

COURIER

HGG-A-1285

CIA HISTORICAL REVIEW PROGRAM
RELEASE IN FULL

~~SECRET PERSUASION BYBAT~~

2003

Chief, WH

Chief, of Station, Guatemala

Operational

Plot by Arbenz Government Against United Fruit Co. and ODFOKE

Re: DIR 09898
GUAT 099

1. In compliance with a recent instruction from LINCOLN when that Field Hqs. was in operation, the Guatemala station destroyed its records pertaining to PERSUASION. For that reason we are unable to furnish cable numbers of cables which were sent to LINCOLN and Washington during the latter part of May 1954. However, it is recalled that in those cables pertaining to the above-captioned subject, we advised we had obtained certain information indicating the then Guatemalan government planned to bury crates of American-made arms and ammunition on United Fruit Company property in Guatemala. The government planned to invite members of the Diplomatic Corps to an unearthing of those crates and thereafter give considerable publicity to the "plot" of the United Fruit Company against the government.

2. Eduardo Perez Asturias, Superintendent of Agriculture for the UFCO in Bananera, was confidentially tipped off by his friend Fernando Carrera of this plan of the Government. Perez was also told that he was to be assassinated during the operation. Perez immediately left for the United States and on his arrival in New Orleans was interrogated on several occasions by officers whom he later stated to be connected with KUBARK. During those interrogations Perez stated he furnished all known information concerning the communist plan.

3. Upon returning to Guatemala, following the overthrow of the Arbenz government, Perez immediately made contact with Fernando Carrera and the latter furnished Perez a signed statement concerning his knowledge of the government plot. Carrera's original statement signed by him is being forwarded to Headquarters as an enclosure to this dispatch. One informal translation from the Spanish is also being forwarded as an enclosure.

4. The Col. Domingo Arevalo mentioned in Carrera's statement was introduced by Perez to reporting agent on the night of 27 July 1954. Arevalo related to writer substantially the same information that Carrera set forth in his statement. In addition, Arevalo stated it was his original impression Perez be tipped off. He stated both he and Carrera are friends of Perez and both were agreed that Perez should be advised of his danger. Carrera feels indebted to Perez for personal reasons and apparently was glad of the opportunity to tip off Perez.

~~SECRET PERSUASION BYBAT~~



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29 July '54.

5. Arevalo stated that during 1949-50 he was Governor of the Department of Quetzaltenango but was forced to leave that post due to his refusal to become involved in Arbenz' political intrigues. A short time after leaving his position as Governor of the Department of Quetzaltenango, he was made second in command of the Guatemalan Army Intelligence and maintained his office in the presidential residence in Guatemala City. During his tour of duty which continued up to the time Arbenz resigned, Arevalo claims that he knew every move that Arbenz and his government made. He claims he could never agree to some of Arbenz' policies and for that reason was kept in the background a major portion of the time. It was due to his position in the Guatemalan Intelligence Service that he learned of the Guatemalan plot against the UFGO and as a result the information was leaked to Perez.

6. Arevalo stated that Guatemalan authorities heard several foreign broadcasts which told of the plot against the UFGO and as a result the crates were never actually buried on UFGO property although sites had been selected. It was due to the radio broadcasts that the plan fell through.

7. A Guatemalan named Zambron, according to Arevalo, was formerly employed in a clerical capacity in the office of the Guatemalan Intelligence Service. At the time Arbenz resigned from his position, Zambron stole several incriminating files from the office and carried them with him to the Mexican Embassy where he is in asylum. Through Zambron's wife, Arevalo has learned that Zambron wants to sell those files which he claims will furnish definite proof that the Guatemalan government had in fact devised the plot against the UFGO in particular and ODYOKE in general. Source ESCHER furnished \$300 which were given to Arevalo who in turn intends to pass the money to Zambron's wife as soon as Zambron smuggles the files out of the Mexican Embassy to Arevalo. Arevalo stated that he believes the files will be in his possession on Friday, 30 July 1954. Arrangements have been made with him by the writer to take immediate possession of those files which will be forwarded to Headquarters if received.

