

EMBASSY OF GUATEMALA
Washington, D. C.

1931
No. V-
CLAS. P-1
December 5th., 1961.

Mr. Drew Pearson,
1313 - 29th. Street, N. W.,
WASHINGTON, D. C.

Dear Mr. Pearson:

First of all, I want to thank you very much for your kind - - invitation to lunch at the Cosmos Club, which gave me the opportunity not only to know you personally but to exchange points of view - on matters concerning your and my country.

I thought it advisable to send you some information concerning the projects which my Government has presented to different - - institutions in Washington, D. C., for the procurement of financial - assistance to make them a reality.

The lists I am enclosing pertain, the first one to the different projects and the amounts of same presented to the Inter-American - Development Bank, the Agency for International Development and the Credit Commodity Corporation. My Government has given priority - to the five projects presented to the Inter-American Development - - Bank, which total \$33,500,000.00. The total amount of projects - - presented to the Bank is a little over \$80,000,000.00. (Annex #1).

The second list pertains to the projects of law presented to - the National Congress of Guatemala, and as you will see some of - - those have been already approved (Rent Law, FHA and the one concerning Income Tax has been approved in its third reading). You can notice also that the Government of Guatemala is striving very hard to put into effect many and very important social reforms, which undoubtedly will benefit the people of Guatemala. (Annex #2).

Very important to mention is also the fact that the Government of Guatemala has distributed over 20,000 land-titles to peasants in the country, land that

EMBASSY OF GUATEMALA

Washington, D. C.

2.

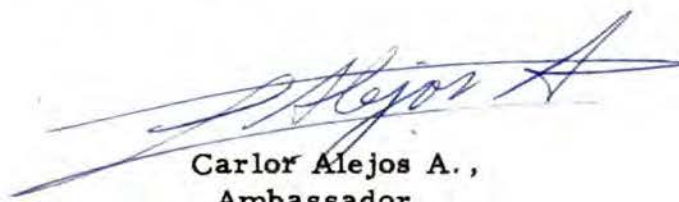
land that is given in ownership. Besides that, the Government supplies supervised credit, technical assistance, material and help for the - - - construction of the house of each individual and also to the construction of schools within the zone, with the contribution of each one of the - - - recipients of the piece of land.

I will not go into details about the school construction program - being carried out by President Ydígoras Fuentes, as I explained it to - you over our pleasant luncheon, but I only want to bring out that the - - number of classrooms to be built by the end of 1962 is 2,250 classrooms in 425 schools. This is the program called "Self-Help School - - - - - Construction", which has reduced the cost of construction about 2/3 - of the original cost per classroom.

Whatever additional information you may need on any subject concerning Guatemala, please do not hesitate to call upon us.

With best personal wishes, I remain,

Sincerely yours,

A handwritten signature in blue ink, appearing to read 'Carlos Alejos A.', with a long horizontal flourish extending to the right.

Carlos Alejos A.,
Ambassador.

AARG/nja.

INTER-AMERICAN DEVELOPMENT BANK

Housing Project	\$	10.000.000.00
Water and Drainage for 104 villages	"	5.500.000.00
Supervised Credit	"	4.000.000.00
Agrarian Development of SEBOL	"	8.800.000.00
Real Estate Cadastre	"	4.000.000.00

TOTAL:	\$	<u>33.300.000.00</u>

AGENCY FOR INTERNATIONAL DEVELOPMENT

Construction of the Guatemala-Salamá-Co-bán Highway Project	\$	24.500.000.00
Hospitals: construction and equipment	"	1.956.709.35

TOTAL:	\$	<u>26.456.709.35</u>

CREDIT COMMODITY CORPORATION

Surplus in a period of five (5) years at the rate of \$3,000,000.00 per year.	\$	15.000.000.00
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LIST OF PROJECTS OF LAW SUBMITTED FOR APPROVAL TO THE
NATIONAL CONGRESS OF GUATEMALA.

1. New Agrarian Reform Law.
2. Penal Code Project.
3. Guarantee Investment.
4. Law creating the Free Port of "Matías de Gálvez".
5. Civil Service Law.
6. Labor Benefit's Bank.
7. Project of Law concerning unproductive lands.
8. Project of Law on Family Patrimonies and Parcelling of land.
9. Project of Law creating the National Institute of Agrarian Transformation.
10. Project of Law concerning the Agrarian Development Zones.
11. Rent Law (approved already).
12. Income Tax Law (approved in its third reading at Congress).
13. Project of Law on Territorial Tax.
14. Labor Code with its reforms.
15. FHA (approved already).
16. Project of Law creating the Housing Institute.

W
WESTERN UNION
TELEGRAM
WESTERN UNION
TELEGRAM

W BDA003 DL PD
WUX BD WASH DC 14 230 P

HIS EXCELLENCY CARLOS ALEJOS
AMBASSADOR OF GUATEMALA
GUATEMALAN EMBASSY
2220 R. ST. NW
WASHINGTON, D.C.

DEEPLY APPRECIATE YOUR MOST GRACIOUS INVITATION BUT UNFORTUNATELY
I HAVE A SPEAKING ENGAGEMENT IN TORONTO MARCH 27 AND IN NORTH DAKOTA
APRIL 5, SO I'M AFRAID IT WILL BE IMPOSSIBLE FOR ME TO JOIN YOU.
HOWEVER I LOOK FORWARD TO WRITING CONSTRUCTIVELY ABOUT GUATEMALA AND
THE PRSIDENTXX PRESIDENT'S TRIP. ~~(CONSTRUCTIVELY IT IS)~~

DREW PEARSON

file
Guatemala

PRESERVATION COPY

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TELEGRAM

WESTERN UNION
TELEGRAM

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TELEGRAM

WESTERN UNION
TELEGRAM

WESTERN UNION
TELEGRAM

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W RBY059 RB22 RB22 NL PD RB WASHINGTON DC 63

DREW PEARSON, COLUMNIST BELL SYNDICATE

1313 29TH ST NW WASHDC *llr*

IT PLEASES ME ON BEHALF OF MY GOVERNMENT TO EXTEND CORDIAL
INVITATION TO VISIT GUATEMALA ON A FOUR DAY ALL EXPENSE TRIP
LEAVING MARCH 27 STOP OUR AIM IS TO SHOW YOU AND THROUGH YOU
THE AMERICAN PEOPLE THE SOCIAL, POLITICAL AND ECONOMIC DEVELOPMENT
BEING CARRIED OUT AND TO LEARN ABOUT THE FORTHCOMING TRIP TO
THE UNITED STATES OF PRESIDENT YDIGORAS FUENTES AT THE END
OF APRIL IN WHICH OCCASION HE WILL REFER TO COLONIALISM IN
AMERICA AND PROPOSE AN ANTI-COMMUNIST DOCTRINE FOR OUR HEMISPHERE
STOP YOU WILL HAVE AMPLE TIME TO FREELY BECOME ACQUAINTED WITH
OUR PEOPLE BESIDES THE SPECIFIC TRIPS WE HAVE PREPARED FOR
YOU STOP PLEASE ADVISE YOUR ACCEPTANCE.

CARLOS ALEJOS AMBASSADOR OF GUATEMALA.

PRESERVATION COPY

1961 MAR 14 AM 10 07

LA TIME RTD

IN GISS UNKS UNCD USE

IN LO MTD

IN REMARKS

6/8/61

Bill Lucas (who used to be with Dave Charnay and is now Wm. B. Lucas Associates-real estate-Bethesda - tel: OL 6-8868) furnished this info which he says is very reliable:

A stock corp. named BELCO (gas co.) has got into Guatemala. The man in ~~xxxxx~~^{back} of it is Walter Bintliff of Texas - (he wasn't sure of the spelling) - very big in Houston.

Purebred stock in tremendous ~~xxx~~ numbers, and a large amount of machinery have been sent down to top Guatemalan officials - gratis.

The ex-first secy of the Cuban Amer.Emb. - Robert Davis, now in State Dept. Latin American Div.,- has suddenly become "nigger rich" (his phrase not mine) - ~~xxxxxx~~ *is* said to have a large share of participation in this BELCO corp....bears looking into.

(Lucas assured me this is reliable, as all the other info he's given you in the past - referred you to John Scali, Harry Guinevan or Dave Charnay for corroboration of his reliability. Personally I thought he sounded a little "odd" and he mentioned he was speaking from his doctor's office.)



mc

D R E W P E A R S O N

WASHINGTON MERRY - GO - ROUND

1313 Twenty-ninth St., N.W., Washington 7, D.C.

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Price Y Cia, Inc.

925 Dixie Terminal Bldg.
Cincinnati 2, Ohio, U.S.A.
Phone MAin 1-3038

February 23, 1959

Mr. Drew Pearson
1313 29th Street, N.W.
Washington, D. C.

Dear Mr. Pearson:

I read your article appearing on February 1, 1959 in the Washington Post with reference to Guatemala.

I was in Guatemala the 9th, 10th, and 11th of February and after reading your article, I could not buy your article as being correct and I made particular effort to check some of the points which I am sure can be proven by checking carefully.

It has not been my good fortune to know the President of Guatemala, Ydigoras Fuentes. However, I do know quite well Mr. Roberto Alejos who is the Minister of Co-ordination for the country who is, in my opinion, a very fine patriotic citizen and honest beyond any question of doubt. I have met the son of the President some two or three times who seems to be a very intelligent young man, even though he does not appear to have anything to do with the Government and its activities.

First of all, I do not believe Ydigoras Fuentes is a dictator and it appears to me that he has given more freedom in Guatemala than has been enjoyed in that country for many, many years.

With reference to the Mexican situation, the story as told to me by the son of the President, was that in the latter part of 1958, they encountered machine guns and hand grenades that were made in Czechoslovakia. They were of the opinion that these arms were being smuggled into the country through Mexico or through Guatemalan waters on either the East or the West Coast.

On January 3, they advised the American Embassy, the Mexican Embassy, and I believe other countries of neighboring countries, of the fact that they did not have any Coast Guard, to protect their waters and if any boats, small or large, that appeared to be smuggling into Guatemala arms made behind the Iron Curtain or elsewhere, they would have the right to search any of these vessels plying within their waters.

On the day that the difficulties started in Guatemala between Guatemala and Mexico, a small boat came to a coastal town or village where only one policeman was working. This policeman was armed with a 38-caliber pistol. The Mexican boat launched a small launch and came to the coast, apparently to buy cigars or beer and once they were in the village, the Mexicans held the officer with a machine gun while they unloaded some boxes which were subsequently loaded onto some trucks. As soon as this took place, the officer phoned to Guatemala City by radio and the President ordered the airplanes out to order the boats back to the shore.

Mr. Drew Pearson

February 23, 1959

This same boat did not heed any of the warnings and after some warning shots, they kept on going and it was at that time they shot these boats and brought them back to the shore.

Later on, within the same day, the trucks that had the machine guns and other munitions made in Czechoslovakia, were encountered.

It is the belief of Roberto Alejos there are still Communists in Guatemala and in fact, they know positively that there are Communists in Guatemala, and their main troubles are coming from this source.

I know you are quite a busy man, but I think maybe it might be well for you to make a trip to some of these Central American countries to see what is actually going on and it might not be a bad idea for you to take someone with you who has knowledge of the Spanish language and do your own browsing around and getting news as you get it here, and you might learn enough to give you some good stories.

I do not believe that Ydigoras Fuentes is in love with United Fruit Company. In fact, I think it is contrary.

