography in order to determine which portions can be used most advantageously in each of the five ways suggested. It would be very much appreciated if CI/IGD and FP/GPS would appoint a representative to attend the panel meeting at 1330 hours, 16 May, in conference room 2001-L.
- 3. Ittending for W Division will be Mesers. This invitation has already been commutated by seventions to H.C. 701/100, and Mr. JPP/OPS.

J. C. KING Vestern Hemisphere Division

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13 May 1957

MEMORANDUM FOR: DEPUTY DIRECTOR (PLANS)

SUBJECT: Jacobo Arbenz - Ex-President of Guatemala - Operations Against

- 1. A cable from [] says that Arbens will depart Paris on 12 May via KLM 663 and that he is expected to arrive in Montevideo at 1910 hours local time on 13 May.
- 2. Before WH Division's precise objective can be determined, it is believed necessary to find out Arbens' exact plans in this Hemisphere and to take account of his public statements after his arrival in Montevideo. Still a further guide of our activities will be the nature and extent of the threat caused by his presence in Latin America.
- 3. The attachment is the result of a research task carried out largely by [] and [] Luck materials, Staff D information, as well as data from other sources. There are several suggestions as to how these materials might be exploited:
 - a. Pass selected portions to President Castillo Armas (via our staff agent) with a request that he send them by special emissary) (probably a Guatemalan journalist) to Montevideo where effort will be made to have them published;
 - b. "Free-up" selected portions (especially the attached "Gray Book") in order that it may be passed into high-level circles of the various Latin American Governments, for the most part



through normal liaison channels;

- d. Assign to an Agency psychiatrist the task of reviewing the attached materials with a view to writing an assessment of Arbenz, a kind of character analysis which might, in fact, have been written by a doctor who has studied Arbenz in a series of personal interviews; such a document might then be surfaced in such a place as Mexico, for example, as having been acquired from a Czech defector;
- e. Continue to make press plants of selected materials in various countries of the Hemisphere.
- 4. Upon Arbenz' arrival in Montevideo the Division will again suggest to ARA, Department of State, that it may now be time for Castillo Armas to lodge complaints with the OAS and the UN.



5. A search in the Graphics Registry has uncovered about a dozen horror photographs of the Arbenz regime which will be reproduced in large size and glossy print. It is planned to pouch 40 copies of each photo to \(\) and then the photos will, in turn, be mailed to important newspapers in each Latin

J.C. KING

Attachment:
As stated above

The June 1950: A note from Maria de ARBENZ to Victory Manuel (probably Victor Manuel GUTIERREZ) in which she requests a set of the statutes of the party the latter has just formed, and asks for the return of a pamphlet on the rights of man which she had loaned him. (PBHISTORY, 1-1362.

COMMENT: This letter can be used to strengthen the case against Maria de ARBENZ, whose pro-Communist sympathies are popularly believed to have strongly influenced her husband. It should be distributed in photostat form.

1951 - 1954: ARBENZ and Jose Manuel FORTUNY are close personal friends. FORTUNY was essigned by the Communist Party as its liaison representative and advisor to ARBENZ. ARBENZ constantly consulted with FORTUNY regarding government policy and action. ARHENZ and FORTUNY, in effect, collaborated in Gustamala as a collective leadership team. / Influence was exercised in both directions. That is, Communist Party policy was influenced by ARRENZ, and ARRENZ' actions were influenced by the Party. The Party was able to deminate the other political parties within the coalition supporting ARBENZ through FORTUNY and ARBENZ. FORTUNY jealously guarded his relationship with ARBENZ, and attempted to keep his (ARRENZ') contacts with other Party leaders at a minimum. FORTUNY often gave ARBERZ advice before informing the Party. FORTUNY, with the aid of the Cuban Communists, made the initial arrangements for the purchase of arms from Czechoslovskia during his trip to the Soviet Bloc ending in January 1954. Alfonso MARTINEZ Esteves paid for the arms, valued at \$12,000,000; but the cost to Guatemala was about \$3,000,000. The price reduction was Soviet Bloo aid to Guatemala. Clandestine contacts with the international Communist complex in Mexico were relatively heavy during the period January to June 1954. These contacts are a closely guarded secret and few details are evallable. ARBENZ considers it an error not to have obtained outright Communist air support during the revolution of June 1954, rather than depending upon the Guatemalan army. FORTUNI arranged a meeting in Guatemala between ARBENZ and a Soviet commercial attache. Source believes that FORTUNY's known panic and pessimism may have effected ARBENZ and led to his resignation. Source: INLUCK B-2

COMMENT: Much of this is widely known and non-sensitive. It can be passed to Liaison Services or published.





24 February 1954: Copy of a note from Col. Hubert F. JULIAN, alias Black Eagle, stating "Thanks for the doublecross, but I have powerful friends in Guatemala. We'll see who is the boss. I pay you cash but the Government sent the \$111,000 to their Minister. You want war - you shall get same ingrates. /s/ H. JULIAN."

COMMENT: This is document A-75, Volume 1, Blue Material, PHHISTORY, ARBENZ personal papers. This document can be published in photographic form indicating the fact that JULIAN, who made arms purchases for Guatemala in Europe was paying a kick-back to ARBENZ. It is not considered sensitive.

24 February 195h: Hubert Fauntlercy JULIAN, checked into a hotel in Gustemala City on 19 February 195h. (Alfonso MARTINEZ returned from Switzerland on 21 February 195h). JULIAN gave a New York address and registered in the hotel as being in Gustemals on business. He said he had been active in Gustemals for four years.

1 March 195h: In his State of the Nation message to Congress ARHENZ firmly rejected the idea of presecution of the Communists and strongly endorsed them as democratic and loyal supporters of his administration.

COMMENT: Overt. Useful as background.

15 May 195h: Arrival of the Alfhelm shipment of arms purchased from the Soviet Bloc.

COMMENT: Overt. Useful as background. See Top Secret Attachment No. 1 for further data on Alfhelm shipment.

