

EXCERPTS FROM CURRENT INTELLIGENCE DIGEST

CIA HISTORICAL REVIEW PROGRAM

RELEASE IN FULL

2003

LATIN AMERICA

28. Demoralization reported in Guatemalan government and army: Foreign Minister Toriello and other government officials were reported on 24 June by businessmen in Guatemala City to be losing confidence in the government's ability to defeat Castillo Armas. In contrast to their previous attitudes, they were showing fear and nervousness.

Colonel Carlos Aldana Sandoval, minister of communications, spoke despairingly of the situation in a private conversation late on 24 June. He said the government was rapidly disintegrating into mutually hostile factions, each attempting to absolve itself before the government collapsed. The American embassy comments that Aldana is not among Arbenz' close advisers, may be embittered, and obviously fears designs on his life from both Communists and anti-Communists.

Guatemalan army officers are reported by other sources to be "slowly realizing" the extreme gravity of the situation and are becoming convinced that getting rid of President Arbenz and the Communists would be "an easy way out." A group of high-ranking officers are said to be waiting orders from their unidentified leader to oust Arbenz. The American air and army attachés in Guatemala report, however, they could see no evidence of defections from the Guatemalan army up to 25 June, although reports of high-level personal frictions are

increasing. (S CIA PD 495, Guatemala City, Content-3, 25 June; CIA PD 499, Guatemala City, Content-3, 26 June; S Guatemala City 1107, 25 June; S USAIRA & USARMA, C-11, Guatemala City, 25 June 54)

25. Guatemalan army takes over government from Arbenz: On 27 June pressure from Guatemalan army leaders forced President Arbenz' resignation and Chief of the Armed Forces Colonel Carlos Enrique Diaz assumed control of the government.

During the afternoon of 27 June Colonel Diaz requested two meetings with Ambassador Peurifoy. In the first meeting, Diaz informed the ambassador that in order to bring the fighting to an end, he was prepared to take over the presidency and clean out the Communists from the government. He asked that the United States use its good offices to stop the fighting. In the second meeting, Diaz informed the ambassador that he had just told President Arbenz of the army's unanimous desire for Arbenz' removal from office. Arbenz had replied that he would not try to continue without army support. Diaz gave his word of honor, at Arbenz' demand, not to enter into negotiations with the rebel leader, Castillo Armas.

In a ten minute radio speech that evening, Arbenz announced the transfer of power to Diaz. He condemned the United Fruit Company and "US ruling circles" for unleashing the "cruel war against Guatemala" on the "pretext of Communism," but declared that "unless we do away with our powerful enemies' pretext, Guatemala might be destroyed." He promised, however, that under Colonel Diaz "all social conquests will be kept" and asked "all democratic political and popular" organizations to give Diaz their full support. He then expressed the opinion that "the military situation is not difficult, not at all," and that "the enemy, commanding barbarous mercenaries, is incompetent, cowardly."

Following Arbenz on the radio, Diaz appealed for popular support while assuring his Guatemalan listeners that the "struggle against the invaders will continue implacably" and that the "acquisitions of democracy" will be maintained. (S Guatemala City 27 June; U FBIS Ticker Guatemala City, 27 and 28 June 54)