

CHRONOLOGY OF COMMUNIST PENETRATION IN GUATEMALA

February 23, 1954

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Formation and Emergence of a Communist Party

- 1945 Two unsuccessful attempts made to organize Communist Party.
- 1947 Unsuccessful effort made to organize Communist Party under name of National Popular Vanguard. ✓
- September 28, 1947 Democratic Vanguard, forerunner of Guatemalan Communist Party, founded.
- September 28, 1949 Guatemalan Communists held First Party Congress, adopted name Communist Party of Guatemala, and elected José Manuel Fortuny Secretary General.
- May 1950 Fortuny and nine others resigned from the Party of Revolutionary Action to form new group, Vanguard Communist Party, oriented on international Communist lines.
- May 1950 Upon resigning from the Party of Revolutionary Action, José Manuel Fortuny and nine others issued a statement which, in essence, was a full admission of complete loyalty to Marxism as fathered by Lenin-Stalin doctrinism, and as expressed in 1950 in the domestic and international policies of the Soviet Union. Thus: "In the camp of peace are the Soviet Union, the Popular China of Mao Tse Tung, the popular democracies of Europe and Asia, the liberating movement of the colonial and semi-colonial peoples, and the working class of all countries, directed by the Communist parties." "In the camp of the warlike imperialists are the monopolistic circles and the financial capital centralized in the United States ... England ... France and Italy ..." "The Soviet Union has as a fundamental basis of its international policy the possibility of pacific co-existence of the two systems over a long period." "... the USSR never will be an aggressor ..." "... the United States and ... the capitalistic countries are ... potential aggressors ..." "... the working classes ..." must "... organize ... for ... the fight against imperialism and reaction." "What our people demand is a vanguard party, a party effectively

of the proletariat, really revolutionary, free of any bourgeois or imperialist influence ..." "... we will ... fight for the immediate task of the democratic-bourgeois revolution ... in order to reach as an end the inauguration of socialism ..."

- June 1950 Communist-line Revolutionary Workers' Party of Guatemala founded by Víctor Manuel Gutiérrez, who published manifesto outlining pro-Soviet objectives in virtually same manner that Fortuny group did.
- June 21, 1950 Newspaper Octubre founded by Communist Party of Guatemala led by José Manuel Fortuny.
- July 1950 Octubre first published openly.
- September 6, 1950 Communist indoctrination school named "Jacobo Sánchez", founded under direction of Alfredo Guerra Borges and Víctor Manuel Gutiérrez.
- April 4, 1951 José Manuel Fortuny began publicly signing documents as "Secretary General of the Communist Party of Guatemala". Two Communist manifestoes appeared in the official press.
- June 21, 1951 Communist Party of Guatemala held first public ceremony attended by high government officials at which it announced intention to become a legally registered party.
- July 1951 Víctor Manuel Gutiérrez admitted to press that he was a Communist.
- January 26, 1952 After trip to Moscow, Víctor Manuel Gutiérrez dissolved Revolutionary Workers' Party of Guatemala and joined the Communist Party of Guatemala headed by José Manuel Fortuny. Advised followers to do same.
- December 11-14, 1952 Guatemalan Communists held Second Party Congress, reelected José Manuel Fortuny Secretary General, changed name to Guatemalan Labor Party, reorganized party along Stalinist lines, and converted weekly Octubre into daily paper.

- December 11-14, 1952 In presenting draft statutes of the Guatemalan Labor (Communist) Party at the Second Party Congress, the Political Committee described them as "statutes of the Marxist-Leninist Party of the working class of our country" based upon "... principles with which Lenin enriched the Marxist doctrine in the creation of instruments capable of constructing the new society—more humane, more just, without the exploited and the exploiters ..."
- December 19, 1952 Guatemalan Labor (Communist) Party registered by Guatemalan Government as legal party in Civil Registry.
- 1953 The Guatemalan Labor (Communist) Party adhered to Soviet line. Thus, it endorsed accusation of Stalin government that "Jewish doctors" had plotted the death of certain Soviet leaders, reversed itself after Stalin's death in March by endorsing the new line put out by Beria that the doctors' confession had been extracted by "impermissible means", and finally reversed itself again by joining in Malenkov's accusations that Beria was a traitor.
- February 17, 1953 "Jacobo Sánchez" School reopened in keeping with Guatemalan Labor (Communist) Party decision to expand educational program.
- May 16-17, 1953 In a policy report to the Central Committee of the Guatemalan Labor (Communist) Party, José Manuel Fortuny laid down a seven-point plan: (1) "The application of Agrarian Reform must be carried on"; (2) "Intensify the fight against foreign monopolies and increase the anti-imperialist sentiment of our people"; (3) "Denounce with greater insistence the counter-revolutionary activities of feudal imperialist reaction ..."; (4) "Give increasing support to the progressive measures undertaken by ... President Arbenz"; (5) "Improve the living conditions of the masses"; (6) "Cultivate and strengthen organic unity and united action of the working class"; and (7) "Tighten the alliance between the workers and the peasants." In this same statement, Fortuny added: "We Communists are the best defenders of democratic liberties here and everywhere."

August 8-9, 1953 Guatemalan Labor (Communist) Party held National Conference on organization at which it claimed 100 percent rise in membership, or total of approximately 1,150 members.

August 15, 1953 Communist organ Tribuna Popular published daily in place of former weekly Octubre.

September 6, 1953 The Communist daily Tribuna Popular carried a cartoon depicting the United States as a claw over Guatemala and captioned "Leave or go home."

November 20-22, 1953 For the first time, the Guatemalan Labor (Communist) Party elected its candidates mayors of several towns in countrywide municipal elections.

January 19, 1954 According to the Communist daily Tribuna Popular, José Manuel Fortuny sent the following message to the US Communist newspaper Daily Worker: "Accept the warm salute of our Party on the occasion of the thirtieth anniversary of your newspaper, the valiant spokesman of the legitimate interests of the North American people, democracy, socialism, and peace"

January 23, 1954 Guatemalan Labor (Communist) Party, Department of Escuintla Committee, held Lenin commemoration meeting in government-owned school.

Government Positions Held by Communists

1945	Abel <u>Cuenca</u> <u>Martínez</u> , Salvadoran, appointed Secretary of Legation in Ecuador.
1945	Carlos Manuel <u>Pellecer</u> accredited as First Secretary to USSR, Norway and Sweden.
1945	Rafael <u>de Buen</u> y Lozano served as Professor of Humanities in the University of San Carlos, the national university.
March 1945	José Manuel <u>Fortuny</u> , now Secretary General of the Guatemalan Labor (Communist) Party, elected a secretary of the National Congress and appointed a member of its Committees on Foreign Relations and on Government, Labor and Social Security.
April 1945	José Manuel <u>Fortuny</u> appointed a member of the newly created Department of Press, Propaganda and Tourism in President Arevalo's Secretariat.
April 1945 to February 1946	Pedro Geoffroy <u>Rivas</u> served as an announcer for the government broadcasting station, TGW.
1946-1948	Carlos Manuel <u>Pellecer</u> served as Secretary of Legation in Paris where he and Minister <u>Muñoz</u> Meany associated with various Communist groups. Traveled to Satellite countries.
February to June 1946	Pedro Geoffroy <u>Rivas</u> served as member of Board of Directors of government broadcasting station, TGW.
June 1946	Alfredo <u>Silva</u> <u>Jonama</u> served as Chief of Propaganda of government broadcasting station, TGW, of which he was later made Director.
1947	Abel <u>Cuenca</u> <u>Martínez</u> served as Press Attaché in San Jose, Costa Rica.
1947	Rafael <u>de Buen</u> y Lozano appointed adviser to Minister of Economy and Labor.

1948 Víctor Manuel Gutiérrez served on Board of Directors of Guatemalan Institute of Social Security.

1948-1949 Carlos Manuel Pellecer served as Chief of Traveling Cultural Missions sponsored by Ministry of Education.

1948-1949 Ignacio Humberto Ortiz employed by Guatemalan Institute of Social Security.

1948-1949 Manuel Pinto Usaga served on Board of Directors of Guatemalan Institute of Social Security.

1948-1948 Alfredo Guerra Borges served as an editor in President Arevalo's Department of Press, Propaganda and Tourism.

1948-1950 Natzul Aguirre Cook served in Protocol Section of Ministry of Foreign Affairs.

February 1948 Víctor Manuel Gutiérrez participated actively in Traveling Cultural Missions.

March 12, 1948 Alfredo Silva Jonama appointed Under Secretary in Ministry of Education.

May to June 1948 Rafael de Buen y Lozano served as instructor in Civil Guard.

1949 Rafael de Buen y Lozano served as Professor of Biology in the University of San Carlos, the national university.

1949-1950 Alfredo Guerra Borges served as Editor-in-Chief of the official newspaper, Diario de Centro America.

1949-1950 Alfredo Silva Jonama served in President Arevalo's Department of Press, Propaganda and Tourism.

1949-1950 Carlos Manuel Pellecer served as Secretary of Legation in France.

1949-1950 Antonio Ovando Sánchez employed in Guatemalan Institute of Social Security.

1949-1952 Humberto Alvarado served as employee in President Arevalo's Department of Press, Propaganda and Tourism.

January 1949 Virginia Bravo Lethelier served in various capacities in Ministry of Education, chiefly as vocational aids expert.

January 1949 Miguel Angel Vasquez served in Ministry of Education as chief editor of the publications section.

January 1949 Alfredo Guerra Borges Secretary of Embassy in El Salvador.

February 1949 Carlos Manuel Pellecer appointed Director the Traveling Cultural Missions.

May 1949 Rafael de Buen y Lozano appointed teacher in Institute of Diplomatic and Consular Training.

1950 Rafael de Buen y Lozano served as Consultant for the Production Development Institute.

1950 Carlos René Valle employed by National Petroleum Institute.

1950 Virginia Bravo Lethelier served as adviser to Minister of Education.

March 1950 Humberto Alvarado made head of President Arevalo's Department of Press, Propaganda and Tourism.

1950-1951 Virginia Bravo Lethelier headed Department of Audio Visual Aid in Ministry of Education.

1951 Max Ricardo Cuenca Martínez employed in Guatemalan Institute of Social Security.

1951 Natzul Aguirre Cook served on Board of Directors of Guatemalan Institute of Social Security.

1951 Bernardo Alvarado Monzón served on Board of Directors of Guatemalan Institute of Social Security.

1951 Víctor Manuel Gutiérrez served on Board of Directors of Guatemalan Institute of Social Security.

April 1951 Alfonso Solórzano appointed head of Guatemalan Institute of Social Security.

May 1951 Abel Cuenca Martínez appointed office manager of Guatemalan Institute of Social Security.

1952 Natzul Aguirre Cook employed by Guatemalan Aviation Company, a government enterprise.

1952 Edelberto Torres headed Editorial Office of Ministry of Education and taught in the University of San Carlos, the national university.

1952 Carlos René Valle employed by National Petroleum Institute.

1952-1953 Víctor Manuel Gutiérrez and José Alberto Cardoza served, respectively, as Chairmen of Congress' Special Committee on Agrarian Reform and Special Committee on Revision of the Labor Code.

May 1952 Manuel Pinto Usaga appointed Consul in Mexico City.

September 1952 Rafael Tischler appointed by National Agrarian Department as its representative to the Directorate General of Fundamental Education.

September 1952 Raúl Leiva appointed Acting Director of the government radio station, TGW.

September 1952 José Luis Ramos, Otto Raúl González, and Max Gonzalez served on National Agrarian Department delegation which distributed 44,000 acres of land to farm workers.

1953 Víctor Manuel Gutiérrez served on faculty of the University of San Carlos, the national university.

1953-1954 Víctor Manuel Gutiérrez and José Alberto Cardoza served, respectively, as Chairmen of the Agrarian Reform and Labor Code Revision Committees of the National Congress.

April 1953 Carlos Alvarado Jerez was serving as Director of the government radio station, TGW.

July 31, 1953 Carlos Alvarado Jerez appointed Director General of Radio Broadcasting.

August 28, 1953 José Luis Ramos served as a member of the National Agrarian Council.

October 1953 Hugo Barrios Klee appointed Deputy Inspector General of Labor.

October 9, 1953 Otto Raúl González served as representative of Directorate General of Statistics on National Agrarian Council.

October 9, 1953 Raúl Leiva was serving in President Arbenz' Information Office as Chief of the Press Section.

October 9, 1953 The following members of the Guatemalan Labor (Communist) Party were employees of the National Agrarian Department: Waldemar Barrios Klee, Natzul Aguirre Cook, Marco Antonio Blanco, Florencio Méndez, Juan Rafael Vittorazzi, Rafael Tischler, Eugenio Arrivillaga Velis, Roberto Bran Maldonado, Jorge Villavivencio Marroquin, and Eduardo Sosa Montalvo.

November 9, 1953 Four of 56 deputies in Congress are Communists: Víctor Manuel Gutiérrez, Jose Alberto Cardoza, Cesar Montenegro Paniagua, and Carlos Manuel Pellecer.

January 1954 Waldemar Barrios Klee appointed Acting Chief of the National Agrarian Department.

Communists in Labor Organizations

December 5, 1944	Confederation of Guatemalan Workers founded with help of Communists particularly from El Salvador.
1946	Labor indoctrination school, <u>Esuela Claridad</u> , established in the Confederation of Guatemalan Workers with Abel <u>Quenpa</u> Martínez as director.
1946	Víctor Manuel <u>Gutiérrez</u> served as Secretary General of the Confederation of Guatemalan Workers and of the Union of Educational Workers of Guatemala, and as a member of the Committee of Syndical Unity and of the Executive Committee of OTAL.
January 1946	Víctor Manuel <u>Gutiérrez</u> elected deputy on the Confederation of Guatemalan Workers-Party of Revolutionary Action ticket from the Department of Guatemala to the National Congress, in which body he took an active interest in labor problems.
1946-1947	Mamuel <u>Pinto</u> Usaga served as member of the National Executive Committee and Secretary of Organization and Propaganda for the Syndical Federation of Guatemala.
December 1946	National Committee of Syndical Unity formed under Communist auspices to coordinate the activities of the Confederation of Guatemalan Workers, the Syndical Federation of Guatemala, and the Central Regional Federation of Workers. Emphasized line followed by World Federation of Trade Unions and Latin American Confederation of Workers.
1947	Confederation of Guatemalan Workers joined praise of USSR with denunciations of US imperialism.
August 1948	Secretary General Víctor Manuel <u>Gutiérrez</u> stated that the Confederation of Guatemalan Workers would organize peasant communes.

December 1948	Manuel <u>Pinto Usaga</u> of the Railway Workers' Union founded its Political Committee.
May 1, 1949	May Day Parade demonstrated the Communist-controlled World Federation of Trade Unions and Latin American Confederation of Workers direction of Guatemalan organized labor. President Arévalo and government closely identified themselves with these May Day festivals.
December 18-19, 1949	Railway Workers' Political Committee adopted Communist-line policy statement.
January 21-22, 1950	Manuel <u>Pinto Usaga</u> organized and became Secretary General of the National Political Committee of Guatemalan Workers.
1950	Víctor Manuel <u>Gutiérrez</u> elected Secretary of Propaganda for the National Political Committee of Guatemalan Workers. In his keynote address at the national convention of workers' political committees, Gutiérrez clearly stated his belief in Communism.
January 1950	Influenced chiefly by Manuel <u>Pinto Usaga</u> , the Syndical Federation of Guatemala affiliated with the World Federation of Trade Unions and the Latin American Confederation of Workers.
January 1951	Syndical Federation of Guatemala and Confederation of Guatemalan Workers urged their affiliates to collect assessment for annual contribution to the Latin American Confederation of Workers.
January 1951	Secretary General of the National Political Committee of Workers, Manuel <u>Pinto Usaga</u> , announced the organization's continued operation despite fact it was formed with sole purpose of participating in 1950 elections.

May 10-13, 1951 Conference by World Federation of Trade Unions and Latin American Confederation of Workers with representatives of Latin American Land and Air Transport syndicates held in Guatemala City with participation of Communist labor leaders (including World Federation of Trade Unions Secretary General Luis Saillant and Latin American Confederation of Workers Secretary General Lombardo Toledano). Opening meeting attended by prominent officials of Guatemalan Government. In addition to usual denunciations of US and propaganda for peace, the conference urged unification of Guatemalan labor.

October 12-14, 1951 General Confederation of Guatemalan Workers embracing all labor organizations of any importance formed at labor congress in Guatemala City with help of World Federation of Trade Unions Louis Saillant and Latin American Confederation of Workers Vicente Lombardo Toledano. Víctor Manuel Gutiérrez elected Secretary General and Communists placed in key positions. All speeches at Congress followed the Communist line. Messages of congratulations sent by President Arbenz and ex-President Arévalo. Attending this meeting were Minister of Communications and Public Works as Arbenz' official representative and President of National Congress. Víctor Manuel Gutiérrez elected Secretary General.

March 1952 Communist-influenced labor and political organizations assured Administration of their support in face of anti-Communist demonstration.

May 28 to June 1, 1952 José Luis Ramos elected secretary for training of National Confederation of Rural Workers of Guatemala.

June 1952 Diario de Centro América, government official newspaper, quoted Carlos Manuel Pellecer as saying that the General Confederation of Guatemalan Workers had directed formation of committees of self-defense to fight shoulder to shoulder with authorities of the country "against the enemies of the Revolution."

June 18-20, 1953	Communists and Communist sympathizers made impressive gains in the Railway Workers' Union by winning elections for officers.
June 19, 1953	Communist-controlled General Confederation of Guatemalan Workers and Communist-oriented National Confederation of Rural Workers gained virtual control of Agrarian Reform machinery when National Congress voted them 2 of 3 positions on Departmental Agrarian Commissions.
August 27, 1953	Víctor Manuel <u>Gutiérrez</u> announced that the World Federation of Trade Unions had accepted affiliation of the Central Confederation of Guatemalan Workers.
October 9, 1953	All key positions in the General Confederation of Guatemalan Workers held by members of the Guatemalan Labor (Communist) Party.
November 1953	<u>Tribuna Popular</u> , the Communist daily, reported that Víctor Manuel <u>Gutiérrez</u> , Carlos Manuel <u>Pellecer</u> and Víctor A. <u>Leal</u> were elected to the General Council of the World Federation of Trade Unions.
December 1953 to January 1954	Labor organizations throughout Guatemala held a series of meetings to build up enthusiasm for the Second National Congress of the General Confederation of Guatemalan Workers.
January 30, 1954	Second National Congress of the General Confederation of Guatemalan Workers offered President Arbenz support "in face of plans of imperialist intervention in connivance with traitors to Guatemala." Víctor Manuel <u>Gutiérrez</u> reelected Secretary General.
February 1, 1954	The General Confederation of Guatemalan Workers distributed banners protesting "foreign intervention" which were flown over many cities and towns. At its headquarters in Guatemala City the red Communist flag flew beside the Guatemalan emblem.

February 1, 1954

At the Second National Congress of the General Confederation of Guatemalan Workers, Carlos Manuel Pellecer stated that Fascism, crushed in Europe, had risen again with renewed vigor in the United States.

February 2, 1954

The Second National Congress of the General Confederation of Guatemalan Workers proposed to the government that active diplomatic relations be renewed with the USSR.

Communist Infiltration of, and Influence in, other Political Parties

March 19, 1945 José Manuel Fortuny was active and far leftist member of Popular Front of Liberation on whose ticket he was elected to Congress.

1946 - 1949 José Manuel Fortuny joined the Party of Revolutionary Action, a pro-Government party, and occupied at various times a number of important posts: 1946 to early 1947, Secretary General; March 1947, Secretary of Acts; November 1947, Secretary General; 1949, Member of Political Committee; he also served as Secretary of Propaganda.

January 1946 Víctor Manuel Gutiérrez elected deputy to National Congress on Confederation of Guatemalan Workers - Party of Revolutionary Action ticket, from Department of Guatemala.

1947 Manuel Pinto Usaga elected on Party of Revolutionary Action - Committee of Syndical Unity ticket to National Congress.

October 1948 Carlos Manuel Pellecer, after return from Czechoslovakia, stepped into leadership role within Party of Revolutionary Action.

1949 Manuel Pinto Usaga elected Secretary of Labor Union Affairs for National Executive Committee of Party of Revolutionary Action and became a member of strategic Political Committee.

1949 Party of Revolutionary Action officials chosen in 1949 included such Communists as José Manuel Fortuny, Manuel Pinto Usaga, and Víctor Manuel Gutiérrez who constituted an influential element.

March 9, 1949 Víctor Manuel Gutiérrez, member of Party of Revolutionary Action National Executive Committee in charge of Social Affairs, resigned in protest at Secretary General's decision not to let Party of Revolutionary Action be represented at Mexico City "peace" meeting.

1950 National Political Committee of Workers founded by Communists to support Colonel Jacobo Arbenz and congressional candidates in 1950 election campaign.

June 1951 Agitation for formation of a United Democratic Front (Party of Revolutionary Action, Guatemalan Communist Party, Revolutionary Workers' Party of Guatemala) increased. Party of Revolutionary Action appointed a committee composed largely of Communists and Communist sympathizers to represent it in negotiations for the formation of this front.

June 5, 1951 Pro-Administration parties participated in Partisans of Peace meeting.

July 19, 1951 With assistance of Communists and pro-Communists, Alliance of Democratic Parties formed, composed of Party of Revolutionary Action, National Renovation Party, Popular Front of Liberation, and Party of National Integrity.

February 1952 39 members of the dissolved Communist-controlled Revolutionary Workers' Party of Guatemala joined the Party of Revolutionary Action. This move increased the strong leftist influence within the Party of Revolutionary Action.

October 1952 Guatemalan Communist Party included with other pro-Administration parties in "Democratic Electoral Front."

November 1952 José Manuel Fortuny, Secretary General of Guatemalan Communist Party, endorsed as one of two "Democratic Electoral Front" candidates for Deputy from Department of Guatemala.

- December 29, 1952 The "Democratic Electoral Front" of pro-Administration parties exhibited a bacteriological warfare film at a political rally held in Guatemala City.
- January 16-18, 1953 One Communist candidate of the pro-government coalition elected to Congress to give Guatemalan Labor (Communist) Party total of 4 seats. Party of Revolutionary Action, which collaborated closely with Communists, controlled 23 seats after elections.
- March 25, 1953 Party of Revolutionary Action issued a bulletin calling for Guatemala to withdraw from ODECA in view of Salvadoran proposal to discuss joint action against Communism on grounds that such action constituted intervention in Guatemala's domestic affairs.
- October 1953 Guatemalan Labor (Communist) Party sought to advance its popular front tactic by holding mass meetings in favor of creation of a strengthened "National Democratic Front."
- October 1953 Francisco Fernández Joneca, Secretary General of Party of Revolutionary Action said the party was a transitory party like other revolutionary parties all of which were destined to become part of the "great world Communist Party."