18-19 May 1954: Parts of the Alfhelm shipment arrived in Guatemala City from Puerto Barrios on 18-19 May. ARBENZ stated that he planned to bring in European technicians and/or pilots and to release the US Military Mission, as its members knew nothing about the arms which were arriving. (CS PD 062 -





COMMENT: This is no longer sensitive, and can readily be coupled with recent propaganda which ties in Soviet Bloc aid with espionage and political action teams operating under the cover of technicians.

5 June 195h: Memorandum to ARBENZ from the Chief of Staff of the Army setting forth reasons why the Government should rid itself of Communists. Also, 15 a draft of ARBENZ' planned reply to the Army defending Communist participation in the Government.

COMMENT: This is document A-72, Blue Material, PBHISTORY, ARBENZ personal papers. This is no longer sensitive and will lend itself to publication and reproduction. This is also one of the documents reproduced in attachment 2, a booklet containing a number of similar documents. Consideration should be given to arranging for preparation of a similar booklet (either by the US or fustemals) for distribution to liaison services and eventual press release.

7-8 June 195h: The Guatemalan Council of National Defense (elected representatives of Army officers, plus certain others such as the Minister of Defense and Chief of Staff) called on ARBENZ within the last few days ostensibly to thank him for the new arms, but actually to suggest that he get rid of the Communists and to tell him that the Army is anti-Communist. The Army in effect asked for a change in the Government's orientation. (CS PD 283,

COMMENT: This clarifies the reasoning behind the Army memorandum to ARBENZ on this subject dated 5 June 1954. The information is no longer sensitive, and may be coupled with the Army memorandum.

11 June 1954: ARBENZ met with leading civilian Government officials for three hours on 11 June concerning the Army's desire to persuade ARBENZ to get rid of the Communists. AREENZ said that his policies are unchangeable with or without the Gommunists. (FD 332

COMMENT: This is no longer sensitive, and can be used with the other material on the Army request to ARBENZ.

12 June 1954: ARBENZ' daughter departed from Gustemala to Mexico.

COMMENT: Overt. Can be used as background - "rats deserting the sinking ship" theme.





13 June 1954: The Army gave ARBENZ until 15 June to get rid of the Communists. (PD 333.

COMMENT: This is not confirmed, but can be used. It is not sensitive.

16 June 195h: The Guatemalan Army was reported in Mexico on 15 June to have called on ARMENZ to make a firm decision on Governmental policy towards Communism. ARBENZ asked until the week of 13-20 June to give his reply. New York Times, 16 June 195h

COMMENT: This can be compled with the above item.

15 June 1954: ARBENZ' mother departed from Guatemala to Mexico.

COMMENT: Overt. "Rate deserting the sinking ship" theme.

16 June 195h: A meeting of the Cabinet in the morning of 16 June was also attended by Guatemalan Communists Victor Manuel GUTTERREZ, Alfredo GUERRA Borges, and Bernardo ALVARADO Monzon. At this meeting ARBENZ said that the pressure on the Government being exerted by the revolutionary forces of Carlos CASTILLO Armas was not great. (PD hO2

COMMENT: This is no longer sensitive, and can be tied in with other material to contrast ARBENZ' apparent optimism with his resignation and depression a few days later. The attendance of Communists at a cabinet meeting during a serious crisis is also worth dissemination.

22-24 June 1954: AREENZ and other Government leaders have made arrangements to take asylum in the Mexican Embassy in Guatemala City if necessary. (PD 543

COMMENT: Not sensitive. Useful for "rats deserting etc." line.

The June 1954: Photostatic copy of an order from Rogelio CRUZ Wer, Chief of the Guardia Civil during ARBENZ regime, directing the immediate arrest of all anti-Communist mayors and city councilmen regardless of present party affiliation but who have anti-Communist political antecedents. They are to be held in prison and at the first attack by the opposition they are to be shot immediately. (PBHISTORY, C 11362)



COMMENT: This is one of a set of documents passed to the local press in September 1954, and presented to the Hillings Sub-Committee in Washington later that month. This clearly demonstrates the ruthless Communist activities of the police under ARBENZ. Photostats should be disseminated.

27 June 1954: ARBENZ resigned the Presidency in favor of Col. Carlos Enrique DIAZ, giving a violently anti-US speech.

COMMENT: Overt. Useful as background.

28 June 1954: ARMENZ, wife and two children took refuge in the Mexican Embassy in Guatemala. This was followed by mumerous rumors of ARBENZ being ill, and many reports of his moodiness and drunkeness within the Embassy.

COMMENT: Overt. This can be useful to accuse him of covardice - lacking the courage to make a desperate stand against what he declares are the enemies of the country. The false rumors of his illness have been attributed to ARBENZ' friends who allegedly spread them for the sake of creating pity for him and assuring the early granting of a safeconduct for him by the CASTILLO Armas Government. This can be used too, to show his lack of manlinees. Moodiness and drunkeness can also be used to tear down his character.

June 1954: ARBENZ salvaged some funds from Guatemala and made part of this money available to the PGT. The amount is unknown. Source: INLUCK B-2

COMMENT: This can be tied in with overtly published material accusing ARBENZ of misappropriating over 4 million dollars.

10 July 1954: According to diplomatic sources, ARHENZ attempted to commit suicide in the Mexican Embassy in Guatemala City on 10 July. (FBIS report 12 July 1954)

COMMENT: This is useful as a peg on which to hang some of the INLUCK material conserving ARBENZ' personal life.

10 September 195h: AREENZ, his family, and Jose Manuel FORTUNY depart to Mexico. (New York Times, 11 September 195h)

COM-ENT: Overt. His common travel with FORTUNY can be used to further strengthen the story of the intimate relationship between the two.