Cyrus E. Burnette

Attachments: Carrera's statement, 5 pags.
Translation of same

~~23 July 1954~~

CFB/sgl

Distribution:

3-Wash w/2 att.

1-files w/1 att.

~~SECRET~~ PBRUCUEN RYBAT

Jose Domingo ARCALO CHALUEN

Col. Cavalry, Dep. Chief Presidential Staff
13 Dec 1914 Sant City

Carmen Beatriz Vega Delgado
Graduate Escuela Politecnica
Cousin of ^{Jose} Juan Arzobal

Guatemala, 18 July 1954

Sr. Eduardo Perez Asturias
Bananera. Izabal.

Dear don Eduardo:

I enclose a brief account of how the plan for the destruction of Banan era was conceived and failed. You may use it for any purpose you wish and for that reason I wish to state that without any type of pressure whatsoever, without recompense of any kind, money, promise of employment or gain or benefit, I draw up this report so that it might be used in the manner deemed best by you. I remain at your disposal for any confirmation that may be necessary.

I take advantage of this opportunity to extend to you a friendly greeting.

s/ Fernando A. Carrera E.

On May 7, 1954, I was summoned to the Casa Presidencial for an interview with Col. Domingo Arevalo, friend and companion of the writer, who told me that the "chief" wanted to speak to me; that he had asked for me two or three times and that he probably wanted to make me some offer. He then asked several questions but I replied that I had no idea why he desired my services.

It must have been about 1800 hours when I was presented to Col. Arbenz who was accompanied by Sr. Morazan, one of his secretaries.

Orders received for the destruction of Bananera:

1. To maintain strict silence concerning the mission which I was to carry out.
2. That the command of a group of 40 men would be given to me. These men would be divided into groups of 10 and each group would have two leaders. The majority of the men were to be fruit company workers in the north and from different fincas.
3. Our mission was to hide, in adequate places on fruit company land, 4 shipments of **arms**. Each shipment would be perfectly packed in boxes made of well soldered galvanized sheets and was to be buried for discovery later.
4. I was to leave on a trip to Bananera, Puerto Barrios and Santo Tomas where I would contact the group leaders who were to work under my orders. Together with the fare and the costs of the trip, the names of the mentioned group leaders would be given to me. These leaders were to receive prior instructions from Alaric Bennett and Carlos Manuel Pellecer so that they would be ready to place themselves at my orders and could explain to me the major considerations involved in hiding the arms.
5. To point out exactly the places where I was to hide the arms on a map of the fruit company which would be delivered to me in Bananera by Sr. Humberto Figueroa Carrillo.
6. Not to leave my house unless absolutely necessary, but in case I went out, to leave word of my whereabouts so that I might be located immediately, and to telephone 5902 every day at 1600 hours as a method of accounting for myself.

These are the orders received at the first interview with Col. Arbenz which was attended only by Arbenz, Paco Morazan and me.

s/ Fernando A. Carrera E.

Mechanics and reasoning behind the plan for the destruction of Bananera.