I think you can check this information to see whether the United States Government through its Embassy received such a communication from the Guatemalan Government and if they will tell you, I am sure you'll find it is correct and I think, if you go to Guatemala, you will be able to see copies of the advices given to the various Embassies there.

Sincerely yours,



E. C. Price

ECP:vm

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ABC 6th Edition
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Price Y Cia, Inc.

925 Dixie Terminal Bldg.
Cincinnati 2, Ohio, U.S.A.
Phone MAin 1-3038

December 10, 1958

Guatemala

Mr. Drew Pearson
1313 29th Street, N.W.
Washington, D. C.

Dear Mr. Pearson:

I am sorry I did not get your address when I was talking with you in Mexico, but we did obtain it from our Public Library here and I presume this letter will reach you.

I am attaching the card of Mr. Roberto Alejos of Guatemala who is the Minister of Co-ordination and I consider him to be the right-hand man to the President, Miguel Ydigoras Fuentes of Guatemala.

Mr. Alejos is a young man who I consider a patriot and a young man of great ability, who should be able to aid you in anything you might wish to do in Guatemala.

I spoke to Mr. Alejos when I was in Guatemala and asked him if he would like for you to get in touch with him before you go to Guatemala and he said he would be highly pleased if you would do so.

Mr. Alejos speaks very excellent English and I think he can guide you around within that country.

Sincerely yours,

E. C. Price

E. C. Price

ECP:vm

cc: Mr. Roberto Alejos
40 Calle B 3-75 Zona 8
Guatemala City, Guatemala

Guatemala

The following facts disclose how economy-minded officials in the Department of State and ICA are unwittingly ~~for~~ jeopardizing the sole Positive victory that the democracies have won thus far in the Cold War--the liberation of Guatemala from a Communist dictatorship.

The fact that the government which Col. Carlos Castillo Armas overthrew in the revolution of June-July 1954 ~~is a~~ ^{actually a} ~~was~~ ^{exemplary} Communist government is supported by two recent reports from reliable intelligence sources (I'm sure you have the means to check the veracity of these reports):

A. That Col. Jacobo Arbenz ~~Guzman~~, the deposed President, is--or at least until very recently was--residing in Prague where he is said to be being prepped for a new, important role in Latin America. Arbenz ~~is~~ is reported to have visited Moscow at least once, and probably twice, this year.

B. Arbenz' predecessor, Juan Jose Arevalo, who began the communization of Guatemala on assuming office in 1946, has recently been named to replace Vicente Lombardo Toledano as head of the Communist labor movement in Latin America. Arevalo was last reported living in Chile.

Here is the background on our policy toward Guatemala:

1. Most Guatemalans agree that the success of Castillo's revolution resulted from an intensive propaganda campaign that convinced the rabk and file of the people that "we can provide a better life, politically, socially and economically under a democracy than you are now getting under Communism."

2. As is pretty generally known, the Communists looted the treasury before fleeing into asylum and Castillo inherited a bankrupt government. Then, shortly after the revolution the price of coffee--which comprises 75% of Guatemala's export trade--broke ~~in~~ on the world exchanges. Guatemalan coffee dropped from \$95 a quintal in New York, to \$52 a quintal. As result the country suffered a serious depression shortly after the new government took over.

3. Nevertheless, for more than five months Harold Stassen, then FOA Administrator, stubbornly ~~resisted~~ resisted State Department pleas for economic aid to Guatemala. Not until members of Congress brought pressure, and Rep. Pat Hillings (R. of Cal.) threatened to subpoena Stassen before his subcommittee (to investigate Communist infiltration in Latin America), did Stassen finally give in and accept a \$5 million aid program. Even then, it was not until January, 1955 that the first aid reached Guatemala.

4. Last year FOA (now ICA) reduced a State Department recommendation for \$10 million in economic aid to Guatemala for the present fiscal year, to \$5 million. Interested Senators and Congressmen, however, boosted it to \$15 million.

5. Despite the specific mandate of Congress, ICA did not transfer a single dollar to Guatemala during the first half of the fiscal year. It was not until after January 1, of this year, when several Senators protested vehemently, that the first transfers were made.

~~As a result of these above factors, the economic standards, especially~~

6. As result of these above factors, the economic standards, especially of the poor people of Guatemala, have not improved under the democratic regime.

7. Castillo and his cabinet are convinced that definite economic progress must be demonstrated immediately. They have prepared a economic development program totalling \$70 million to be undertaken during fiscal 1956-57. They have asked the U. S. for \$15 million in ICA assistance.

8. However, the ICA, this time with State Department concurrence, is preparing to ask Congress for only \$5 million, which the Guatemalans feel will jeopardize their whole program. They fear that this will result in widespread disillusionment in democracy in Guatemala and--at the worst, a return to Communism; at the best, prolonged political ~~chaos~~ unrest and economic chaos.

Raymond C. ~~Telly~~
Telly

Dept of State

Oliver 4 5 185

(now at War College)

Chief of
Central
Amer desk
at time
of revolution

Merio Lopez:
Will come at
great expense

Julius Cohen
Counsellor
for minority
members
Sin Foreign
Relation Com

Biographical sketch

Marie Lopez Villatoro

Sr. Lopez is about 29 years old, married and has two children.

While attending San Carlos university in 1951 he joined an anti-communist students' movement, which was declared illegal by the then President, Jacobo Arbenz. Several members were seized by the secret police, tortured and imprisoned. On one occasion Lopez led an expedition of students armed with clubs and revolvers in a sortie on the secret police headquarters, in an attempt to rescue a comrade who had been arrested. They were driven off by machine gun fire. In 1952, he and another ~~student~~ student engineered the escape of Lt. Col. Carlos Castillo Armas, the revolutionary leader and present president, from the penitentiary. After several weeks in hiding he was forced to flee into exile, and joined Castillo in Honduras. About that time his wife was seized by the secret police who took her from the hospital a few days after giving birth to their second baby. She was taken to the police station and grilled for more than 12 hours, in effort to force her to disclose the whereabouts of her husband.

For nearly two years prior to the revolution Lopez and his colleagues in Honduras and Salvador slipped back and forth into Guatemala, organizing underground anti-Communist cells, and distributing anti-Communist propaganda. His partner, a young Guatemalan student named Cosme ~~Vick~~ Viscovich, was captured by the secret police on one of these expeditions. He was tortured for 48 hours. The autopsy showed that both of his arms, both legs and several ribs were broken. His testicles and ~~pinis~~ penis were ripped off. And his skull was bashed in.

Nevertheless, Lopez continued his expeditions into Guatemala, and shortly before the revolution he and two companions inaugurated the clandestine radio, which gave daily broadcasts. Several of these broadcasts were made from inside the city. The Arbenz administration placed top priority on the capture of Lopez and his companions.

Two--Lopez

The Hillings sub-committee, after listening to tape recordings of some of these broadcasts, pronounced them the finest examples of ~~xxxxxx~~ anti-Communist propaganda they had ever seen or heard, and urged the Voice of America to study ~~them~~ their techniques. The theme of their propaganda was simply that they could give all classes of people in Guatemala a better living, politically, socially and ~~xxxxxx~~ economically, under a democratic government than they were then receiving under a Communist dictatorship.

Lopez ~~xxxxxxx~~ was one of the 250 revolutionaries who crossed the border with Castillo in June, 1954, in the revolution that upset the Arbenz government. In the recent election he ran for Congress and was elected. He is also assistant director of the Office of Propaganda, Culture and Tourism of the government. He recently spent several months in the U. S. as guest of the State Department, studying our propaganda and public relations techniques.

mm

Sept. 13

Guatemala - Supplement

(I hate to fauld up previous memo by addenda, but here goes)

Additional facts on "Radio Clandestine": Three men ran it, statting around the end of May, 1954. They were Lionel Sisniego, (whose name you have) plus Jose Toron and Mario Lopez. On several occasions, Arbenz' police announced that they would catch these men, or that they knew whete they were hiding, ~~xx~~ but the three were never caught, and they broadcast every night.

The State Dept. had pictures of some of the atrocity victims who were dug up after they had been tortured by the Commies, but couldn't release any of them because they were all in the nude, were very grisly, and would lose their ~~effecg~~ significance if only faces were shown. The most grisly aspect of the corpses was testicles the size of melons, presumably a result of great quantitites of groin-kicking, and this isn't exactly publishable.

To publish the fact that the U.S. State Dept. has not been able to use these pictures might rebound on my friend in the press office, but that's just a ~~xx~~ thought.

The ship that unloaded the Arms at Porto Barrios, only to have a trainload of its cargo blasted in transit was the El Alfhem. This was the ship that took the devious route by way of many ports, including Dakar, and was unloaded ~~MMEX~~

Guat - add 111

under guard amid strenuous objections from anti-communists,
and our own State Department, which had smelled out the plot.

- 30 -

A handwritten signature or set of initials, possibly 'M' or 'W', written in dark ink.

mm

Sept. 12

Guatemala

One of the most important assets that Col. Carlos Castillo Armas had in his successful liberation of Guatemala was his anti-Communist underground inside the country - a guerilla force consisting mainly of the Anticommunist University Students' Committee.

Here is the story of the underground that Arbenz' Communist government was never able to suppress:

One of the first actions of the war was the dynamiting of a trainload of Communist arms bound for Guatemala City. Members of the Students' Committee pushed the plunger that detonated the charge.

But that was just the beginning. The Students' Committee, which had at first restricted its membership ~~to strictly to University Students~~ strictly to University Students, threw down the bars and opened its membership to anyone who wished to fight the Communists.

One of their most successful projects was the "Radio Clandestine." Each night, Lionel Sisniego would crank up his portable ~~radio~~ "Radio of Liberation" and broadcast threats to the Communists, and encouragement to the anti-Communists who make up 99% of the population.

Sometimes the "Radio Clandestine" would engage in a war of nerves, promising that the anti-communist army led by Col. Armas would soon strike at the Communist government.

At other times, the "Radio" would recommend that the anti-communists take every opportunity to harass and sabotage the

Guat. add 111

communist-led troops supporting Arbenz.

Arbenz retaliated against the ~~guerrilla tactics~~ fifth column tactics of the Students' Committee by arresting and imprisoning as many of ^{its} ~~the~~ members as his "Civil Guard" could catch. The Communists explained that the Students were trying to ~~be~~ overthrow the government by force and violence - quite a switch from their usual role.

The biggest catch of the Communist man-hunt was Mario Sandoval, the President of the Students' Committee, who spent nine months in prison ^{at Salama,} and was finally liberated when Arbenz' government fell.

During the nine months he was in jail, Sandoval managed to maintain contact with the rest of the organization by throwing notes out of the ~~thin~~ windows of his cell, as the guard looked the other way.

The Secretary of the Committee, Gabriel Martinez, managed to stay out of the clutches of the Communists until nine days before the Communist government fell, but when they caught him, the Communists threw him into a cell under the floor of imposing ~~Civil~~ ^{Civil Guard} Guardia Civil Building, in Guatemala City.

The nine days that Martinez spent in the "hole", ~~with~~ with his hands tied behind his back, almost finished him off. When the Guardia Civil was finally liberated, he was given up for dead, but a doctor detected a faint heartbeat, and Martinez finally recovered.