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10 September 1954: Lazaro CARDENAS and his wife dined on 10 September 1954 at the home of Senator Luis I. RODRIGUEZ, where AREENZ and his wife were temporarily residing. On the following day ARBENZ left with CARDENAS to spend a few days at CARDENAS' country estate near Patzcuaro, Michoacan. (Useable - LIBELER, ()-833) Confirmed by FBIS report 13 September 1954. Unclassified: 13 September 1954: Others at CARDENAS' home are Guillermo TORIELLO, Rogelio CRUZ Wer and Jaime ROSENBERG. (La Prensa, New York, 13 September 1954 - Useable)

COMMENT: Not sensitive. The link with RODRIGUEZ, who is active in many pro-Communist fields, is useful. ARBENZ stayed at RODRIGUEZ! home when he first arrived in Mexico. The relationship with Lazaro CARDENAS can also be used, but not too effectively since CARDENAS enjoys a certain amount of respect in left of center (but non-Communist) circles. The link with CRUZ Wer and ROSENBERG is, of course, extremely useful.

19 September 195h: Jacobo ARBENZ, ex-President of Guatemala, and his wife have decided to go to Switzerland as soon as possible once they have obtained their safe conduct permits to leave Guatemala. ARBENZ' parents were born in Switzerland. Mrs. ARBENZ has been studying German in the Mexican Embassy in Guatemala. ARBENZ has been very depressed. This fact is confirmed by the very few who have seen him (his assistants, Guillermo TORIELLO and Augusto CHARNAUD MacDonald). Few of the people who sought asylum in the Mexican Embassy have been permitted to visit ARHENZ, but he has not been ill as stated by the press. Since ARBENZ has been in the Mexican Embassy he has never received Jose Menuel FORTUNY, ex-Secretary General of Partido Guatemalteco del Trabajo (PGT).

COMMENT: This is now mostly overt. Care should be taken not to use the portion indicating estrangement from FORTUNY since their relationship is most useful in our PP case against ARBENZ.

5 October 1954: ARBENZ' extradition was requested by the Guatemalan Government. ARBENZ is believed to be in Mexico City after a Brief rest in Acapulco. He is now living with his family in a midtown apartment in Mexico City. (New York Times, 5 October 1954)

COMMENT: Useful as background.

14 October 1954: Alfonso SOLORZANO Fernandez, former manager of Instituto Guatemalteco de Seguridad Social (IGSS), stated that he recently had an interview with Jacobo ARBENZ Guzman, former President of Guatemala, in

which they exchanged views on various aspects of Guatemalan politics. SOLORZANO indicated to ARBENZ that a statement from him to the Mexican press would be very desirable. ARRENZ replied that he did not think it was an opportune moment because of the promise Mexico had requested from him to abstain from any political action which might cause a strain in relations between Mexico and Guatemala. ARBENZ also told SOLORZANO that any statements from him to the press at this time would increase the campaign against Guatemalan exiles and would give the participants in this campaign new reason for requesting the extradition of these exiles. ARBENZ seid that in the future he would be willing to make statements to the press but not at the present time. SOLORZANO and ARBENZ discussed at length the subject of organizing in Mexico a Democratic Front of all the political parties which had supported the ARBENZ Government, including the Communists. ARBENZ authorized SOLORZANO to start work on this project, but insisted that they act with the greatest of discretion so as not to jeopardize ARBENZ' delicate position in Mexico. According to SOLORZANO, he did not discuss with ARBENZ the disposition of funds removed from Guatemala at the time the ARHENZ Government was overthrown. SCIORZARO said that he did not believe that his first interview with ARBENZ was the opportune time to bring up such a delicate question, which could lead to a rupture of political relations with ARBENZ. (LICHERRY - 1957)

COMMENT: This can be used by leaving out SOLORZANO's name without endangering the source. ARBENZ reluctance to engage in political activity can be related to cowardice or Communist direction. The statement about the funds indicates that the other exiles were eager to lay hands on the funds allegedly taken out of Guatemala by ARBENZ. These funds were the subject of widespread speculation among the exiles — and have thus far not been forthcoming. Good use can be made of ARBENZ' non-assistance to the other exiles while he lived well in Europe.

12-19 October 195h: On 12 October 195h the Guatemalan press announced the replacement of Manuel HENDYELDT as President of the Bank of Guatemala. During the following days the press reported that BENDFELDT and his predecessor were responsible for the misappropriation of Sh,89h,615.00 from the bank in March 195h. According to the Attorney General, on 18 March 195h, at the order of the Ministry of Finance, the Bank of Guatemala transferred to the Union de Banques Suisse, at the disposal of Constantino BERNASCONI lopes, then Director General of Highways, the sum of Sh,69h,615.00. The funds placed in the Swiss Bank were almost immediately transferred to a bank in Csechoslovakia, and that although no official information is available, it is known that the funds were transferred almost immediately from the Grech bank to banks elsewhere in



Europe and the US to the credit of ARBENZ, various of his ministers, Rogelio CRUZ Wer, and other party leaders. Guat Emb. Desp No. 328, 19 October 1954.

COMMENT: This amount is approximately the total price of the Alfhelm shipment, and probably was the money used to pay for it. However, there is no need in our propaganda to mention that fact. The lack of a satisfactory accounting for the funds can be twisted to our use as proof of ARBENZ' peculation.

27 October 195h: The weekly Mexican magazine Siempre carried an interview with ARBENZ in its 27 October 195h issue in which ARBENZ accused the Gustemalan Army of betraying him.

COMMENT: This and similar anti-Army themes should be stressed in internal propagands in Guatemala. Much can be made of the PGT-AREKEZ wish to arm the peasants to fight the CASTILLO Armas forces, and the Army's refusal to permit this.

29 October 1954: Raml SIERRA Franco placed the blame for the misappropriation of funds for the Alfhelm purchase on Carlos DIAZ, Jose Angel SANCHEZ, Garlos ALBANA Sandovel, Constantino BERNASCONI, and Alfonso MARTINEZ. He implied that ARBENZ was one of the responsible parties. He stated that DIAZ, SANCHEZ, and MARTINEZ probably got about ten per cent commission on the arms purchase. (press)

COMMENT: SIERRA was under fire as possibly being one of those who profited from the arms deal, and in effect, turned state's evidence. This can be used most effectively in connection with the "corruption" theme.