1. After having the arms hidden on fruit company land, G-2 would receive a denunciation signed by Vidal A. Mejia and other workers "loyal" to the government which would state that in the places named suspicious boxes were found and that on investigating they had discovered that the company had hidden the arms in order to give them to a group of traitors which was being readied for an invasion of the country on the islands of Uuanaja and Utila.
2. The Guatemalan Military Attaché in Honduras, Col. Morales, would also send a report to the Ministry of Defense, to G-2 and to the Presidency stating that a movement for the invasion of Guatemala was being prepared in Honduras aided by the Department of State and fruit company money.
3. It would also be reported through several channels that Sr. Eduardo Perez Asturias, by means of the ~~Embassy~~ ~~Embassy~~, had sent a large sum of money to the traitors and that he was responsible for the distribution of the hidden arms.
4. With these "reports" the government would mobilize their intelligence services to determine whether the fruit company was actually in league with the invaders and if they had hidden arms. Once the arms were located, the Diplomatic Corps (friendly representatives, of course) would be notified. They would be asked to form a commission to witness the removal of the arms and thus the maneuvers of the fruit company against the constituted government in order to pressure the American Embassy into recognizing the reasons for measures to be taken by the government against those involved.
5. So that no doubt would remain among the people concerning the sedition of the fruit company, representatives of the (political) parties, reporters, photographers, etc. would be present.
6. The leaders and others would incite the campesinos and they would attack the colony - "The campesinos and indignant workers would destroy the colony and in the midst of the tumult certain men among the 40 would be assigned to assassinate the manager, Perez Asturias; and other ranking employees and also secondary employees considered to be enemies.
7. In view of such grave events, the government would intervene the company and try to locate those responsible for destroying and burning the colony and installations.
8. Prisoners would be taken among the trusted employees and they would be forced to "confess" the "plans of the fruit company for overthrowing the government and its connections with the invaders."

9. Several workers and campesinos who took part in the killing and destruction of Bananera would be sacrificed to demonstrate that the government was just and that the measures adopted were dictated by necessity.

s/ Fernando A. Carrera E.

First steps in the execution of the plan:

On May 11, 1954 I received orders to leave for Barrios on the following day. I went to the Casa Presidencial but I was unable to speak with Col. Arbenz, the official on duty advising me that Col. Weyman had said that I was to appear on the following day.

On May 12 I was received at 11 o'clock when Major Morazan delivered to me Q100.00 and an identification card which was an order from the Ministry of Government so that the IRCA would extend round trip tickets between Barrios and Guatemala to me. He explained to me that in Morales Sr. Figueroa Carrillo would board the train and would put me in contact with the group leaders.

On May 13 at 1700 hours Sr. Figueroa Carrillo boarded the train in Morales accompanied by a man named Oscar A. Godoy. We identified ourselves and Sr. Figueroa explained that I "was to continue to Barrios and on the 15th they would arrive there by car and that from Barrios we would return to the finca "Abáca" where we would see Ladislado and some of the other boys."

The meeting took place with four men present - Figueroa Carrillo, Oscar A. Godoy, Ladislado Sandoval G., José Maria Hicho and another named Arriaza who came and went. Four sites for hiding the arms were marked on a map of fruit company property. They were divided as follows: One in Abáca, two in Bananera and the other in the finca Oneida.

I returned to Guatemala with the marked diagram which I delivered to Col. Arbenz who told me that between the 24th and the 30th the boxes of arms, prepared for hiding at the indicated places, would be given to me.

He gave me another Q100.00, a .45 caliber automatic and two boxes of shells and ordered me to await his call.

On the 19th I received orders to leave Saturday, the 22nd, for Bananera and Barrios to pick up the arms and in agreement and with the help of the groups, to hide them in the places already selected.

In the shops of the Maestranza del Ejercito I could see part of the arms destined for hiding in the north and they consisted solely of arms of North American manufacture. On the box in which they were packed were markings such as "U.F.C.O., Via Barrios" followed by a number. Also in the shipment were hand grenades of the "pineapple" type and several gelatine gas bombs.

s/Fernando A. Carrera E.

On May 30 I was urgently called to the Casa Presidencial where Col. Arbenz, Major Rosenberg and Julio Vera were present. On my presenting myself, Rosenberg took out a copy of El Espectador, dated May 25 I believe, and showed me an article in it in which the fruit company categorically stated that it had never dealt in nor had arms and that what the clandestine radio had said to the effect that "arms would appear in Abáca and other parts of Bananera" could not be more than a maneuver on the part of persons interested in harming the company if the news given by the radio was true.