Travel of Guatemalan Communists

March 1948	Víctor Manuel <u>Gutiérrez</u> attended the Third General ordinary Congress of the Latin American Confederation of Workers held in Mexico City.
October 1948	Carlos Manuel <u>Pellecer</u> returned from Czechoslovakia.
1949	Carlos Manuel <u>Pellecer</u> visited Eastern Europe.
1949	Víctor Manuel <u>Gutiérrez</u> was the Confederation of Guatemalan Workers' delegate to the Second World Federation of Trade Unions Congress at Milan, at which he was elected to the Executive Committee of the World Federation. He was also the delegate of the Confederation of Guatemalan Workers and the Union of Educational Workers of Guatemala to the 1949 World Peace Congress held in Paris. He organized Guatemalan "pro-peace" committees of August 1949 and April 1950, both branches of the Communist-front, World Committee of Partisans of Peace.
April 1949	José Manuel <u>Fortuny</u> was delegate to Paris World Peace Congress, after which he visited Iron Curtain countries for two months.
June 1949	Víctor Manuel <u>Gutiérrez</u> , Secretary General of the Confederation of Guatemalan Workers, left Guatemala to attend the Milan meeting of the World Federation of Trade Unions on a diplomatic passport. Manuel <u>Pinto Usaga</u> and Jose <u>Segnar</u> traveled to Israel and fraternized with Israeli labor unions.
June 1949	Manuel <u>Pinto Usaga</u> attended the Second World Federation of Trade Unions Congress in Milan at invitation of Vicente <u>Lombardo Toledano</u> .
September 1949	José Manuel <u>Fortuny</u> , President of Guatemalan delegation at the American Continental Congress for Peace in Mexico City, was made a member of over-all Directing Committee for Central America.

September 1949	Víctor Manuel <u>Gutiérrez</u> represented the Federation of Democratic Youth of Guatemala at the American Continental Congress for Peace in Mexico City.
January 1951	Enrique <u>Juárez</u> Toledo, Guatemalan poet, attended Peace Conference in Poland.
June 1951	The Syndicate of Guatemalan Educational Workers accepted an invitation to send a delegate to Berlin Youth Festival.
July 1951 to November 1952	Thirty-eight persons left Guatemala to attend Communist-sponsored international conference and 19 were to attend such meetings in December 1952.
July 1951	It was announced that six members of a Guatemalan delegation were to attend Berlin Youth Festival.
October 25, 1951	Víctor Manuel <u>Gutiérrez</u> traveled to Europe, ostensibly to attend a World Federation of Trade Unions meeting in Paris (or Berlin).
November 1951	Roberto <u>Alvarado</u> Fuentes and Luis <u>Cardoza</u> y Aragon attended World Peace Congress in Vienna.
November 1951 to January 1952	Víctor Manuel <u>Gutiérrez</u> attended the World Federation of Trade Unions Congress in Berlin after which he spent two months visiting the USSR and satellite countries, returning to Guatemala on January 9, 1952.
March 1952	Hemisphere Peace Conference at Montevideo attended by 6 Guatemalans including one residing in Buenos Aires and one in Chile.
April 1952	Two Guatemalans and one alien resident in Guatemala attended International Conference in Defense of Children held at Vienna.

May 1952 Alfredo Silva Jonama, a member of the Political Committee of the Guatemalan Communist Party, visited Moscow and attended preliminary meeting of the Asiatic and Pacific Peace Conference in Peking.

August-September 1952 One Guatemalan attended the International Students Union Council held at Bucharest.

October 1952 The following Guatemalans attended the Asiatic and Pacific Peace Conference: Juan Antonio Crus Franco, Garmen Moran, Carlos Alvarado Jerez, José Alberto Cardoza, Francisco Galicía del Valle. Cardoza visited Moscow both going and coming.

October 1952 Alfredo Silva Jonama returned from China, the USSR, and the Peoples Democracies.

November, 1952 Augusto Cazali Avila, Secretary General of the Democratic University Front, returned from the August-September conference of International Students Union in Bucharest.

November 7, 1952 Guatemalan National Committee for Peace named 4 delegates to World Congress of Peoples for Peace in Vienna: Sra. Elena de Barrios Klée, Director of Government's Normal School for Women, Pauline Ovalle, Director of Nuestro Diario, Captain Terencio Guillén, Governor of the Department of Escuintla, Joaquín Artiga de León, President of Peace Committee of the Department of Santa Rosa.

December 1952 Thirteen Guatemalan delegates attended the World Federation of Trade Unions Social Security Conference, Vienna.

1953 Víctor Manuel Gutiérrez attended the World Federation of Trade Unions Congress in Vienna.

March 20, 1953 Víctor Manuel Gutiérrez and two other delegates left Guatemala to attend the Conference of the Latin American Confederation of Workers held in Santiago, Chile.

April 1953 Oscar Edmundo Palma of the Guatemalan Labor (Communist) Party visited Moscow after attending the April World Peace Congress in Budapest.

June 1953 Guatemalan delegation to World Peace Council in Budapest included Lieutenant Colonel Carlos Paz Tejada, Major Marco Antonio Franco and Oscar Edmundo Palma.

June to December 1953 48 Guatemalans visited Soviet orbit during this period of which 11 went to Moscow.

July 1953 Oscar Edmundo Palma, Secretary of Propaganda for the National Peace Committee, attended the World Peace Council held in Bucharest.

August 1953 Guatemalan delegation attended World Youth Festival in Bucharest after which some members visited the USSR.

November 1953 Gabriel Camey, a farm union leader, visited the Soviet Union.

December 1953 Víctor Manuel Gutiérrez, returned from Moscow at the head of the Guatemalan delegation which had toured the Soviet Union after attending the Third World Federation of Trade Unions Congress held in October in Vienna. The delegation consisted of Leonardo Castillo Flores, José Luis Cacero, of the Railway Workers' Union, José Luis Ramos, Vice Secretary for Agrarian Affairs of the General Confederation of Guatemalan Workers, and José Luis del Cid, member of the General Confederation of Guatemalan Workers' Executive Committee.

December 1953 Humberto Hernández Cobos, Civil Registrar for Guatemala, flew to Vienna to attend the World Congress of Democratic Lawyers.

January 8, 1954 José Manuel Fortuny, Secretary General of the Guatemalan Labor (Communist) Party, returned from Moscow for which he had departed on November 5, 1953.

Foreign Communists' Visits to Guatemala

July 1948	Vicente <u>Lombardo</u> Toledano held lengthy interviews with President Arévalo and Foreign Minister Enrique <u>Mugoz</u> Meany.
April 1950	The Communist Chilean poet, Pablo <u>Neruda</u> , made a series of appearances before Guatemalan audiences immediately after his return from a trip to the USSR.
May 1951	Vicente <u>Lombardo</u> Toledano, Secretary General of Latin American Confederation of Workers, and Louis <u>Saillant</u> , Secretary General of World Federation of Trade Unions, attended Guatemala City Conference of Latin American Land and Air Transport Workers' Unions.
June 1951	The well-known Chilean Communist, Cesar <u>Godoy</u> Urrutia, visited Guatemala.
March 1952	Elas <u>Roca</u> , Juan <u>Marinello</u> , and Salvador <u>Aguirre</u> , leaders of Cuban Communist Party, visited Guatemala.
December 11, 1952 to December 14, 1952	Dionisio <u>Encina</u> , Secretary General of Mexican Communist Party, attended Second Congress of Guatemalan Labor (Communist) Party.
October 9-27, 1953	Michael K. <u>Samoilov</u> , Commercial Attache of Soviet Embassy in Mexico, visited Guatemala and conferred with José Manuel <u>Fortuny</u> , Alfonso <u>Soldórzano</u> , and Ernesto <u>Capuano</u> del Vecchio.

Attitudes toward and Relations with International Communism

- 1947 Communist Víctor Manuel Gutiérrez represented Guatemalan organized labor at Fourth Ordinary Congress of Confederation of Mexican Workers.
- November 7, 1950 Anniversary of the Russian Revolution celebrated for the first time in Guatemala. Huge success with representatives from organized labor and pro-Administration Party of Revolutionary Action, Popular Front of Liberation, and Party of National Integrity in attendance. Pro-Soviet speeches by José Manuel Fortuny, Víctor Manuel Gutiérrez and Luis Cardosa Aragón.
- January 26, 1952 Cominform's newspaper, "For a Lasting Peace, For a People's Democracy", published in Bucharest, summarized findings of Guatemalan Communist Party Central Committee on shortcomings of newspaper Octubre. This action confirmed acceptance of Guatemalan Communist Party by the international Communist movement as the authorized Communist Party in Guatemala.
- October 2, 1952 Guatemalan Communist Party sent message to Soviet Nineteenth Party Congress: "Our Party salutes the indestructible unity of the Communist Party of the Soviet Union which is a guarantee of the successful construction of a Communist society in your homeland, a beacon throughout this world for workers. Inspired by your example, we will intensify our struggle for the national independence and happiness of our people."
- November 17, 1952 Gita Sten, Propaganda Officer of the Polish Legation in Mexico City, arrived in Guatemala and was visited by Deputy Ernesto Marroquín Wyss and Elena Leiva de Holtz of the National Peace Committee.
- 1953 Guatemalan Labor Party leaders receiving flow of literature from Moscow and headquarters of various Soviet-controlled international organizations.

- 1953 Constant exchange of communications between Vienna, WFTU headquarters, and Víctor Manuel Gutiérrez, Secretary General of General Confederation of Guatemalan Workers.
- April 4, 1953 Guatemala withdrew from ODECA, thus adopting a course long advocated by Communists. The reason given was the proposal of El Salvador for considering Communist infiltration.
- July 1953 Cominform's newspaper, "For a Lasting Peace, For a People's Democracy", published article by José Manuel Fortuny.
- November 25, 1953 Four Administration parties, together with principal labor and "mass" organizations, issued a joint declaration against discussion of Communism at Caracas.
- January 28-31, 1954 At the opening session of the Communist-controlled Second National Congress of the General Confederation of Guatemalan Workers, José Luis Ramos, Communist member, read the following telegram: "Moscow, USSR. The Central Council of Soviet Trade Unions fraternally greets the Congress of the Confederation of Workers of Guatemala. We wish the Congress success in its work for the ultimate improvement of the conditions of life and labor of the workers of Guatemala and for the strengthening of friendship and peace among all peoples. President of the Central Council of Soviet Trade Unions, N. Shvernik."

Dissemination of Communist-Line Propaganda

December 21, 1947	Federation of Democratic Youth of Guatemala, affiliate of Communist World Federation of Democratic Youth, founded by a group including several prominent Communists. It has been active among university students as a propaganda organ.
September 1948	Guatemalan Committee for Peace and Democracy formed for the purpose of furthering "international peace, liberty and democracy." Several known Communists were among its founders.
August 1949	National Peace Committee reactivated at meeting presided over by Communists and Communist sympathizers. This took place after the return of José Manuel <u>Fortuny</u> , Víctor Manuel <u>Gutiérrez</u> , and Alfonso <u>Solórzano</u> from the First World Congress of Partisans of Peace. Jaime <u>Díaz</u> Rozzotto elected Secretary General.
September 1949	Guatemalan official and pro-government press gave considerable coverage to Communist-inspired Mexican Peace Congress.
April 1950	New Committee of Partisans of the Peace organized by Communists and Communist sympathizers.
February 12, 1951	Peace Committee stepped up publicity campaign.
February 12, 1951	Official and semi-official press accelerated efforts to publicize Communist "peace" campaign.
March 2-3, 1951	Annual Congress of Federation of Democratic Youth of Guatemala received generous publicity in official and semi-official newspapers which attacked US and supported the Communist line.
March 8, 1951	Official and semi-official press publicized meeting sponsored by Minister of Education in which US was attacked and Communist "peace" line enthusiastically expounded.

April 20, 1951 Roberto Alvarado Fuentes delivered a strong Communist-line speech at a meeting in honor of the Second Spanish Republic in which he espoused the "peace" campaign.

April 20-27, 1951 Official press aided accelerated "peace" campaign with daily coverage. Alfonso Solórzano, head of the Guatemalan Institute of Social Security, spoke at peace rally.

May 25, 1951 Semi-official Diario de la Mayana devoted nearly two pages to preparations for the Third World Youth Festival in Berlin.

June 1, 1951 Semi-official press carried eight column headlines saying "great enthusiasm" had been aroused for Berlin Festival among Guatemalan youth.

January 1952 According to the official radio, Indochina is to be the next victim in the conflict between the great powers. The broadcaster defended the right of every state to be free and condemned the "capitalist nations" for holding on to their colonial possessions.

April 1952 The Guatemalan official radio publicized preparations for the National Peace Assembly to be held in Guatemala City in May 1952.

April 2, 1952 The official government newspaper, Diario de Centro América, carried a headline entitled "A Call for Peace to the People of America." Based on a resolution at the Montevideo peace conference, the call was for individual signatures in favor of a "peace" pact among the Big Five.

May 23-26, 1952 In the official government newspaper, Diario de Centro América, the National Peace Assembly published resolutions denouncing the use of bacteriological warfare by American troops in Korea and condemning launching of aggressive wars in Korea. They further condemned the Inter-American Defense Treaty, the Atlantic Treaty, and the Japanese Peace Conference.

- June 24, 1952 Semi-official Nuestro Diario published the text of a letter addressed to the American Ambassador in Guatemala by 17 Communists and pro-Communists calling for termination of the "unjust and inhuman" war in Korea, where the "invading armies" were massacring defenseless Korean prisoners and using germ warfare against the population.
- June 1952 The four Communists and fifteen other deputies of the National Congress signed a "Declaration of Solidarity with the Korean People."
- 1952 National Peace Committee sponsored showings of the film "Bacteriological Warfare in Korea", purporting to prove that the United States employed germ warfare during the Korean hostilities.
- July 12, 1952 The official government newspaper, Diario de Centro América, published what purported to be a statement by a Lt. John Quinn, USAF, confessing participation in germ bomb attacks against North Korea. Although an inconspicuous note at the end identified the article as a publication of the National Peace Committee, it was set up to appear as a factual news story.
- August 28, 1952 According to the independent press, the August 28 issue of Octubre was published in the government printing shop after being set up by members of the linotypists' union who at the same time were carrying on an illegal strike which had affected every press organ in the city.
- November 7-9, 1952 National Conference on Social Security, held under thinly-veiled Communist auspices, received support of the official press, the Guatemalan Institute of Social Security, and the Ministry of Health.
- 1953 Under the sponsorship of the Partisans of Peace Committee, a bacteriological warfare film was shown in a public school by a government operator with government equipment.

- January 1953 Candidacy of Communist José Manuel Fortuny as one of two avowed Communist candidates for Congress received the full support of Administration parties and the official press.
- February 13, 1953 Official government newspaper Diario de Centro América devoted half a page to an article by Víctor Manuel Gutiérrez, Jorge Luis Arriola, and others on the importance of the National Youth Conference.
- February 20-22, 1953 Conference in Defense of the Rights of Youth held in Guatemala City in preparation for March Vienna conference of World Federation of Democratic Youth, supported by the official government newspaper Diario de Centro América.

Majority of sessions held in a government school building under auspices of the General Confederation of Guatemalan Workers, the National Confederation of Rural Workers of Guatemala, and other Communist organizations. Among those present and elected to a Presidium were: Julio Estrada de la Hoz, President of Congress; Jorge Luis Arriola, Minister of Public Health; Víctor Manuel Gutiérrez, Secretary General of the General Confederation of Guatemalan Workers; and Rafael Tischler, Secretary General of the Syndicate of Educational Workers of Guatemala.
- July 24, 1953 Jaime Díaz Rozsotto delivered a lecture sponsored by the Guatemalan Spanish Republican "Pro-Peace" Committee in which he made frequent references to the Soviet "peace" movement and other Communist objectives.
- September 28, 1953 Diario del Pueblo, organ of the Guatemalan Revolutionary Party, edited by Director of the Guatemalan Institute of Social Security Communist Alfonso Solórzano, began publication.
- October 1953 Guatemalan Labor (Communist) Party sponsored program over Guatemala City's station, Radio International.

October 1953	The official gazette published a decree by which the government made available \$10,000 to the Communist-sponsored Second Continental Congress of Democratic Lawyers.
December 21, 1953	The official radio TONA announced that: "the Youth Section of the Guatemalan Workers' Party is scheduled to meet on December 21 at Party Headquarters to honor the memory of the leader of the working class, Joseph Stalin."
December 1953	The Communist-controlled National Peace Committee announced that it had gathered 74,000 signatures in petition for negotiations between US, UK, USSR, France, and Communist China.
January 28-31, 1954	The Guatemalan Government lent its support to the Communist-controlled Second National Congress of the General Confederation of Guatemalan Workers in various ways: (1) Jaime Díaz Rozotto, Secretary General of Presidency, sat on the Presidium at the opening session; (2) All sessions of the Congress, except the first, were held in government property; (3) The proceedings of the Congress were broadcast over the government radio station and published in the official and semi-official press; (4) The Secretary of Propaganda of the Presidency on January 28 devoted the government's radio program, The National Hour, to an act of homage to the Congress, and forced independent radio stations to carry the same program.

Guatemala

February 9, 1954

Personal and Confidential

Honorable John Peurifoy
American Embassy
Guatemala City
Guatemala

Dear Jack,

Dave passed on to me some ideas which I understand you discussed to combat Communism in Guatemala, particularly the idea of getting some 4-H Club youngsters, perhaps members of the Quaker summer camp groups, and others to come down to Guatemala to show the folks down there that we are human beings, etc.

I don't know how seriously you are considering this idea, but from the point of view of American youth groups I think it is feasible. It would have to be organized very carefully, and I think it would be a great mistake to let anyone know that the United States government had any real hand in the matter. It should be organized in the same way the Friendship Train came about, by private groups with the indirect and silent blessing of the State Department.

I was down at the Department yesterday, talking to some of your colleagues regarding news in Latin America, and had occasion to ask them about the matter. I took it up only very casually and did not implicate either you or Dave. I merely wanted to get their reaction generally speaking to such a program. The fellows I talked with were Woodward Fisher and a man whose name I think was Burrows. Their reaction at first was a little on the neutral side, but Burrows warmed up and got quite enthusiastic toward the end, and I think they both rather liked the idea on the whole, though they wondered, first, whether the Guatemalan government would admit the youngsters and, second, what kind of work they would be able to do.

In passing, and as an old friend of yours who hates to see you get your fine reputation even slightly tarnished, let me say that there is one whale of a lot of criticism of the entire Guatemalan mess. You are not particularly blamed for it, but inasmuch as you are down there, some of the blame automatically rubs off on you. And, unless you can pull some kind of a rabbit out of the hat, I think it's going to be an even more unfavorable reaction.

This letter is chiefly to tell you that I would be glad to help in any way I can on the general ideas that Dave talked to me about, or

- 2 -

any other ideas on people-to-people projects which you think might be helpful.

By accident, I bumped into several friendly Latin American diplomats from neighboring countries, who seem to be up in arms over the way we are handling Guatemala, the coffee situation, and Latin American relations generally. Some of these gentlemen have spent years in the United States and say they have never seen public opinion in a worse state in Latin America or more inept plays pulled by the United States government.

Naturally this letter is confidential and personal, and is only written with the idea that if there is anything I can do, don't hesitate to call on me.

Regards,

Drew Pearson

DP/c

Advertisers Press, Inc.

211 EAST COURT STREET
FLINT 3, MICHIGAN

Publishers of
Flint News-Advertiser

Aug. 13, 1954

The real facts about Guatemala as explained by Col. Roberto Barrios Pena, the grandson of former president Barrios, of distinguished family down there.

Dear Drew: (Private as to source)

Out here for week-end with my family. Don Johnson, just in, and he sends best wishes to you.

Last Tuesday I tried to get you and left word to phone me at the Army & Navy Club there. I had Colonel Roberto Barrios Pena with me at breakfast. He had conferred with Asst. Sec'y of State Henry Holland Monday there. He has been giving our State Department valuable information about the Guatemala situation for a year (I met him a year ago when he landed in New Orleans as a refugee from Guatemala when he brought his family (after a price had been put on his head by the Arbenz crowd) met him through Bob Brothers and an advisor to him. Drew, he has given me the correct evaluation of the situation in Guatemala and the temper of the Latin-American people in each nation down there, and I have given reports to the State Dept, to the CIA, and to Naval Intelligence. He has evaluated correctly IN EVERY INSTANCE the important moves by the communists, and the alleged anti-communists, (who seem to be in power at present with Monzon-Oliva associates and the Army backing Armas) and the moves by the real anti-communists of whom he is the actual leader.

I gave Naval Intelligence his evaluations, with names of the leaders and the part they would play, etc, because there appeared to be a leak in the State Dep't., and in the CIA, and I so informed my old friend General Walter Bedell Smith, altho he did not think so. (I served with Walter as a 1st Lt. when he was a 1st Lt. more than 30 years ago, and same staff out of Ft. Sheridan, and at Ft. Custer. He was adjutant and G-1, and the writer Press Officer to the commanding general, and I later went with M.T.C.A. in Chicago as public relations, etc. So I write and talk frankly to him.)

Naval Intelligence twice has sent one of their men to see me and to thank me personally for the information as being accurate and of great benefit. We still furnish them with information about the G. situation, and Tuesday one of their men, and again Wednesday, was with Col. Barrios. I so wanted him to sit down with you and give you the "inside," and the correct facts, because they are not being correctly presented to the President, nor to the public through the press. Ed. Bernays (we are informed) the press agent for United Fruit, and Dulles law firm, among others, do not see eye to eye with Col.

Advertisers Press, Inc.

211 EAST COURT STREET

FLINT 3, MICHIGAN

Publishers of
Flint News-Advertiser

Is Dulles' law firm the counsel for United Fruit? Or associated in any way? This could account for much.

Barrios' real anti-communist leadership, a leadership that ^{will} eventually win out in G. and Barrios may be called back (he plans to return there in September he told me, and was going to tell you) to assume the real leadership, and he may be president some day.

Don't overlook this leader, who is pro-United States, and who knows how we can win the solid friendship of Latin-Americans, and he is greatly respected by them. He knows all of the leaders south of our border, and knows who to trust as our friends, who play politics for personal gain, and who are deceptive and communistic, some making believe they are communists temporarily.

Col. Barrios is the grandson of General Justo Barrios (report there named after him) known as the liberator of Guatemalá, and "The Abraham Lincoln" of that island. He was president 14 years, from 1871 to 1885, and died in battle, a national hero, which he still is.

Col. Barrios was graduated from the G. military academy at the head of his class, after attending high school in New Orleans where he lived with his father who had to leave G as a refugee once. Barrios sold Times Picayunes as a youngster, also, and kept in touch with many in N.O. through the years. Then he served in the army of G as Col. on the general staff, assistant to the Chief of Staff, secretary in the defense department, executive to the defense, chief of the staff, and superintendent of the military academy, also on one of the president's staff, among other official offices.