24 November 1954: The exile group in Mexico is not happy with ARBENZ' planned trip to Switzerland because he has not divided the money taken from the Guatemalan Treasury prior to his resignation. The money had been deposited in Swiss banks. ARBENZ was alleged to have up to \$500,000 in cash for a trip to Switzerland.

COMMENT: This is from an FBI report. This information is widely known and was reported by a number of sources. It can be used to show how ARBENZ deserted his followers, leaving them penniless.



17 December 1954: ARBENZ departed to Paris from Mexico with his family.

COMMENT: Overt. Two angles can be used. First, that the Mexican Covernment threw him out. Secondly, that the trip to Europe was for the ultimate purpose of travelling behind the Iron Curtain for consultation and training.

19 December 1954: ARBENZ and his family arrived in the Netherlands on 19 December 1954 and continued on to Paris the same day. ONH 2575

COMMENT: This can be considered overt. Useful as background.

24 December 1954: ARBENZ and family left Paris by automobile on 24 December 1954. (Gazette de Lausanne, 30 December 1954)

COMMENT: Background use only.

5 January 1955: AREENZ arrived in Lausanne accompanied by his family.

COMMENT: Overt. Useful as background.

5 Jamery 1955 - 5 April 1955: Numerous classified and overt reports exist for this period concerning ARBENZ' acceptance or non-acceptance of Swiss citizenship.

COMMENT: ARBENZ is entitled to Swiss citizenship upon request since Swiss citizenship laws are based on Ins sanguings. However, since he did not assume Swiss citizenship, there is now little to be gained by belaboring this theme.

5 April 1955: ARBENZ returned to France.

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COMMENT: This is now evert, useful as background.

April 1955: The French Government authorised AREENZ to stay in France for a year after obtaining a written promise to abstain from all forms of active politics; to have no political contacts; to make no press statements. PARIS EMB DESP 821, 19 April 1955.

COMMENT: This no longer appears to be sensitive. If clearance for this item can be obtained, it would be useful in demonstrating the distrust



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CONTROL

of a reputedly liberal nation placing stringent conditions on ARBENZ' residence there.

23 June 1955: Guatemalan exiles in Mexico expect ARBENZ to return from Europe in the immediate future. Many members of the Partido de Accion Revolucionaria Unificado (PARU) dread his return because they fear it may create a greater division between the Guatemalan exile groups. They fear, particularly, his favoritism toward the Communists and Jose M. FORTUNY, former Secretary-General of the Communist Party in Guatemala. (LICHERRY - [1136])

COMMENT: Not sensitive. This can be used in connection with recent reports from various sources (HUSSY; INLUCK) that the question of ARBENZ' return has caused some friction within the Union Patriotica Guatemalteca (UPG) in Nexico. The UPG is composed of representatives of all Guatemalan exile groups in Mexico. The Communists have strongly supported ARBENZ' return and participation in the UPG, while the non-Communists have been reluctant to have ARBENZ return unless Juan Jose AREVALO can be brought to Mexico to counterbalance ARBENZ.

20 July 1955: Gustemalan exiles in Mexico are expecting ARBENZ' return. Hany PARU members dread his return because it may cause greater dissension among the Gustemalan exile groups. These fears are caused by ARBENZ' past favoritism to the Communists and Jose Manuel FORTUNY, in particular.

COMMENT: This is fairly overt in exile circles and can be used tellingly to mark AREENZ as a Communist as contrasted with the non-Communist exiles. This divisive theme may result in a widening split between the Communists and non-Communist Guatemalan exiles, based on ARBENZ' political role.

September 1955: ARHENZ applied for membership in the PCT in September 1955 through Lasaro PENA who is the top international liaison agent for the Communist Parties in the Caribbean area in their relations with the CPSU and other Seviet Bloc parties. GUERRA Borges and FORTUNY wrote ARHENZ in late 1955 expressing joy over his application, but stating that the matter required thorough consideration. The application is still being held in absyance. The Party realises that AREENZ is too important to be accepted as a rank and file member in accordance with statutory practice, and is reluctant to bring him directly into the Party political commission. (INLUCK B-2)

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OFORN CONTINUED CONTROL

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CXMMENT: Sensitive. This should not be mentioned at any rate since its effect would be counterproductive. There is a school of thought which believes that the only Communist is a card-carrying one; and refuses to believe that a sympathizer can be equally dangerous.

4 September 1955: New York Times, 5 September 1955, said that Prague radio announced the arrival of ARBENZ and his family on 4 September 1955.

COMMENT: Background use only.

14 October 1955: ARBENZ gave a press interview in Prague during October 1955 during which he stated that the Swiss had treated him well, and that Swiss citizenship is his for the asking. State Weeka, Santiago, 14 October 1935

COMMENT: Not sensitive. Useful in placing ARBENZ in Prague. The Swiss citizenship issue should probably be ignored since it is apparent that although he is entitled to it, he has taken no steps to acquire it.

22 August - 24 October 1955: It is rumored among Gustemalan exiles that ARRENZ received a million dollars from the USSR for use in Mexico and Central America for propaganda. The reported trip of ARBENZ into the Soviet Bloc has raised the hopes of the Guatemalan Communist exiles. ARBENZ is believed to be in touch with Communists in Mexico, Cuba, and Central America. (CS-81824)

COMMENT: Since this report is based on apparently widespread exile gossip, it is not considered sensitive. It can be used as a peg on which to base more sensitive material concerning ARBENZ' later travels to the USSR, possibly mentioning Lazaro PENA, who is reported by INLUUK as the head international Communist liaison agent for the Caribbean area.