The slipperiest man of all, Enrique Salazar, was the liason man who maintained contact ~~between~~ between Martinez, ~~Sandoval~~ Sandoval in his prison, and ~~Col.~~ Col. Armas, who was massing his Liberation Army on the Honduras frontier. Salazar was never caught.

add 1½

In addition to outright brutality, the Communists used typical brainwashing techniques on their captives.

For instance, Sandoval was several times taken before a firing squad. Blindfolded, and with his hands tied, Sandoval would hear the firing squad getting their orders, right up to the word "fire".

But he never heard that word. Always, there would be something ~~wrong~~ wrong - too late in the day, or too early, or something - and he would be returned to his cell, to await the next round in the war of nerves.

Guat. - add 222

In addition to the major leaders of the movement, hundreds of other anti-communists were rounded up and thrown into prison. Then, when Armas' planes strafed Guatemala City, they were taken up on the roof of the ~~xxxx~~ Civil Guard building, where they would be exposed ~~xxx~~ to the bullets of their own forces.

The man who was responsible for ~~this~~ this practice, and a great many other atrocities, was the Communist police chief Rogelio Cruz Wer. When Cruz Wer saw that his government would fall, he hopped into a fast car and fled to Mexico City.

During the period when Guatemala City was under air attack from Armas' anti-communists, the electric power for the city was turned off at night. The Communist government said that this was to make it more difficult for ~~the liberation bombers~~ ~~to find the city~~ ~~but the members of~~ ~~the Students' Committee~~ found that the real reason for the blackout was to permit CruzWer's ~~new~~ police to make their arrests without being seen.

Now that the Revolution is over, and ~~President~~ President Armas heads a solidly anti-Communist government, many of these Students' Committee men have achieved positions of responsibility in the new Government.

Sandoval is Armas' secretary. (Secretary Particulare, whatever that is) Martinez is an undersecretary of the Guatemalan equivalent of our Department of the Interior. (Gobernation) Salazar is now Chief of Publicity for the little Republic.

With the Communists no longer ~~xxx~~ in power, things are back to normal now in Guatemala. The only fear of the Guatemalans is that their revolution will scare out American concerns that would

Guat - add 33333

bring them the business that they need.

Although Guatemala is too small a country to afford a lavish display, Sandoval has sent ~~xxxxxxx~~ Carlos Fuentes, ~~xxxxx~~ ~~xxxxxxx~~ who was one of his Anticommunist University Student Committeemen, to America to inform Americans that the shooting is over, and ~~that~~ they're ready to do business as usual.

- 30 -



United States
of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 83^d CONGRESS, SECOND SESSION

Communism in Guatemala: 22 Facts

How Kremlin Agents Endanger the Western Hemisphere

REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Thursday, January 14, 1954

Mr. WILEY. Mr. President, I should like to take the time of the Senate for a few moments to comment on a problem which has long concerned me in the field of foreign relations.

I refer to Guatemala, which has become a serious beachhead for international communism in this hemisphere.

No smokescreen should divert any other people or ourselves from that alarming fact.

Now I want to prove by a series of clear facts the interlocking relationship between Guatemalan communism and Moscow communism.

I shall cite some 22 facts—in question and answer form. This list could be expanded to 220 facts, because every day the alarming evidences multiply.

ANSWERS TO QUESTIONS ON RED INFLUENCE—
DO COMMUNISTS HAVE IMPORTANT POSITIONS
IN THE GUATEMALAN GOVERNMENT?

First. Reds occupy key spots in radio, press, agrarian administration and the social-security system.

The Director General of Radio Broadcasting and director of the Government radio station, TGW, Carlos Alvarado Jerez, is a Communist.

Second. The Chief of the Press Section of President Arbenz' publicity office, Raul Leiva, is a Communist.

Third. In the National Agrarian Department, which administers the Guatemalan agrarian reform law, the No. 2 official, Waldemar Barrios Klee, Chief of the Lands Department, is a member of the Guatemalan Communist Party.

The chief clerk of the department is Maria Jerez de Fortuny, wife of the head of the Communist Party.

Over 15 other Agrarian Department officials are publicly avowed members of the Communist Party, including at least 4 agrarian inspectors.

Fourth. The Director of the official Government Social Security Agency, Alfonso Solorzano, is a Communist.

Fifth. The Deputy Inspector General of Labor, Hugo Barrios Klee, is a member of the Communist Party.

ARE GUATEMALAN COMMUNISTS PART OF THE
INTERNATIONAL COMMUNIST MOVEMENT?

Sixth. The leaders of the Guatemalan Communist Party, including Jose Manuel Fortuny, Victor Manuel Gutierrez, Carlos Manuel Pellecer, Mario Silva Jonama, Jose Alberto Cardoza, have visited Moscow, some of them frequently.

Seventh. Victor Manuel Gutierrez, a leading Communist Party member and labor boss of Guatemala, after returning in January 1952 from a visit to Moscow immediately disbanded a separate Communist Party he was then leading in favor of the organization still headed by Fortuny.

Eighth. In a message to the Soviet 19th Party Congress in Moscow in October 1952, the Guatemalan Communist Party saluted the Soviet Communist Party as its inspiration and as a "beacon for the workers of the world."

Ninth. The central Cominform organization, through an article published in its worldwide newspaper "For a Lasting Peace for a People's Democracy" on January 16, 1953, openly adopted the Guatemalan Communist Party under its new name Guatemalan Labor Party.

Tenth. The Cominform journal cited above on December 11, 1953, eulogized the Guatemalan Communist daily newspaper Tribuna Popular.

Eleventh. Writings of Jose Manuel Fortuny, head of the Guatemalan Communist Party, are published in the Cominform newspaper For a Lasting Peace and in the New York Daily Worker.

Twelfth. Pravda on December 14, 1953, published an article openly praising the Guatemalan Government.

HAS THE GUATEMALAN GOVERNMENT ENCOURAGED
COMMUNISM IN GUATEMALA?

Thirteenth. The Guatemalan Government furnished a theater to the Communist Party for its first public rally, held on June 21, 1951, and attended by the Minister of Education and other important Government officials.

Fourteenth. On December 19, 1952, the Government officially registered the Guatemalan Communist Party, thus granting it full recognition under the electoral laws in disregard of a constitutional prohibition against "political organizations of a foreign or international character." Five days before being inscribed, the Guatemalan Communist Party changed its name to Guatemalan Labor Party.

Fifteenth. The Government political parties controlled by President Arbenz openly supported the Communist leaders, Jose Manuel Fortuny and Carlos Manuel Pellecer, in the January 1953 congressional elections.

Sixteenth. On May 1, 1953, President Arbenz publicly embraced Victor Manuel Gutierrez and Carlos Manuel Pellecer, Communist leaders who control the General Labor Confederation.

Seventeenth. Government agencies advertise in the Communist daily newspaper Tribuna Popular, providing practically its only visible means of financial support.

Eighteenth. The Government's official radio and newspaper have disseminated pro-Communist, anti-United States propaganda for years.

Nineteenth. Communist propaganda films accusing the United States of engaging in "bacteriological warfare" have been exhibited in Government buildings.

Twentieth. The Government publicly donated \$10,000 to the Second Continental Conference of the Communist-run International Association of Democratic Lawyers, held in the Guatemalan Supreme Court Building last October.

Twenty-first. Sra. Maria Vilanova de Arbenz, wife of the President of Guatemala, is a founding member of the Guatemalan Communist-front women's organization.

Twenty-second. Several high Government officials and the heads of all four pro-Arbenz political parties participated in an event staged in a Government school building by the Communist-front National Peace Committee on July 31, 1953, to celebrate the Communist victory over American "imperialism" in Korea.

RELEASE: ON RECEIPT

STATEMENT BY SENATOR ALEXANDER WILEY, (R., WIS.)
CHAIRMAN, SENATE FOREIGN RELATIONS COMMITTEE,
TO BE DELIVERED ON THE SENATE FLOOR,
LATE THURSDAY, FEBRUARY 4, 1954

WILEY CONDEMNS ACTION OF GUATEMALA LEGISLATORS

IN CRITICIZING ANTI-RED REMARKS

MR. WILEY: Mr. President, the newspaper wire services have reported the action of the Guatemalan Legislature on February 1st in passing a resolution, criticizing me for the statement which I made on the Floor of the Senate on January 14th in which I pointed out the alarming Communist penetration of the Guatemalan Government.

The resolution adopted by the Guatemalan Legislators is, of course, an unfortunate, unjustified and indeed a ridiculous approach to the very serious problems which that country is facing.

LEGISLATURE DID NOT TRY TO REFUTE CHARGES

The Guatemalan Congress objected to my remarks, but in no way did it refute or even pretend to refute the 22 incontrovertible facts which I had set forth, showing the extent of Communist intervention in Guatemala.

I emphasize the word "intervention" because in my judgment, the Soviet Union has manifestly -- through act after act -- demonstrated a blatant policy of intervention in the internal affairs of Republics of the Hemisphere and, in particular, of Guatemala.

LEGISLATURE SHOULD TRY TO FREE GUATEMALA FROM COMMUNISM

Now, of course, it is not my intention to engage in a running discussion with the members of the Legislature of Guatemala or of any other government.

I can only express the hope that non-Communist members of the Guatemalan Legislature would devote their energies toward combatting the dangerous Communist octopus whose tentacles are tightening around every segment of their own nation.

I would hope that the non-Communist Guatemalan Legislators would direct their energies toward the regaining of their country's independence from the Soviet intervenors in their internal affairs.

I would hope that the Executive, Legislative, and Judicial Branches of that Government might act so that Guatemala might reembark on a course leading toward her full freedom, her full prosperity, toward the improvement of her relations with her sister Republics and toward a greater share of earth's blessings for all of her own people, in accordance with the free enterprise system.

Now, Mr. President, I intend to continue to speak the truth on Guatemala, or on any other subject, as I see it.

I intend to continue to combat the international Communist conspiracy wherever it rears its ugly head.

I intend to join with my colleagues on the Senate Foreign Relations Committee and, in particular, those of my colleagues on the American Republics Sub-Committee, headed by my friend, the distinguished Senior Senator from Iowa, Mr. Hickenlooper, in continuously reviewing this problem, so that we are adequately informed and so that the American people are adequately informed.

In my initial address on this issue, I referred to 22 basic facts about Communist penetration of Guatemala. It is my intention in the future to add to those 22 facts by citing further incontrovertible evidence.

FACT NO. 23 -- PRO-RED ACTIVITIES BY AMBASSADOR ALVARADO FUENTES

I should like today, however, simply to refer to fact no. 23.

I refer to activity of the Guatemalan Ambassador to Mexico City, Senor Alberto Alvarado Fuentes, who held a press conference on February 2nd for the purpose of repeating the false Guatemalan charges of alleged "plotting" attributed to United States interests for the alleged purpose of overthrow of the Guatemalan Government.

These absurd charges made by the Ambassador included most of the well-known and out-worn Communist techniques with which we are all so familiar -- throwing up a smokescreen of false accusations.

Moreover, it is symbolic of a basic Communist technique; namely, to slander a foreign people on the ground of allegedly "defending one's self " against foreign attack.

For years, the Soviet Union has been piously moaning "self-defense" claiming that she is being "encircled by capitalist enemies"; whereas, actually, it is the Soviet bear which has attempted to throw its brutal paws and vicious claws around the body of the free world.

Now, why do I pay particular attention to the false charges by the Guatemalan Ambassador to Mexico?

It is because the penetration of the diplomatic service of the Guatemalan Government, or any government, is obviously a key objective of international Communism.