He organized the anti-communist forces against Arbenz. He refused the presidency at the time Arbenz was selected because he would not play ball with communist forces. And he resigned as commandant superintendent of the military academy, -then went in exile to the United States (New Orleans).

Col. Barrios does not want to openly oppose Dulles, nor our present State Dept. policy, nor appear to oppose anyone up here who is in a powerful official capacity. He prefers to cooperate to try to show them the actual facts, because he understands the Latin-American mind and the long run tendencies, and their viewpoints, - their "hearts". He says positively that this Armas deal cannot last and is only worsening the anti-American attitudes down in the hearts, of not only Guatemalans, but of Latin Americans. "An invasion of one country does not set well with our people. They may stand for an insurrection, and the leader may be a hero, even if he loses, but an invader, supported by a foreign power, with foreign money, and from a foreign land, eventually will be declared to be a traitor," he explained. Monzon, (Col.) has been in every one of the five juntas and is a leader with ambition, he says. More later. Will call you soon.

And-

August 17, 1954

Dear George,

When I got your message about Col. Barrios I was out at the farm, but asked my son to go down to the Army and Navy Club immediately. He did so, but found that you had already left. I'm sorry to have missed the Colonel.

I have already written, as of some weeks ago, the same conclusions you and Col. Barrios have reached - namely, that the Armas regime cannot last.

Please give my very best to Don Johnson.

Regards,

Drew Pearson

Mr. George Maines
Advertisers Press, Inc.
211 East Court Street
Flint 3, Mich.



Associated Press

Seeks Freedom

Now gray-haired, 52-year-old Volney Davis is pictured after appearing in a St. Paul (Minn.) court to seek freedom from a life sentence for the 1935 kidnaping of Edward Bremer, St. Paul brewer. Davis claims his constitutional rights were violated.

policy at a time when the Secretary should have the widest possible support in Congress and the country."

PAY—From Page 1

Defense Pay Plan Shelved

that an across-the-board pay increase for Federal civil employees might be approved. It was intended as "ammunition" to help get the three million servicemen and women included, Hannah declared.

"The Hook report," said Hannah, "justifies a substantial increase for officers from the rank of Army colonel and Navy captain up, minor increases down the line and suggests that the lowest grade enlisted ranks might be paid less."

In the report, the chiefs of staff, Hannah indicated, were compared with presidents of steel companies and privates with apprentices.

The Pentagon hopes to get some legislation enacted providing additional medical care for dependents and housing in lieu of a pay increase. Publication of the Hook report, setting a money value on such benefits would give ammunition to opponents of such bills, it was indicated.

Envoy From Britain Is Received by Chou

TOKYO, (Friday), July 9 (AP). Chou En-lai, Premier and For-

AID—From Page 1

Senate Unit Acts on China

the Security Council, or General Assembly of the United Nations, the President is requested to inform the Congress insofar as is compatible with the requirements of national security, of the implications of this action upon the foreign policy of the United States, and our foreign relationships, including that created by membership in the United Nations, together with any recommendations which he may have with respect to the matter."

Sen. J. William Fulbright (D-Ark.), one of those who agreed to the Knowland formula, said he's "reasonably" satisfied with it. "It certainly is a far cry from withdrawing from the U. N.," he commented.

"It does not require a session of Congress. If it requires anything, it requires the President to consult with the leaders of Congress."

Sen. H. Alexander Smith (R-N. J.), acting Foreign Relations chairman, said that under the Knowland plan if the "crisis" of U. N. membership for Red China should develop, at least the leaders of Congress and of the Foreign Relations Committees would be summoned for consultation with the Presi-

INSURE—From Page 1

Senate Votes Insurance Plan

nual salary at a rate of \$6.50 a year for each \$1000 of coverage.

The policy would pay double in case of accidental death. Also, it would pay 50 percent of its face value in the event of the loss of a leg, an arm, or an eye, and full face value for the loss of any two members.

Those employees who retire on an immediate annuity before age 65 would get free coverage until they reached that age. At that time, the face value of their policies would be reduced at a rate of 2 percent a month but in no case could a policy be cut to under 25 percent of its face value. Employees who remain in the service on reaching age 65 would not have to pay premiums.

All those who have full-time Federal jobs would be covered automatically by the insurance plan. Those who do not care to participate in it must notify their agencies in writing.

The bill covers officials and

employees alike, from the President and members of Congress to elevator operators and messengers. It includes all three branches of Government, plus the District of Columbia employees and officials. No policy can be written for more than \$20,000.

The plan would be operated by the Civil Service Commission. It is backed by private insurance companies which will underwrite it.



ask for
**SWITZERLAND
SWISS CHEESE**
the genuine imported
for PERFECTION in
flavor, texture

D. C. Sergeant Honored For Services in Korea

Army Sergt. Ewell B. Blakey, Jr., 27, son of Mrs. Marie E. Blakey, of 4225 Washington place ne., has been awarded a

Castillo Wins Control in Guatemala, Named President; Junta Drops 2 Men

GUATEMALA CITY, July 8 (INS).—Gen. Carlos Castillo Armas today assumed the presidency of Guatemala's provisional government in a reorganization that reduced the five-man military junta to three members.

Announcement of the changes was made today by Rodrigo Robles Chinchilla, secretary-general of the junta, who said the election of Castillo Armas took place last night.

The move now gives the "liberation" army leader complete control of the three-man junta.

Castillo Armas' election was approved unanimously by the five members comprising the junta last night. Then Col. Mauricio Dubois and Col. Jose Luis Cruz Salazar resigned, leaving only Castillo Armas, Col. Elfego H. Monzon and Maj. Enrique Oliva in control.

Maj. Enrique Oliva was brought into the new provisional government by Castillo Armas and his retention in the new three-man group gives the liberation leader uncontested control.

Monzon had been No. 1 man in the provisional five-man group that has ruled the country since July 2, when a ceasefire was reached between the "liberation" army forces and Monzon, who had taken over from the previously Red-backed governments.

Today's announcement came



United Press

Col. Castillo Armas Col. Monzon Maj. Oliva
... they make up new 3-man junta now ruling Guatemala

three weeks to the day from the time when Castillo Armas led his small group of anti-Communist insurgents into Guatemala from neighboring Honduras.

Within two weeks the leftist government of Jacobo Arbenz Guzman was overthrown, to be succeeded by a military junta led briefly by Col. Carlos Enrique Diaz.

The latter, in turn, was deposed and a five-man junta led by Col. Monzon and pledged to oust Communists took over.

Chinchilla said Castillo Armas' election "does not affect continuity" of the junta, which will continue to rule pending elections.

Earlier, the new Guatemalan

Foreign Office claimed in a circular note to embassies in the capital it had information on "certain irregularities" in some missions, including the carrying of bombs and other arms into the embassies by some refugees.

The Foreign Office complained that some refugees were permitted to receive visitors, talk on telephones, enter or leave the compounds and hold conversations with people in the street. The statement said such acts might cause demonstrations and that Government guards hereafter will stand watch at all foreign missions.

The Best Cook

THIS WEEK

MRS. L. E. WALKER

614 So. Fairfax St., Alexandria, Va., chosen for this honor by THE WOMEN OF THE CHURCH, SECOND PRESBYTERIAN CHURCH, Alexandria, Va.

Mrs. Walker buys her Stokely-Van Camp products at THE SAFEWAY, corner Prince & Royal Sts., Alexandria, MR. V. R. SMALLWOOD, Mgr. She says you, too, can be a Best Cook, the Best Cook's way, with



Stokely-VanCamp

Quick-meal
FOODS

June 9, 1954

File Guatemala
Memo to DP from JA:

I don't know whether you'll want to report it, but Central Intelligence has made three abortive attempts to overthrow Guatemala's pinke government. CIA has been working through elements in ~~the~~ the Army, friendly to the United States. These Army officers didn't want to instigate the revolution, but agreed to support it. I don't know any further details, except that three attempts to pull it off failed.

~~Meanwhile~~ Meanwhile, the Navy has been boarding foreign ships on the high seas and searching them for Guatemalan arms -- ~~in~~ violation of international law. I am told reliably that ~~at~~ at least three ships have been stopped and searched, though I couldn't get the names or nationalities of the ships.

As I said, I don't know how much of this you would want to report anyway.

AF

May 27, 1954

file Guatemala
Memo to DP from JA:

Here is a roundup on Guatemala.....

1. Our sudden ~~indignation~~ indignation over the Polish arms shipments is part of a deliberate strategy to stamp out Communism in Guatemala. The actual fact is that Guatemala has been shopping for arms behind the iron curtain for some time, as we have reported. In fact, we reported specifically that Guatemala had received arms shipments from Poland as long as six months ago. The truth is that we forced Guatemala either to buy behind the iron curtain or to go without arms. She tried to buy from us, and we turned her down. Then she ~~went to Italy~~ dickered with our allies for surplus arms. We discouraged them from selling to her. For example, when Guatemala tried to buy some P-51's from Italy, the Italians queried Washington whether or not to sell. The word was cabled back not to sell. We are now moving ahead with a deliberate campaign to pressure the Communists out of power in Guatemala. (As you know, the Communists don't actually control the government, though there are a couple of strong Reds in the cabinet. Guatemala has also taken many of its cues on foreign policy from the Kremlin.)

2. We were worried about growing Communist strength in Guatemala for two reasons. First, Guatemala could be a threat to the Panama Canal. If Guatemala is allowed to build up as a pro-Soviet military power, it ~~might~~ might be able to blow up the Panama Canal in case of war with Russia. Second, Guatemala is already being used as a base by the Communists to infiltrate other Latin and South American countries and to spread ~~anti-United States~~ anti-United States propaganda.

3. Meanwhile, ~~Guatemala~~ we have a small Army and Air mission in Guatemala, training the same Army and Air Force that has been buying supplies behind the iron curtain. Under the agreement, however, as long as

anderson, guatemala

222222

our military missions are in Guatemala, no ~~foreign military~~ other foreign military mission can come in. Furthermore, our military mission has a number of friends inside the ~~Guatemalan~~ Guatemalan Army. As a result, the Guatemalan government has been trying to get rid of our military missions for five or six months. Once the government attempted to cut off the funds which, under the agreement, the Guatemalan Army pays toward the missions' expenses. However, the pro-U.S. elements in the Army stopped this move. In other words, we have a foothold inside Guatemala, and we are trying to keep it — even though we are in the position of giving technical advice to the very Army that ~~is getting its arms~~ has been getting its arms behind the iron curtain.

4. We can also bring economic pressure on Guatemala, since the United States buy 85 percent of Guatemala's coffee. For some strange reason, the State Department has suddenly classified the figures on coffee imports from Guatemala. However, you can report that the United States bought 56½ million pounds of coffee from Guatemala last year.

SA

WESTERN UNION PRESS MESSAGE

W. P. MARSHALL, PRESIDENT

240
plus owner
low 70 acre
double low

out of bed.
which is in one deal

(1)

1870 original negotiator with
old sea-captain
who started
business.

until 1981 no U.F. taxes

1923- U.F. got control of R.R.

since then. has no dividends
before 1923. .. 20-25% "

Eng 9 land as many
stock holders.

567,000 total before
44 properties
283,000 of properties
- under lease
on President's
500,000 acres of land at 74 an acre. before 1900s
270,000 .. about one price in 1923-25 down to 1930
leaves the 168,000

of the 50,000 in ^{interest} collection -

Govt under some lease -
asked 75 an acre - despite
no improvements.

Govt undered it & took 270,000 between
2 properties & offered \$1.50 a acre.
U.F. said no. because of long term
lease payments.

6280
9 acres from U.F.

Swedish - 1928
sold for 200,000
about 20,000 acres.

546,000
plus 210,000

lands would
be picked up
3000
without

WESTERN UNION PRESS MESSAGE

1595

2.

W. P. MARSHALL, PRESIDENT

UF offers to settle with G & CR
by giving them 15% of net profits
but refuse let in about books. (in view of
offerance with R.R., govt. vetes. (Hark has
accepted it.)

*UF never
wishes of bond*
National Planning Assoc. - ^{report} no one ever been in G. ?
Theodore Geiger

Union's Office in VP of Elect. Board & House
Dorion - head of Porion Bros.
handles Dorion's press
relations
VP of ^{big west coast co.} Press & Press Election
[Am. Foreign Power & Light]

5- top Wm. Treadwell
Jose Manuel Fortney - Sec Gen of Postage
Victor .. Butterfly also - J. G. Conner
Congress - Asquith - taken over for (11)

Resp.

Commissioner of Fish. & Game
until get prop.
96 20 5 homes

4024 Fisher

Robt Woodward

WESTERN UNION PRESS MESSAGE

W. P. MARSHALL, PRESIDENT

(3)

"No Sonos Comunistas." "We are not Comunistas"
2,000 in Party at most.
3 1/2 mil people
of which about 2 mil illiterate Indians.
Proud by white Spaniards.
Indians got so many promises, had to lead
in Comuna.

Pres. Arbenz - (father was Swiss) Comuna have
influence with him: father in.
"Wanted to be wealthy got from Salvador,
his collect father's pink

Arbenz daughter 9 yrs old in school in U.S. Arabella
Wanted her back in 1951 for marriage.
wife of ~~Arbenz~~ ^{Chico} likes daughter to H. Arbenz.
you'd have to wait 2 days for 2 years.

Burles out ^{Arbenz} ~~Arbenz~~ 9 got then three.
little girl indentured - into

PAA refuses employ ^{Arbenz} ~~Arbenz~~ codes. UP
Arbenz asked they must be hired, so PAA
never first ~~Arbenz~~ to Salvador.

WESTERN UNION PRESS MESSAGE

W. P. MARSHALL, PRESIDENT

(4)

U F took care of our people - schools
hospital } no outbreaks
class
disturbance

Honduras - horse credits
C.R.
Wright
Colombia
Sutcliffe
Q. R. H.
Ecuador
Parana

Fisher - ^{newly} ~~affected~~ on Colombia
is on East desk.

Woodward was in East. Briefly

Rey Schepfeld - goes to office. Am. Club
back to home.
must get info on golf course


Embry gets cases of "whiskey from U F at Knoxville
Free trips on R.R.

US goods almost dropped for Central America.
Ten years ago you couldn't buy anything else

WESTERN UNION PRESS MESSAGE

W. P. MARSHALL, PRESIDENT

4H Club
 Jockeys work camps
 United Fruit - early history book.
 90 90 illiteracy
 resistance to law.
 Control radio
 Police
 man on Pres. staff
 Justice Dept

 Kauffman
 Waif - excise tax
 not dead.
 ← narrow shoulder →
 Jean ~ w. Va
 ← →

RR Trainmen
 Engineers & Firemen
 frozen - wages.

7-ly Boat Journalism

Radio comm in U R
after 10 PM - cut off
for work
7 PM. Sec

Ports.

Ocean freight

1000 bags of coffee

\$30. Ton for coffee

\$8.00 " 2 1/2 - 3 - 4"

Massachusetts - state

RR - many distilleries
Guthrie & Conell sent
atly for U F

||
Pulley said had not
no contact with
any business firm
any Gov. Govt. or any other
org. and own any state

Last entry of Martinez
" Cargers Directory

or property except
hunting lodge in Canada
all assets in US Govt
books

||

A. GOVERNMENT SUPPORT OF THE GUATEMALAN COMMUNIST PARTY.

1. Arbenz Administration Sets Climate Favorable For an Open Communist Party. Before President Arbenz took office on March 15, 1951, there was no professed "Communist Party of Guatemala," though two Communist groups had emerged the previous year. The emergence of a militant, open Communist party under the Arbenz Administration is detailed in the following chronology which establishes the atmosphere favorable to Communist growth prevailing under the present Guatemalan Government.

April 4, 1951: José Manuel FORTUNY for the first time publicly signs himself "Secretary General of the Communist Party of Guatemala."

June 21, 1951: The Communist Party holds its first public rally in a theater provided on the request of the Ministry Education for "cultural purposes;" announces it will seek registration as a legal party.

January 12, 1952: Victor Manuel GUTIERREZ, labor leader, returns from Moscow, announces he will dissolve his separate Communist-line Revolutionary Workers Party of Guatemala (PROG), advises its members to join Fortuny's Communist Party of Guatemala as he will do.

Winter, 1952: President Arbenz receives representatives of Fortuny's Communist Party of Guatemala in the periodical political meetings of Administration parties in his office.

October 6, 1952: Communist Party joins with other Administration parties in forming a "Democratic Electoral Front" for January, 1953, Congressional elections. It nominates Fortuny as the Administration's candidate for the Department of Guatemala (i.e. the capital and surrounding districts). According to press reports, President Arbenz personally intervened in November to force one of the Administration Parties, the Party of the Guatemalan Revolution (PRG) to accept Fortuny's candidacy.

December 14-16, 1952: The Guatemalan Communist Party held its Second National Congress, the first in public, and changed its name to the Guatemalan Labor Party (Partido Guatemalteco del Trabajo—POT).

December 19, 1952: The Civil Registrar of Guatemala, Humberto HERNANDEZ Cobos, an officer of the Executive Branch of the Government, accepted the registration of the Guatemalan Labor Party as a legal political party in spite of Article 32 of the Guatemalan Constitution prohibiting political organizations of a "foreign or international character."

January 16-18, 1953: The Communist Guatemalan Labor Party (PT) runs in the Congressional elections as part of the Administration's "Democratic Electoral Front;" Administration support fails to elect Fortuny, PGT Secretary General, in Department of Guatemala, but does elect Carlos Manuel PELLEGER, PGT leader, as Deputy from Escuintla.

January, 1953: The Administration's "Democratic Electoral Front" is transformed into the "National Democratic Front," a coalition of all Administration parties including the Communist Guatemalan Labor Party which confers periodically with President Arbenz.

February 17, 1953: The Guatemalan Labor Party: "Jacobo Sanchez", Communist indoctrination school closed in 1950 under the previous administration, is reopened.

August 8-9, 1953: The Communist Guatemalan Labor Party holds its first National Organization Congress; claims that party membership has doubled since the party's December 1952 Congress, which would put the number of card-carrying members in the 1000-3000 bracket.

August 15, 1953: Guatemalan Labor Party begins publishing Tribuna Popular, the country's first daily Communist newspaper (see Section B for details of government support).

November 20-22, 1953: In the municipal elections, the Communist Guatemalan Labor Party runs independently for the first time; elects Communist mayors in four provincial towns, one of them the important Pacific slope communications center of Escuintla.

B. GOVERNMENT FACILITIES FOR COMMUNIST CAUSES

1. The Government-owned Diario de Centro América spreads the Communist line: Although its editor-in-chief is a "revolutionary leftist," its chief editorial writer, Medardo MEJIA, is a Honduran Communist exile. It publishes the releases of the Communist-controlled National Peace Committee and gives sympathetic publicity to the Guatemalan Labor (Communist) Party and to the Communist-front women's organization (AFU), youth organization (AJU) and students' organization (FUD). Its "news" articles and editorials often parrot the Communist line, including, for example, charges of bacteriological warfare in Korea. It gives favorable publicity to developments in Czechoslovakia, Poland, etc. Early in 1953 this newspaper also published material favorable to Julius and Ethel ROSENBERG, the convicted U. S. atomic spies whose execution was then pending.

2. The Government Supports the Communist Newspaper Tribuna Popular: This daily newspaper was founded on August 15, 1953 as the official organ of the Guatemalan Labor Party (PQT), Guatemala's Communist Party. It was ostensibly financed by \$10,000 subscribed by party members, a sum too small to found a daily newspaper. In December, 1953, about 95% of its column-inches of advertising by visual inspection proved to have been inserted by Guatemalan government agencies. It has been reported in the press and from independent sources that the press on which it is printed was purchased in Costa Rica by the Guatemalan Government.

3. The Government-owned National Radio, TOW--The Voice of Guatemala has a policy vertically identical to that of the Government newspaper. Its Director is Carlos ALVARADO Jerez.

4. The Government Provides Buildings for Communist and Communist-Front Meetings. Examples: On June 21, 1951, the Ministry of Education handed over a theater for the first public Communist party rally under a law setting aside part of the theater's time for cultural meetings; on July 31, 1953, the auditorium of the government school, Belen, was handed over to the Communist-controlled National Peace Committee for a rally to celebrate the Korean Armistice as a defeat of "American imperialists;" On October 16-19, 1953, the Guatemalan Supreme Court building was handed over for the "Second Continental Conference of Democratic Lawyers," a meeting preliminary to the Brussels meeting of the Communist-controlled International Association of Democratic Lawyers (IALD). High officials of the government attended all of these meetings. They are only three cases of many during the Arbenz Administration.

5. The Government Subsidized the Communist-controlled "Second Continental Conference of Democratic Lawyers" on October 16-19, 1953. The presidential budget decree allotting \$10,000 appeared in the official gazette, El Guatemalteco.

6. The Government Has Turned Over a Building to the National Labor Federation CGTG, knowing it was Communist-controlled. It is CGTG headquarters.

7. The National Police Marinba Band attended Foreign Communist Conference. It was the Guardia Civil's "Maderas de mi Tierra" which attended the July-August, 1953 Bucharest Youth Festival.

8. The Ministry of Finance Sold a Lot to a Communist Deputy at Give-Away Price. A decree, published in the local press in October, 1953, revealed that a government lot on the fashionable Avenida de la Reforma had been sold to Cesar MONTENEGRO Paniagua, Deputy of the Guatemalan Labor (Communist) Party, for seven cents a square meter. The press reported the usual price as \$12-\$25 a square meter.

C. GOVERNMENT FOREIGN POLICIES IN SUPPORT OF COMMUNISM.

1. The Government Withdrew from the Organization of Central American States (OCECA) in April 1953 to avoid participation in discussion of the Salvadoran proposal for concerted Central American measures against Communist infiltration.

2. Government Withheld Support of the UN Effort in Korea. President Arbens stated on April 6, 1951, less than a month after his inauguration, that Guatemalan troops could not be sent out of the hemisphere without violating the principle of non-intervention and opposing the statutes of the UN. The government press and radio sided with the Chinese Communists and North Korea in charges of "imperialist aggression," "bacteriological warfare" and the like during the Korean hostilities.

3. Government Opposed Discussion of Communism at Caracas. On November 10, 1953 Guillermo FORTELLA, acting as Guatemalan representative on the Council of Organization of American States, voted against the United States' proposal that an item on Communist intervention in the hemisphere be put on the agenda of the Tenth International Conference of American States scheduled to meet in Caracas, Venezuela, in March 1954. Guatemala was the sole American State to vote against this proposal. Ever since the OAS Council adopted the motion the Guatemalan Government press, as well as the Administration political parties, have attacked the proposal to discuss Communist intervention, labeling it as interference in Guatemalan internal affairs.

4. The Guatemalan Voting Record in the UN Has From Time to Time Been Pro-Soviet. Details are available in the Department, as the analysis of the 1953 session is not available here.