19 October 1955: Antonio VILANOVA, ARBENZ' brother-in-law, said during a recent trip to Hexico that he doubts that ARBENZ' wife will permit him to return to Mexico, since she was responsible for their going to Europe in order to have him recover from his mental depression. VILANOVA said that ARBENZ had tried to commit suicide a number of times, that he has become a heavy drinker, going on periodic, prolonged bouts of intoxication. (LICHERHY, C]-1293)



COMMENT: Not sensitive. This can be used with direct attribution to Antonio VILANOVA. Useful in portraying ARBENZ' worthless character and reenforcing the cowardice theme.

6 September 1955: ARBENZ departed to Prague from Paris. 2 8010

COMMENT: Confirmed by other sources and press. Can be considered overt. Useful in pointing out ARBENZ! ties with the Soviet Bloc.

23 November 1955: The Diario de las Americas, Mismi, 2h November 1955 -repeated a story in the Hamburg Echo, 23 November 1955, which said that
Czech refugees state that ARBENZ has been residing in Prague for several
weeks and plans to visit Moscow and Budspest.

COMMENT: Can be used as a peg on which to base stories of ARBENZ' travel to the USSR and China.

25 November 1955: on 25 November 1955 ARBENZ stated to Western journalists in Prague that he did not plan to return to Guetemala "unless the Government imposed by the American imperialists is replaced by a new, really democratic government." FBIS

COMMENT: This can be used as a peg on which to tie accusations that ARBENZ' only reason for returning to the Western Hemisphere is to over-throw the present Guatemalan Government.

25 November 1955: ARBENZ was interviewed in Prague on 25 November by a New York Times correspondent. The family hopes to move soon from the Esplanade Hotel to a small house. (New York Times, 27 November)

COMMENT: This can be a useful peg on which to mention some of INLUCK's material concerning drunkenness and immorality.

COMMENT: This same theme is now being used by [

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the Uruguayan press. It continues to be the strongest argument against ARBENZ, since it places him squarely in the Communist camp.

15 December 1955: Paris AFP radio teletype on 15 December said that ARBENZ is at present in Prague directing Communist activities in his own country, according to the British Daily Mail. The paper's diplomatic editor said he spoke with ARBENZ by phone. ARBENZ has been living in Prague in luxury with his wife and children but is getting ready to leave for Moscow at the beginning of 1956. The Guatemalan press picked this up adding that the visit will take place in January at the invitation of Bulganin. (GUAT EMB DESP No. 383, 22 December)

COMPLEME: This is another convenient peg for the story of ARHENZ' travels.

December 1955 - March 1956; ARBENZ was interviewed in Prague prior to his departure to Moscow by Irving POTASH, CPUSA and Tim BUCK, CPCANADA. BUCK was on his way to CPSU Congress. ARBENZ was reluctant to see POTASH as he disliked Americans even though they are Commiss. POTASH wanted material for the Daily Worker and for a CPUSA pamphlet concerning U. S. monopoly exploitation in Guatemala and intervention in its internal affairs. POTASH and ARBENZ agreed to meet in Moscow (where POTASH was to attend the 20th Congress) for further discussion. In March, FOTASH complained in a conversation to INLUCK in Prague that he had been unable to contact ARBENZ in Moscow. INLUCK says if true, it probably was due to the fact that during the Moscow trip, ARBENZ was under wraps. (INLUCK -

COMMENT: This is particularly sensitive information. If arrangements could be made for its release in the U.S., attributed to an FBI informant, it might possibly be useful to strengthen the case against ARBENZ as a sinister Soviet agent; and possibly to get POTASH in trouble for talking teo much.

1 January 1956: The Bratislava Slovak Home Service radio on 1 January 1956 amounced that "President Antonin Zapotocky today received in a private andience former Gustemalan President Colonel Jacobo ARBENZ Gusman, who is staying in the Czechoslovak Republic, and helefriendly discussion with him." FRIS

COMMENT: Because of its unclassified nature, this is most useful.



January 1956: ARBENZ left Prague for Moscow in January 1956. His children are at a school for foreign Communist dependents at Ivanovo, USSR. This is a well-kept secret. (INLUCK -/ 19513)

COMMENT: ARBENZ' USSR travel was covered in an article in the London Daily Mail on h January 1956. This peg can be used to place him in the USSR at about the correct time. The failure of ARBENZ'daughters to emerge from the Soviet Bloc in late 1956 with the rest of the family makes it possible to publicize that they are being educated in a bloc country, using speculation to place them in the USSR. No mention should be made of the specific school or its location.

Jamuary 1956: While in Russia ARBENZ, according to GUERRA, spoke to ZUZLOV and KORIONVO, Chief, L. A. Section International Dept., CPSU, and to another individual (whose name INLECK failed to get) but believed he is in charge of International Questions for the Central Committee, CPSU. ARBENZ recommended training Latin American students in the Soviet Union. (INLUCK 751)

COMMENT: This material is too specific for PP asc. It will be necessary to settle for a general statement of meetings with high Soviet Government and Party officials.

4 Jamery 1956: The London Deily Mail ran an article stating that ARBENZ is on his way to Moscow for talks with MALENKOV and other Soviet officials. ARBENZ told friends that he is determined to return to Guatemala and to stage an East-West struggle there. For the past week ARBENZ has been seen in the company of Russians.

COMMENT: This no longer appears sensitive, and can be useful either as a handout to friendly services or for publication. It is particularly good in that it confirms the ININCK material on AREENZ' travel and the Daily Mail can be used as the source of at least part of the material.

25 January 1956: ARBENZ and his family left Prague for Moscow on 25 January 1956. The children were placed in school in Ivanovo. ARRENZ was to discuss his future course of action with the Soviets, and his departure from Prague was a carefully guarded secret. The basic courses of action open to AREENZ are either to take an all out Communist position, or to re-establish himself in his old role as representive of the national bourgeoisie in colonial countries and to exploit this



position. Naturally the latter role would show him to be sympathetic to the USSR and Soviet Bloc. Source believes that the latter will probably be the course of action decided upon. (INLUCK B-2)

COMMENT: This can be used as speculation without endangering the source.