Such penetration permits the poisoning of international channels, rather than simply domestic channels. I point out that the absurd attacks made by the Guatemalan Ambassador to Mexico were, of course, not made elsewhere by Guatemalan diplomats who are not pro-Communist. I must assume, therefore, that Senor Alvarado Fuentes is acting upon his own -- which means he is acting under Communist discipline and control -- discipline and control which are made easier by the presence of the intriguing Soviet Embassy in Mexico City.

I know that every one of our sister Republics of this Hemisphere must be alarmed, as I am, at the penetration by Communist agents of a diplomatic service of any of the Republics of this Hemisphere.

THE PRO-RED RECORD OF AMBASSADOR ALVARADO FUENTES

I should like to point out that Ambassador Alvarado Fuentes has long been and still is a devoted fellow traveler.

He has proved himself to be a willing and effective tool of the International Soviet conspiracy.

He has lent his name and presence to almost every pro-Communist activity in Guatemala. He follows closely the Moscow line in his constant attacks against the United States. He has sponsored various so-called "peace appeals and Congresses," including the Stockholm Peace Appeal and Partisan Peace Committee -- prime channels of the International conspiracy.

In October of 1951, when he was a Deputy to the National Congress of Guatemala, he obtained leave from the Congress for the purpose of attending the Communist-run World "Peace" Congress in Vienna.

I challenge Ambassador Alvarado Fuentes to refute these facts. I challenge his Government to attempt to do so.

Ordinarily, Mr. President, I would be loathe to name a particular individual in the course of comments such as this. I have never believed in referring to personalities as such, and I mention the name of this particular individual now -- only as a symbol of the dangerous problem which exists.

ATTACK AGAINST FREEDOM OF PRESS

Now, Mr. President, there is one additional aspect of the alarming Communist situation in Guatemala to which I should like to refer. In the past few days, the Guatemalan Communists have dropped their masks further and have conducted a direct, pre-meditated attack against some of the remaining vestiges of the free press and

radio there -- against reporters of both Guatemalan and foreign nationality.

It is inevitable, of course, that the Communists regard a free and courageous press as Moscow's mortal enemy.

I point out the fact therefore that the correspondent of the New York Times has been forced to leave the country. I point out that the correspondent of NBC Radio, who is also a correspondent for various newspapers and magazines, has been expelled from the country.

This is the latest sickening demonstration of the Communist octopus at work.

It is the latest danger signal to the free world that the situation in Guatemala is fast deteriorating. It is another notice to the people of that unhappy country that the last of their liberties are endangered.

We may well ask:

What is the Guatemalan Government afraid of in taking this arbitrary action of expelling these journalists? Why does it fear their reporting the facts as they see them? If the government has nothing to hide, why does it abridge freedom of the press? If it does not plot an absolute Red dictatorship -- why does it fear exposure of Communism?

What the Guatemalan Government apparently wants is an uninformed, censored international press, a press similar to those newspaper organs in its own country which it now controls. Those government mouthpieces are full of the usual Communist propaganda and lies including, incidentally, propaganda and lies against the Chairman of the Senate Foreign Relations Committee for my having told the truth about Communism.

Those servile, lie-filled organs stand in marked contrast to the remaining free Guatemalan newspapers and radio voices which have so courageously brought the facts -- the stark facts -- of Communism to the attention of their readers and listeners.

GUATEMALAN PEOPLE LOVE LIBERTY

And what of the Guatemalan people themselves?

I do not have the slightest doubt that an overwhelming proportion of the people of Guatemala are aroused against the foul Moscow-directed activities of the Guatemalan Communists.

I do not have the slightest doubt that the hopes and prayers of the devout people of Guatemala are directed toward that day when the atheistic Communist yoke will have been severed; when the Soviet intervention in Guatemala's affairs will have been defeated.

I conclude by conveying my deepest personal greetings to the liberty-loving people of Guatemala. I greet those of their freedom-loving leaders at home or in exile in whom the flame of liberty still burns brightly. I know that I am joined by the people of my country as a whole and men of good will throughout this hemisphere.

Mr. President, the sands are apparently running out in the hourglass of freedom of Guatemala. God grant that they may not run out completely. God grant that this country not become a Soviet Republic in this Hemisphere.

I pray that -- in the interest of the Hemisphere, in the interest of my own nation, in the interest of freedom everywhere.

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SOVIET COMMUNISM IN GUATEMALA

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SOVIET COMMUNISM IN GUATEMALA

I. THE SCOPE OF THE GUATEMALAN COMMUNIST PROBLEM

The political institutions of the Republic of Guatemala have progressively fallen, since President ARDENZ was inaugurated in 1951, under the effective though sometimes camouflaged control of the Partido Guatemalteco del Trabajo, the agent of the Soviet international Communist movement in that country, while the forces opposing the Communist advance are deteriorating so rapidly under government pressure that unless action is taken the establishment of the first Soviet-controlled "People's Democracy" type of State in the Western Hemisphere is in sight. This would be the first occasion that a Communist-controlled state had been established outside of the area adjacent to Soviet military power and would represent a breakthrough of Soviet aggression into the inner defenses of the democratic community.

As will be made clear in the evidence presented below, the Soviet-controlled Partido Guatemalteco del Trabajo has followed in Guatemala the classic Communist system of infiltration of key government agencies and establishing a network of interlocking political, labor and "mass" youth organizations through which a few carefully placed and well disciplined Communists can control the political activity of large groups of citizens.

The heart of the system is the Political Committee (i.e. Politburo) of the party, headed by José Manuel FORTUNY, the Secretary General of the PGT, who returned from a visit to Moscow in January of this year.

Members

Members of this Political Committee are in effective control of the "National Democratic Front", the formal alliance of all parties supporting President Arbenz; of the Confederación General de Trabajadores de Guatemala, the national labor federation; and of the National Peace Committee and the principal youths', students' and women's organizations.

While the Guatemalan Communists have not had the protection of Soviet military might provided in Eastern Europe and Asia, this has been substituted for by the protection and active support of the Arbenz Government. President Arbenz has repeatedly and publicly made clear his attachment to the Communist movement, referring to it in his latest annual report to the Guatemalan Congress on March 1, 1954, as "democratic" and "progressive" and stating that it would be "suicide" for his Administration to move against it.

Under his protection, the Communist leaders of the PGT have gained key positions in the National Agrarian Department and the Agrarian Committees which administer the Agrarian Reform Law of 1952, a law intended to transfer half of Guatemala's arable land to new occupants and owners and eventually radically to transform Guatemala's economic, social, and political structure. At the same time, the Arbenz Administration has facilitated the Communist infiltration of government-owned information agencies with the result that the Guatemalan public is slowly but steadily having its mind molded by a broad stream of Communist propaganda. The mind of the next generation of Guatemalans is also being shaped by an infiltration of Communists, so favored by the government that some have been made officials of the Ministry of Education. The powerful national teachers union STEG is under the leadership of an avowed Communist, Rafael TISCHLER, who is currently promoting the teaching methods he observed during a trip to the USSR in the summer of 1953. As one of his first acts in 1951, President Arbenz appointed Alfonso SOLORZANO, a Communist formerly associated with Vicente LOMBARDO Toledano, the Mexican labor leader, as Manager of the Guatemalan Institute of Social Security (IGSS) and that wealthy government agency has remained a focal point of the Communist movement in Guatemala.

The favor of the current Administration and the Communist infiltration of government agencies has made available to the Communist PGT, government facilities in the form of free public buildings, government automobiles, government advertising, and government subsidies which have enabled it to carry out and increase its activities.

In the political sphere, with the support of the President, the Communist PGT has become the dominant political party in the coalition of leftist organizations supporting the Arbenz Administration.

Communist domination of the other parties has been established because of the fact that it has offered a positive and dynamic program while the other parties, having none of their own, have had to follow the Communist lead; because of the fact that the other parties are divided among and within themselves while the Communists maintain a tight discipline; and because of the fact that the Communists hold a disproportionately large representation in the "National Democratic Front" where four of the twelve seats are held by party members and at least four others by publicly-known Communist sympathizers.

The Political Committee of the PGT has thus established itself in firm control of key areas of the Guatemalan Government, of organized labor and the country's principal mass organizations, and of the political parties which support the Arbenz Administration, forging the whole into a single instrument to follow Moscow's will. To keep the party oriented

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to Soviet strategy, six of the eleven members of the party's Political Committee have travelled to Moscow as well as to other centers in the Soviet orbit. During the same time, key leaders in the labor movement, the youths', students', women's and other "mass organizations" have travelled in the Soviet orbit and returned to Guatemala better prepared to guide the Guatemalan Revolution into Soviet channels.

II. THE SOVIET APPARATUS IN GUATEMALA

1. The Guatemalan Communist Party. The Partido Guatemalteco del Trabajo (PGT), which now has an estimated 3,000-4,000 card-carrying members, is a tightly organized conspiratorial group modelled on the Soviet Communist party of the Stalin era. The party was founded in secret in September 1947, after preparatory indoctrination in the classic Marxist "study groups" which were established within the trade unions and leftist political parties after the 1944 Guatemalan Revolution. The party was technically illegal and remained more or less under cover through the rest of President Arévalo's Administration, until March 15, 1951.

When President Arbenz took office on March 15, 1951, the Communist party rapidly came into the open and occupied positions of influence. On March 23, Solorzano was appointed Manager of the Guatemalan Institute of Social Security (IGSS). On April 4, Fortuny for the first time publicly signed a manifesto "secretary General of the Communist Party of Guatemala". In May, Louis SAILLANT, Secretary General of the international Communist World Federation of Trade Unions (WFTU) and Vicente LOMBARDO Toledano, Secretary General of the Confederación de Trabajadores de America Latina (CTAL) came to Guatemala to attend a transport workers congress and advised the Guatemalan labor movement to unite in a single federation. On June 21, the Communist party held its first public rally in a motion picture theater provided by the Government and with the attendance of Cabinet Ministers and other high officials. In October, the Guatemalan labor movement held a unity movement and established the Confederación General de Trabajadores de Guatemala (CGTG) as the single national labor federation and elected Victor Manuel GUTIERREZ, an avowed Communist, as its Secretary General at the head of an Executive Committee in which all of the key positions were held by Communists. Despite the openly political activities of the CGTG, it was duly registered by the Arbenz Administrative Department of Labor in disregard of the provision of Guatemalan Labor Code of 1947 which forbids political activity by labor unions.

In 1952, the Communist party made further advances. Returning from Moscow in January, the labor leader Gutierrez dissolved his Communist Partido Revolucionario Obrero de Guatemala (PROG) and joined Fortuny's Partido Comunista de Guatemala (PCG). On January 25, the Bucharest organ of the Cominform, "For a Lasting Peace, for a People's Democracy" published an article about the PCG, thus acknowledging it as the instrument of international Communism in Guatemala. During the period May 10 - June 17, the party played a leading role in the enactment of the Agrarian Reform Law which was steered through Congress by the Special Congressional Committee on Agrarian Reform headed by the Communist labor leader, Gutierrez, who is also a Deputy. The party then quickly infiltrated the Agrarian Reform machinery and used it as an instrument to gain members to expand the party in rural areas. The party, which has operated openly since Arbenz' coming to power, was now ready to become a "legal" party and a party Congress was held on December 11-14, 1952. The party name was changed to the Partido Guatemalteco del Trabajo (PGT) and it was registered on December 19 by the Director General of the Civil Registry despite Article 32 of Guatemala's 1945 Constitution which aimed at suppressing Nazi, Fascist and Communist organizations by prohibiting "political organizations of a foreign or international character".