5. Guatemalan Executive and Congress Mourn Stalin's Death. On March 4-10, 1953, President Arbens, 31 Deputies in Congress and the Communist Guatemalan Labor Party sent messages of condolence for Stalin's death. In addition, on March 12, the Guatemalan Congress observed a minute of silence in homage to Stalin, the only legislature of the Western Hemisphere to do so.

D. GUATEMALAN DELEGATIONS TO THE SOVIET ORBIT.

1. Almost 50 Guatemalans Go to Soviet-Sponsored European Congresses in 1953. The constant journeying of Guatemalans to Soviet-sponsored gatherings in Europe, for which the

Guatemalan Government provided passports, is illustrated by the following departures announced in the press in 1953:

<u>Date</u>	<u>Event</u>	<u>Delegates & Others</u>
March	International Conference in Defense of the Rights of Youth, Vienna	3
June	World Congress of Women, Copenhagen	3
June	World Peace Council, Budapest	3
July	World Congress of Teachers, Vienna	2
July, Aug.	Third World Youth Congress and World Youth Festival, Bucharest, and Third World Students' Congress, Warsaw	25
July	WFTU Labor School, Vienna	1
September	WFTU World Congress of Trade Unions (held in Oct.), Vienna	6
November	José Manuel Fortuny, Secretary General of the Communist Guatemalan Labor Party, leaves for USSR	1
December	World Congress of Democratic Lawyers (held in Jan.), Vienna	2
		46

In addition, members of the Guatemalan Delegation to the Bucharest World Youth Festival in August went on to tour the USSR and Communist China and delegates to the October WFTU Congress at Vienna visited the USSR. There were also probably other Guatemalans traveling in Central and Eastern Europe since, for instance, in August it was announced without going into details that more Guatemalans would attend the WFTU's Labor School in Vienna.

The financing of these trips strongly suggests that the Guatemalan Government and/or international Communist organizations are putting up the money. For instance, counting as little as \$1000 per person for transportation and expenses for a round-trip to Europe by the 46 persons recorded in 1953, this would entail an outlay of \$46,000—a sum far in excess of any claim made for a "voluntary" contribution drive.

E. COMMUNISTS AND COMMUNIST SYMPATHIZERS APPOINTED
BY PRESIDENT ARBENZ.

Among the key persons in the Arbenz Administration who are Communists or have marked Communist leanings are:

1. Alfonso SOLÓRZANO, appointed Manager (Chief) of the Guatemalan Institute of Social Security by President Arbenz a month after his inauguration. Once a member of the Mexican Communist party, Solórzano still follows the Soviet line closely, although officially a member of the Party of the Guatemalan Revolution (PRG).
2. Roberto ALVARADO Puentes, appointed Ambassador to Mexico in July, 1953. Once active in Communist circles in Chile, Alvarado Puentes was President of Congress in 1951-52, attended the Soviet-sponsored World Peace Congress in Vienna in November 1951. He used to keep, and possibly still does, a portrait of Lenin in his Guatemala City home. He is also a PRG member.
3. Jaime DIAZ ROZZOTTO, Secretary General of President Arbenz' Executive Office, the Presidential correspondence is channelled through his office. Once in 1949 selected at a meeting presided over by the Communist Chief, Fortuny, as the first Secretary General of the Guatemalan Communist-front Peace Committee, Dias Rozzotto hailed the Korean Armistice at a public rally of the National Peace Committee on July 31, 1953, as "another step toward a Socialist World." He has been officially connected with the National Renovation Party (RN).
4. Waldemar BARRIOS Klée, Chief of the Lands Section of the National Agrarian Department, and Acting Chief of the Department when the Chief is absent. He is a registered member of the Communist Guatemalan Labor Party (POT). Other Communists in the National Agrarian Department are given in the Appendix.
5. Hugo BARRIOS Klée, brother of the above, appointed Deputy Inspector General of Labor in October, 1953. He is also a registered member of the Communist POT.
6. Carlos ALVARADO Jérez, appointed Director General of Radio Broadcasting in August 1953 after he had been serving for some time as Director of the National Radio TGN. He is an avowed Communist.

In addition to the Arbenz appointments, his Administration's political leaders have identified themselves with Communist causes,

fashionable under the present regime. Guillermo OVANDO Arriola, the current President of Congress and Secretary for Organization of the Revolutionary Action Party (PAR), is President of the Department of Guatemala Peace Committee. Augusto CHARNAUD MacDonald, Minister of the Interior and Secretary General of the Party of the Guatemalan Revolution (PRG), addressed the July 31, 1953 National Peace Committee rally to celebrate the Korean Armistice and the Communist-front "Second Continental Conference of Democratic Lawyers" in Guatemala City in October, 1953. The Chief Justice, Marcial MENDEZ Montenegro, presided over the opening of this Conference. Humberto HERNANDEZ Cobos, Civil Registrar and a member of the National Renovation Party, was attending the World Congress of Democratic Lawyers in January, 1954.

*we could get together with
didn't actually work at all*

*US rep. being long list of
20 votes for US A. at U.N.*

file Guatemala

DP--Guatemala info

Ward Stevens 4-Ad 4-4412 (Wisconsin & N) sez he has operated a sawmill in Guatemala last several years--may have some info for you.

Has been in-and-out of Latin America since 1927.
Served with Marines in Nicaragua six years.

will be here at 4.30



GUATEMALA

GOVERNMENT INFORMATION BUREAU

No. 7

Guatemala City

August 1, 1953

Electric Power Shortage a National Problem

A walkout of power company employees on July 16 left Guatemala City and eight nearby towns without electricity. Nine and a half hours after the strike started, the government intervened in the public interest. An executive order placed a government representative, Alfonso Bauer Paiz, in temporary charge of the company without prejudice to the company or striking workers. Government management will continue only until the wage issue is settled.

Inconvenience suffered by the public during the brief power stoppage caused attention to be focussed once again on the electric power problem.

SERVICE INADEQUATE, RATES HIGH

The company, *Empresa Eléctrica de Guatemala*, operates five small hydroelectric plants and one steam powered plant. The total capacity of the plants, all located near the capital, is only 17,210 kilowatts. Another hydro plant of 3,000 kilowatts is under construction.

When the new powerhouse is completed, the capital city and surrounding area will continue to suffer a chronic power shortage. With less than 60 watts per capita available in the area served, even modest domestic use of electricity will remain limited. Today only a few families which have previously been assigned "quotas" may use electricity for cooking.

Overloads on generators, some of which have served over forty years at full capacity, cause wide voltage and frequency variations. At times fluorescent lamps will not light; motors will not start; radios function poorly.

Rates are high. Thousands of domestic users pay an average of 7.5 cents per kilowatt hour. The average industrial rate is 5.3 cents, although the four large industrial users pay only 1.5 cents.

SAFETY IGNORED

Public safety is endangered by existing electric installations. Although there is no national electric code, one of the contracts under which the company was granted its fifty year franchise requires that it observe the National Electric Code of the U. S. A. This contract provision is violated in transmission lines, distribution lines, and private wiring installed under company supervision, according to a study made last year by a congressional committee investigating the manner in which the company had evaded contractual obligations.

It has been charged that failure of the company to

expand its service to meet demand, bad service, and safety code infractions have not been due to lack of revenue.

OPERATION PROFITABLE

Originally founded by a German citizen in 1894, the power company was expropriated as enemy alien property during World War I. Shortly thereafter it became a unit in the international power trust, Electric Bond and Share Co.

Since then, financial manipulations masked by holding companies, reorganizations, and name changes have been highly profitable to investors.

Thus, although able to pay seven and eight per cent dividends on preferred stock, and never less than five per cent on common stock; able to pay interest charges and amortization on bonds representing allegedly fictitious debts; the company finds itself in the unhappy situation of being unable to expand its services, properly maintain its equipment, or pay its workers an adequate wage.

NEW APPROACH NEEDED

It is felt that with the more progressive modern business outlook, where service to the consumer as well as profit to the investor is held important, there is a field for private operation on terms more favorable to the national interest than those of the present contract.

CONTENTS:

ELECTRIC POWER SHORTAGE

A NATIONAL PROBLEM

- * SERVICE INADEQUATE, RATES HIGH
- * SAFETY IGNORED
- * OPERATION PROFITABLE
- * NEW APPROACH NEEDED
- * GOVERNMENT TAKES STEPS

BOOK FAIR IN SEPTEMBER

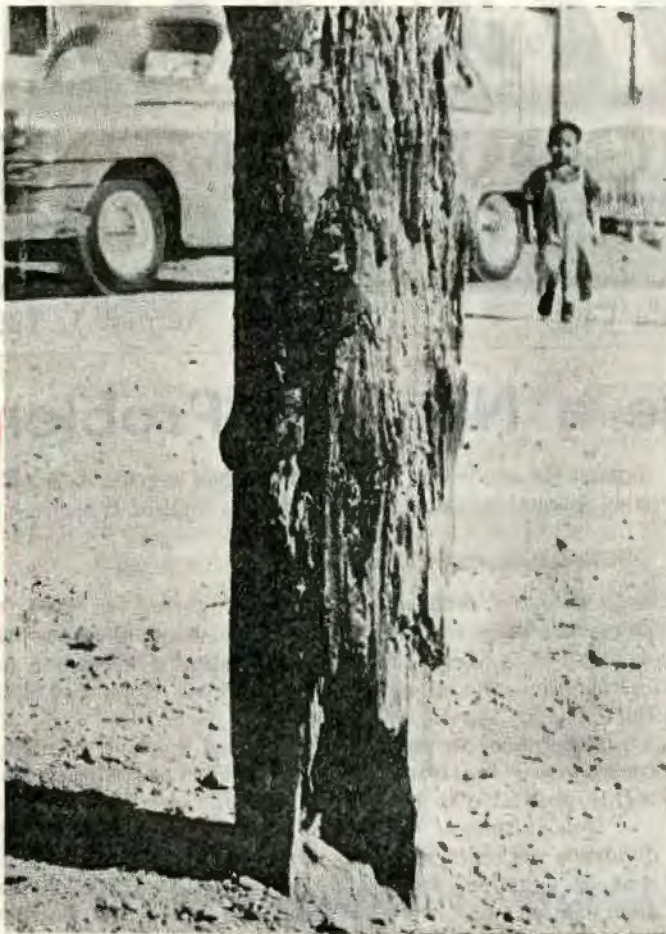
U.S. EDITOR VISITS COUNTRY

MORE ON SANTO TOMAS PORT

CAPITAL CITY PUBLIC WORKS

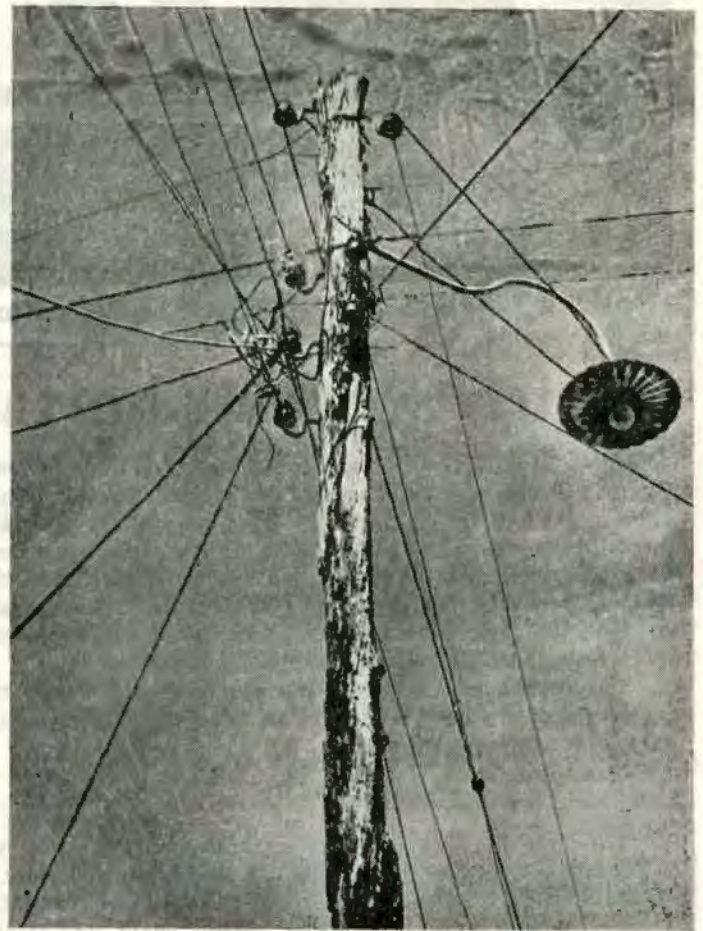
SMALL FARM METHODS TAUGHT

GUATEMALAN NEWS ON THE AIR



Although many steel posts and towers are used to support transmission and distribution lines, wide use is made of wooden posts. A survey by a congressional investigating committee showed that 60% of the wood posts in use were in such bad condition as to constitute an immediate danger. Untreated posts installed many years ago are so rotted below ground that they topple if brushed by a car or truck. Danger to passersby results, as well as constant service interruptions.

Recently such a pole carrying high voltage fell over



while a lineman was at work on it resulting in serious injuries to the worker.

Shown above on the left, a close-up of a wooden pole with the visible rot typical of many such posts. On the right is seen a pole which violates code provisions governing spacing of conductor lines.

The U.S. electric code which the company contracted to follow specifies methods of treating wooden posts and installing wooden and steel posts, methods which have been widely ignored by the company.

In the past, the need for power has been principally for domestic use. The primitive nature of agriculture and under developed industry has not demanded full use of the natural potential.

In the country as a whole, the total installed generating capacity is estimated at 40,000 kilowatts, including private and public installations.

The 1951 report of the International Bank for Reconstruction and Development, noting that hydroelectric power is increasingly important for economic development, recommended the establishment of a National Power Authority to plan and supervise an integrated program of construction and operation of publicly owned facilities.

The report advised additional private power production. "Under present circumstances in Guatemala, there seems to be a field for both public and private ownership in electric power development," the report stated.

"The Mission believes that, in cases where electric power has long been produced and where there are records of sales growth and unfulfilled demand for service, as in the case of the *Empresa Eléctrica de Guatemala*, private capital can be induced to invest with reasonable assurance of return."

GOVERNMENT TAKES STEPS

To meet immediate need, the government has moved further into the field of public power.

In his March 1 message to congress, Pres. Jacobo Arbenz stated that preliminary planning of a 30,000 kilowatt hydroelectric plant at Jurun on the Michatoya River had been completed.

Actual construction is now under way. Completion of this federally owned plant will take four years. The

cost is estimated at Q. 5,500,000. (Quetzal at par with the dollar.) It will be financed by part of a Q. 20 million dollar treasury bond issue for public works.

Engineers will use Lake Amatitlan as a dry season regulator of the water supply that will be conducted to the turbines through a mountain tunnel.

When the project is completed, Guatemala will have built in four years a powerhouse with a third more capacity than the private monopoly has built since its inception. Competition by the government plant is expected to result in lower rates, better service, and more rapid expansion by the private company.

Book Fair in September

An eight day Book Fair will be held in Guatemala City beginning September 12. The purpose is to stimulate interest and appreciation of the works of leading writers, Guatemalan and foreign.

With the support of local writers, artists, educators, and cultural institutions, a comprehensive program of cultural activities is to be offered during the Book Fair. Raffles and auctions of autographed books have been arranged. Book stores have agreed on special discounts for the book buying public. Publishers and book dealers, of course, are cooperating fully.

Main center of the book festival is to be the Exhibit Room of the centrally located National Palace, Guatemala's principal federal building. There books from many countries will go on display. A special section will be devoted to Guatemalan authors.

A series of lectures is planned. Subjects include the history of printing, the cultural outlook in Guatemala, distinctive costumes of Guatemala, and Guatemalan music.

Of particular interest to music lovers is a concert by the National Symphonic Orchestra, twelve chamber music recitals, five concerts by vocal soloists, and six concerts of popular music. Readings of poetry, much loved in Guatemala, are to be given.

Several theater groups will participate in dramatic presentations. Theatrical readings of the type recently popularized in the United States will be offered. The Guatemalan ballet group will perform.

Public attention will be directed to books by daily tours of mobile libraries into urban neighborhoods.

For children, puppet shows and marionette displays have been arranged. A display will be made of children's books in the palace exhibit. A children's orchestra will present selections.

September 15, Guatemala's Independence Day, falls on the fourth day of the fair. The Book Fair is sponsoring a contest for local artists to mark the day on which Guatemala won its independence from Spain. The paintings will be hung in the Exhibit Room at the palace.

Representative of indigenous art will be an exhibit of the colorful masks made and used by the Indians in their ceremonial dances. The Archeological Museum has arranged the display of masks.

Special bulletins, radio, movies, posters and the press are being used to publicize the Book Fair which has significance for Guatemalans as a merited recognition of their contemporary artists.

U. S. Editor Visits Country

Gordon Pates, Sunday editor of the San Francisco *Chronicle*, flew back to San Francisco July 23 after a fifteen day tour of Guatemala as a guest of Guillermo Palmieri, director of the Tourist Bureau.

In an interview with Guatemalan newsmen before his departure, he expressed himself as charmed with the natural beauty of the country. He refrained from comment on the progress of the agrarian reform other than to say that he had heard both favorable and unfavorable comment within the country.

"I do consider the highway improvement program of the Guatemalan government as of great importance, as much for industrial development as for tourist convenience," he said. Future industrial development has great possibilities, according to Pates. There is need for an industrial bank that will give financial assistance to local manufacturers.

He smilingly denied that he had been bothered by local communists as had been reported in the local press, but stated that as far as he had been able to observe there was complete liberty of the press which newspapers of differing political tendencies knew quite well how to exploit.

He found no evidence of an anti-U. S. campaign in the country. To the contrary, "None of the American tourists with whom I have spoken have mentioned any anti-U. S. feeling in Guatemala. All speak well of this country."

More on Santo Tomas Port

The state bank, the Banco de Guatemala, has announced the terms of payment to the Morrison Knudsen Co. of Central America, a subsidiary of Morrison Knudsen Co. of Boise, Idaho, for the construction of port facilities at Santo Tomas.

Work is to be completed in 24 months. Total cost will be Q. 4,800,000.00. The government will pay Q. 450,000 monthly for the first six months, Q. 116,666.00 monthly for the next 17 months and a final payment of Q. 116,678.00.

The government has guaranteed its compliance with the contract clauses by immediately placing the sum of Q. 4,800,000.00 in a special account with the Banco de Guatemala. In accordance with the government's instructions, the bank has placed the total amount in an escrow deposit with one of its main correspondent banks in the United States to ensure regular payments to the company.

According to the bank, this contract initiates a new era in the relations of foreign companies with the government. Its clauses are equitable, in accordance with Guatemalan laws, and provide safeguards for the country's economic security. The port installation will mean a considerable addition to existing facilities for handling imports and exports fulfilling the desire of the government to facilitate international trade.

Capital City Public Works

Guatemala City has just completed the construction of a new pipe line which will add considerably to its water supply. The project was made possible by the Banco de Guatemala which helped in placing a Q. 1,000,000.00 bond issue.

Other municipal projects benefiting the community are under way. They are:

a) construction of three markets in populous suburbs to decentralize business activity and alleviate traffic congestion;

b) construction of a modern slaughterhouse for hogs and sheep in the outskirts of the city to replace an existing slaughterhouse which is obsolete and located in the heart of the city;

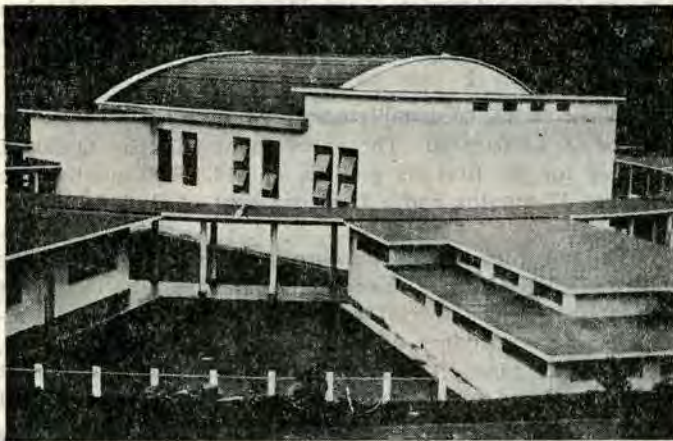
c) construction of an adequate drainage system and additional city paving; and

d) modernization of street cleaning equipment.

The Monetary Board has authorized the Municipality to issue bonds up to the amount of Q. 1,500,000 to be used in the undertaking of this important public works program. The bonds will be known as "Bonos de Obras Públicas de la Municipalidad de Guatemala," 5%, Series "E", at fifteen years maturity. Each year one fifteenth of the issue will be called. The issue will be financed with new revenue from the increase in the liquor tax. The Banco de Guatemala will act as Agent.

Small Farm Methods Taught

Short courses in modern farming are being brought to the peasants of Chimaltenango by the Department of Agriculture. The United States Embassy is cooperating by furnishing mobile movie equipment to assist in the program.



In Cuilapa another federation type school, formally opened July 18, is named in honor of the Argentine writer Domingo Faustino Sarmiento. At ceremonies inaugurating the school Belisario Arevalo, representing the Argentine Embassy, thanked Guatemala for so honoring Argentine's famous cultural leader.

If you wish to receive this bulletin, please send your name and address to P. O. Box 107, Guatemala City, Guatemala, or to Embassy of Guatemala: 1614 18th Street N.W., Washington, D. C.

Subjects offered include soil conservation, soil betterment through leguminous crops, fertilizer methods, crop rotation, erosion control, scientific poultry and hog raising, seed selection, farm home arrangement, and the use of farm machinery.

Guatemalan News on the Air

«The Voice of Guatemala», a national radio broadcast service, transmits uninterrupted programs every day from 6:30 AM until midnight. The programs may be received as follows:

Broadcast band: Station TGW on 640 kilocycles.

Station TGWC on 1520 kilocycles.

Short wave: Station TGWA on 9760 kc. 31 meter band, or 15170 kc. 19 meter band.

Station TGWB 6180 kc. 49 meter band.

Best for reception outside the country, and particularly for the United States, in the short wave broadcast from TGWA from 6:30 AM until 5 PM on the 19 meter band (15170 kc.). After 5 PM this station operates on its other frequency, the 31 meter band (9760 kc.).

TGW transmits news programs daily in Spanish at 7 AM, 12:30 PM, 7 PM, and 10:15 PM. The program «Guatemala and the World», of commentary related to foreign countries and the national life in its different aspects, is broadcast Mondays, Wednesdays, and Fridays at 9:15 PM. On the same days at 8:30 PM, «Press Clippings» is heard, a program of news items in dramatic form. For the benefit of Guatemalans living outside the country and for all friends of the country, a musical program «Chapinlandia» may be heard everyday at 9:30 PM and 10:15 PM.



Pres. Jacobo Arbenz is shown as he was leaving the dedication ceremonies of the new school. Accompanied by the first lady, doña Maria Vilanova de Arbenz, the president made a thorough inspection of the building. In the dedication ceremonies he congratulated those in charge of the construction of this school, the most complete and modern built thus far in the school building program.

