

CIA HISTORICAL REVIEW PROGRAM ~~SECRET~~
RELEASE AS SANITIZED

C/R# 48

2003

CONTACT REPORT

DATE: 12 March 1954, 0940 hrs.

PLACE: War Room

STAFF Present [

] W. Robertson [

DISCUSSION:]

[] spoke first, indicating this would be a quick review since there was a Telecon being set up for 11 a.m. for a discussion of all matters to be taken up at the meeting.

On arrival at HQS he was briefed by J. Esterline that evening on the situation as JE saw it. Tuesday [] attended a policy conference which included two representatives (R. Leddy and L. Berry) from State Dept. in addition to the normal coordinating committee. He stated that the State Dept. has become apprehensive over PBSUCCESS and that a statement was made in official language at this meeting that the official view of the State Dept. would be that they would not under any circumstances support PBSUCCESS if it meant that the U.S. government would become involved in any way; that the State Dept. was/willing to sacrifice its principles of non-intervention for the Guatemalan cause. [] said he insisted that it be read in the record that the statement be qualified that the U.S. government would not be involved beyond notional or plausible denial. [] stated his feelings on the subject and his attitude toward the problem since it was laid on by NSC. He said that we had made no commitments that the U.S. could not be pulled out of and if we do pull out now we lose face among the anti-Communists and we would never be able to mount an operation of this kind in Guatemala again. [] stated that in approximately 10 days the situation would be such that whereas we may desire to pull out, it would not alter the course of events; we could not pull out. In 10 days the movement would be beyond recall.

[] was asked if we felt that we would be able to carry this off satisfactorily. He answered "yes" and he gave the first part of June as the date of readiness at which they seemed surprised.

He insisted that he had to have a vote of confidence, that there would be no change in PBSUCCESS. Mr. WISNER said that all discussions on a policy level were to be heard by [] but as far as [] was concerned we were to continue with the operation and as far as CIA was concerned there was not any thought whatever of pulling back. We were to pull for the earliest date of readiness.

Mr. Leddy was informed that [] was being made available to exploit all defection possibilities. Mr. [] is at HQS now working with personnel there on a defection plan.

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Pessimism exhibited by State Dept. made the meeting most unsatisfactory from that angle.

J. C. King is going to bring Leddy and Barry to LINCOLN in the near future, perhaps the early part of next week and we must be prepared for a critical attitude from them.

[] asked the Gen. CABELL be requested to modify his order closing FJHOPEFUL and this is being extended for the duration of PBSUCCESS.

The question of someone to speak to SOMOZA came up. Maj. Gen. Charles MULLEN, who has had extensive experience in Latin American and who founded the Military Academy in Nicaragua, was named but he had not been approached. [] was authorized to go talk to Gen. MULLEN and it was planned that the general would go to visit SOMOZA and utilize Pres. GALVEZ in Honduras and to Salvador to acquire unofficial assurance from them of cooperation. Exact plans for Gen. MULLEN have not been formulated.

[] went to Arizona and talked to Gen. MULLEN who was fully alert to the problem and in a very short time was able to discuss the problem with [] from M's point of view, with suggestions which were very much in line. Gen. MULLEN agreed to undertake the job.]

Gen. MULLEN was to try to proceed to Washington on 12 March or, if not able to go on the 12th would go on Sunday. (A phone call from JCKing during the meeting provided the information that Gen. MULLEN had arrived in Washington on the 11th.) He will be in Washington on Monday and will then proceed to LINCOLN. He will spend one day or evening in []]

Jake ESTERLINE had prepared a paper pointing out the maximum danger for SHERWOOD. Tracey BARNES now has the paper and is going to try to get State Dept.'s concurrence on this establishment. SHERWOOD represents the maximum danger, the closest that they can come to proof of U.S. participation. We must push for a Nicaraguan site for SHERWOOD. It must be tested, ready to go, so it can be used for black broadcasts. A Nicaraguan site for SHERWOOD is vital.

[] HEDIGER's return was arranged and he will be discharged upon his return to Washington. The man [] recommended is to be acquired. HEDIGER is not to be cut in on anything else.

It was requested that the [] case be expedited.

- Re the OAS conference, the Dulles speech was moderate and support was obtained.

[] said that WISNER told him that the long cable which we sent on the 9th was sent directly to [] after being read at HQS.

.....JCKing phoned at this point.....

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JCKing [] phone message contained following items of information:
Statement was made that [] is in charge at Guatemala
Station and [] is coming out.

Gen. MULLEN arrived in Washington Tuesday night and is now being
briefed. His passport and visas won't be ready till Monday. Gen.
MULLEN is seeing Allan DULLES this morning at 11 a.m.

State Dept. still has not endorsed the recommendation that Gen. MULLEN
go to visit all 3 countries.

[] said that at present Washington is forced to obtain approval on
every cent they spend for PBSUCCESS. Until otherwise informed, we will
continue to charge expenditures to specific tasks. We have no authority
for expenditures other than those against specific tasks. There is a
finance officer assigned to the PBSUCCESS support staff at HQS in Washington.
His name is [] and he is coming down early next week. We must
anticipate our task requirements for the next 30 days so that we will have
no problems financially.

The next portion of the meeting is covered by Contact Reports of
WRobertson and [] (#49, #50)

Meeting adjourned at 1210 hrs. Prior to the close of the meeting
there was another phone call from Washington (from ESTERLINE) in which
[] was informed that the Chief, FED, had withdrawn approval on the
availability of [] ESTERLINE was told that the boss said to have
the best men and that [] was the best so they were requested to
re-open the subject. [] is qualified and is needed right away.
A cable will be sent (LINC 1032) on that after the meeting. There are no
other capable candidates to replace []

pm
12 March 1954

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