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With the status of a legal political party, the Communist PGT grew rapidly in numbers and influence in 1953-4. It was accepted as a member of the "Democratic Electoral Front" for the campaign leading up to the January 1953 Congressional elections and all of the parties supporting Arbenz united to present Fortuny as the "official" candidate for Deputy for Guatemala City and the Communist leader Carlos Manuel PELLECEER as the candidate for Escuintla. According to the statement of Bernardo ALVARADO Monzon, PGT Secretary for Organization, at a party organization meeting in August 1953, the party doubled in members between December 1952 and August 1953. It has since expanded at a rapid rate. A daily Communist party newspaper, Tribuna Popular, began publication on a press furnished by the Government and aided by Government advertising and, according to independent Guatemalan newspapers, with a Government subsidy. The "Democratic Electoral Front" was transformed into the "National Democratic Front" and came under increasing Communist domination by adding the Communist-controlled national labor federation CGTG and the Communist-influenced national campesino organization CNCG to the Administration parties which originally comprised it. In November 1953, the Communist PGT showed its strength by running in municipal elections for the first time independently, and won four of six contests in which it entered candidates.

2. Soviet Control of the Guatemalan Communist Party. The Communist PGT has openly shown itself to be an instrument of Soviet policy by its undeviating adherence to Soviet policies in its tactics and propaganda in Guatemala. The links between the Soviet Communist hierarchy and the Guatemalan leadership are close and personal. Since the beginning of 1952, at least six of the eleven members of the Political Committee have visited Moscow, Fortuny himself going there on an extended visit from November 5, 1953 to January 12, 1954. While the comings and goings of international Communist emissaries in Guatemala are not a matter of public record, it was observed that when Mikhail SAMOILOV, Commercial Attaché of the USSR Embassy in Mexico visited Guatemala in 1953 he spent much of his time with Fortuny and other Guatemalan Communist leaders. The party leadership openly receives propaganda materials from the Soviet Embassy in Mexico and the Cominform journal "For a Lasting Peace for a People's Democracy", required reading for Communist leaders everywhere, is distributed in Guatemala in the Spanish edition. In addition, the party as evidenced by its reprints in Tribuna Popular, receives Moscow's New Times and other principal Soviet foreign publications as well as TASS news service.

With these orienting materials, the party has faithfully followed the Soviet line even when it was embarrassing. During the so-called "doctor's plot" incident in Moscow in 1953, the party press found itself in the position of intimating that Beria's security police had been negligent, on another day that the whole plot was a fabrication and Beria exonerated, and finally that Beria was a traitor.

3. Labor and Mass Organizations Under Soviet Guidance. With its limited membership, the Communist PGT has relied for the expansion of its influence in Guatemala's political life on its control of the labor movement and of the "mass" organizations, all of which are affiliated with and instructed by Soviet-controlled international Communist organizations. The principal of these organizations are:

a) The Confederación General de Trabajadores de Guatemala (CGTG), the national labor federation which controls Guatemala's organized labor. Its Secretary General is Victor Manuel Gutierrez, a member of the Political Committee of the PGT who visited Moscow in 1951-2 and in 1953; its first Vice Secretary General is José Alberto CARDOZA, also of the PGT Political Committee, and most of the rest of its key positions are PGT members, at least four of whom have been to Moscow.

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Since 1953, it has been formally affiliated with the WFTU, the international Soviet-controlled labor federation with headquarters in Vienna, and with Lombardo Toledano's CTAL in Mexico City. These two organizations send instructions to the leadership of the CGTG through correspondence, and Gutierrez and other leaders have attended WFTU and CTAL Congresses at which they found means to coordinate Guatemalan labor tactics with the strategy of world Communism.

b) The Confederación Nacional Campesina de Guatemala (CNCG), the national organization of peasants, is under strong Communist influence. The Secretary General of the CNCG, Leonardo CASTILLO Flores, has been active in pro-Communist causes. He attended the WFTU meeting in Vienna in October 1953, and spent the following month touring the Soviet Union. He is a Vice President of the Soviet-line National Peace Committee in Guatemala and has faithfully followed the Soviet line on international matters and the tactics of Soviet Communism in Guatemalan politics. The CNCG is also affiliated with the international Communist organizations WFTU and CTAL, from which it receives instructions and propaganda.

c) The National Peace Committee (Comité Nacional de la Paz) is a principal vehicle for spreading Soviet propaganda in Guatemala. Its President is Antonio CRUZ Franco but control is centered in the Secretary General, Mario SILVA Jonama, a member of the PGT Political Committee who spent some four months in the Soviet Union in 1952. Among its Vice Presidents are Luis CARDOZA y Aragon, former Guatemalan Minister to Moscow, Gutierrez and Castillo Flores, and Major Marco Antonio FRANCO, current President of the Guatemalan Congress who attended a World Peace Council meeting in Budapest, Hungary in June, 1953. The National Peace Committee is an affiliate of the World Peace Council, an international Communist agency with headquarters in Prague, Czechoslovakia. In Guatemala, it has collected a claimed 120,000 signatures on the World Peace Council petition for negotiations among the great powers, including Communist China. During the Korean hostilities, it showed throughout Guatemala, in many cases in Government schools, the film "Bacteriological Warfare in Korea", a film purporting to "prove" that the United Nations Command employed bacteriological weapons.

d) The Alianza de la Juventud Democrática de Guatemala (AJDG), the most prominent youth organization in Guatemala, is completely under Communist control. Its Secretary General, Edelberto TORRES Rivas, son of a prominent Communist Nicaraguan exile living in Guatemala, attended the Bucharest Youth Festival in 1954 along with a large group of members of the AJDG Executive Committee. The group later toured in the Soviet Union and some went to Communist China. The AJDG is an affiliate of the international Communist youth organization, the World Federation of Democratic Youth (WFDU) with current headquarters in Bucharest, Rumania. The WFDU furnishes the Guatemalan organization with guidance material reflecting the Soviet line.

e) The Alianza Femenina Guatemalteca (AFG), the country's most prominent women's organization, is also a Communist front organization. Its Secretary General, Dora FRANCO y FRANCO, a Communist public school teacher, visited the Soviet Union and Communist China in 1952. It is affiliated with the International Federation of Democratic Women (IFDW), a Soviet-controlled organization with headquarters in Berlin.

f) The Frente Universitario Democrático (FUD) is the Communist front organization in the University of San Carlos, Guatemala's national

university

university. It represents, however, a minority of the student body which is preponderantly anti-Communist in sentiment. The FUD sent a group of six or more of its officers to the Communist Students Congress in Warsaw in the summer of 1953 and some of these went on the tour of the Soviet Union that followed. Augusto CAZALI, the FUD Secretary General in 1952, spent the summer of that year in Bucharest, Rumania. The FUD is an affiliate of the Soviet-controlled International Students' Union (ISU) with headquarters at Prague.

III. COMMUNIST CONTROLS ON GUATEMALA'S POLITICAL INSTITUTIONS

(1) Communist Influence on the Government: Working under the guidance of Soviet policy and Communist doctrine, the PGT has used its control of the labor and mass organization and exploited President Arbenz' sympathetic attitude toward Communism to exert the determining influence over the policy of the Guatemalan Government and to establish control of key Guatemalan Government agencies. The numbers of publicly avowed Communists in key Government positions is enough to establish that the Communists are in effective control of the civil Administration, even though the Communists, in characteristic fashion, keep their membership lists secret and it is probable that many Government officials who have no visible ties with the PGT are secretly party members.

a) Influence on Policy Making

On the policy making level the Communist-controlled "National Democratic Front" is largely replacing the Cabinet as a policy-making body. For instance, the Communist leader Carlos Manuel PELLEGER revealed in a speech on April 4 that the Guatemalan tactics at the Caracas Conference had been decided upon at a meeting attended by President Arbenz, Foreign Minister TORIELLO and the delegates of the "National Democratic Front". These delegates always include two Communists representing the PGT and two Communists for the CGTG, making four avowed Communists among the ten delegates present (one Administration party, the RN, does not occupy the eleventh and twelfth seats assigned to it on the Front due to an internal party struggle which has prevented the designation of delegates). In addition, the other delegates include such pro-Communists as Castillo Flores of the CNCG and Major Marco Antonio FRANCO, the Vice President of the National Peace Committee, representing the PAR with the result that the triumph of the Communist viewpoint on policy in the Front is assured.

With policy making in the hands of the Communist-controlled "National Democratic Front", the argument that the Cabinet contains no Communists has no validity. The Cabinet has rapidly sunk into an executive and technical agency and for tactical reasons the Communists, who control policy, are at this stage content to allow "non-Communists" who serve their interests be presented to the world as Guatemala's Cabinet.

b) Agrarian Reform

On the operating levels of the Government, the Communist PGT has concentrated on gaining control of the agencies designed to implement the Agrarian Reform. Although the Chief of the National Agrarian Department is Major Alfonso MARTINEZ, a close non-Communist friend of the President's, his Deputy, Waldemar BARRIOS Klée, is a member of the Communist PGT, and Sra. Maria Jerez de FORTUNY, wife of the Communist leader, is the Department's Secretary General. The key Inspectors Corps of the Department, which is charged with settling Agrarian Reform cases on the ground, contains at least fifteen Communists, about two-thirds of the total.

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In addition, the PGT, working through the CGTG and CNCG, exerts a strong influence on the Agrarian Reform through the Local and Departmental Agrarian Committees. Under the law three-fifths of the membership of the Local Agrarian Committee and two-thirds of the membership of the Departmental Agrarian Committee are drawn from the CGTG or CNCG and since the PGT is in effective control of the former and strongly influences the latter it is able to use these Committees to its purposes. An outbreak of violence in connection with the Agrarian Reform in the Department of Chiquimula on April 30 brought to light the fact that the Secretary General of the Local Agrarian Committee, the manager of the local branch of the National Agrarian Bank, the chief of police of the locality, and the National Agrarian Department Inspector for the Department were all PGT members.

c) Information Media

In the field of government information, the PGT has also been especially active. Carlos ALVARADO Jerez, Director General of Radio Broadcasting, is a party member and he is also manager of the Government station TGW. The programs of the Guatemalan Government contain a vitriolic Communist propaganda supporting the Soviet viewpoint and attacking the Western democracies. Similarly, the staff of the government newspaper Diario de Centro America is Communist infiltrated, including Medardo MEJIA, an editorial writer. This official newspaper carries Communist-line propaganda on domestic and international affairs, invariably supporting the Soviet viewpoint. For instance, it editorially charged the United Nations Command employed bacteriological warfare in Korea. The Office of Publicity and Propaganda of the Presidency also employs Communist personalities including Raúl LEIVA, a Guatemalan poet.

d) Education

In the field of public education, the national teachers union is under Communist domination with Rafael Tischler, a registered party member as its Secretary General. In July, 1953, he attended a Communist-sponsored teachers Congress in Vienna and went on to the USSR where he studied Soviet educational methods. Several of Guatemala's most prominent Communists, including such persons as Gutierrez, Silva Jonama and Dora Franco y Franco are public school teachers, and Humberto Ignacio ORTIZ, a Communist Deputy until 1953 was appointed the Director of a rural high school after his tenure expired. The head of the Publishing House of the Ministry of Public Education, Edelberto Torres, is a prominent Communist Nicaraguan exile.

