at 10:30 merin, w/Lethy

on 23 June

1954

CIA HISTORICAL REVIEW PROGRÂM **RELEASE AS SANITIZED**

1. The Salvadoran Chief of Staff informed the U.S. M, litary Attache in 1,094 Salvador that Salvador is calling up 2500 reserves to supplement the present Salvadoran Army strength of 3,000. This is being done as a precautionary move, according to the Salvadoran Chief of Staff, who also asked the Military Attache for dertain field supplies from the U.S. Army.

The wife of President ARBENZ and their three children are still in Guatemala City, according to a Source . (Eval C-2)

3. In an air attack against the Shell Oil Co. gas tank in Guatemala City on the morning of 22 June, approximately 60,000 gallons of gasoline were lost due to some 30 holes in the tanks. The gas which was salvaged isbeing transferred to other tanks, and repairs will take about two weeks. Source stated that an attack on other tanks would eliminate the gas supply of Guatemala City.

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4. There is an unconfirmed report that the Guatemal an Army is concentrating at Chiquisala and that Puerto Barrios is under control of the Guatemalan Government.

5. During a talk on 22 June with a sergeant of the Guatemalan Army who is stationed with 150 men and 2 camouglaged tanks in the southern part of Guatemala City, the sergeant stated that he and his men were terrified at the possibility of air bomberdment. He added that his commander. a "Jefe", had stated the Army might turn against ARBENZ.

The sergeant added that there is no communications between the Base Militar in Guatemala City and the Presidential Palace, and that many soldiers had been injured in the straffing attack. He added that he "could take no more of that," The sergeant refused to give his name and only indicated he was from the Bese Militar.

The sergeant also stated troops were stationed along time Barranca eround the cemetary and north of Matamoros (believed to be the Army depot now called Maeztraenza).

Source gained the impression from the sergeant and two soldiers he talked to that they were scared to death and would welcome an opportunity to "fold up."

6. An unidentifed aircraft flew over the heart of San Jose, Costa Rica at 1100 on 22 June and dropped handbills depicting FIGUERES and Romalo BFTANCOURT in bawdy, suggestive cartoons and obscene verse.



[297 F Lee CRUTCHER and Douglas MCLFAN arrived/from San Antonio, Texas on 15 June piloting a private PBY aircraft. They departed from Tapachula at 0545 on 16 June enroute for Bogota, Colombia for aerial photo work but crashed at a small lake about 60 miles inside Guatemala due to motor failure. The pilots were picked up on 20 June by the Panama Air Sea resous service and flown to Panama.

A private NS-2 sircraft of olombian registry piloted by William BEALL crashed into the sea off Puerto Madero, exico, on 17 June thile enroute from Tapachula to El Salvador for crop dusting work. BEALL says he summashore, reached Tapachula, and arrived in Mexico City on 19 June. He was interviewed by members of the U.S. Embassys in Mexico on 20 June.

BEALL reported that a Cessna 180 left Tapachula Opresumably at the same time he did), had not r trouble, but reached El Salvador. The pilots of this plane were BINGER, fmu, and his son.

It is believed that the plane to which the Guatemalan Ambassador to exico referred when he requested the pilot be interned by the Mexican Government is the same plane as that flown by CRUTCHER and MCIEAN. However, the INCLEAN Ambassador talked of a plane crashing near Puerto Madero and of the pilot being in a hotel in Tapachula and it is believed that the Guatemalan Ambassador confused the two aircraft in making his statements to the press.

8. Attached for your information are three memorandum for the record which are to be returned as soon as possible.

which are to be returned as social details from Synches f

GUAT

1. The Chief of the Army Mission in Guatemala reported that the Base Militar and Guardia de Honor are practically deserted. The troops were moved to an unknown destination the night of 19 June and early morning of 20 June. (B-2).

GUAT alb 2. On 19 June at 11:00 hours local time a train departed from Guatemala City to bring gasoline from San Jose, but had not returned as of the evening of 20 June. The Guatemalan Government presumes that this train has been captured.