Col. Arbenz rebuked me for having "talked" and told me to reply frankly to the questions which Major Rosenberg would ask me.

Q: To whom have you communicated the order that you received from the President?

A: I replied that I had not talked much less "communicated" with anyone concerning the orders received with the exception of the group leaders with whom I spoke in the labor union building in Puerto Barrios.

After a series of questions along the same line, they apparently were convinced that I had not talked and mentioned to each other that some imbecil among the group leaders had probably talked.

I was ordered to await orders and they again confirmed that the date of the arms find would be the 6th of June at the latest.

Not having been called to proceed to find the arms, I remained at home until the governments of Arbenz and Diaz fell.

s/ Fernando A. Carrera E.

Guatemala, July 18, 1954

Guatemala 18 de Julio de 1954

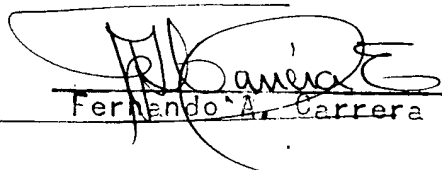
Señor don
Eduardo Pérez Asturias.
Bananera. Izabal.

Mi estimado don Eduardo:

Adjunto va una relación sucinta de como se fraguó y se planeó la maniobra que iba a ser la destrucción de Bananera, puede darle el uso que quiera, y por esa razón declaro:

Que sin coacción de ninguna clase, sin recompensa alguna en efectivo, especie, promesa de empleo ó cualquier prebenda y granjería. Hago este relato para que lo use como mejor le convenga, estando a su disposición para ratificarlo donde sea necesario.

Aprovecho la oportunidad para estrechar su mano amiga.


Fernando A. Carrera E.



El 7 de mayo del año en curso, fuí citado a la presidencia, para una entrevista con el Coronel Domingo Arevalo, compañero y amigo personal del suscrito; diciendome este que el "Jefe" quería hablarme, que le había preguntado dos o tres veces por mí y que probablemente quería darme algún "chance", hice varias preguntas pero me respondió que no tenía idea para que quería mis servicios.

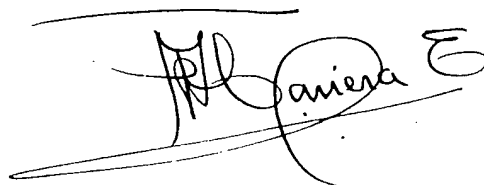
Serian las 18 horas cuando fuí introducido con el Coronel Arbenz, quien estaba acompañado del señor Morazan uno de sus secretarios.

Fuí preguntado por el Coronel Arbenz si estaba dispuesto a prestarle un servicio a la nación y a él, respondí que sí, y que me ordenara lo que tenia que hacer.

Ordenes recibidas para la destrucción de Bananera:

- 1o.- Guardar estricto silencio sobre la misión que tenía que desempeñar.
- 2o.- Se me daría el comando de un grupo de hombres (cuarenta) los que estarían divididos en grupos de diez; cada grupo tendría dos jefes. Estos hombres en su mayoría eran trabajadores de la Frutera en el norte, y de diferentes fincas.
- 3o.- Nuestra misión era esconder en lugares adecuados, dentro de los terrenos de la Frutera, cuatro cargamentos de armas, cada cargamento estaría perfectamente empacado dentro de cajas de lamina galvanizadas y muy bien soldadas, y tendrian que ser enterradas para su posterior hallazgo.
- 4o.- Saldría de viaje para Bananera, Pto, Barrios y Santo Tomas, donde tomaría contacto con los jefes de grupo que trabajarían a mis órdenes, junto con los pasajes y gastos de viaje se me darían los nombres de dichos jefes de grupo. los que previamente recibirían instrucciones de Alaric Bennett y Carlos Manuel Pellecer para que se pusieran a mis ordenes y me explicaran cuales eran los mejores puntos para esconder las armas.
- 5o.- Señalar exactamente en un mapa de la frutera que me entregaría en Bananera el señor Humberto Figueroa Carrillo, los lugares donde debía de esconderse el armamento.
- 6o.- No salir de mi casa, si no, lo estrictamente necesario, y en caso de salir dejar dicho donde estaba para mi localización inmediata, telefonar todos los días a las 16 horas al 5902, para hacerme presente en esa forma.