e) Social Security

The Guatemalan Institute of Social Security (IGSS), an autonomous and wealthy government agency administering the Social Security Law, is under Communist domination through Alfonso Solorzano, its Manager, and a group of subordinate Communist officials. Solorzano is a labor lawyer who was closely associated with Lombardo Toledano in Mexico during his pre-1944 exile and was a member of the Mexican Communist party there. In Guatemala, he is ostensibly an "independent" Communist and does not publicly belong to Fortuny's PGT, but to the left-wing PRG party. However, proof of his dedication to the Soviet Communist cause is contained in the newspaper he edits, the Diario del Pueblo, official organ of the PRG. This newspaper follows the Soviet line on international affairs down to the use of such standard international Communist terminology as "Wall Street ruling circles", the "war for liberation in Vietnam", etc. Under Solorzano the IGSS maternity service is run by Laura MALLOL de Bermudez, a Chilean Communist. The subordinate employees of the IGSS are organized in a Communist union, the STIGSS, which is affiliated with the CGTG.

f) Other

f) Other Government Agencies

Apart from their domination of the Agrarian Reform machinery, information agencies, and the social security system, and their influence in the educational system, the Communists have infiltrated other Government agencies in numbers which are difficult to determine since full lists of Government employees and PGT members are not available. However, it is apparent that Communists have gained important positions elsewhere in the Government. For instance, it has come to light that the Deputy Inspector General of Labor, Hugo BARRIOS Klée, is a PGT member and that the Labor Inspector in the Department of Santa Rosa, Humberto PINEDA, is also a party member (Barrios Klée is the brother of the Deputy Chief of the National Agrarian Department and is currently organizing a Communist-front "Festival of Youth and Friendship of Central America and the Caribbean" to take place in Guatemala in December 1954).

g) The Armed Forces and the Police

The Guatemalan Armed Forces and the police are not at present under direct Communist control. They are, however, under the effective control of Colonel Arbenz, who counts on their support in carrying out the Administration's pro-Communist policies. They have shown no disposition to oppose Communism actively. The Communists have made efforts to win over individual army officers with political ambitions. For instance, Lt. Col. Carlos PAZ Tejada, former Chief of the Armed Forces, and Major Marco Antonio Franco, now President of Congress, were sent to the Budapest meeting of the World Peace Council in June 1953. Captain Terencio GUILLEN, Governor of the Department of Escuintla, is President of the Departmental Peace Committee.

The national police, although not under direct Communist control, has been useful to the PGT by suppressing the opposition. The Minister of the Interior, Augusto CHARNAUD McDonald, in a speech before the Communist-front "Second Continental Conference of Democratic Lawyers" in October 1953 expressed the Administration's criterion in the statement "To be anti-Communist is to be anti-Government". Following this precept the police have arrested or driven into exile in 1953-54 most of the principal opposition anti-Communist leaders in connection with alleged subversive activities. The Partido Unificación Anti-Comunista (PUA), the principal party opposed to the Arbenz regime, has seen successively its Secretary General, Luis VALLADARES y Aycinena, and its Acting Secretary General, José Luis BARRERA, flee the country, the former after being jailed for three months. The principal leaders of the Comité de Estudiantes Universitarios Anti-Comunista (CEUA), the students' anti-Communist organization, and of the Comité Cívico Nacional (CCN), the largest civic anti-Communist organization, were arrested or fled the country under police pressure in 1953. The anti-Communist movement has thus, to the benefit of the PGT, been effectively decapitated.

The police have been particularly useful to the Communists by protecting Communist acts of violence. Starting in December 1953 and lasting through April of this year, the Communist leader, Carlos Manuel Pellecer, spent most of his time touring rural areas urging farm workers to seize land whether or not it was subject to expropriation under the Agrarian Reform Law. When the farm workers followed his advice, there were naturally clashes with landowners and loyal farm workers and a number of people were killed. The police did nothing to protect property or lives. Similarly, masked hoodlums broke into Guatemala City anti-Communist radio stations, beat up the personnel and smashed equipment. In the latest of these incidents, a raid by five masked men on Radio International on the night of April 21, police stationed at nearby buildings did nothing to interfere.

(2) The

(2) The Communist Position in Congress: The PGT holds four of the fifty-six seats in the Congress because it was not an open party in the 1950 elections and had been legally registered less than a month in the 1953 elections. The Party has already served notice that it will seek more seats in the next elections scheduled for the end of 1954 or beginning of 1955. Already the PGT's influence in the Legislative branch is actually much greater than the number of its Deputies indicates. Gutierrez, the PGT labor leader, is Chairman of the Special Committee on Agrarian Reform and his associate, José Alberto Cardoza, is Chairman of the Special Committee on Labor Code Reform. These two Committees are of special importance since the Agrarian Reform and Labor Code are the foundation of political-economic relationships under the Arbenz government. Moreover, the PGT's domination of the "National Democratic Front" allows it to dominate the votes of the other Administration parties, since once the Front has made a decision its component parties are obliged to follow it as a matter of discipline. This gives such a Communist coloration to the Administration majority that in March, 1953, the Guatemalan Congress was the only legislative body outside of the Soviet orbit known to have honored Stalin at the time of his death: it observed a minute of silence in his memory.

(3) The Judiciary Sympathetic to Communists: Until February, 1953, the Judiciary branch of the Guatemalan Government was relatively free of Communist influence, but at that time four of the five judges of the Supreme Court were removed by Congress with Arbenz' approval for questioning the constitutionality of a provision of the Agrarian Reform Law. The judges who replaced them were willing to acquiesce in the pro-Communist orientation of the Administration and non-Communist judges in the lower courts no longer dared to hand down significant rulings opposed to Communist designs. (For example, the courts avoided taking up the question of whether the registration of the PGT was constitutional.) The new President of the Supreme Court, Marcial MENDEZ Montenegro, headed the Guatemalan delegation to the 1953 "Second Continental Conference of Democratic Lawyers", a meeting held under the auspices of the International Association of Democratic Lawyers (IADL), a Soviet-controlled international lawyers association which, among other things, has endorsed the "case" that bacteriological warfare was used in Korea. Mendez Montenegro was also at the airport in Guatemala City in May, 1954, to welcome Obdulio BARTHE, the Paraguayan Communist leader who came to live in Guatemala after being released from a Paraguayan jail.

(4) Communist Sympathizers in the Administration Parties: The Communists' dominating influence on Guatemalan political institutions is further enhanced by the presence of Communist sympathizers in the leading positions of the political parties supporting Arbenz.

The Partido Acción Revolucionaria (PAR) is currently headed by Julio ESTRADA de la Hoz, a Communist-oriented intellectual whose Soviet leanings are such that he signed a message to the North Korean Government in June, 1952, while he was President of Congress, expressing sympathy with the Korean people and charging that they had been subjected to bacteriological warfare. His predecessor as PAR Secretary General was Francisco Fernando FERNANDEZ Foncea, who stated in October, 1953, in a speech in Congress that all of the Administration parties were destined to disappear into the great world Communist movement. Another prominent member of the PAR, Major Marco Antonio Franco, is the Vice President of the National Peace Committee and travelled to Budapest in June, 1953.

The Partido de la Revolución Guatemalteca (PRG) is headed by the Minister of the Interior, Augusto CHARNAUD McDonald, a non-Communist who has, however, been in political alliance with the Communists most of his

political

political life. Among the most influential persons in the party are Abel CUENCA, once a member of the Salvadoran Communist party and leader of the bloody 1932 Communist uprising in El Salvador, and Alfonso Solorzano, the "independent" Communist who heads the IGSS.

The Partido Renovacion Nacional (RN) is currently divided into two factions, but in recent years its dominant figure has been Jaime DIAZ Rozzotto, Secretary General of the Presidency and a daily associate of President Arbenz. At a rally to celebrate the Korean Armistice last July 31, he greeted this truce as a victory of the people over imperialism and described it as another step toward the establishment of a Socialist world.

IV. GUATEMALAN COMMUNISM AND THE HEMISPHERE

In summary, then, it is apparent that the Soviet instrument in Guatemala, the Partido Guatemalteco del Trabajo, has already extended its influence over most of the country's principal political institutions. In Government, it exercises the decisive voice in policy making and its influence has resulted in an effort by the Guatemalan Government to disrupt the American community. To protect the PGT, the Arbenz Administration withdrew in April 1953 from the Organization of Central American States (ODECA) and, in the November 1953 meeting of the OAS Council and the Tenth International Conference of American States at Caracas in March 1954, it was alone among the American States in opposing measures to control international Communism. At the Caracas Conference, the international Communist orientation of Arbenz' foreign policy was such that Guatemala abstained on the vote on Panama's resolution against racial discrimination on the grounds that it used the phrase "as one of the means of combatting international Communism" and the Guatemalan delegation absented itself from the session at which the Conference at Cuba's proposal paid homage to the United Nations dead in Korea.

In domestic policies, the PGT has seized effective control of the Agrarian Reform machinery and other leading positions in the Executive branch, and the Congress. It controls the country's organized labor and has covered Guatemala with mass organizations, which Stalin once defined as the "conveyor belts" of Communism through which the party's policies and line are transmitted to the masses. Backed by this apparatus, the PGT has effectively established its supremacy over the political parties which support the Arbenz Government and used its influence over the Government to obtain the suppression of opposition to such a point that the anti-Communist forces of the country can no longer operate effectively within the Constitutional framework.

The Communist position in Guatemala contains both immediate and long-range dangers to the hemisphere. Constituting one of the immediate dangers is the fact that Guatemala is a refuge for Communists from other American states and a base for these Communists' activities hostile to their own countries. For instance, Guatemala is the center of the Communist-infiltrated Partido Democratico Revolucionario Hondureño (PDRH) which has been opposed to the Honduran Government and of the Movimiento de Nicaraguenses Partidarios de la Democracia, a Communist dominated organization directed against the present Nicaraguan Government. There are also leftist exile organizations of Salvadorans, Dominicans, etc. and prominent Latin American Communist exiles, the latest of whom is Obdulio Barthe of Paraguay who arrived in May 1954.

In addition to harboring Communist refugees, Guatemala offers haven to such disruptive elements as Carlos PADILLA, an officer of the terrorist Puerto Rican Nationalist Party, who after arriving in Guatemala stated

that

that his release from arrest in Cuba had been accomplished through the intercession of the Guatemalan Ambassador there.

The role of Guatemala as a disrupting element in Central America is already becoming evident. Several of the persons who participated in the recent plot to assassinate President Somoza, such as Jorge RIVAS Montes and Francisco IBARRA Mayorga, had been exiles in Guatemala where they had enjoyed close relations with Guatemalan officials as members of the Caribbean Legion. Before the disturbances in Honduras broke out in May, 1954, the Guatemalan Government had assigned special consuls to Tela and Puerto Cortes in March and April and a Guatemalan military airplane landed at Puerto Cortes without clearance on May 1 to communicate with the Consul.

However, the long-run danger of Guatemalan Communism is of greater proportions. The official party program is labelled "The Guatemalan Way" (El Camino Guatemalteco) and it is essentially an attempt to establish a Communist-controlled state outside of the sphere of Soviet influence. This has never successfully been done before but probably nowhere else outside of areas within and neighboring on the Soviet sphere has international Communism come so near to having absolute control of a country's political institutions. If the "Guatemalan Way" of international Communism goes unchallenged by the democracies, it is an experiment which over the years can be repeated in other countries to the peril of the free world.