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- 3. A troop train departed from the capital at approximately 1900 hours on 19 June in the direction of Puerto Barrios. It is estimated that the train had five coaches carrying a total of approximately 250 to 300 soldiers plus equipment. A second train departed shortly thereafter.
- h. A wash-out in the road bed prevents trains from proceeding beyond San Pablo. It was anticipated that this would be repaired by 20 June, thus allowing trains to proceed to the Gualan Bridge which at present, due to damage, permits only motor vehicle traffic. There is no train traffic beyond that point to Puerto Barrios.
- 5. A large steel bridge at Cristina, 55 miles from Puerto Barrios and between Bananera and Quirigua, was sabotaged the night of 19 June. There are no communications beyond Quirigua.
- 6. There are reports that Bananera and Morales have been surrounded by the forces of Col. Carlos CASTILIO Armas.

GUATA16

7. On the night of 19/20 June, 23 trucks, loaded with heavy cases and manned by 8 to 12 men, departed from the Guardia de Honor and headed in the direction of the Base Militar. Streets were blacked out, and the trucks moved without lights.

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- 8. The Guatemalan Government is calling on members of the Frente Universitario Democratico (FUN), public laborers and railroad workers to form defense brigades.
- 9. At 10 p.m. on 20 June, Quatemala reported that the will too fight of the anti-government majority in Guatemala City was "rapidly dying" and that there is another among the civilians. There are also rumors in the capital city that this is a "comic opera" affair. The station commented that if the anti-government movement fails, it is believed that it will be followed by a "bloodbath" of tremendous proportions.

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SEWET.

The following information was received on 20 June:

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1. Guatemalana Air Force pilot fru ASENCIO landed at Santa Ana, El Salvador, on 19 June, wat Two other unidentifed Guatemalan Air Force pilots sought asylum in the Salvadoran Embassy in Guatemala and are expected to arrive in Salvador on 20 June.

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- 2. A Mexican source rated F gave the following information: The arms recently shipped to Guatemala on the ALFHEM are stored as follows:
 - a. 3 railway car loads remain in Puerto Barrios
 - b. 6 carloads in Tenedores, Gustemala
 - c. Remainder stored in basement of TGW at corner 18th St. and 7th ave in Guatemala City

Evaluation - 6.

Si alo I José parsing new Jane for Holland

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On the night of 16 June, Guillermo TORIELIO tried to resign giving the reason that he disagreed with the mass arrests and tortures being conducted by the Guatemalan Government. Minister of Interior Augusto CHARNAUD McDonald told him to mind his own business and President ARBFNZ refused to accept any resignation.

GUAT & 80 The body of Gabriel MARTINEZ de Rosal, anti-Communist connected with student activities, was seen by a medical student at the morgue who reported that the body was horribly mutilated and "charred." (On 14 June it was reported by the Embassy in Guatemala that MARTINEZ de Rosal had been liquidated.)

GUAT S

At a five hour cabinet meeting on 16 June, President ARBENZ said that there was no real pressure on Guatemals and laughed off the unidentified aircraft and the clandestine radio station as "pinpricks." Victor Manual GUTIERRFZ, Alfredo GUERRA Borges, and Bernardo ALVARADO Monzon, leading Communists, were also present at the cabinet meeting. The ARBENZ-Communist position was that the U.S. is too weak to apply physical heat to the Guatemalan situation.

At this same cabinet meeting, ARBENZ asked for a law allowing makes any anti-Communist who was arrested to be shot in three days, but no decision was reached on this point.

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A building at 6th St between 4th and 5th Avenuess in Guatemala ity near the Guartel General has been requisitioned to store arms. The building is a 7story unit still under construction.

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On 15 June late in the evening, the Guatemalan Ambassador to Honduras met with the Honduran Foreign Minister with an ungent message from President ARBFNZ about the activities of Guatemalan exiles in Honduras and the position of the Honduran Government. The Ambassador was informed that the onduran policy of non-intervention still stood, and the Foreign Minister told the Ambassador that he would discuss with President GALVEZ all the points they had covered.

n the morning of 16 June, the Ambassador was called to the Foreign Minister's office and told that he could confirm nothing, but that the Government would put frontier officials on the alert about the fact that many Guatem lan exiles were leaving Tegucigalpa. The Ambassador was also informed that the Honduran Government was taking strong measures to tighten up entry into Honduras and that all persons without dated papers were being expelled. He explained that this measure was necessary since "somebody was sending in many agents disguised as exiles."

C 630

On 17 June it was reported that Honduran Foreign Minister Edgardo VALENZUELA had stated there was no basis for reports of his resignation, which had been instigated by the liberals and Communists as a wedge to split the administration.