Hasta aquí las ordenes recibidas en la primera entrevista con el Coronel Arbenz, y en la cual unicamente estuvimos Arbenz, Paco Morazan y yo.

 Paco Morazan E



Primeros movimientos para la ejecución del plan:

El 11 de mayo del año en curso, recibí ordenes de salir para Barrios al día siguiente, me presenté a casa presidencial, pero no pude hablar con el coronel Arbenz, diciendome el oficial de servicio que el coronel Weyman decía que me presentará al día siguiente.

El día doce fui recibido a las 11 Horas, entregandome el mayor Morazan, la suma de Cien Quetzales y una nota de identificación, lo mismo que una orden del Ministerio de Gobernación para que la I.R.C.A. me extendiera pasajes de ida y vuelta Guatemala-Barrios. Explicandome que en Morales abordaría el tren el señor Figueroa Carrillo, quien me pondría en contacto con los jefes de grupo.

El día trece a las 17 horas abordó el tren en Morales el señor Figueroa Carrillo, acompañado de un señor de nombre Oscar A. Godoy, nos identificamos mutuamente, explicandome el Señor Figueroa Carrillo que siguiera a Barrios; y que el 15 ellos llegarían a Barrios en un carro, que de Barrios regresaríamos para ir a la finca "Abáca" donde veríamos a Ladislado y a otros de los muchachos".

Efectuosa la reunión, estando presente cuatro hombres, Figueroa Carrillo, Oscar A. Godoy, Ladislado Sandoval G. José María Hicho y otro que estuvo entrando y saliendo de apellido Arriaza. Se marcaron en un mapa de las propiedades de la frutera cuatro puntos para esconder el armamento. Divididos así, Un escondite en Abáca, Dos escondites en Bananera, y el otro en *La finca Omeida*

Regresé a Guatemala con el plano marcado, lo entregué al coronel Arbenz, quien me dijo que del 24 al 30 se me darían las cajas de armas ya listas para esconderlas en los puntos indicados, me dió otros Cien Quetzales y una automática cal. 45. y dos cajas de parque, ordenandome que esperara su llamado.

El 19 recibí ordenes de salir el sabado 22 con rumbo a Bananera y Barrios para recoger las cajas preparadas con armas y de acuerdo y con la ayuda de los grupos, esconderlas en los lugares ya escojidos.

En los Talleres de la Maestranza del Ejercito pude ver parte del armamento destinado para esconder en el norte, y constaba solo de armas de manufactura Norteamericana, y en la lamina en que irían empacadas, varias marcas así: U.F.C.O. "Via Barrios" y seguido de una numeración. Tambien dentro del cargamento estaban granadas de mano tipo "Piña" y varias bombas de Gasolina Gelatinosa.

Arriaza



Mecanismo y razón del plan para la destrucción de Bananera:

10. Al tener el armamento escondido en los terrenos de la Compañía Frutera, la G.-2 recibiría una denuncia firmada por Vidal A. Mejía y otros trabajadores "leales" al gobierno constituido, de que en los lugares que ellos señalaban se encontraban cajas sospechosas, y que puestos a investigar habían averiguado que la Compañía tenía ese armamento escondido para dárselo a un grupo de traidores que se estaban preparando en las islas de Guanaja y Utila para una invasión al país.
20. El agregado Militar de Guatemala en Honduras, coronel Morales también pasaría un informe al Ministerio de la Defensa, a la G-2 y a la Presidencia de que, en Honduras se estaba gestando un movimiento de invasión a Guatemala, apoyado por el Departamento de Estado y con dineros de la United Fruit Co.
30. También se informaría por varios conductos, que el señor Eduardo Pérez Asturias por mediación del "Mudo" Niderthaiman" había enviado a los traidores una fuerte suma de dinero, y que él era el encargado de la distribución del armamento escondido.
40. Con estas "informaciones", el gobierno movilizaría a sus servicios de inteligencia para constatar si efectivamente la Compañía Frutera estaba en convivencia con los invasores y si tenían armas escondidas, "localizadas" las armas se procedería a informar al Cuerpo Diplomático. (A los Representantes amigos por supuesto) De las maniobras de la Compañía contra el gobierno constituido, se le pediría a una comisión de ellos que fueran a presenciar la sacada de las armas, para así presionar a la Embajada Americana que reconociera las razones de las medidas tomadas por el gobierno contra los sediciosos.
50. Estarían representantes de los partidos, reporteros, fotografos etc. para que no quedará duda en el pueblo de la sedición de la Compañía.
60. Los líderes, y otros dirigentes azuzarían al campesinado y lo lanzarían sobre la colonia, "El campesinado y los trabajadores indignados arrasarian con la colonia, y en medio del tumulto tipos designados entre el grupo de cuarenta hombres asesinarían al gerente, a Pérez Asturias y a otros empleados de categoría, así como otros; a empleados secundarios que consideraban enemigos.
70. El Gobierno en vista de los graves acontecimientos, intervendría a la Compañía y trataría de responsabilizar a los que habían masacrado e incendiado la colonia y las instalaciones.
80. Se cojerían prisioneros entre los empleados de confianza y se les "haría confesar "Los planes de la Frutera para derrocar al Gobierno constituido y sus conecciones con los invasores"
90. Se sacrificarían a varios obreros y campesinos que tomaran parte en la matanza y destrucción de Bananera, para demostrar que el gobierno era justo y que las medidas que adoptaba se las dictaba la necesidad.

[Handwritten signature]
meira



El 30 de mayo fui llamado de urgencia a casa presidencial, donde estaban el coronel Arbenz, Rosenberg y Julio Vera, al hacerme presente, Rosenberg sacó un periodico "El Espectador" creo que fecha 25 de mayo y me enseñó artículo en el, que la compañía futura afirmaba categoricamente que jamás habia comerciado ni tenido armas, y que lo que la radioemisora clandestina habia dicho con respecto a que "aparecerían armas en abáca y otros lugares de bananera" no podía ser más que una maniobra de personas interesadas en perjudicar a la compañía, si la noticia que la clandestina daba era cierta.

Me increpó Arbenz de que yo me había ido de la lengua y que respondí categoricamente las preguntas que me haría el mayor Rosenberg.

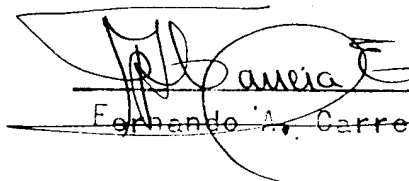
R. ¿A quien le ha comunicado usted la orden que recibió del Señor Presidente?

Respondí que no había hablado y menos "comunicado" a nadie las ordenes recibidas, a excepcion de los jefes de grupo que se entrevistaron conmigo en el edificio de la Unión Sindical de Pto. Barrios.

Despues de una serie de preguntas sobre el mismo tema, al parecer se convencieron de que yo no había hablado, y comentaron entre ellos que probablemente algún imbecil de los jefes de grupo se le habia ido la lengua.

Se me ordenó que esperara ordenes, y volvieron a ratificar que la fecha del hallazgo de las armas sería lo más tarde el seis de junio.

No habiendo sido llamado, para proceder a esconder el armamento, estuve en mi casa hasta que cayó el gobierno de Arbenz y Diaz.


Fernando A. Carrera E.

Guatemala 18 de Julio de 1954