May 14, 1954

INTRODUCTION TO GUATEMALA



PAN AMERICAN UNION
WASHINGTON 6, D.C.



Area: 50,647 square miles
Population: 3,011,708
Capital: Guatemala City
Currency: Quetzal • \$1.00 U.S.
Language: Spanish
National Holiday:
September 15, 1821
National Hero:
Justo Rufino Barrios
National Flower:
White Nun Orchid

Guatemala, a land of still smoking volcanoes and occasional earthquakes, has a rich Mayan background. It is famous for the variety and quality of its textiles, bananas, coffee and chicle. Its cities are a study in contrast: Clean, modern Guatemala City, with its first class shops and bright cafés; beautiful, historic Antigua, treasure house of Spanish colonial art; and Chichicastenango, picturesque Indian highland village. Its natural beauties include volcano-sentined Lake Atitlán, forest-lined Lake Izabal and Río Dulce, one of the most beautiful stretches of water in the world.

GEOGRAPHY: Guatemala can be divided into two geographical areas: The tropical lowlands on the Atlantic and Pacific coasts and in the Department of Petén, and the temperate highlands and mountains that stretch northwest to southeast, covering two-thirds of the country. The fertile Pacific region produces the best beef and grows much of the native cotton, known as "criollo," which is exceptionally white and strong. Sugar cane, bananas, pineapples and other tropical fruits flourish here. There is a rather abrupt rise to the volcanic mountain

range of the Sierra Madre. Some of Guatemala's 33 volcanoes--Tajumulco, Tacaná, Santa María, Agua, Fuego and Acatenanga--are among the highest peaks in Central America. Fuego and Santa María are still active. The highland region, consisting of valleys enclosed by mountains, is the site of many important towns. The land slopes down from the Sierra Madre to the Atlantic coastlands. El Petén lies to the north--a dense jungle plateau, relatively undeveloped, unknown and sparsely populated. Chicle, basis of chewing gum, is produced here and is flown to the chief shipping center of Puerto Barrios. This jungle is a rich source of such trees as cedar, mahogany, ebony, walnut and wild rubber.

CULTURE: The people of Guatemala are of Spanish and Indian ancestry. The Guatemalan Indian is dignified, honest, proud of his history, and in many ways true to his ancient customs. The native costumes, which give so much color to the Guatemalan scene, vary--each village has its own distinctive color combinations, weave and style. Many of the designs and colors have reference to old Maya symbolism. As a rule, women wear a loose *huipil* or blouse, with an extra *huipil* or *perraje* (shawl) as a wrap; a *refajo* (skirt) is worn either wrapped tight or gathered; a *faja* (belt) is wrapped around the waist; *cintas* or *tocoyales* (headbands) are wrapped around the head in various ways. The men wear coats that are usually short and stiff, sometimes embroidered or ornamented by woven patterns, braid, tape, buttons, fringes and pockets. Trousers are long or short, and slit woolen trousers are often worn over cotton ones.

The bustling, modern capital of Guatemala City retains a Spanish colonial flavor in its churches and older residential sections. Its Museum of Archeology and Ethnology possesses many beautiful examples of Maya art. A distinctive feature of life in the capital is the markets. The Indians travel for miles not only to buy and sell but also to mingle with the crowds and talk with acquaintances. The unique city of Antigua, the ancient Spanish colonial capital, surrounded by beautiful coffee plantations, contains many priceless examples of colonial art. Many of the original buildings destroyed by earthquakes, have been restored. Two famous old houses have been restored with great attention to exact details: The Popenoe house and the Casa de las Campanas. Modern Antigua is noted for its pottery and ironwork, as well as for its fruit and vegetable produce, especially castor beans. San Antonio Aguas Calientes, a nearby village, produces Guatemala's finest weaving. Esquipulas, in a scenic valley of the same name, contains in its church sanctuary the famous statue of the Black Christ, a shrine which attracts many pilgrims from afar. Quirigua is the site of the only easily accessible Maya ruins. Maya ruins are found also at Uaxactún, Tikal and Chaculá. Cobán, an industrial center of considerable importance, is surrounded by plantations of coffee, tea, cacao and vanilla. It lies in a potentially rich field for archeologists. Beautiful examples of Maya art have been recovered from pools and caves nearby. Modern Quezaltenango, the republic's second city, retains much of its colonial atmosphere. This industrial and trading center lies at the foot of Santa María--a volcano held sacred by the Indians who conduct mysterious rites at its summit. Cantel is noted for its large mechanized textile factory. Tiquisate is the center of the United Fruit Company's banana plantation development. Huehuetenango, a colorful town in the magnificent Cuchumatanes Mountains, is the chief trading center for dozens of villages. It is the heart of a little explored region rich in lead, silver and copper. Puerto Barrios, on the Atlantic coast, is Guatemala's chief port.

HISTORY: Pedro de Alvarado, conqueror of Guatemala, established the first capital at the old Indian city of Iximché in 1524. This the Spanish called Santiago de los Caballeros de Guatemala. When Alvarado died in 1541, his widow doña Beatriz called the municipal officials together and ordered them to name her as his successor. She became the only woman ever to head a country in continental America in her own right. Soon after this an earthquake and flood completely destroyed the town. The few survivors moved the capital to the site now known as Antigua. Memorable earthquakes and volcanic eruptions plagued the city and when it was destroyed in 1773, the survivors established the present capital, Guatemala City. On September 15, 1821 Guatemala declared its independence from Spain. There followed a brief period of annexation to the newly-formed Mexican Empire under the rule of Agustín de Iturbide. In 1823, when Mexico became a Republic, Guatemala chose its own form of government. However, on July 1 of that year, Guatemala became part of the United Provinces of Central America. When the Federation collapsed in 1839, Guatemala formed an independent government. In 1847 Guatemala became a republic. Justo Rufino Barrios, who has been called the "Reformer" and Guatemala's Lincoln, became president in 1873. He brought to an end the economic and political influence of the Church, promoted education and communications, encouraged agricultural development and granted freedom of worship to all religions.

Guatemala under the present constitution is declared to be a democratic and representative republic. Its one-chamber legislative body consists of deputies elected by direct vote of the people. The President who also is elected by direct vote of the people is assisted by a Cabinet of eleven Ministers.

ECONOMY: Guatemala's national economy is largely based on agriculture. Mining has not been developed on a large scale. Manufacturing industry is concentrated chiefly in the processing of agricultural products, principally textiles and leather. Leading imports are machinery, textiles, petroleum and its by-products, foodstuffs, iron and steel manufactures and clothing. The principal exports are coffee, bananas, chicle, abacá and timber.

FLAG: The Guatemalan flag consists of three vertical stripes of equal width, a bright blue stripe on either side of a white one which bears the national coat of arms.

Pan American Union Publications available at PAU Building Information Desk or by mail order:

Guatemala, 10 cents; *Guatemala City*, 10 cents; *The Mayas*, 10 cents; *Housing in Guatemala*, 50 cents; *A Statement of the Laws of Guatemala*, \$3.00. *Coffee*, 10 cents; *Rubber*, 10 cents.

ALSO: *Américas*. Monthly illustrated magazine about the 21 American Republics. (English, Spanish and Portuguese editions). Per year, \$3.00.

Catalog of the Pan American Union Publications. Free on request.

August 22, 1955

The Hon. Edward J. Sparks
The American Embassy
Guatemala, Guatemala

Dear Mr. Ambassador:

It was very nice to have your letter, although I am sorry you missed Ray Newton. He is a very sincere, hard working person who is trying his best to help both his fellow men and the good neighbor policy. I couldn't remember whether or not I had a chance to speak to you about him before you left Washington.

Mrs. Pearson and I got a quick trip to Geneva to watch Milton's brother operate at the Summit where, incidentally, he did quite a good job, in my opinion. He seems to fit into this sort of job much better than he does on certain domestic jobs at home.

Since Mrs. P. and I have been weathering the heat in Washington, I don't think I shall tell her about the cool temperature in Guatemala or she will be egging me to accept your kind invitation.

With best wishes to you and Mrs. Sparks.

Sincerely yours,

Drew Pearson

DP/jcs



THE FOREIGN SERVICE
OF THE
UNITED STATES OF AMERICA

American Embassy,
Guatemala, Guatemala,
August 11, 1955

Mr. Drew Pearson,
1313 29th Street, N. W.,
Washington 7, D. C.

Dear Drew:

I received today a letter from Mr. Ray Newton of the American Friends Service Committee, Inc. with which he enclosed the letter of introduction that you had given to him for me on May 25. Mr. Newton informs me that he came through Guatemala at the end of July, that he called at the Embassy and that I was out of the Office at the moment. Apparently he was only here for a short time although he did have the opportunity of exploring the possibility of having a Service unit in Guatemala. He stated that he was well received by the President and others but that he does not yet know what the outcome may be. I have written Mr. Newton expressing the hope of seeing him when he again visits Guatemala.

We had a delightful trip by car from Washington to New Orleans from where we flew to Guatemala arriving here on July 21. My first impressions are most favorable and I am hoping shortly to know more intimately the problems and prospects. Frankly, we were glad to escape the terrific hot spell that you have been experiencing in Washington. It seems to me that the shade temperature here in Guatemala never gets above the low 70's and in the nighttime one blanket seems at times inadequate. I do hope that you and Mrs. Pearson may find it possible to visit Guatemala in the near future and we shall look forward with pleasure to your staying with us at the Embassy.

With every good wish.

Sincerely,

Edward J. Sparks

ISIDOR OSTROFF
LEVY ANDERSON
ABRAHAM TEITELBAUM
JOHN SULLIVAN
JAMES FRANCIS LAWLER

LAW OFFICES
OSTROFF & ANDERSON
11 NORTH JUNIPER STREET
PHILADELPHIA 7, PENN.
RITTENHOUSE 6-0681



June 8, 1954

Mr. Drew Pearson
National Press Building
Washington 5, D.C.

Re: Guatemala

Dear Drew:

As you know, in addition to my various and sundry communal activities, including my part in the 175th Anniversary Celebration of the Declaration of Independence, which you graced here in Philadelphia, I am the Honorary Consul for Guatemala. From time to time we have sent you some little note on the Guatemalan situation.

Your article on Sunday in which you pinpointed our very poor "Good Neighbor Policy" as being the reason for the "Guatemalan situation" has been stated by me in various public utterances. Tonight I will deliver a talk to a group of War Veterans in Bywood, out near your Swarthmore roots, in Delaware County.

In order to make certain that my talk would be factual, I wrote to the Secretary of State and asked for him to pass on certain questions that are in my mind as the result of much reading on the subject. We stressed to the Secretary that it was important that we receive a reply early enough to include his reply in our remarks. We have had no reply as of this dictation at 3:00 o'clock on the afternoon of my talk. A copy of my letter to the Secretary of State is enclosed herewith. It is noteworthy, however, that a previous communication, in which I asked for copies of Mr. Dulles' remarks at the Caracas meeting was answered with an enclosure of his remarks. Both letters went on Consular stationery and I was addressed as the Honorary Consul for Guatemala in Philadelphia.