Ward

Thank you very
much for letting
me read this.

I limited my
criticism to what
I hope is constructive

The letter-writing
campaign U.S. - Italian
would be a prototype
among others

Something like your
program is bound to
come, that is a certainty.

TOWN TO TOWN, Person to Person.

The challenge to the Free World of today is to expand freedom and free enterprise and to develop further trade notwithstanding all of the Communist propaganda, and at the same time to overcome the propaganda against the way of life of the U. S. A.

At the same time due recognition must be taken of the propaganda machinery of the Communists, which has been in operation throughout the World for about thirty years. We have not undertaken a positive campaign of attacking that propaganda until more recently, but have let our actions speak for themselves. Now the need for action on a positive attack basis on the broadest front possible is clearly defined and must be undertaken if the U. S. A. is not to be engulfed in the terrible propaganda device of the Communists. If we are to preserve our way of life and maintain friends so necessary to the full development of our way of life, gifts and money alone will not do the job, parleys at high levels are not sufficient, we have to undertake an action program that will convince the peoples of the world that we desire to maintain friendly relations with the broadest possible understanding of each other. We have to prove to them that we wish to help them develop a higher standard of living. We have to demonstrate our desire to be friendly. We have to conquer the Communist propaganda machine. We have to show that these efforts come from our heart.

The TOWN TO TOWN, Person to Person, program advocated in this report would lead to the development of new ideas among peoples, development of small industries that would be aided by the sponsor towns, and in general develop that friendly attitude that we desire and need among other peoples. We would then not be at the mercy of our man controlled governments in any country of the Free World, but would have the people on our side, and thus demonstrate to the peoples of the Iron Curtain countries what they can do also to break the Communist domination. We would thus prove our desire for improvement of the World and at the same time remove the impressions established by the Communists that we wish World Domination.

The attached program would reinforce the current efforts of the Technical Cooperation program and the other activities of the U. S. Government on a Person to Person basis. In too many instances the existing programs help the people grow better and larger crops and help them have better health, both of which must be done, but there is still lacking in most countries the feeling of our earnest desire for friendship without profit motives in the form of domination of trade. The person to person contact would strengthen this feeling of friendship and remove some of these prejudices. It would be the means for a large portion of our own people being in direct communication with the other peoples of the world and through this communication build up a lasting and true friendship.

The failure of world powers in the past has been in part attributable to their lack of foresight and failure to develop this friendship and understanding with other peoples.

The pilot project of 100 towns here sponsoring 100 towns abroad would cost approximately \$75,000 and would establish the pattern for expansion of the program.

This program is the start of a development of friendship on the part of the entire U. S. A. toward building a permanent better world.

February 2, 1954.

W. W. Stevens.

TOWN TO TOWN,

Person to Person.

*Stevens
File
copy*

Program proposal made by W. W. Stevens to the
FOREIGN OPERATIONS ADMINISTRATION.

February 1, 1954.

TOWN TO TOWN, PERSON TO PERSON.

PROBLEM.

To obtain a better understanding of the U. S. A., its way of life and its desire for a better way of life throughout the world among all other peoples. ✓

BACKGROUND.

It is obvious that the development of the United States of America has been accomplished because of the admixture of races and religions, the competition between groups, races and enterprises, all under a free form of Government. A careful analysis of the improvements of many kinds in the U. S. A. discloses that most of such developments were created by salesmen developed under this competitive structure of ours. These salesmen undertook to find answers to the many problems facing buyers and in general performed a function toward development that has not been possible in many other parts of the world due to the restrictive nature of Governments and their lack of free enterprise. At the same time it is realized that little of the free development of the country has been fully appreciated or understood by our own citizens, but great pride is taken in that development that has been created by their own effort, cost and time. *Beulah
2-4-64*

Experience of persons with extensive knowledge of the foreign field indicates that a lack of ambition, a lack of desire, lack of free enterprise and competitive salesmanship development has resulted in a people with little prospect for bettering themselves in most countries. Their desires, their ambitions, their whole approach to life has to be turned from the backward or stagnated trend toward further improvement of themselves. ✓

The forms of Government, in many instances, were and still are controlled by selfish groups with desires to better themselves financially without any consideration for their people. However, this trend is gradually

changing. But this tendency in the past has done much to retard the development of vast areas of the world.

Along with these conflicts of Government and domination of the peoples has also been the intense desire of many people to come to the U. S. A. but who have lacked the facility or valor to break away from the existing form of life. The correspondence back home from those who have reached the U. S. A. has built up a form of envy and lack of understanding among those less fortunate ones who did not reach the "Utopian" shores of the U. S. A.

These same people back in the foreign countries do not fully understand how they could approach Utopia in their own countries if they have the will and desire. They have an intense envy, which in many cases has developed into jealousy, and therefore have built up a dislike of the U. S. A. If they could be brought to our shores they would quickly forget these jealousies. As long as they remain behind with this jealousy they are malcontents and breed further difficulty for the U. S. A. in a world understanding of us. Since they can not come over here we might as well go to them.

With the operation of the Technical Assistance program some of this feeling is being overcome. However, there is still the lack of understanding mutually between peoples that can only be brought about by a broader approach of people to people. A real brotherly understanding is needed. This brotherly understanding must be developed rapidly in order to overcome the development of other ideologies in opposition to our way of life. Present devices all have a personal touch for a limited number of people but to obtain a major movement on a positive attack basis our entire population should be marshalled into the efforts.

Such a program might also have some benefit to the Psychological Warfare efforts of the U. S. Government if a well planned program is adopted.

This whole effort toward a brotherly feeling and understanding by both our people and the peoples of the rest of the world can be achieved only by broader more direct contacts, person to person.

To achieve this objective a concentrated program can be undertaken on a TOWN TO TOWN, Person to Person, basis. Direct communication and possibly later, exchange of visitors can be undertaken. Exchange of gifts, discussion of mutual problems, etc., can be achieved. This has been done in the past with great success in scattered, uncoordinated instances.

APPROACH.

The approach to a TOWN TO TOWN, Person to Person, way of communication has been attempted on a personal contact basis or by written communications, by missionaries, by the larger philanthropic foundations, by numerous high schools and colleges, and in individual cases by letters enclosed in CARE packages. Once these lines of communication are established a friendly relationship and understanding has resulted. However, a thousand well directed and planned efforts will render more benefits than ten thousand uncoordinated attempts to obtain this broader understanding of other peoples and of us by them. Now the primary effort is to broaden this base on a well coordinated plan, with all obvious effort to be on an (apparently) spontaneous basis, and to achieve a maximum of understanding and closer feeling and relationship than has been possible in the past. A TOWN TO TOWN sponsorship plan is proposed as the direct approach.

This program should start off on a pilot basis, around the Iron Curtain and with some effort in Latin America. As the Voice of America and other devices now used are recognized as political instruments of the U. S. A. Government, it is apparent that this effort should be undertaken with a maximum of publicity on the basis of the spontaneous development by the Towns of the U. S. A. themselves. This will permit us to counteract the

resistance now built up to the Voice of America and other radio programs and to the U. S. Government published documents. The direct communication of TOWN TO TOWN, Person to Person, repeated thousands of times by the thousands of towns in the U. S. A., would begin to build up the brotherly relationship and consideration. This would also serve to react against the resistance the Communists have built up against the other propaganda devices now in use. It would be comparable to fires breaking out all over the world against Communism.

This device should be used to establish in the minds of the peoples of other lands that our utmost desire is to help them develop a better way of life. Our line of communication should instill in them this brotherly feeling and convince them that we have no desire for World Conquest or World Domination, but only a DO UNTO OTHERS AS YOU WOULD HAVE THEM DO UNTO YOU motive behind the whole effort.

The primary attack should be with the idea in mind that the peoples of the other parts of the world have not had all of the good fortune that we have had, nor the advantages. We desire to give them information about ourselves, to learn more about them, and to exchange ideas toward a better way of life for all, since obviously all of them can not come to the U. S. A. to live.

There are approximately 5,000 towns in the U. S. A. of more than 2,500 population. Many larger towns and cities could undertake the sponsorship of more than one town abroad.

The attack of the problem around the fringe of the Iron Curtain would also permit the infiltration of much of our information into Russia itself. It is a known fact that many tribesmen in Iran and other areas move across the border with great frequency. Pictures and other communications could be fed into Russia via this device, and much of the information will go in by word of mouth, as these peoples of lower literacy carry all information in this manner.

show the subjects

PROCEDURE.

To start the program in a real coordinated plan of operation the U. S. Government will have to take the leadership, and obtain a ^{genuine substantial backing} ~~real~~ energetic drive behind the program. It will have to keep the interest of the American citizens activated to the point of obtaining the desired results.

The entire program should be built around the TOWN TO TOWN, Person to Person, relationship. Similiar towns should be selected and paired off. However, to obtain the maximum confidence of the other peoples of the world and the maximum interest in this country, this should ^{be} (appear as) a spontaneous development and movement of the American people to the other peoples of the world, and all publicity should be directed in that channel.

The most advantageous use of this program could be obtained by a Federal planned program and recommendation of the towns to pair off.

After selection of the pilot villages both here and abroad the program should be pushed with the utmost effort, as well as assistance from the Federal level. The major problem will be the one of language at the beginning. (Assistance on this problem will have to come from the Federal level,) with encouragement of the local people to learn the language of the people they sponsor. (All translators will have to be thoroughly checked into as the writer knows of an instance where the interpreter has converted English messages into the Communist line in a publication going out of the U. S. A. to Spanish speaking countries.)

In addition to establishing study clubs, language clubs, etc., here in the sponsoring town, efforts should be made to obtain language clubs on the receiving end. Exchange of information, pictures of home life and work life here, art and music, etc., should be forwarded to the ^{sister} sponsored village.

Likewise they should be requested to furnish such information. The Sponsor might send over small (cheap) cameras and film ^{to take} for pictures from there. We should ask them how we can best help them, presumably at first with clothing, and also ask them for suggestions about improving the relationship.

must not
be patronizing
(see next
page)

We have to make those peoples ^{fact} that we are operating the program on a real brotherly relationship approach and avoid making them appear to themselves and others as the recipients of charity. ^{It should not be surprising} (It is surprising) the amount of pride existing in these persons that live in such primitive ways.

The U. S. Missions abroad, such as the FOA and the Information Service, can help the towns on that end, and should be kept apprised of the communications with towns in their areas. Probably the most effective approach on the pilot project would be to obtain the recommendations of those missions as to the towns where (show of) this program would achieve the most impact upon the peoples.

In addition to the value of this program to increase the desire for improvement by the other peoples of the world is the propaganda value that can be built into this program. This increased desire will lead to increased development, thereby building up World Trade.

On many sales trips around Central America and South America, and while in Iran, the writer found that in spite of the lower place of the woman in those areas, she was most instrumental in obtaining sales of goods, especially when she was convinced that it would; 1. improve her position in the community; 2. better her personal welfare; 3. better the welfare of the family. This principal is to be brought into play here by well planned pictures of the home life, the facilities available, the housewife in the chicken yard, the housewife in the kitchen, at play, etc. On the creation of a desire in the woman of the family demands then build up on the breadwinner to achieve these things, which he has to improve his way of living (to achieve) his agriculture, his output in a factory, or better employment. In general this will create an atmosphere of attempting to build up their own homelands since they can not come to America to live.

REQUIREMENTS.

1. A pilot project of 100 towns, to cover some ten countries, with 100 towns

in the U. S. A. as sponsors. This program should give as wide coverage of the Free World as possible.

2. The towns selected should be as similar as possible to the sponsoring towns in agriculture, or industry, as for example the towns in Colorado irrigation areas would be suitable for towns in Iran where irrigation is a prime problem.

3. Staff on the Federal Level to plan the program and get it under way, to assist the local organizations, and to coordinate its efforts with any other agencies of the Government. The staff should consist of:

- 1 Chief
- 2 Assistant Chiefs
- 2 Secretaries

Translation services to be arranged with existing facilities. If not available, then such services will have to be obtained.

4. Arrangements for advice to the sponsors of the [?] (legal) conditions of the (sponsored) town, customs requirements for shipments there, etc.

5. Adequate publicity giving the local peoples of the U. S. A. full and entire credit for carrying on the program and minimizing the Federal participation.

6. Adequate publicity in the country of the sponsored towns should be arranged.

7. Study should be going on all [?] of the time in preparation for moving this program over to a non-profit ^{ops} operation if it is found that the Psychological Warfare effects of the program will permit.

W. W. Stevens.

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EDITORIAL

Reprinted From The Laredo Times of Thursday, January 28th

Everyone has been reading about Guatemala being the center of world communism for the Western Hemisphere. The story goes that communist headquarters are set up in Guatemala with the idea of a communist Guatemala that would dominate Central America as well as any and all countries in the Western Hemisphere.

That is about the silliest and biggest lie to ever come out of anyone's mind.

In the first place this same story has been told so often about other countries that it's getting a little shop-worn.

We all know that a few years ago the Russians were supposed to set up the Western Hemisphere of communism in Mexico City.

And for the propagandists and wild-eyed boys it was good copy.

But Mexico proved to be less communistic in its government than our State Department which gave away China!

So the ghost-story writers and tombstone-shakers have now picked a country which couldn't produce as much gunfire power as Peoria, Illinois!

There are several things wrong with the propaganda about Guatemala.

The propagandists have it that some of the Guatemalan bureaucrats in power down there want to listen to a crazy story that they can become world powers by becoming the center of communism.

For the Guatemalans to believe that story is just as sensible as sending a half-wit out after a circle-square or a half a dozen sky hooks!

Unfortunately there are a group of weak, simple people in the government of Guatemala who would like to believe that their importance reaches farther than you can throw a rock.

For these weak-minded government officials to believe that they are important as a bridgehead for communism is silly and crazy for lots of reasons.

And besides it isn't true.

This propaganda is boomeranging against the U. S. because this propaganda is coming from friends of three U. S. corporations!

These corporations whose purpose is to control Guatemala and get a strangle-hold over her life or death through a unified 99-year lease controlling the future of unborn Guatemalans!

While in Guatemala recently we discussed the idea of Guatemala as a possible bridgehead for communism on this continent.

We told some of the communists in the Guatemalan government that if they believed they could build a strong communist Guatemala they were silly and crazy.

It is about the same as the story of the Irishman who was drunk in a saloon.

The Irishman kept challenging one and all to fight.

Finally one fellow socked the Irishman on the jaw, knocking him out.

It was the only blow struck.

We pointed out to the communists in Guatemala that their unfortunate country was not important as a world power or as a seat of world trouble.

If their small group of communists were ignorant enough, we said, to be fooled by the communists elsewhere and by U. S. propaganda, then they were building further trouble for themselves and the good people of Guatemala.

The Guatemala communists meddling in the affairs of Nicaragua, whose aim is closer military relations with the U. S., proved their ignorance.

The Guatemalan communists are like a flea on an elephant which keeps shouting that he is boss of the elephant herd.

We pointed out to some of these communists that closer co-operation with the U. S. on an equitable basis is better for both countries, military and economically.

It is foolish for this small group to believe that it might at some time endanger the Panama Canal. If the Guatemalans would even point one threatening finger at the Panama Canal it would actually be possible not only to eliminate the communists but to eliminate all the Guatemalans with just two bombs!

So any insane idea on the Guatemalan communists part has merely been built up in their minds through ignorance and malicious propaganda spread by three U. S. companies which control 90 per cent of the economic power of life and death for the Guatemalans!

The United Fruit Company in Guatemala gave us a book by the National Planning Association of Washington, D. C., which is loaded with big names from the United States.

The subject of this book is "COMMUNISM VS. PROGRESS IN GUATEMALA," by Theodore Geiger. It is dated November, 1953.

The committee which signed the statement with Mr. Geiger is composed of the following names: FRANK ALTSCHUL, (Chairman) Chairman of the Board, General American Investors. LOUIS BROWNLOW, (Vice Chairman) Washington, D. C. SOLOMON BARKIN, Director of Research, Textile Workers Union of America. RICHARD M. BISSELL, JR., Richard M. Bissell, Jr. & Associates. JOHN F. CHAPMAN, Associate Editor, Harvard Business Review. GEORGE P. DELANEY, International Representative, American Federation of Labor. LUTHER H. GULICK, President, Institute of Public Administration. KENNETH HOLLAND, President, Institute of International Education. ISADOR LUBIN, New York City. HELEN HILL MILLER, Journalist, Washington, D. C. PHILIP E. MOSELY, The Rus-

President, The American-Scandinavian Foundation. CLARENCE E. PICKETT, Honorary Secretary, American Friends Service Committee. MORRIS S. ROSENTHAL, New York City. MICHAEL ROSS, Director Department of International Affairs, Congress of Industrial Organizations. WAYNE CHATFIELD TAYLOR, Consultant, Foreign Operations Administration. ROBERT WEST, Warner, New Hampshire. WALTER H. WHEELER, JR., President, Pliny-Bowes, Inc. DAVID J. WINTON, Chairman of the Board, Winton Lumber Company. MATTHEW WOLL, Vice President, Photo-Engravers Union of North America, AFL.

On page one of this 90-page book it says there are only four communists holding seats in the national legislature but it also points out that the majority are leftwingers.

The book points out that Indians make up between 60 and 70 per cent of the population and were only recently allowed to vote.

On page 7 it points out that communists in Guatemala do not have a popular following within the country.

Before we get too far into this Guatemalan situation with facts and figures we want to mention the Pan-American Highway.

This highway could be a great means of straightening out most of the countries to the south of us, if and when it is completed.

The flow of business which follows highways, railways, and airways tends to bring prosperity. And when prosperity rises, communism drops back to its nothingness.

Communism can only live on stagnated operations, on lack of justice, and on poverty.

The Pan-American Highway, according to some of our lawmakers in Washington, was a giveaway program for Latin America.

But the facts are that the idea behind this highway was to stimulate progress—and progress helps each and every country.

The U. S. started the highway because the U-boats stopped our shipping between Latin America and the United States.

We needed that highway to transport necessary minerals in case of war!

The sooner our midwest, cornbelt thinking is stopped and we put up the money to finish this highway the more progress and the less communists there will be in all countries!

President Eisenhower, January 21, stated that our spending in Latin America will be increased during the coming year. But the amount of his suggested increase is without realism.

These countries to the south of us fit into what Henry R. Luce, the world's Number One influential magazine publisher said when he called on the United States to show "economic" statesmanship by making a radical reduction in its tariffs.

"The Iron Curtain is only one of the curtains which is condemning men to poverty and unnatural hate," he said. "The curtains of economic restrictions criss-cross the so-called free world. In the so-called free countries of the world, few men are free, in the economic sense."

This answers 90 percent of the troubles of Guatemala.

Certainly the United Fruit Co. is important to Guatemala.

The American Power & Electric Co. is important to Guatemala and the Grace Steamship Lines are important.

But the facts are that through their concessions they have a strangle-hold on the future generation as well as the present generation of Guatemala!

And 99 per cent of all the propaganda originates from friends of these three monopolies.

For instance, the freight rate on tires from California to Guatemala is \$99.00.

The freight rate, by water, from California to Guatemala is several times greater than the freight rate from Canada to Laredo by rail. Yet the distance from Canada to Laredo is greater than from California to Guatemala.

This causes business stagnation and communism! Our Ambassador to Guatemala, Mr. Puerlfoy, is in our opinion particularly able and qualified for his present position.

We visited with Archbishop Marcelino Rossell Arellano, who is a native of Guatemala.

Because he was nice enough to go into detail in our interview we do not want to quote him, even though no restrictions were placed by him on our talk.

But another source, connected closely to the Cath-

olic Church in Guatemala, said it was possible that the communists could take over the country. But, he added, at this time they were in no position to do so.

He said that actually there were only two really dangerous communists in Guatemala with several hundred misguided, weak followers.

The President of Guatemala, Jacobo Arbenz Guzman, is a victim of both sides, our source said.

The communists and the vicious propagandists have not only damaged Guatemala under Pres. Arbenz Guzman economically but have damaged the sensible forces which could work with the United States.

Our source said he felt that the most that the President of Guatemala could be charged with was being a weak person, who was under extraordinary pressure which has forced him into the communists' hands.

Here are some of the things that the President of Guatemala is working out in order to move his country forward out of communism.

He has just completed a survey of the remaining link of the Pan-American Highway.

This survey was worked out partly by an American aerial mapping group. The group was stationed in Guatemala for the purpose of mapping from the air and from the ground this highway area of Guatemala.

This U. S. mapping group is under the supervision of the U. S. Army in co-operation with the Guatemalan army.

The Guatemalan Army is 89 per cent free from communist control or ideas.

This mapping commission is working out maps and surveys of all Central and South American countries and Guatemala is Number One as far as 100 per cent co-operation goes.

The Number One newspaper is El Imperial and the top bannerline of January 14, 8 columns across the front page, was Senator Wiley's 22-points on communism in Guatemala.

This fine newspaper also, we are told, prints items which could be considered detrimental to U. S. interests.

We mention this because Senator Wiley received more publicity and a larger front page play on his 22-points in Guatemala than he did in any paper in the United States!

Possibly the reason for this is because the Catholic Church of Guatemala, which controls 95 per cent of the people, is unhampered by the government or the communists.

The newspaper has a free flow of news.

The army undoubtedly never will be communist.

If the three foreign companies which control 90 per cent of Guatemala's life-line would join a constructive program of saying "let's get Guatemala rolling forward economically" then the communist scare in Guatemala would disappear the same as it disappeared in Mexico.

In fact the scare is built up out of 90 per cent propaganda and 10 per cent facts.

We made a suggestion to the American interests down there to get Guatemala rolling forward.

But this fell on deaf ears.

One of the men we were talking to represented the monopoly and he was the same man who played with the reactionaries in Venezuela a few years ago who were anti-United States.

He also opposed the young group which was pro-United States, until the young group put a bullet hole through his station wagon and then they took over Venezuela.

Guatemala should exploit her tourist possibilities. Guatemala is one of the most attractive areas in the world and the hotels there are unsurpassed in the hemisphere, although at this time they are 90 per cent empty.

There is a group which we would like to suggest that President Eisenhower send to Guatemala.

We believe that if President Eisenhower would ask these gentlemen to go to Guatemala for a conference, at their own expense, that they would get Guatemala going forward rather than backward.

The men we think best qualified are: Dr. Milton Eisenhower, Nelson Rockefeller, Bishop Sheen, Edward Pauley, Neville Penrose, Billy Rose, H. J. Porter, Joe DiMaggio, William Bauer, Harry Mosher, Hugh Ballie and Harold Stassen.

This group could organize the three United States monopolies in Guatemala with the business interests and the government and start a flow of at least a hundred million tourists dollars a year to that beautiful country of perpetual spring.

And because of this there would be no room for communism in Guatemala!