February 1956: ARBENZ received a letter from Alfonso MARTINEZ in February 1956 via Paris through INLUCK in Prague, saying that steps had been taken to give financial support to Leonardo (Nayo) CASTILLO Flores for clandestine anti-CASTILLO organizational work inside Guatemala.

MARTINEZ also forwarded a letter to AREENZ from CASTILLO, asking that ARBENZ reply. CASTILLO desires to reneive financial aid from AREENZ.

CASTILLO never was a CP member but was a close collaborator with the Party under AREENZ. (INLUCK - () 1579 (IN 36501)

9 February 1956: A high government official in Guatemala says that according to Mauro Anibal MEJIA, reportedly a member of the Guatemalan GP Central Committee, ARBENZ maintains contact with the Guatemalan exiles in Mexico via diplomatic pouch to the Czech Embassy in Nexico City. The Czech Lubemir BLAZIK, contacts the Guatemalan exiles directly. (ESGEN-1)

CONTENT: This is not particularly sensitive and provides an excellent item since it names names. It is also an excellent peg on which to hang more sensitive details. Care must be taken in its release to avoid having ESGEM-1 identify any of our PP assets.

20 April 1956: Maria de AREENZ in a letter from Moscow dated 20 April 1956 said that she and her husband would leave for China about the middle of May 1956. She said that their future plans would be known in about three months. At this time consideration was being given to having AREENZ travel to India, Indonesia and North Africa for the purpose of building himself up politically and serving the Soviets by inspiring national liberation movements. AREENZ and his wife might live outside the Soviet orbit. AREENZ prefers Egypt, but his wife prefers Italy. AREENZ dislikes France. (INLUCK B-2)

COMMENT: Sensitive. Not particularly exploitable except as background.

CONTINUED CONTROL



COMMENT: There is independent corroboration of ARMENZ: travel to China, which can probably be used to publicize the trip.

May 1956 - November 1956: Prior to his recent trip to Paris, ARBENZ and his wife traveled secretly to the USSR and China. While there, ARBENZ met various members of the Central Committee of the CPSU and Soviet Government officials. While on his trip in China he was called back to Hoscow for an interview with Khrushchev and Bulganin but it was cancelled upon the arrival of ARBENZ due to pressing duties of Khrushchev and Bulganin. Soviet leaders stressed secrecy regarding ARRENZ: trip. ARBENZ expressed the view that the USSR was "unstoppable" and would soon be able to give help to the Guatemalans. Subject admires China even more than the USSR and feels it will surpass the USSR in international affairs. He also admires the CP China for its independence from the CPSU and holds that since the CPSU left the CP China to fight alone during its worst periods of struggle, the latter Party gained rich experience which prevents the commission of many errors committed frequently by the USSR. AREFNZ says the solution to the problems of the colonial countries is to be found in China. ARBENZ found that there was much interest regarding "the case of Custemalas among Party/Government leaders and the people, and claimed that the Chinese leaders said the moment would come when they would help "liberate us." ARBENZ met MAO and Chou en LAI, among other leaders. The USSR recommended to the Chinese that ARHENZ: trip be kept secret. Since 1955 ARBENZ has been trying to return to Mexico at the urging of the PUT. After returning from China via Mescow to Prague, ARBENZ consulted with Alfredo GUERRA Borges who was returning to Mexico. They decided that ARBENZ and his wife should go to France. With the aid of POT leaders and Mexican political leaders his wife would get an interview with Gen. Lazaro CARDENAS after her return to Mexico; and through CARDENAS an interview with President Adolfo RUIZ asking for a visa for ARBENZ to enter Mexico. In the latter part of November, Alfredo GUERRA Borges said in Mexico that AREENZ had to get out of Europe as soon as possible because of his poor mental and physical health. In Paris, ARHENZ was much troubled by the Soviet action in Hungary. Subject was told in Paris by a friendly French police officer that one of the several French services, "the one which ☐ had ARRENZ under curveillance. (INLUCK/ 7979 (30)

COMMENT: While sensitive, much of this material is highly useful for PP operations in a disguised fashion.

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CONTINUED CONTROL

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9 June - 2h August 1956: Genaro CARNERO Checa, while touring China after attending the International Conference of Journalists in Helsinki, Finland met and held long discussions with ARBENZ, who was apparently also in China on a Chinese Government-sponsored visit. Source was given this information at a meeting at which there were also present Augusto CHARNAUD MacDonald and Alfonso SOLORZANG. CARNERO left Mexico en 9 June and returned from China on 2h August 1956. (LICHERRI/ 7.751)

COMMENT: This helps fix the time of ARBENZ' travels in China and makes possible the use of almost any material on ARBENZ' trip there, regardless of source, since it is obvious that neither CHARNAUD or SOLGRZANO were bound by FGT security and probably mentioned the trip to other Guatemalan exiles.

During the course of CARNERO's visit to China, he met the ARRENZ at the Hotel Peking in Peiping where they occupied a suite. They were travelling under the pseudonym of Jacobo and Maria CASTRO. ARBENZ had an automobile and chauffeur at his disposal and was always accompanied by two Chinese Military Aides. ARRENZ invited CARNERO to dine, and asked for information concerning the situation of the Guatemalan exiles in Mexico. AREENZ gave the impression that he wanted no publicity concerning the trip and that he had been instructed to return to political activities by the Communists. (LICHEREY \(\sum_{838} \))

COMPENT: The same comments apply as for the report above.

27 June 1956: The PGT is anxious to have ARBENZ return to Mexico as soon as possible since it fears losing the leadership of the Guatemalan opposition in Mexico to the PARU and its leader Augusto CHARNAUD MacDonald. The PGT was also concerned about the resurgence of the followers of AREVALO, but as of the date of the report was losing this fear. (INLOCK B-2)

COMPLET: Useful in exacerbating the division between the Communists and non-Communist Gustemalan exiles.