C1081

The previous report that Col. Carlos Enrique DIAZ had visited the Guatemalan Embassy in Salvador on 10-11 June was in error. The visitor

is now reported to have been Col. Pedro DIAZ Marroquin, former Guatemalan consul in Ocotepeque, Honduras, who was recently declared persons non grata.

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A message from Panama reflects that letters from members of the Chilean Chamber of Deputies addressed to Panamanian leftists contain an invitation to attend a Conference of Latin American Parliamentarians and Personalities to be held in Santiago, Chile, from 1-4 July 1954. The meeting will apparently be pro-Guatemalan in nature, intending to forestall and/or counteract hemisphere action concerning Guatemala. (Eval: A-Doc.)

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A message from Lima reveals that Leon VELARDE, a Peruvian Senator, received a letter recently from a group called "Comite Parliamentario de Iniciativa" calling for a conference of Latin American parliamentarians to be held in Santiago de Chile from 1-4 July 1954, the purpose of which is to defend Guatemala's position and counteract the OAS Conference. The letter was signed by Fernando PIZARRO and Jose CUETO, Deputies.

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uatemala:

The following was reported on 17 June from Guatemala:

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1. President ARBENZ and Communist leader Victors Manuel GUTIFRREZ spent the night of 15 June discussing the situation. GUTIERREZ stated that "if we do not lose our morale, all will be well."

GUAT 861 2. On the night of 15 June after 1800, Is Aurora airport was sealed off all night. A Cadillac sedan with Guatemalan license plate number 1 appeared at the Guatemalan Air Force hanger on the field accompanied by 30 private and army vehicles. Several cases were removed from the car and placed in the hanger. Theoccupants of the Cadillac are unknown. At 2245 that same night, 2 AT-6 aircraft of the Guatemalan Air Force took off together with one DC-3. The AT-6's later returned alone. Our representative opined that the possibility existed that the DC-3 may have carried ARBENZ's wife and the AT-6's were being used as an escort.

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3. It has been unofficially estimated that 480 persons have been arrested in Guatemala City. Those arrested are being held at the Military bases. Two hundred new agents are being employed by the Guardia Judicial, the Guatemalan Secret Police. Comment: the Government has made no comment on the number of persons rumored to have been arrested.

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Non-Guatemalans are engaged inntortures and murders. The life of any anti-Communist person in Guatemala city is not safe, and the Communists in outlying districts are taking the law into their own hands. XXXXXX

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The Government is promising credit and mechanization of farms to the peasants and the Guardia Civil has brought some armed peasants into Guatemala City.

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An unknown amount of arms was dropped from unidentified aircraft over Gustalon, Gustemala, on the night of 14 June.

GURT BUB These arms were picked up by inhabitants who turned them over to the Guardia Civil which in turn gave the arms to the Army. The local Army leaders were very fightened at the sight of the weapons. Comment: the Government so far has made no mention of the arms drops.

SUAT 852

4. The Guatemalen Army has placed a total of six 50 cal machingguns at Guatemala City sirport at each end of runway and behind air club. One 20 mm anti-aircraft gun is mounted behind the observatory at the edge of the airport. All gun emplacements are cameflaxged and fully manned.

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On 3 June one anti-aircraft gun, belived to be 40mm, was seen mounted near the Air Force building at La Aurora airport. A second pit for another gun was being dug 500 yards away.

Anti-aircraft guns were also seen mounted in vicinity ^Gustemala City and around Lake Amatitlan on 3 June.

GUAT

Two Guatemalan Air Force AT-6's were sent out on flight from La Aurora on the morning of 15 June and had not returned by evening. The Government was trying to find out where or when they landed. The aircraft were ordered to report flight data to the airport radio station but did not do so.

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The following reports were received on 15 June:

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Since June 12, 26 persons have disappeared in Tiquisate, Guatemala. It is not known if persons were arrested or feld fearing arrest.

17 Persons have been arrested in Mazatenango. Arrests throughout Guatemala include women, youths, and old men and run into the hundreds.

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Col. Carlos Enrique DIAZA Chief of the Guatemalan Armed Forces, cancelled his trip to the U.S. which had been scheduled for 14 June. He stated that the Government would not allow his departure. (Field Comment: DIAZARNA Jose Antonio VELEZ Illescas, his side de-camp, were scheduled to leave on 14 Juan for the U.S. where DIAZ planned to be with his wife who was undergoing an operation.) (It has also been reported that Dora Chinchilla de DIAZ, wife of Col. DIAZ, entered the U.S. at New Orleans on 4 June.)