GUATEMALA

OFFICE OF INFORMATION AND
PUBLICITY OF THE PRESIDENCY

No. 1

Guatemala City, April 15, 1953

No. 1

Guatemala Charges Conspiracy

1. On April 1, in a denunciation addressed to the United Nations and its Security Council, Guatemala officially charged that its right of self-determination has been jeopardized by a series of acts over a period of years stemming from foreign political sources. These acts have been slanted to open intervention in Guatemala's internal affairs. The right of self-determination of nations is a basic principle of the U.N., Guatemala affirms.

That the menace of foreign intervention is evident is shown by the aggressive tone of publicity in some sections of the U. S. press. The excuse for publicity leading to intervention is the so-called Communist infiltration of Guatemala. The truth, as shown by its laws, institutions and its statistics, is that Guatemala is undergoing an overdue democratic transformation, and is defending its sovereignty and its national interests.

Guatemala stated that even when some Central American governments say that they are animated by a spirit of Central American fraternity, some high officials of some of these governments in practice have conducted unfriendly diplomatic activity towards Guatemala. This activity is aimed to gather a coalition of Central American countries to put «pressure» on Guatemala in the Organization of Central American States. Such pressure includes aid to a military conspiracy plainly directed against Guatemala.

The armed uprising of last March 29, promptly put down by the government, was directed by retired military officers who served the former dictatorship, and by leaders of the political parties which seek to maintain semi-feudal conditions of Guatemala. The insurrectionists were expecting weapons and reinforcements from outside the country. This was proved by carefully marked landing fields prepared for foreign planes.

We plan to publish in full the official denunciation made by Guatemala to the U.N. In this document will be found facts to justify Guatemala's charges.

2. The foreign minister, Dr. Raul Osegueda, on April 4 directed a significant document to the sister republics of Central America. This message stated that Guatemala is denouncing the Charter of El Salvador which created the «Organization of Central American States» (ODECA.) The note announced the withdrawal of Guatemala from ODECA.

Organizations representing the majority of the people of the country had demanded the withdrawal of Guatemala from ODECA. They had accused ODECA of engaging in an international conspiracy against Guatemala. These organizations reaffirmed their support of Pres. Arbenz and his policies.

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This fortnightly bulletin does not necessarily represent the opinion of the Foreign Relations Ministry

The position of these organizations was that for Guatemala to remain in ODECA at this time would compromise its sovereignty, national independence, and its opportunity for realization of Guatemala's democratic objectives.

Dr. Osegueda restated in his note the Central Americanist spirit of Guatemala's government, the fervor its people have always had for the ideal of reconstructing Greater Central America, and its earnest desire for the unity and understanding of the peoples of the Isthmus.

3. On March 27, in response to public indignation and at the request of congress, Pres. Arbenz cancelled the decoration of the honorary order of the Quetzal conferred in previous years on Spruille Braden, former U. S. diplomat and Latin-American "expert."

The congressional resolution asking the cancellation stated that Braden had "betrayed the democratic principles giving form to the national institutions, and had expressed himself in a manner derogatory to the republic."

The action grew out of Braden's call for intervention in the internal affairs of Latin-American countries in a speech made at Dartmouth College. The congressional resolution was unanimous, the first unanimous resolution in a long period from the politically divided congress.

Another resolution of congress was directed to the country, to the parliaments of America, and to the U. N. expressing indignation at the menace to Guatemala's sovereignty, and asking solidarity in maintaining democracy and repelling any move at intervention.

The press of the Americas, of every political complexion, commented sharply on Braden's interventionist thesis. In the U. S. some newspapers, including the *N. Y. Times*, took exception to Braden's remarks.

The congress of neighboring El Salvador in an official resolution sent to the Guatemalan congress expressed their solidarity against the menace of intervention expressed by Braden.

Mr. Braden is the public relations director of the United Fruit Company.

4. In Guatemala City, newspapers which usually oppose the government made strong condemnations of Braden's speech.

The *Prensa Libre*, on March 15, editorialized, "Even though the statements of Braden came incomplete by cable, the substance is enough to provoke resentment from all Guatemalans who respect themselves, and above all, respect their country."

La Hora, March 14, referring to the "reckless proposal of Braden," attacked his undisguised call for intervention as infringing on the established rights of modern states to direct their own internal affairs.

"Naturally," this paper states, "we must start with the principle that this concept of Mr. Braden is completely foreign to the present period when the relations of countries, above all countries of the Americas, are ruled by exact regulations of mutual respect confirmed by written pacts and recognized in the factual conduct of inter-American living together during the past twenty years."

5. In his second annual report to congress and the nation on March 1, President Jacobo Arbenz stressed the most important part of the government's program, which, he explained, concerns "the profound change in Guatemala's backward agricultural production resulting from an agrarian reform which is putting an end to large uncultivated areas and semi-feudal farming methods; giving land to thousands of peasants; increasing their buying power; and expanding an internal market favoring the development of a national industry."

The United Nations, in official publications, has pointed to Guatemala as one of the countries of the Americas where agrarian reform was the most urgent and needed.

The official census of 1950, the first accurate census ever made, shows that small owners possess only 10% of the arable land. These small proprietors are 76% of the total of farm owners.

Those owning more than one *caballeria* (111 acres), which includes the moderately well-off as well as the largest land owners, hold more than 70% of the land. These landlords are only 2.2% of the total. Large tracts of their land are uncultivated.

It should be noted, too, that 22 large owners have lands in excess of 22,300 acres each. Among them, these large owners have more than 1,302,000 acres. Much of this is virgin soil.

Owners of less than 9 acres each add up to 259,169 individuals owning a total of 819,245 acres,— an average of 3.1 acres each. Of these small holdings, nearly 25% is rented to others even more poverty stricken.

Guatemala's population of 2,788,122 (1950 census) lives in an area of 45,452 square miles, not including the Guatemalan territory of Belize, illegally held by Great Britain. The average wage of farm workers, 78% of the labor force, is twentysix cents per day.

6. The land reform, benefiting from the experiences of other countries, is embodied legislatively in the *Ley de Reforma Agraria* enacted in June 1952. Even some opponents of the law consider it just and equitable. Already the country is feeling the economic benefits of the first steps on the road from a feudal to a modern capitalist economy.

The law provides for two national enforcing bodies. These, a national agrarian council and a national agrarian department, are supported by and integrated with local agrarian committees.

"For the first time in the history of Guatemala," reported Pres. Arbenz, "the peasants will begin to participate in the public life of the country." Pres. Arbenz also pointed out that Guatemala's law has been more successful so far than similar legislation in other countries.

7. Congress has under study a project for a national farm bank. The proposed bank would be capitalized initially at 10,520,000 quetzales. (The quetzal is at par with the dollar.)

The proposal for establishing the bank was made by the

Ministry of Economy and Labor. The bank would assist the land reform by providing necessary credits for those working their new lands. The bank would also provide working capital for small farmers, those owning less than 222 acres, who are not affected by the reform law.

8. Thirty-five large plantations owned by the government have been divided among individuals and cooperative groups. Those benefiting are those who previously worked the same lands when the land was government property.

3,809 persons have received 23,780 acres as individual allotments. 1,743 workers organized into cooperatives have been given 5,850 acres for exploitation by their cooperative associations.

Of privately held uncultivated lands, parts of 39 plantations will be expropriated with compensation based on the tax value declared by their former owners. These lands total 27,990 acres for which the owners will receive 390,276 quetzales.

233 peasants have already received two tracts of land totaling 2,065 acres. This formerly unused land is going into production at once to add to the national wealth.

"To recapitulate," said Pres. Arbenz in his message, "147,890 acres have already been expropriated; and of national as well as private properties, 31,704 acres have been put in the hands of the peasants."

So far, 5,785 families in the country-side have received benefit from the distribution of the land.

9. The Supreme Court has denied the injunction asked by *Compañía Agrícola Guatemalteca* (subsidiary of the United Fruit Co.) to halt condemnation proceedings against 119,900 acres of land, uncultivated or abandoned by the company.

The National Agrarian Council had recommended the expropriation after careful study. The company will be compensated according to the terms of the land law as are other owners similarly affected.

The land will be turned over to peasants to hold on lifetime lease or as long as they cultivate it.

10. Guatemala is known as one of the most picturesque countries in the world. In its territory the native culture reached the highest level in the Americas. Sylvanus G. Morley American scholar and Mayan authority, said the founders of the Guatemalan Mayan culture may be considered, "without fear of successful contradiction, the most brilliant indigenous population of the planet."

Guatemala is also known as the land of eternal spring for its even climate, for its excellent mountain grown coffee, and as a country of great fascination for tourists. Tourist travel to Guatemala increased this year.

11. Holy Week in Guatemala is celebrated, as always, with the ageless pageantry equalled nowhere in the world except in Seville, Spain. The devout Catholic population of Guatemala throngs the streets for

the re-enactment many of the sacred processions of medieval times. In Guatemala City and Antigua, the "cucuruchos" parade in costumes of a style sanctified by centuries.

Throughout the nation, the people fills the churches for the traditional ceremonies. Shopping is done before Wednesday of Holy Week, for the merchants will close their shops from Wednesday until the Monday after Easter.

The government, as it has since 1944, gives all employees paid holidays from Wednesday through Easter Sunday. Congress also recesses according to custom for the sacred celebrations. Guatemala dedicates itself to its religious faith.

12. The *Instituto de Fomento de la Producción (INFOP)* is a government agency designed to stimulate agricultural and industrial production. The task of special studies, organization of new industries, application of new industrial methods, scientific developments, technical improvements, —all come within the scope of INFOP.

Recent accomplishments include new centers for mechanized agriculture, increased production of basic foodstuffs, increase in agricultural products for industrial use, continued work on a geological map, studies of fertilizers, milk pasteurization, and many other studies. Investigations dealing with industrial planning, farm credit, and forestry methods continue.

Cotton gins and a plant for the extraction of vegetable oils have been established.

13. One of the problems which has received special attention from INFOP is crop storage. A central grain elevator, the first in the nation, will be finished this year. It will have a capacity of 12,000 metric tons. Regional grain elevators are in process.

The purpose is to stabilize prices on basic commodities that fluctuate with the seasons; such as, corn, wheat, rice and beans. Not only the price fluctuations that follow harvests will be minimized, but waste resulting from rot and pests which accompany inadequate storage will be lessened by modern storage methods.

14. The level of the international reserves of Guatemala, which can be used as a measure of the country's external monetary position, has risen 11% in little more than a year.

This is mostly due to increases in the value of coffee exports. Increasing by \$4,752,000, these reserves have risen from \$ 43,288,000 at the end of December 1951 to \$ 48,040,000 at the end of February 1953.

Money supply shot up \$ 3,243,000, from \$ 76,083,000 in February 1952 to a figure of \$ 79,326,000 at the end of February 1953. Of the total increase \$ 2,302,000 was of foreign origin, a fact which indicates that the jump in the money supply was the result of external factors.

During the same period, money of internal origin also was expanded, in accordance with the liberal credit policy

Guatemala has followed in order to foster productive activities since the monetary reform of 1946. This expansion undoubtedly has contributed to the rise in the national income.

The level of prices remained relatively stable during this period, as shown by the following figures: the index of wholesale prices in Guatemala City reached 142.8 (base 1946 = 100) at the end of February 1952 but at the end of February 1953 it stood at 141.7. This indicates that prices were actually 1.1 points less than in the same month of the past year.

15. The foreign trade of Guatemala continued to develop satisfactorily in 1952. This favorable condition was due, primarily, to the complete freedom from exchange controls, which has prevailed for many years.

In its commercial policy the country has complied scrupulously with the spirit of the Bretton Woods agreements, and every effort was made to foster multilateral trade and to avoid restrictions of any kind. Thus foreign trade was governed primarily by world market conditions and other natural forces determining demand and supply of internationally traded goods.

The balance of trade for the past year was favorable to the amount of \$ 11.7 million. Exports increased substantially, rising from \$ 76.1 million in 1951 to \$ 89.5 million in 1952.

More than 83% of the 1952 total went to U.S.A. which is also the main source of imports for the country. In 1952 imports from the United States were valued at \$ 54.3 million. A rough breakdown of this figure is: machinery and motor vehicles, \$ 13.2 million; textiles and textile products, \$ 8.4 million; chemical products, \$ 5.7 million. The remainder consisted primarily of metals, metal products, processed foods, beverages, live animals, meat products, and paper.

Coffee continued to be Guatemala's main export and source of foreign exchange. As coffee production reached an all-time high in the history of the country and prices were also at a high level, the country earned more dollars than ever before through these shipments. Their value amounted to 81.8% of all exports during 1952. Listed in order of importance, other products sold in the world market were bananas, chicle, lumber, abaca and essential oils.

The 1951-52 coffee crop, the largest to date, was 1,710,912 hundredweight. The United States purchased 87.55% of this coffee harvest. Its export value was 71,072,822 quetzales.

16. The government of the Republic at present has under consideration several projects of great importance for the nation's welfare. They are:

- a) the establishment of a national farm bank,
- b) the construction of a hydro-electric plant with a capacity of 30,000 kilowatts, at Jurún, which will meet the in-

creasing demand for energy in the central part of the country,

- c) the construction of an asphalt highway project to connect the production and distribution centers in the Pacific coast region, as well as highways to the borders of neighboring countries,

- d) the construction of a port at Santo Tomás on the Atlantic side, to supply all the modern, technical facilities Guatemala needs to carry its expanding foreign trade.

The completion of the works will undoubtedly require a period of several years.

On March 13 of this year congress authorized the Executive Branch to issue bonds not to exceed the amount of 20 million quetzales to finance these government projects.

The planned issue is of the following nature:

- a) Total amount to be issued: 20 million quetzales;
- b) Maturity: 10 years from date of issue;
- c) Interest: 5% per annum;
- d) Amortization: Some bonds will be called each year until the whole issue is amortized;
- e) Form of issue: bearer bonds issued at face value;
- f) Agent: Bank of Guatemala;
- g) Funds: Redemption, interest payments and other expenses will be financed by revenues from the following sources: new taxes on liquors, increase in existing taxes on certain luxury articles, port fees, and finally by income obtained from the operation of the public works which are being financed with these bonds. The bonds are unconditionally guaranteed by the state.

h) Tax status: exempt from all existing and future taxes.

17. Chief of the Armed Forces, Col. Carlos Enrique Díaz, recently took the oath required by the constitution before congress.

In his message marking the ceremony he spoke of the specific role of the army in relation to the public life of the country. Especially significant was the following: "Inasmuch as the army is made up of 99% agricultural laborer— since they are the ones who comply with the military service, mandatory under the constitution to all citizens — it was felt of interest, and as the most effective cooperation which the army could lend to the agrarian law, to create a school of mechanized agriculture and a series of conferences dealing with the general subject of farming and animal husbandry. The courses were to include 635 hours for troops before discharge from the service. The object was to teach modern methods of obtaining greater yields from the soil for the good of the discharged men, the national economy, and the people. The instruction was started Sept./29 last year."



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TRUE FRIENDSHIP BETWEEN GUATEMALA AND MEXICO



Left to right: Mexican Chief of Protocol, Rafael Fuentes, Pres. Arbenz, and Chief of the Mexican Mission, Maj. Gen. Tomás Sánchez Hernández.

The decision of the president of Mexico, Adolfo Ruiz Cortines, to honor the people of Guatemala through their chief executive, Pres. Jacobo Arbenz, had deep significance for Guatemala and other Latin American countries.

In thus expressing his sympathy for Guatemalan democracy, Pres. Cortines demonstrated that Mexican fraternity has real meaning.

Pres. Arbenz was given the highest distinction offered by Mexico to heads of states, the Great Necklace of the Aztec Eagle. The presentation was made by a special mission headed by Maj. Gen. Tomas Sanchez Hernandez, ambassador extraordinary. Gen. Sanchez was accompanied

by the Mexican chief of protocol of the foreign relations office, Rafael Fuentes.

The Mexican ambassador in Guatemala, Primo Villa Michel, formed part of the special mission.

In this bulletin we publish the speeches exchanged on that occasion.

We also publish the declaration of the Mexican congress made on the occasion of Guatemala's denunciation before the United Nations and its Security Council of the threat to its sovereignty from a conspiracy with connections abroad. This statement, the friendly position of Mexico, indicates that Mexico has not forgotten its own experiences.

This fortnightly bulletin does not necessarily represent the opinion of the Foreign Relations Ministry

ADDRESS OF GEN. SANCHEZ HERNANDEZ

Your Excellency, Mr. President:

The mission which the President of Mexico has assigned me is a high honor, that of presenting Your Excellency with the Mexican Order of the Aztec Eagle, a decoration which my country reserves for heads of states as testimony of good friendship.

Some weeks ago Your Excellency's illustrious government paid an attention which the Mexican government and people appreciated greatly, that of sending a special mission to Mexico, headed by the worthy chief of the armed forces of Guatemala, Col. Enrique Diaz, to present to Pres. Ruiz Cortines the Order of the Quetzal. With equal appreciation we recall in my country the visit that his excellency Col. Carlos Enrique Diaz, accompanied by the Company of Cadets of the Polytechnical Military Academy, made to Mexico to represent Guatemala in the ceremonies that occurred during the inauguration of Pres. Ruiz Cortines. I recall with profound emotion the homage that the gallant Guatemalan cadets paid the heroes of our struggle for independence and the cadets of our heroic Military College who perished at Chapultepec in defense of the most sacred interests of our country. As Mexicans and Guatemalans we see these acts as sincere evidences of the cordiality that exists in the relations between the two countries and the affection that should unite the two peoples between whom destiny has extended close links that our governments are called upon to extend and strengthen.

The first of such links is proximity, from living together, principally in the border regions, of those born on either side of the boundary; and we have in common problems arising from our closeness which compel Mexicans and Guatemalans to unite in efforts to control through modern technique the flood of rivers or the invasion of plagues that menace crops and destroy vegetation.

Next comes the community of our ethnical origin. It comes from deep in the centuries as in the Popol Vuh a fraternal affirmation was sounded when on the heights of Monte Hacavitz the tribes contemplated the symbolic birth of day.

"Then they remembered," says the Quiche Book, "their older brothers, their younger brothers, whose dawn happened there in the country now called Mexico."

How moving is the voice of the remote aborigines translated to the sonorous language that we owe to the second and more recent of the two ethnical elements whose fusion was the seed of our race!

Since the perilous deeds of the conquest, the contacts between the two peoples were frequent. It could be said that these contacts were personified, in the century of the viceroys, in a famous writer whose works were claimed equally by both countries.

The pen of Bernal Diaz del Castillo wrote in the city, of Santiago de los Caballeros de Goathemala the prose that we enjoy in his true history of the conquest of Mexico. Later on, Thomas Gage the roving monk, dedicated to Mexico and Guatemala picturesque pages filled with fantasy. The Guatemalan Landivar in his immortal "*Rufoatio Mexicana*", was inspired to such harmonious Latin hexameters as much

JOHN MOORS CABOT, HEAD OF THE LATIN AMERICAN DIVISION OF U. S. STATE DEPARTMENT, RECEIVED AS HONOR GUEST BY GUATEMALAN GOVERNMENT



Left to right: Foreign Minister Dr. Osegueda, U. S. ambassador Rudolf E. Schoenfeld and Mr. John Moors Cabot.

Officially declared a guest of honor by the government of Guatemala, John Moors Cabot, in charge of Latin American affairs of the U. S. State Department, met a cordial reception and a planned program of activities for his three day stay in Guatemala.

by the Lakes of Anahuac as by the cataracts of his native land; such as, the one of the "*Dulce Cielo*," the "rich in waters and abundant in fruits."

But it is above all in the unanimous love for liberty, in the similarity of democratic institutions, and in the voluntary observance of the norms of International Law where the friendship of Mexico and Guatemala are most deeply rooted. The present cordiality in relations between our two countries is a natural consequence of those links which I had the pleasure of recalling; as well as the result of that desire for closeness that animates all the American peoples. The continental unity, the unity of purposes and aspirations, as well as the unity of efforts to achieve the high goal of our ideals. —these move us at the same time to the decision to secure true peace, the lasting peace that the world needs.

I know that such desires are also the desires of the

Accompanied by U. S. ambassador Rudolf E. Schoenfeld, Mr. Cabot was received in a special audience by Pres. Arbenz. He also conferred with Dr. Raul Osegueda, Guatemalan foreign affairs minister.

In a press interview, Mr. Cabot freely answered questions on national and international matters put by representatives of the national press and foreign correspondents. He stressed the desire of the United States to maintain close relations with Latin America and to strengthen its policy of cooperation.

Mr. Cabot indicated to the press that his government stands opposed to any policy of intervention. With respect to claims of the United Fruit Co. against the government of Guatemala, he stated that any action of the U. S. will be confined to negotiations in accordance with international law.

A good impression was created by Mr. Cabot's statement that the United States will continue a policy of friendship, respect and collaboration with Latin American peoples. The Guatemalan press of diverse political shadings has expressed satisfaction with this statement.

people of Guatemala, and that to their attainment Your Excellency dedicates your most fervent efforts. For their realization, I give cordial wishes in the name of Pres. Ruiz Cortines and in my own name, and cordial wishes also for the personal good fortune of Your Excellency and for the prosperity of the valiant Guatemalan people.

ADDRESS OF PRES. JACOBO ARBENZ

Your Excellency, Ambassador Extraordinary of the United Mexican States on Special Mission, Major General Tomas Sanchez Hernandez:

In warmly saluting you and the Mexican mission which honors us with your visit, I ask you, general, to transmit to His Excellency the president of Mexico, don Adolfo Ruiz Cortines, the fervent evidence of our friendship and of my gratitude for the high honor which your government has

conferred on me in granting me the valued Mexican Order of the Aztec Eagle.

Previously, on another occasion, I was honored by the award of this very valuable badge of honor of Mexico, in another grade, and for different reasons. On both occasions I was seized with deep personal emotion, but I feel that this distinguished occasion reaffirms the cordial relations and the sentiments of friendship of Mexico toward Guatemala; and that this good friendship between your country and ours has become more prized since October 20, 1944, the date on which the democratic institutions and the standards of social justice that characterize contemporary civilization began to be established in Guatemala.

In another period, and for many years, the tyrannies of Estrada Cabrera and Ubico hermetically sealed the borders of Guatemala, especially that bordering Mexico, in an attempt to impede economic and cultural interchange and, above all, the spread of ideas of democracy and social justice. The tyranny of Estrada Cabrera attempted to raise an insurmountable wall around the people of Guatemala, like a *cordon sanitaire*, to avoid the contagion of ideas called "anarchist," and the tyranny of Jorge Ubico spiritually closed the Mexican-Guatemalan frontier, at the same time that it observed deep mistrust of the Mexican people and hypocritically expressed to the government of Mexico a friendship which it did not feel, pursuing a "social prophylaxis" of not being contaminated nor contaminating the Guatemalan people with the highest democratic ideals which for a long time had been soundly established in your country.