28 September 1956: ARBENZ applied for a French visa in Prague on 28 September 1956. (PARIS EMB DESP No. 1593, 3 October 1956)

COMMENT: Useful in fixing the approximate time and route of ARBENZ' return from China and the USSR.



25 October 1956: Minister for Foreign Affairs said there was no information that AREFAZ desires to come to Mexico. If he applies for a visa, the matter will be referred to Mexicon Foreign Office. (State Telegram 740 from Mexico City, 25 October 1956)

COMMENT: Not useful. This appears to be a routine denial that ARBENZ wants a visa to Mexico, designed to avoid criticism for refusing to issue the visa.

PARIS

26 October 1956: Returned to Presse from Brussels. Probably boarded the plane at Prague. (Life)

COMPENT: No specific data an unclassified data exists concerning the fact that ARBENZ returned with only his wife and son, leaving the two daughters behind the Iron Curtain. Since ARBENZ return to France is generally overt, the fact that the daughters remained in the Soviet Bloc and did not accompany their parents to France, can be used as a pag on which to hang the story of their attendance at a Soviet school. It might also be possible to indicate that the girls are being held as hostages for ARBENZ' continued pro Soviet conduct.

26 October 1956: Foreign Office informed us this morning that ARBENZ, who has been in Paris since 26 October, has been extremely quiet and not engaging in political activities. He is currently residing at Hotel Vermont, rue Bois de Boulogne, Paris. ARBENZ' wife departing for Mexico and source considers her more dangerous than ARBENE hisself. (State Telegram 2200 from Paris, 5 November 1956)

COMMENT: Vesful as background only.

h November 1956: ARBENZ' wife, Maria Cristina Vilanova de ARBENZ and their son depurted from Paris on h November 1956 via KIM for El Salvadár.

confirmed by other sources. It can be used.

14 November 1956: ARBENZ' wife arrived in El Salvador on 6 November 1956. She has frequent Guatemalen exile visitors. JUGATION-1 COMMENT: This is not a sensitive source. Numerous other reports have since been received stating that Maria de ARBENZ frequently confers with Guatemalan exiles. This is useful to point out the conspiratorial activities she is carrying on in his behalf.

November - December 1956: ARBENZ continues his close association with Jose Manuel FORTUNY. ARBENZ gets drunk end his conduct is poor. The difficult relationship with his wife, her infidelities, the possibility of an increase in these problems, and his being alone in Paris -- a situation he calls a "hopeless life" -- cause him to drink to excess, alone or in company. ARBENZ has always been a neurotic. His desperation causes him to remain locked in his room for days on end at the Hotel Vermont, Rue de Bois, Paris, having food sent to the room, not speaking to anyone, with the windows closed and the lights turned off day and night. He spends his time in absolute depression, violent irritation, and crying spells. Physically ARBENZ is exhausted and looks old. His character makes him more impulsive and violent. He seems to be a man without strength, without the desire to live; or at least one who wants to live peacefully without fighting. ARBENZ revealed a certain reluctance to continue an intensive political life. He gives the impression that he wants to return to Mexico only because of his committments to the Communists. (INLUCK, []2271).

COMMENT: This report gives a good sketch of ARRENZ' character as well as of his activities inside the Seviet Bloc countries. An [] surveillance report of 28 November 1956 states that ARRENZ remained in his room and received no visitors from Saturday evening 17 November to Monday afternoon 19 November 1956. This confirms his brooding. A copy of CS-3,30h,116, based on [] 2271 is attached (No. 3). Much of this material is useable because it has been confirmed by a number of sources, indicating it to be widespread knowledge in exile sircles. Also attached (No. h) is a copy of [] 16030 which contains INLUCK's story concerning the AREENZ' personal life. Except for minor detail, it follows the pattern described in [] 2271. Certain details of [] 6030, such as the rumors of Naria de ARBENZ' amorous liaisons with FURTUNY and Mario SILVA Jonama are useful. The story of her demands for a divorce and his subsequent attempted suicide can also probably be used.

11 November 1956: ARBENZ has requested that the latest Communist newspapers be delivered to him by the personnel in his hotel. _ 1749

COMMENT: While this is from an \(\) Treport, there is little reason why information like this cannot be used.

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CONTINUED CONTROL



17 December 1956: Maria de ARBENZ returned to El Salvador with her son so that she could renew her passport. She is concerned about getting a passport for her son because she does not know how she can obtain a certified copy of his Guatemalan birth registration. ESPERANCE, Guatemala

COMMENT: This is not a sensitive source. The information can be portrayed as her cover story, implying that her real activities are much more sinister.

22 December 1956: ARBENZ wrote Francisco MCRAZAN and Jose Manuel FORTUNY and Carlos BRACAMONTE asking their help in his return to the Western Hemisphere. In conversation[Jon 22 December between FOHTUNY and GUERRA Berges, INLUCK gathered MARGAZ. personal situation as more and more desperate. (INLUCK &) 562 (INC)

COMMENT: Sensitive and not particularly useful except that it confirms other information concerning ARBENZ' state of mind.

24 December 1956: ARBEMZ was arrested for drunkenness by the French police on Christmas Eve 2h December 1956. [] 6117 [

COMMENT: This information was also carried in the press and can be used to portray him as a degraded individual.

January 1957: Se werel sources reported persistent runors that ARREST was considering going to Costs Rica; that the Costs Rican Government granted him a visa; and that he had conferred with FIGUERES during the latter's 1956 trip to Europe. All were denied by the Costa Rican Government.

COMMENT: Most of this has appeared in the press. It can however be used to show how that great "liberal" country Costa Rica, which has respected the tradition of political asylum even to the extent of damaging itself, has refused to permit ARHENZ' entry, knowing that he is not a legitimate political asyles, but a Soviet agent.