834 Cula (

On 12 June the daughter of President ARBENZ departed Guatemala for Mexico and Montreal accompanied by the wife of the Guatemalan Consul to Montreal.

Foreign Minister Guillermo TORIELIO requested advice from a close friend as to whether or not to attend the forthcoming CAS conference and was urged by Minim not to attend and to resign immediately.

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President ARBENZ, according to a Guatemalan lawyer with close connections among high military leaders, has agreed to resign if the Army accepts certain conditions including a promise that only "foreign" Communists will be molested. The Army group led by Col. Elfego MONZON is attempting to force the issue immediately and take over prior to ARBENZ answer. The feeling of the army group is that ARBENZ is stalling, that his conditions are impossible to meet, and that he will refuse to resign.

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- 1. On 15 June, Chile reported that the Communists there plan a conference of parlament rians of all Latin American countries in Santiago from 1 to 4 July. The Conference is being organized by the committee of the Amigos de Guatemala from the Chamber of Deputies. The Communist press reported that two hundred invitations were sent out 14 June.
- 2. The topics to be discussed have been announced and are as follows:
 - a. The people's right to free determination
 - b. The right of nations to freedom of disposing of raw materials and to autonomous conduct of commercial and diplomatic international relations.
 - c. Democracy, human rights, and individual guarantees
- 3. The Guatemalan issue is the real purpose of the Conference. It is suggested that this be made clear to all Latin American installations on the lines that the conference is Communist-inspired and is being promoted by the Amigos de Guatemala with publicity from the Communist press only.



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advisor to the Chinese Consulate informed a member of the U.S. Embassy staff on 10 June that Col. Enrique PARINELLO de Leon was asked to resign on 9 June. PARINELLO refused and was restricted to his residence on 10 June. This action followed a meeting of army officers and ARBENZ where part of the army group, lead by PARINELLO, opposed the ARBENZ approved plan to arms the campesinos and workers. The meeting split the army officers and there was a momentary conflict among the opposing groups. (Whether or not physical violence involved not clear in text.)

2. On 12 June it was reported from Guatemala that Rosa ARMANDA, a member of the gnti-Commist publication Comite de Estudiantes Universitarios anti-Comunists (CEUA), was drested and interrogated by members of the Guardia Civil on 9-10 June. It is surmised that she gave what details she knows of CEUA activities in support of the anti-Communist movement in Guatemala.

3. The following information from an untested informant with close contacts among Guatemalan Army leaders was obtained on or before 13 June:

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- a. A great majority of army officers, allegedly 95%, have indicated to ARBENZ that they oppose continued governme t alliance with the Communists. It is purported that ARBENZ has been given until 15 June to change his policy, kick out the Communists and reach an understanding with the U.S., or face an army revolt.
- b. The only officer who has not yet made his position on this question clear is Col. Carlos Enrique DIKZ, Chief of the Armed Forces. Col. Elfego MONZON, Minister without portfolio, is lining up officers against ARBENZ.
 - c.Col. Jose GONZALEZ Segui, Chief of Army Installations (Jefe de Cuartel del Ejercity) has been removed from his post for unknown reasons.

The field station made the comment that the situation appears fluid and the army may move if any trouble breaks out.



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The following information has been culled from miscellanuous reports concerning other activities:

Police control has increased markedly as a result of the suspension of constitutional guarantees, and many roads between major towns are now subject to spot checks. It is believed that normal air travel may be suspended or interrupted temporarily at any moment.

Some anti-Communist elements fear that they may have to defend themselves against the possibility of armed attack by campesinos.

The Pacific ports and the Mexican frontier is closely watched and the guard forces have been doubled.

There have been insistent rumors that Col. Carlos Enrique DIAZ, Rogelio CRUZ Wer, and Col. Carlos AIDANA Sandoval may stage a fake uprising to confuse this issue. (Information dated 9 June).

A reliable source on 8 June stated that/as long as the ARBENZ regime was going through an impressive phase of consolidation and the opposition elements were fragmentized or subdued, the army leaders would not move. He added that the Guatemalan Government is firmly convinced that the U.S. has abandoned all thought of "going it alone" and discounts the idea that there will be any effective collective intervention.

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