We feel that you are on the right track, and that more statements like yours must be brought to the attention of our people so that our State Department policy will not lead us into blundering with our closest neighbors and, until now, our friendliest allies in Latin America. In view of your pronouncement, we feel that it is only fitting and fair that you should be permitted to get a "scoop" by arranging for an

Mr. Drew Pearson

- 2 -

June 8, 1954

interview for you with Hon. Alfredo Chocano, Charge d'Affaires for Guatemala at the Embassy, and with the new Ambassador for Guatemala, whom I will meet for the first time when he gets here.

If you wish me to arrange this interview so that you can tape-record it for use on your Sunday broadcast, please contact me immediately.

Kindest regards.

Very truly yours,


Isidor Ostroff

k-2390

cc: Hon. Alfredo Chocano

cc: Hon. Guillermo Toriello

June 1, 1954

Honorable John Foster Dulles
Secretary of State
Washington 25, D. C.

Dear Mr. Secretary:

The undersigned is a citizen of the United States of America and holds Exequatur issued by the President of the United States confirming his appointment as Honorary Consul for the Republic of Guatemala in Philadelphia. In that capacity it has been my earnest endeavor to do everything within my power, consistent with right, to help maintain good relations between my own country and Guatemala.

I have been fortunate enough to be engaged in various extra-curricular activities in that type of work. I am a member of the World Trade Council of the Chamber of Commerce in Greater Philadelphia and am Chairman of the Legislative Committee of the Council. I am a member of the Mayor's Board of Trade and Conventions and am especially assigned to the Foreign Trade Division, and on the special Committee which operates the Commercial Museum - the only museum of its kind in the country - which publishes the magazine "Commercial America" both in English and Spanish editions. Additionally, we have had the privilege, in our law offices, of handling litigation whose purpose is to promote and protect American commerce in Latin America and other parts of the world.

We have had the pleasure of visiting Guatemala on various occasions. We have visited the offices there of the United States Consul. We have visited the offices of editors and of business men. We have had the privilege of meeting the President of Guatemala, officers in the Army, the present Minister of Foreign Affairs, the Charge d'Affaires in Washington, former Ambassadors and Members of their Diplomatic Corps in other countries. We have met many persons connected with the Government of the Republic of Guatemala and as far as we know we have yet to meet any person so connected who is a Communist. We have served in the Legislature of this Commonwealth, and represented the United States Government in various capacities in the past.

We are disturbed that our one-time "Good Neighbor Policy" has been fragmented in so many parts of Latin America. We are most disturbed at the vituperative and almost obscene manner in which our Press has villified Guatemala and its government.

COPY

June 1, 1954

I feel it necessary as a United States citizen interested in the welfare of my country to ask a few questions based on information which has been given me and the accuracy of which I wish to check with you. I must have answers to these questions because I have been invited by a group of United States War veterans to address a meeting on the evening of June 8, 1954, here in Pennsylvania, to tell them the facts about the Guatemala crisis. I should like to be able to authenticate that which I say with factual data which I ask you to send me in response to this communication, and to which I am entitled as an American who does not want to do anything to hurt his country knowingly or unknowingly.

- 1) Is any member of the Guatemalan Executive Department a Communist?
- 2) Are the majority of the Guatemalan Congress Communists?
- 3) How many of the members of the Guatemalan Congress were elected only on the Communist ticket?
- 4) How many of the members of the Guatemalan Congress were elected on other tickets but supported by the Communist Party?
- 5) How many members of the Guatemalan Congress were elected on Anti-Communist tickets?
- 6) Was the present Mayor of Guatemala City elected on an Anti-Communist ticket? Is he still a leader of the Anti-Communist forces in Guatemala?
- 7) Is it true that notwithstanding his pro-American (United States) leanings, and his friendship for everything that originates here in the United States, the present Mayor of Guatemala City found it necessary to sponsor a hydro electric project to supply needed electricity to Guatemala because the American company only took the profits and refused to improve service or provide additional service for the needs of Guatemala.
- 8) Does the word "expropriation" have the same legal significance in Latin America as our taking of land by "condemnation" and the exercise of "Eminent Domain"?
- 9) Is it true that the Agrarian Reform Law adopted in Guatemala is almost identical with our own Puerto Rican Farm Laws, Public Works Laws and Re-development Laws? Were the Acts of the United States Congress used as models for the legislation in Guatemala?

COPY

June 1, 1954

- 10) Is it true that in the land condemnations in Guatemala, under the Agrarian Reform Law, the Government took unproductive land belonging to United Fruit, and also unproductive land belonging to the President of Guatemala and other members of the Government of Guatemala, and that all takings were on the basis of valuations set by the owners themselves?
- 11) Is it true that the tax bill of United Fruit on its Guatemalan earnings, paid to the United States, was approximately eight million dollars, while the taxes paid to the Guatemalan Government were in the neighborhood of \$65,000.00 for last year, and that the average for the past years has run pretty much the same?
- 12) Is it true that various persons in positions of influence in our Government are associated with firms representing United Fruit, or are members of families with large holdings in United Fruit?
- 13) Does the United States have a Military Mission in Guatemala and base rights on "La Aurora" Airport?
- 14) Is it true that the United States Government prevented Guatemala from purchasing armaments in the United States?
- 15) Is it true that all Guatemala arms prior to the recently publicized shipment, were purchased in the United States, or given to it by the United States?
- 16) Is it true that the United States advised Guatemala that it would either oppose, or abstain from voting on Guatemala's resolution against colonialism at Caracas and that the United States was the only Government at the Inter-American Conference which did not vote in favor of that resolution?
- 17) Is it true that you, Mr. Secretary, stated to the Caracas Conference that Guatemala is not Communist dominated?
- 18) Is it true that in the current "Boycott Guatemala Coffee" campaign the proponents of the Boycott are careful to prevent anyone from starting a campaign to "Boycott Guatemalan Bananas"?
- 19) Is it true that if as much effort were put into cementing relations with Guatemala as has gone into rupturing relationships with Guatemala, that it would again be our most dependable ally?

COPY

Hon. John Foster Dulles

- 4 -

June 1, 1954

- 20) Should I and the 17 other American Citizens serving Guatemala as Honorary Consuls resign -- or do we serve our country, the United States of America better by not resigning.

Believe me, these questions are not asked to embarrass you, but in an effort to get at the truth. After Mr. Sidney Gruson of the New York Times was expelled from Guatemala, we wrote to Mr. Toriello and told him such actions were unwise. Gruson was invited back, has been given all information available, has been shown everything there is to see, and his articles are very different now.

As we stated above, we are scheduled to make a talk on June 8, 1954, and we want to tell the truth. We hope that in your exceedingly busy schedule you will find time to get us the truth so that we can quote you.

Respectfully yours,

Isidor Ostroff
Consul Adhonoratus

k-2390

1151

cc: Hon. Guillermo Toriello
cc: Hon. Alfredo Chacano
cc: Mr. Ivan H. Peterman

COPY

With Compliments

Alfredo Chocano >

Feb. 15

United Fruit Co. in Guatemala and the Land Reform Law

UFCO operations in Guatemala are centered in two different locations: a) Tiquisate on the Pacific coast, Escuintla province, and b) Bananera on the Atlantic or Caribbean side, Izabal province.

Tiquisate:

Landholdings expropriated to Compañía Agrícola de Guatemala, UFCO subsidiary for Tiquisate:	Hectares	Acres	Compensation paid for in Agrarian Bonds
Tiquisate proper	94,688	233,977	\$594,572.82 USC
San José, Escuintla	2,296	5,674	15,000.00
Totals	96,984	239,651	609,572.82

(Compensation is paid in Guatemalan currency, Quetzales, at par with Dollars USC., so that for purposes of comparison it may be expressed in USC 1:1)

Of this expropriated extension of 239,651 acres of unimproved, uncultivated, lands, the "Nagualate Land Co.", a subsidiary of United Fruit Co., bought from "California Guatemala Fruit Corp." in August 1929, 181,878 acres for \$269,607.39, and in May 1930 transferred this property to the other UFCO subsidiary, Compañía Agrícola de Guatemala, for the sum of \$471,354.

Bananera:

In this region UFCO holds approximately 261,000 acres. Petitions for expropriation have been filed and are in process covering approximately 174,000 acres.

History of UFCO acquisitions on the Atlantic region is still more telling than that of the Pacific side.

In 1904 the Guatemalan Government had built two thirds of the rail line from Puerto Barrios (seaport on the Atlantic) to Guatemala City, the capital town. In that year a contract was concluded between the Guatemalan Government and International Railways of Central America -IRCA- (intimately connected with UFCO) whereby the Government, in consideration of IRCA's offer to build -and keep title to- the last third of the road, gave away to IRCA the other two thirds already built, Barrios wharf, telegraph lines, rolling stock, railway stores, 50 acres of town lots in Barrios, a strip of shoreland one mile long and 500 yards wide to each side of the wharf, and 170,000 acres of the best agricultural land in the region to be selected by IRCA. The very only beneficial clause for Guatemala in the whole contract was that at the end of 99 years (A. D. 2003) IRCA was "obligated" to sell the line to the Government at a price to be determined by arbiters...

IRCA transferred to UFCO a good part of the given-away 170,000 acres. And that is the quite unexpensive origin of a good slice of the present landholdings of UFCO in the Atlantic region of Guatemala.

Freight rates:

Coffee exports from Guatemala to New York pay to United Fruit Co. and to International Railways of Central America -IRCA- as follows:

Guatemala City to Puerto Barrios, by rail	\$ 21.95	per ton of 2240 lbs.	
Wharfage at Barrios	2.24	-	do -
Barrios to New York, by boat	<u>15.68</u>	-	do -
Total freight per ton of 2240 lbs.	\$ 39.87	USC.	

Note that freight on 200 miles Guatemala/Puerto Barrios is 40% higher than on 2000 miles lap Barrios/New York.

Land Statistics

Area of plantations according to UFCO figures in UFCO publication "Datos 1952"

<u>Crop</u>	<u>Bananera</u> <u>Acres</u>	<u>Tiquisate</u> <u>Acres</u>	<u>Total under</u> <u>cultivation</u> <u>Acres</u>
Bananas	4,055	19,313	23,368
Abaca fiber	5,034		5,034
Pasturages	304	4,013	4,317
Forests	635	2,471	3,106
Misc. crops	<u>1,255</u>	<u>156</u>	<u>1,411</u>
Total extension under actual exploitation in 1952	11,283	25,953	37,236
Holdings after expropriation (effected in Tiquisate; in process for Bananera)	87,273	61,760	149,033

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AMERICAN SECTION AND FELLOWSHIP COUNCIL

20 SOUTH TWELFTH STREET, PHILADELPHIA 7, PA.

Telephone RIttenhouse 6-9372

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February 19, 1954

Guatemala

Drew Pearson
Washington Merry Go Round
1313 29th Street, N. W.
Washington 7, D. C.

Dear Drew Pearson:

I saw Gordon Lange at lunch time today and he told me very briefly of your idea of getting some American young people into Guatemala. He asked me if I knew of any Quaker contact there and I am writing to say that the Chief of Mission for the International Children's Emergency Fund is a very able Quaker lady by the name of Alice Shaffer. She could put you in touch with the proper officials to promote such a project from that end. She probably would have very little time to give to such a matter herself, although she took an active part in helping the American Friends Service Committee establish a work camp in Salvador. The address is Apartado 525, Guatemala City, Guatemala, C. A.

Very sincerely,

James F. Walker

James F. Walker
Executive Secretary

JFW:mle