With the same orientation those dictatorships oppressed the Guatemalan people, suppressed liberties, persecuted the true patriots, gave our resources to the first who presented themselves with the good fortune of sponsorship by foreign interests, and created a great feudal barony which made even the last vestiges of democracy disappear. But it is seen that no Chinese Wall can be erected in the field of ideas; and that sooner or later the people stir to life the democratic thinking which is the universal heritage; and they fight to take the path of liberty, progress, and national liberation. It is seen that no barbed fence can imprison the friendship of two peoples, who, like the peoples of Mexico and Guatemala are united by deep historical relations; and of governments, as that of your country and Guatemala which are spokesmen and expressions of the true popular aspirations.

On various occasions Mexico has suffered certain international harassment because of its defense of its democratic institutions, of its sovereignty, and of its territorial integrity. Today our country suffers from the attacks of a conspiracy contrived outside the country; for the political crime only of having defended our national resources and of having given ourselves a regime which, while not mixing in the affairs of other countries, governs according to the dictates of justice and the sovereign will of our people. For that reason you will understand how much we esteem the cordial international sentiments of your intelligent government.

The fight of the Mexican people, in a certain sense, has also inspired the fight of the Guatemalan people on various historical occasions; as when the insurgents succeeded in

unfurling the banner of independence with the warm advice of Hidalgo and the prophetic gestures of Morelos; when the great Benito Juarez raised his program of progress and bloody battle against foreign intervention jointly with the tricolor banner; and when the just cyclone of the Mexican Revolution was made a mission in the hands of Madero, became the peasant cry in the profound voice of Zapata, marched victoriously behind the cavalymen of Villa and Obregon, became legality and justice through the wisdom of Venustiano Carranza, and finally became agrarian reform and oil expropriation, life of the national recovery of Mexico in the thought and action of Lazaro Cardenas, the anti-fascist struggle for democratic liberties in the plain firmness of Avila Camacho, and the great material works and work for education in the term of office of attorney Miguel Aleman.

It is well known that the struggle for independence of the Mexican people at the beginning of the 19th Century had more influence than any other of the anti-colonial movements for emancipation in Latin America on the decision of our own people to obtain their political liberation from the Spanish Crown: history records that the liberal reform of the great Juarez also contributed a great deal to the reform begun by General Justo Rufino Barrios in 1871; and that several of the experiences of the Mexican Revolution influenced our people to chart their course through the democratic October revolution of Guatemala.

But above all, it has been the heroism, firmness and patriotism of so many illustrious sons of Mexico with which they have defended their country against foreign intervention as well as Mexico's respect for the right of self determination of other peoples which have served us as exemplary guides.

Because of this it is fully justified that the Chief of Armed Forces of Guatemala, Col. Carlos Enrique Diaz, as a faithful exponent of the patriotism and loyalty of the Guatemalan army towards our country, should have headed the delegation that had the mission of decorating Pres. Ruiz Cortines with the Order of the Quetzal; and that the

Guatemalan cadets should have rendered homage of admiration and sympathy to the child heroes of Mexico who perished in defense of the independence of their country, and to the heroes of Mexican liberty that won a free and sovereign country with their struggle.

You are correct, General Sanchez Hernandez, when you say "It is above all in the unanimous love for liberty, in the similarity of democratic institutions, and in the voluntary observance of the norms of International Law where the friendship of Mexico and Guatemala is most deeply rooted," and I subscribe to your words when you say that "the present cordial relations between our two countries" are at the same time due to the decision that animates you to "secure true peace, the lasting peace that the world needs." And I emphasize your words because it is precisely our love of democratic liberties, our respect of the norms of International Law, and our fervent attachment to peace which dictate our patriotic and unshakeable will to defend at any cost the national sovereignty, and to repel any foreign intervention in the internal affairs of Guatemala, whatever their origin may be and whatever may be the excuse for the attempt at aggression. There can be no peace among nations, no observance of International Law, nor consolidation of a regime of democratic liberties, if they are not joined at the same time to the respect of other people, and to the right that all people have to select the government which is most in accord with their interests.

Your Excellency:

Again receive my expressions of gratitude for having accomplished with so much kindness the mission entrusted to you by the illustrious government of His Excellency the President of the United Mexican States, don Adolfo Ruiz Cortines, and tell him that the insignia of the Mexican Order of the Aztec Eagle will always remind me of the cordial relations of true friendship that unite Mexico and Guatemala, and extend to him at the same time my most fervent wishes for the prosperity of the people of Mexico and for his personal well-being and accept these same good wishes for yourself.

MESSAGE FROM THE

When Guatemala withdrew from the Organization of Central American States (ODECA) and publicly denounced the existence of an international plot to overthrow its government, a wave of continental opinion approved its conduct. Support of the right to repel any form of intervention in the internal affairs of Latin American countries was also expressed.

From the Mexican congress came the following statement:

"The Congress of Mexico can do no less than feel iden-

MEXICAN CONGRESS

tified with the Guatemalan nation in defense of the sacred principles of independence, of non-intervention, and constant respect for national determination which the republics of this continent have entrusted to the Charter of Bogota as an inalienable part of the pattern that directs the inter-American community."

The message was signed by the standing committee of the Mexican congress, composed of Jose Rodriguez Claveria, president, and Emigdio Martinez Adams and Jose Huarte Osorio.

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No. 3

Guatemala City, May 31, 1953

No. 3

CHILEAN DEPUTIES SHOW SOLIDARITY WITH GUATEMALA

1. A parliamentary committee of Chile has sent the following message to our Foreign Minister:

"The deputies of the Independent Parliamentary Committee in a meeting held yesterday requested that Your Excellency favor us by transmitting to the Republic of Guatemala the sentiments of solidarity which we feel with the democratic regime of that Central American country. I have the honor to inform Your Excellency of that request."

The communication was signed by the committee president, Adolfo Tapia Moore.

COSTA RICAN WORKERS OPPOSE INTERVENTION IN GUATEMALA

2. The Unity Congress of the Independent Unions of Costa Rica recently held a session in which they passed the following resolution:

"Whereas:

"The people, and at their head, the working class of the sister republic of Guatemala, at this time wage a titanic fight to defend the interests of their independence and economic development, and to rescue the great masses of their people from misery and illiteracy, by giving land to thousands of dispossessed peasants, by guaranteeing social rights to the workers of town and countryside, by raising the living standards of all sections of the populace, et'c.

"In this fight they meet the resistance of the conservative feudal groups, of the political remnants of the Ubico tyranny and those of foreign companies, especially of the United Fruit Co.

"That throughout the continent an intense campaign of disparagement and lies against the people and government of Guatemala is being waged, accompanied by frank instigation toward open intervention in Guatemala.

"Be it resolved:

"That we consider our own the great fight of the sister Federation of Workers of Guatemala, and therefor the Guatemalan working class has the warm backing of the Costa Rican workers' movement which is conscious of the social and democratic importance of the gains of the people of Guatemala.

"That we oppose in militant fashion every attempt at intervention in Guatemala, whether it be through the organization of the Central American States, through direct

action of the United States State Department, or through any other means prejudicial to the interests of the sovereignty of the people of Guatemala."

GUATEMALA OFFERS EL SALVADOR A DIRECT OUTLET TO THE ATLANTIC

3. The administration of Pres. Arbenz is prepared to make available to the sister republic of El Salvador a direct route to the Atlantic for its commerce by providing a modern road through the departments of Zacapa and Chiquimula and putting the soon-to-be-constructed national port of Santo Tomas at the service of our neighbors. At present, El Salvador has no direct access to the Atlantic.

This decision will result in great benefits to the Salvadorean economy, which, like ours, is subject to the high

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It is with great satisfaction that I see the workers and peasants of Guatemala standing proudly as they did when, with backs still aching and knees still tired, they won the dignity of more humane treatment on receiving from the hands of my illustrious predecessor, ex-president Juan José Arévalo, the Labor Code which with so much sweat and sacrifice they had demanded with their struggle on a previous historic May Day.

A new period in the life of the workers began on that May Day. Then the workers obtained an instrument which, if it did not pretend to free them economically, placed them in a better position to negotiate with their employers and carry their particular grievances to the labor courts at the same time that it ended the era when the needs of the workers were resolved with lashes of the whip, with despondent imprisonment in jails, or in roadside culverts where so many anonymous fighters died.

I believe that since that date the president of the republic has not addressed the workers directly during the May 1 celebrations. This is true, perhaps, to the fact that there have not been specific reasons for doing so. In my judgement, there now exist such reasons.

AGRARIAN REFORM

I could mount this rostrum to talk to you of the agrarian reform, which you demanded last year with renewed insistence and which is beginning now to be a reality as a result of the unity of the workers, the united peasants, the cohesion of the political parties, and the loyalty of the army joined by sentiments of patriotism and love of liberty to the cause of the people and the flag of Guatemala.

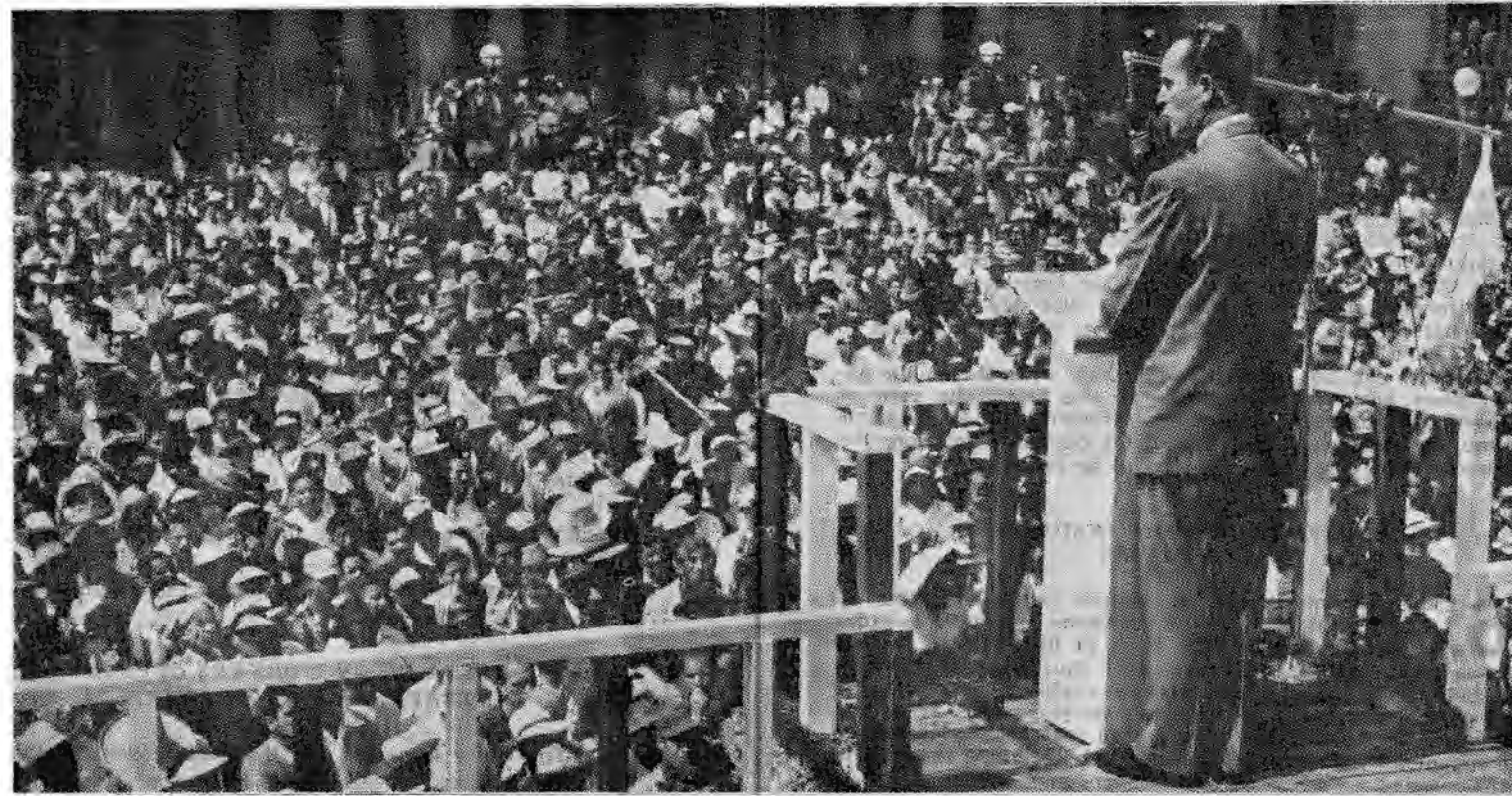
I am not going to speak more of the agrarian reform directly, but rather of the consequences that have arisen as a result of the application of this reform embodied in Decree 900 of the Congress of the Republic. I refer to the fact that the expropriation of thousands of acres of land, either non-productive or rented in such a way as to squeeze the peasants directly and brutally, has affected the interests of the great landlords as well as those of an enterprise composed of privileged foreigners. The very just decision to expropriate uncultivated land and turn it over to the peasants has brought native reaction and that of the favored foreigners to the desperate point of intensifying an old national and international conspiracy of great scope and of anti-democratic character, aimed at knifing the democratic regime of Guatemala and stopping short the measures of our program, which, as the whole world knows, move toward the economic development of our country. The most apparent evidence of this conspiracy has been the armed uprising at Salama, which has laid bare an intricate plot in which the front men and direct servants of some foreign interests, as well as the desperate landholders and many political leaders of the reactionary opposition which calls itself "anti-communist," are involved.

WHAT KIND OF DEMOCRACY?

Tendentious propaganda that Guatemala is a "communist country," that my administration is a "communist" administration, and that we "encourage communism," has been constantly repeated. On such pretenses we have been represented as opponents of democracy and as trouble-makers in the field of international relations and peace, inside and outside of Guatemala.

I do not know what kind of democracy is meant: but for us, a democratic regime is that which guarantees all its citizens the freedom of stating their opinions, of believing what they please, of organizing themselves, meeting and associating with one another as best suits their interests; without taking account, as far as the law goes, of differences of race, religion, class or political convictions. I cannot understand to what good international relations they refer: whether they are those which permit the meddling of foreign hands in the internal affairs of Guatemala

Excerpts from the May 1 Address of Pres. Jacobo Arbenz



Invited by labor and peasants' unions, Pres. Arbenz addressed the workers and peasants of the nation on May 1 in a speech delivered before an estimated 60,000 who paraded in the capital. Bearing banners and placards supporting the government of Pres. Arbenz against foreign intervention and calling for minimum wages of eighty cents daily in the countryside and Q1.25 (quetzal at par with dollar) daily in the city, the parade was the largest since 1945 when May 1 was officially decreed Labor Day by congress.

Other demands raised by the paraders were for speedy fulfillment of the agrarian reform and for action against conspirators serving the interests of foreign companies and feudal landowners holding large areas of land out of production. In thirty other centers of the republic, paraders demonstrated for better electric facilities and improved water supplies, and better living conditions generally.

and the kind of despoliation of the national resources which occurs in the relations of a colony and a metropolis; or if they are those international relations which are based on honest friendship, mutual respect, and collaboration nourished on equity and justice. For us it is the latter and not the former which we hold as good relations between country and country.

WHAT KIND OF PEACE?

Nor do I have any idea of what kind of peace is the peace of our enemies: whether it is the peace imposed after the slaughter, the peace which would allow the the pillage and iniquitous exploitation of our fellow citizens, — in a word, the peace of the penitentiaries and the cemeteries; or whether they refer to the peace which permits the people to give themselves the government their will dictates, the peace which respects national sovereignty and under whose influence the people can advance by the road that leads to their progress and well-being through the growth of culture and education, and the development of democracy. That is the peace which we wish to see maintained in the land as a propitious sign of good international relations and the maintenance of authentic democracy in all the countries.

It cannot be doubted then, that these concepts conform to the most just criterion: they, the plotters of the past,

the perpetual conspirators, the terrorists of two years ago, and the factionists of Salama, are those who, allied to and serving foreign interests and the interests of enemies of people within the country, make attempts against the democratic regime, cause friction in the good relations, of Guatemala with other countries, and might disturb international peace.

The accusation that we encourage "communism," as we recently pointed out to the United Nations, is not only false, but it is also the pretext which is raised like a bludgeon to soften international opinion; in order that, blinded by misunderstanding, it does not raise its voice against those who attempt to intervene openly and impudently in the internal affairs of Guatemala and to impose upon us the dictates of their policy and require the concession of new and more greedy privileges from us.

So many and so varied are those interests which urge foreign intervention in our country, that today in Guatemala it can be said there are only two groups: those who are for the defense of the sovereignty and the national independence as a means of supporting democracy and the democratic regime of Guatemala which allows us to advance toward the social and economic progress of the country; and those who appease and are favorable to foreign intervention in Guatemala as a way of killing the regime of liberties and halting with treasonous hand the development of the progressive program which we offer the nation and which we will fulfill as our possibilities allow.

LANDLORDS AND PRIVILEGED FOREIGNERS

The present fight, then, is between the party of the great majority of the people and the party of the great landlords and the privileged foreigners. This latter party would have almost no backing if it were not that with the object of defending their interests — as the Mexican General Alvaro Obregon stated in an historic manifesto, "...the privileged foreigners always seek the support of their respective governments" — in order that they may come to their aid to defend with force the injustices of their business dealings, outraging the sovereign flag of the country in that manner.

Unfortunately, the efforts which have been made to encourage closer relations between the Central American governments have been sidetracked by the proposal of a policy, which, although that was not its intention, has come to coincide with the lying international propaganda and with the intentions of those who back this propaganda financially and ask for intervention; and, precisely at the moment in which measures of foreign filibusterism were the most aggressive.

On following the road of the Organization of Central American States, without wanting to, it is true, we would have ended by breaking the good relations between the Central American nations. The government of Guatemala withdrew from the Organization of Central American States fundamentally because we did not want to strain the relations between the governments of the sister republics of Central America too far with grave prejudice to the hopes of true Central Americans who hope for the rebirth of a great country through progress and democracy. In spite of those incidents which moved the retirement of Guatemala from the Organization of Central American States, my government reiterates its friendship with the governments of the sister republics of Central America and is disposed to favor those measures which mean the strengthening of the bonds of Central American fraternity. I am sure that our people and the workers of Guatemala cherish the purest sentiments of friendship and solidarity with their brother peoples of Central America.

For some time the workers of Guatemala have demonstrated... what can be accomplished by unity and firm determination. The labor disputes won by the workers to increase their well-being; the shoulder-to-shoulder support of the workers and peasants for the realization of the agrarian reform; the backing for the highway to the Atlantic; the port of San Tomas, and other important works which form part of our government program are some of the palpable proofs of what can be accomplished by the unity of the workers, the unity of the peasants, the solid friendship of workers and peasants, and the alliance of the different democratic parties.

Workers and peasants: I thank you in the name of the government for your support. The policy of the government over which I preside would have no reason for existence if it were not inspired precisely by your support and in general by the cause of the people and the highest interests of the nation.

At the same time, this demonstration of workers and peasants, as well as others which are taking place throughout the republic, speak clearly of the determination of the people to fight for the maintenance of our democratic regime, and to defend with eagerness and energy, inch by inch, the national sovereignty and the independence of the country, — all of it and always!

On turning over the leadership of the nation to me, ex-president Arevalo spoke these words, "Guatemala has shown in six years that there is no human power capable of crushing the will of a people when its leaders do not betray them. The people and government joined together produce dignity. And we small countries have the same right as the great ones to organize ourselves and orient ourselves in conformance with the dictates of our conscience".

GUATEMALA OFFERS...

(from front page)

freight rates of the International Railway of Central America as well as to the monopoly of that company on the present port facilities.

Thanks to the measures of the government, El Salvador will have access to the Atlantic by a route that follows the highway of Chiquimula and Zacapa, joins the new Atlantic Highway at Marmol, and ends at the port of Santo Tomas. By this road El Salvador will have an outlet on the Atlantic by way of 309 kilometers of first class highway.

It should be mentioned that a great part of Salvadorean imports come from the Atlantic across Guatemala and are obliged to pay the excessive rates imposed by the IRCA.

In considering the economic needs of its neighboring country, Guatemala demonstrates its desire for friendship and collaboration of Central American countries.

MILK STERILIZATION PLANT

4. After a thorough study of milk production in Guatemala, it was found that the country was losing in excess of 3,000 gallons of milk daily through bacterial contamination.

This fact has induced the *Instituto de Fomento de la Producción* to plan the erection of a milk sterilizing plant that will make it possible to keep milk over long periods without the refrigeration which is so scarce in Guatemala.

The plant would have a capacity for sterilizing from 2,500 to 5,000 gallons of milk daily. The main plant would be located in the outskirts of Guatemala City. There would be two refrigerating plants; one each in the towns of Los Cerritos and Taxisco. These latter sites are in the zone of the greatest milk production.

The cost of the construction program is estimated at Q 266,000. Initially the technical administration would be in the hands of the INFOP. When sufficient experience made it possible, the administration would be by a milk producers' cooperative.

The importance of the plant can be measured by its expected results: the saving of 3,000 gallons of milk now lost daily; the convenience of being able to keep natural milk for long periods without refrigeration; and the lowering of the present price of milk by nearly half which would place milk within the reach of thousands unable to pay the present prices.

NATIONAL INCOME

5. The preliminary estimates of the gross national product prepared by the Bank of Guatemala reveal that the national economy has continued to expand rapidly even before the initiation of the projects for economic development scheduled by the government of the republic for the years 1953 through 1956.

If you wish to receive this bulletin, please send your name and address to P. O. Box 107, Guatemala City, Guatemala, or to Embassy of Guatemala: 1614 18th Street N. W. Washington, D. C. — Guatemala Consulate: 408 So. Spring St. Los Angeles 13, California. — Guatemalan Consulate: 30 Rockefeller Plaza Suite 1430, New York 20, New York. — Guatemalan Consulate: 301-302 Pan American Building, P.O. Box 1286 New Orleans 10, Louisiana. — Guatemalan Consulate: 461 Market Street, San Francisco, California.

Guatemala Herald

Statistics for the years 1951 and 1952 serve as a basis of these comments. In 1951 the gross national product in monetary terms (at current prices) was Q 522,322,300 while in 1952 it rose to Q 541,891,100, registering an increase of 3.7%.

In real terms (at 1946 prices), however, the gross national product shows a larger increase due to the fact that the price level was lower during 1952. In 1951 the level of the real gross national product was Q 366,565,000 while in 1952 it amounted to Q 412,588,800, indicating a rise of 12.5%.

Population estimates made by the General Bureau of Statistics listed a total of 2,930,993 persons in 1951 and 2,998,769 in 1952. By relating these figures to the volume of gross national product, it can be seen that the 1951 per capita gross national product was Q 178.20 and in 1952 it was Q 180.70 in monetary terms (at current prices). In real terms (at constant prices) the 1951 per capita gross national product was Q 125.06 and in 1952 it increased to Q 137.59.

There can not be any doubt that, with the public investment program being initiated this year, the rate of growth of national income will be accelerated. At the same time, as the government stimulates capital formation, the standard of living of the people will be raised.