6 January 1957: The POT's next step in the empaign to return AREESEZ to Mexico will create a problem for UPG leaders who will be expected to campaign on ARBENZ' behalf with influential Mexican politicisms. As Certain members of the UPG are opposed to ARBEME' return, INLUCK expects that the party will not easily succeed in this venture. Guillerso TORIELLO fears that his return will eclipse him politically, (INLUCK C 3584 January 1957)

COMMENT: Opposition of non-Communist Guatemelan exiles to ARBENZ' return is widely known and can be most effective propaganda-



22 January 1957: INLUCK believes a meeting between Alfredo GUKRRA Borges and Soviet Ambassador in Mexico on 22 January 1957 concerned ARBENZ. INLUCK thinks Seviets have an interest in ARBENZ' entry into Mexico. There is no proof, however. The UPG and PGT leaders are to meet on 25 January to discuss the Mexican political contacts each one has; and who may assist

COMMENT: The fact that liaison between the Soviet Embassy and GUERRA Borges exists is probably known to only a limited number of senior PCT officials. We can use a general claim on this, but lose a lot of punch unless we can specifically name GUERRA as the contact. I don't believe this item can be used without seriously risking the source.

29 Jamary 1957: Maria de ARRENZ wrote to her husband from San Salvador commenting on his depression and on the relief she felt at receiving news from their daughters (studying in the USSR). [٩'n []28133)

COMMENT: This is useful since it can be attributed to comments by Maria de ARBENZ to friends in Kl Salvador in which she expresses concern about her husband's state of depression and the well being of her daughters who are studying in the USSR.

13 February 1957: A meeting of the UPG with representatives of the PARU. PAT, FUD and COTO present was held to discuss arrangements for bringing ARBENZ and ARTVALO to Mexico. Augusto CASALI Avila later stated that the POT would dominate the UPG with ARBENZ' return. (INLUCK -C 3751)

COMPENT: Since this covers a UPO meeting, it can be published without danger to the source. It is useful in pointing up ARBENZ' pro-FOT bias and the division between the POT and non-Communists.

14 February 1957: At a meeting of the UPG Directive Council on 22 February 1957, a letter dated 1h February 1957 from subject, in Paris, was read in which ARBENZ thanked UPG for its support and indicated that he hoped to return to Mexico soon to continue the fight at the side of the UPG. (HUSSY -[]-2500, 13 March 1957)

COMPRENT: The fact that ARBENZ has accepted the UPG invitation to return to Mexico is widely known among the Guatemalan exiles and can be used without fear of compromising sources.



309093

25 February - 6 March 1957: INLUCK reports that ARBENZ has replied enthusiastically to UPG invitation to return to Mexico. (INLUCK - 1809 (INC - 25 February 1957)

ARBENZ in Paris has received a letter from UPG containing an efficial resolution requesting that ARBENZ and Juan Jose AREVALO, former President of Guatemala, also go to Mexico to head a united action in opposition to the CASTILLO government. UPG is making every effort to obtain permission for ARBENZ to enter Mexico. \(\square \frac{76690}{18690} \) (INC \(\square \frac{725}{1957} \) February

Augusto CHARNAUD MacDonald, upon receipt of Juan Jose AREVALO's letter saying he could not come to Mexico because of "personal Problems", immediately wanted to have the UPG resolve to concentrate efforts to bring AREENZ to Mexico. This resolution was vigorously opposed as some members of the UPG do not want AREENZ here without AREVALO, as AREENZ is known as a Commisted. (INLUCK · [] 86k (IN] 6 Merch 1957)

COMMENT: Since these matters were taken up in the UPG, they can be considered widely known among the Guatemalan exiles, and available for publication.

h March 1957: Alfredo GUERRA Borges wrote to AREENZ in Paris approving the latter's plan to move to Urugusy. He cites the advantage that politically it is in America; has a Soviet diplomatic establishment; the authorities grant travel documents when necessary; and Maneul GALICH who has worked with the POT has a good position there.

COMMENT: This is too recent and sensitive for specific use. However, articles can be planted charging that the PGF has ordered ARBENZ to Uruguay for any of a combination of the above reasons. Furthermore, a very recent article appeared in the past week in La Hora of Guatemala City citing these same factors.

26 March 1957: ARBENZ is planning to go to Uruguay. []7169)

31 March 1957: ARBENZ' wife wrote him from El Salvader expressing consern that she has had no information from her daughters in two months. There is some cross play in the letter indicating that they are accusing each other of lacking tenderness in their letters. She states that they are



no longer in the Romeo and Juliet phase. She comments that his concern over the tone of her letters may be due to the state of his nerves.

[29603]

13 April 1957: Gustemelan Communist Alfredo EVERBA Borges wrote to ARBENZ in Paris through a ent-out, saying that Guillerso TORIBLEO supports ARBENZ' return to Mexico. GUERRA suggests that ARBENZ' talk with the Soviet Embassy in Paris.

19 April 1957: This is a letter from an unidentified individual in Buenos Aires to ARBERE saying that the writer has asked an important friend to activate things in Hentevideo so that in a few days an order to grant the visa will be sent to the Uruguayan Consul in Paris. The writer said that he had received a letter from the number one man in the Uruguayan Covernment which was very reassuring since the decision taken at the highest national level was favorable to AREKNZ.

COMMENT: This is sensitive material, and does not seem particularly useful from the PP standpoint. Intelligence-wise it would seem to indicate that Lais BATLLE Berres may be the person who arranged ARMENZ' entry.

19-27 April 1957: On Wednesday, 2h April, the brother of ARBENZ arrived in Hexico and left \$5,000 for Leonardo CASTILLO Flores' activities.

CONVENT: There is no information on a brother of ARRENZ. Not particularly useful since the source may be identified.



CONTINUED CONTROL

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May 1957: ARBENZ has had continuing contact with Alfredo GHERRA Borges through correspondence and couriers and through the Czech diplomatic pouch. During the time ARBENZ was in Mescow beginning in May 1956 his mail was forwarded to him in Moscow by way of Czechoslovakia. INLUCK B-2

COMPLET: Sensitive in part, but enough information from various sources is available so that OUERRA Borges and FORTUNI can be named as AREENZ' contacts in the PGT, without risking INLECK.