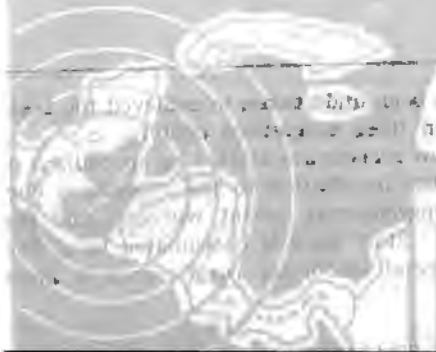
ACTIVITIES OF THE INSURANCE COMPANIES

6. The government of the republic has been giving all the necessary help to the insurance companies in order to expand further this form of institutional savings within the national economy. Such savings will contribute to the monetary resources available for the financing of part of the country's economic development. With this purpose in mind, a law was passed whereby all insurance companies were obliged to invest their technical reserves in the country.

As a result of recent resolutions of the Monetary Board, a plan has been completed for entering into a satisfactory agreement with the foreign life insurance companies; such plan provides for these companies to invest in the country the amount of the dollar reserves accumulated from their operations in Guatemala. This arrangement will facilitate the investment by the foreign companies of over three million dollars in 4% interest bonds to be paid in quetzales or in U.S. dollars at the election of the holders.

The proceeds of the investment will be destined primarily to agricultural and industrial development. This will undoubtedly result in increased imports of machinery and other capital goods necessary for increased productivity in these fields.

The amount of premiums collected in 1951 was Q2,551,700, while in 1952 it amounted to Q2,870,500. The fact must be pointed out, however, that during the latter year, foreign life insurance companies did not issue any new policies in the country until the above mentioned arrangement was completed. The Guatemalan market for insurance began its rapid growth a few years ago. The present level of development in the insurance field and the enthusiasm of the public, leads to the conclusion that in some years more this form of saving will be an item of great importance among the sources of capital needed to accelerate the national investment program.



GUATEMALA

GOVERNMENT INFORMATION BUREAU

No. 4

Guatemala City, June 15, 1953

No. 4

OUTLOOK FOR PUBLIC EDUCATION

1. The democratic governments of Arevalo and Arbenz since 1944 have understood clearly that economic problems have priority over problems of education. It is not possible to solve the problem of the rural school without solving the land problem, as the great Christian writer and teacher Gabriel Mistral, Nobel prize winner, declared years ago.

The highest rates of illiteracy are found in countries of feudal and semi-feudal characteristics. The abolition of peasant illiteracy demands the solution of the land problem.

The Social Security program, the Labor Code, and the Agrarian Reform are the bases from which the cultural transformation of Guatemala arises. With favorable social conditions, the cultural level is lifted from year to year.

Guatemala, with a population of 2,788,122 according to the 1950 census, has an illiteracy rate of 72.2%. After nine years of democratic government the average wage of the farm worker, 78% of the labor force, is still only 26 cents per day. These figures speak for themselves and explain why the government has given special attention to the great majority which has been destitute and discriminated against for centuries. This policy of the government gives rise to the resistance of the semi-feudal national minority and foreign interests who feel themselves affected by the new institutions and laws of the country.

SCHOOL CONSTRUCTION

President Arbenz in his report to the nation concerning administrative matters in 1952, made before congress March 1 last, expressed dissatisfaction with accomplishments in the cultural field. He explained that a thorough study was under way to better educational planning and correct the deficiencies of the campaign against illiteracy. The task is a huge one and requires rapid surpassing of the results hitherto obtained.

The two governments of the revolution (Arevalo 1944-1951, Arbenz 1951-1957) have invested Q. 6,779,330.37 (quetzal par with the dollar) in the construction of schools. This figure does not include the modernization of primary and secondary educational centers installed in inadequate buildings. Nor does it include work undertaken by municipalities which have received contributions of some importance from the Ministry of Communications and Public Works which is charged with school construction.

In the nine years since the dictatorial governments, Guatemala has built more schools than during all previous governments. 87 schools of different styles have been built:

"Federation" type schools	20
Minimum type schools	60
"Barcenas" type schools	2
Schools of other types	5

FEDERATION TYPE SCHOOLS

The Federation school is a modern, functional model which has merited special distinction in international school architectural competitions. There are three styles: circular, semi-circular, and quadrant shaped.

The circular school has eight double *aulas*, each serving fifty children. Each *aula* has an independent patio and sanitary facilities.

The *aula* in these schools includes class room, work room, and a special vestibule for class and work room utensils, as well as closets and clothing lockers.

The semi-circular style school has six *aulas* and the quadrant shaped four. They are otherwise similar to the circular school.

Each school has an auditorium with movie apparatus, galleries, and special arrangements for theater, ballet and orchestra. They also have swimming pools, and playgrounds with sports equipment and agricultural equipment. Each school has a clinic for medical examinations and a library with a permanently assigned librarian.

Apart from the *aulas* are offices for the director, two regents, and a secretary. There is a storeroom for textbooks and a shop where pupils may buy school needs.

The Federation deals with the problem of different work and play time schedules for different age groups by providing each *aula* with separate facilities including separate

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patio for playing. This permits each class a different timetable coordinated with the over-all school program.

PUBLIC EDUCATION BUDGET

School construction in different sections of the country has been guided by need as shown by a census of children of school age. It might be pointed out that during the last dictatorship, that of Gen. Ubico who held power for the fourteenth years preceeding 1944, not a single school was built.

The national budget for the Ministry of Education continues to be the highest for any of the ministries which compose the government. For the fiscal year 1953, the education budget, presently under study by congress, will approach ten and a half million quetzales. The education budget alone for the next fiscal year will be greater than the total budget under the dictatorship for all administrative branches.

This year there are 400 more rural schools functioning than in 1952. A rural school, in contra-distinction to those mentioned previously, is usually a one-room affair in a rented building in small villages, or perhaps a room provided for the children of workers on a large ranch.

Half a million quetzales has been allocated for salaries of new teachers. A hundred thousand quetzales more than in the previous budget will be provided for completion of the new school program.

NEW SPECIAL FACILITIES

Since last year three new educational centers for abandoned and delinquent children have been functioning. A



Federation school of the semi-circular type recently dedicated in Chimaltenango to the Mexican patriot, Miguel Hidalgo, Father of his Country. (Detail of facade.)

special study has been undertaken to achieved the best pedagogical results in these specialized centers.

The three new schools are staffed by specialized personnel which includes, in addition to the regents, a doctor, a psychologist, a psychiatrist, social workers, and specially trained teachers. Staff work is coordinated by a director.

The first special school for rural nurses is already in operation.

COMPARATIVE STATISTICS

1944 under the dictatorship, and 1952 eight years after the Revolution.

NUMBER OF STUDENTS IN PUBLIC SCHOOLS:

	1944:	1952:
Kindergarten	5,065	11,127
Urban primary	66,348	90,641
Rural primary	35,799	51,091
Normal and high school . .	1,861	6,488
Vocational and technical . .	2,460	4,507

NUMBER OF PUBLIC SCHOOL TEACHERS:

	1944:	1952:
Kindergarten	128	312
Urban primary	2,530	3,816

Rural primary	1,148	1,752
Normal and high school . .	242	719
Vocational and technical . .	217	374

NUMBER OF PUBLIC SCHOOLS IN OPERATION:

	1944:	1952:
Kindergarten	34	49
Urban primary	700	750
Rural primary	998	1,559
Normal and high school . .	13	19
Vocational and technical . .	10	15

COMPARISON OF TEACHERS' SALARIES

Under the Dictatorship:

Teachers without certificate 4 to 12 quetzales per month.
Graduate rural teachers 12 quetzales per month.
Graduate urban teachers (outside the capital) 24 quetzales per month.
Graduate urban teachers (in the capital) 33 quetzales per month.
Part time teachers —1 hour daily— 12 quetzales per month.

IN 1952:

(Minimum salaries under a sliding scale which allows teachers to reach a maximum 100% higher.)

Teachers without certificate 30 quetzales per month.

After next July 1st, 50 quetzales per month.

Graduate rural teachers 60 quetzales per month.

Graduate urban teachers (in and out of the capital)

75 quetzales per month.

Part time teachers —1 hour daily— 25 quetzales per month.

(Quetzal par with the dollar.)

PUBLICATIONS OF THE DEPARTMENT OF PUBLIC EDUCATION

A publishing division, *La Editorial de Educación Pública*, was established in July 1949. At the end of 1952, after three and a half years of operation, it had published:

	Number of copies:
Text Book Collection	91,100
Scientific Pedagogic Collection	6,000
Contemporaneous Collection	62,600
20th of October Library	246,500
Examination papers	515,400
Happiness Magazine (Children's)	40,000
Teachers' Magazine	59,000
Pamphlets	13,000
Other books and magazines	193,200
Miscellaneous	1,604,345

Federation School "Miguel Hidalgo y Costilla"

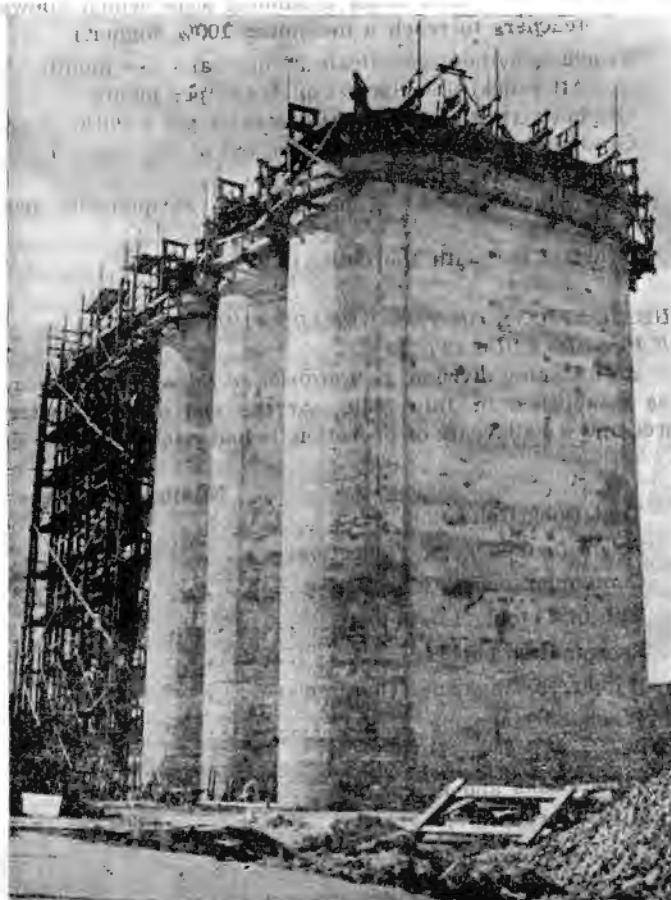


Detail of the interior. Pres. Arbenz attended the dedication with cabinet members and the Mexican Ambassador Primo Villa Michel.



Another view of the facade. The Minister of Foreign Relations, Dr. Raul Osegueda, and the Mexican Ambassador Primo Villa Michel spoke at the ceremony.

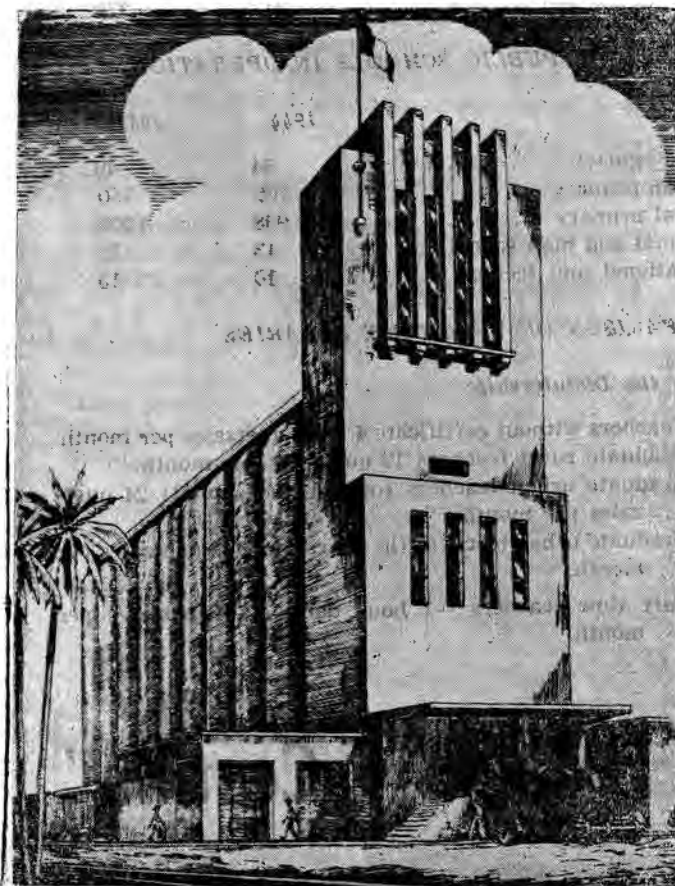
REGIONAL GRAIN ELEVATORS



Grain elevator in the capital, soon to be completed.

2. The first of a national system of granaries is nearing completion in Guatemala City. It is anticipated that grain losses of as much as 50% may be avoided by modern storage methods protecting against humidity and pests. Carryover storage facilities should also eliminate much of the speculation which causes fluctuating prices of basic foodstuffs.

INFOP, the production research agency of the government, has already begun studies for regional elevators which



As the granary will appear when completed.

will round out a program of storage granaries capable of handling the entire national production. Factors in determining the location of additional facilities are climate, soil conditions, amount and type of production, and highways.

Within the budget and work plan for the current year, INFOP plans an expenditure of Q. 250,000 for the necessary regional studies and the initiation of construction on another elevator.

GUATEMALAN NEWS ON THE AIR

"The Voice of Guatemala", a national radio broadcast service, transmits uninterrupted programs every day from 6:30 AM until midnight. The programs may be received as follows:

Broadcast band: Station TGW on 640 kilocycles.
 Station TGWC on 1520 kilocycles.
 Short Wave: Station TGWA on 9760 kc. 31 meter band.
 or 15170 kc. 19 meter band.
 Station TGWB 6180 kc. 49 meter band.

Best for reception outside the country, and particularly for the United States, in the short wave broadcast from TGWA from 6:30 AM until 5 PM on the 19 meter band

(15170 kc.). After 5 PM this station operates on its other frequency, the 31 meter band (9760 kc.)

TGW transmits news programs daily in Spanish at 7 AM, 12:30 PM, 7 PM, and 10:15 PM. The program "Guatemala and the World", of commentary related to foreign countries and the national life in its different aspects, is broadcast Mondays, Wednesdays, and Fridays at 9:15 PM. On the same days at 8:30 PM, "Press Clippings" is heard, a program of news items in dramatic form. For the benefit of Guatemalans living outside the country and for all friends of the country, a musical program "Chapinlandia" may be heard everyday at 9:30 PM and 10:15 PM.

The hours above are local time; New York is two hours in advance; New Orleans 1 hour in advance; and the West Coast 1 hour behind the times shown.



GUATEMALA

GOVERNMENT INFORMATION BUREAU

No. 5

Guatemala City, June 30, 1953

No. 5

First Year of Land Reform - Passing of Feudalism

ON JUNE 17, 1952, congress passed the Agrarian Reform Law after careful study of the proposals presented by Pres. Jacobo Arbenz.

Pres. Arbenz and his cabinet held many meetings with representatives of the General Association of Agriculturists and specialists on the problems involved, in order to hear and consider objections and suggestions for making just and equitable legislation in accord with the needs and possibilities of the country.

The press of every political complexion analyzed the proposed law from many viewpoints. There was unanimous agreement on the necessity of land reform. The discussion was confined to certain points and to the manner of putting the law into practice.

A year has passed. The law is being enforced. The economic and social transformation of the nation is under way. The land reform is the most far-reaching step in the modern history of Guatemala. The land is the basis of the national wealth.

GENERAL FEATURES

THE AGRARIAN REFORM LAW proposes to abolish the feudal land system and the production methods which stem from it in order to develop modern farming methods and prepare the way for industrialization.

The most controversial measure of the law is that governing expropriation by the state of certain, in the main, uncultivated lands. These lands are distributed in small parcels to individuals, or in larger units to cooperative associations.

Payment is made to the owners at the declared tax value in long term 3% interest bearing bonds guaranteed by the government. Of different maturity dates, the maximum maturity period is 25 years. Through May 31, 1953, Q.1,827,149.94 was paid out in such bonds.

Many exemptions from expropriation are allowed. Farms less than 223 acres are exempt whether cultivated or not. Farms up to 670 acres may not be touched if two-thirds is under cultivation.

The expropriation feature, in general, does not affect lands which are contributing to the national production.

The law prohibits all forms of peonage and slavery. All farm labor must be paid. The use of land as payment for labor is forbidden. Any form of levies for free labor from the Indians is outlawed.

Sharecropping is permitted only on previously uncultivated lands not affected by the law, and rent in kind cannot exceed 5% of the crop. Cash rent for such lands may not exceed 5% of the value of the crop.

ESSENTIAL OBJECTIVES

THE ECONOMIC AND SOCIAL life of the country is being spurred forward as the land reform overcomes economic backwardness. Article 3 of the law lists as essential objectives:

- To develop a modern agricultural economy for all types of farmers.
- To apportion land to peasants and farm workers with little or no land.
- To facilitate the investment of new capital in agriculture by leasing national lands.
- To introduce new methods of farming by giving, especially to small farmers, work animals, fertilizers, seed, and technical aid.
- To make available increased credit for all classes of farming.

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FIRST YEAR OF LAND REFORM

PASSING OF FEUDALISM

- GENERAL FEATURES
- ESSENTIAL OBJECTIVES
- LAND REFORM IMPERATIVE
- NEED FOR RURAL CREDIT
- NATIONAL FARM BANK
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- UNBALANCED LAND OWNERSHIP
- A CAMPAIGN PLEDGE
- SOME HISTORY
- PAST EXPERIENCE GUIDES GUATEMALA
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LAND REFORM IMPERATIVE

IT CAN BE SEEN THAT it was impossible to progress beyond the semi-feudal and colonial stage of economic development toward a free enterprise system of production without reform.

Two approaches are being taken by the Arbenz administration to bring the Guatemalan economy up to date.

The first is a program of self liquidating public works; such as, new port facilities at Santo Tomas, a new hydro-electric plant to serve the nation, the new highway to the Atlantic and other modern new highways. These and similar capital investments are designed to increase the real income of the people over the long term.

The second is a series of measures tending to distribute the national income at once and directly through a broad system of social security. Such a system, now operating, includes severance pay for discharged workers, medical attention and compensation for workers injured on the job, medical and hospital care for on the job accidents, maternity hospitalization and other maternity benefits, public nurseries and children's "dining rooms," dental and medical clinics, and other social welfare services.

Such economic and social planning requires changes in the basically agricultural economic structure. These necessary changes are assisted by agrarian reform which thus permits an appreciable bettering of the living standards.

But a land reform without a parallel reform in farm methods and financing cannot reach the goals established.

NEED FOR RURAL CREDIT

OLD FARM CREDIT PRACTICES are dramatically pointed up by data gathered in a survey of 19 rural areas made under the direction of the National Indian Institute from October 1950 through January 1951.

In one area the normal rate of interest to small farmers was found to be 35% per month. This 35% rate might reach the staggering rate of 175% per month in some cases. The 175% rate would be charged if the borrower needed funds for a one month period. For such a loan he would pay interest based on a five month period, the usual term for a loan of that type.

Such usurious rates had their foundation in the helplessness of the Indian farmer, based on ignorance and misery, the heritage of feudal times.

For example, the percentage of illiteracy for the country as a whole is 72.2%. In the Indian areas where the credit situation was surveyed, the rate of illiteracy is even higher.

The misery and poverty of the masses, also a heritage of feudalism, is shown by a survey indicating that 75.8% of the population is shoeless. Guatemala is a barefoot democracy.

The data collected by the National Indian Institute headed by Joaquin Noval on the rural credit situation reflect a state of affairs so rapacious and inhuman that it appears incredible. But this situation is characteristic in the rural sections where the feudal relationships and attitudes are most strongly entrenched.



Hundreds of peasants gather to claim uncultivated lands. — (Photo Deleon)



Peasant counts money advanced by Credito Hipotecario Nacional for crop seed.

NATIONAL FARM BANK

THE CREATION OF A NATIONAL farm bank, now under study by congress, is expected to alleviate in large measure these conditions.

The new bank would have an initial capital of seven to ten million quetzales (quetzal at par with the dollar) to finance the country's new independent farmers.

Further capital in the form of cattle and work animals is now being given to assist these small farmers who for the most part are farming land never before cultivated. A goal of 24,000 head of livestock has been set. During this first year of the agrarian law, nearly half of the animals were distributed.

AN AGRICULTURAL COUNTRY

GUATEMALA IS ALMOST completely an agricultural country. In an area of 45,452 square miles, excluding Belice illegally held by Great Britain, two-thirds of the three million inhabitants live in the farming countryside.

The most recent information from the Administrative Department of Labor (*Mes Económico Financiero* — April 15, 1953) shows the inequitable distribution of wages to the working majority, the farm workers.

According to this source 3,320 remunerative enterprises are registered in the country, distributed as follows:

Industrial enterprises	821
Commercial enterprises	1127
Agricultural enterprises	1327

The employed labor force is distributed as follows:

Industrial — 11.24% of the nation's workers receive 19.82% of the total wages.

Commercial — 10.07% of the nation's workers receive 37.6% of the total wages.

Agricultural — 78.69% of the nation's workers receive 42.58% of the total wages.

In other words, in one year:

30,056 industrial workers receive	Q 9,208,985.00
26,904 commercial workers receive	17,474,444.00
210,351 agricultural workers receive	19,784,290.00

The average daily wage:	Industry	Q0.85
	Commerce	1.80
	Agriculture	0.26

The figures speak for themselves.



A moment of rest in the day's work. (Photo Deleon)

UNBALANCED LAND OWNERSHIP

IN OUR BULLETIN No. 1 of April 15, we gave some interesting figures concerning land holdings. Those data, as the data above, clearly show the urgency of land reform. We repeat the April 15 figures to give a more complete picture in this resume.

Prior to the agrarian reform:
 76% of the land owners owned less than 10% of the arable land.
 2.2% owned more than 70% of the land.
 22 large landlords owned in excess of 23,200 acres each for a total of 1,302,000 acres.
 259,169 individuals owned an average of 3.1 acres each for a total of 819,245 acres. Of these small holdings, 25% was rented to others.

A CAMPAIGN PLEDGE

CAMPAIGNING FOR PRESIDENT, Col. Arbenz promised agrarian reform in accord with the laws of the country and the needs of the nation. Upon his election, he recalled his pledge in his inaugural address, March 15, 1951:

"Industrial progress and the economic development generally can never be accomplished so long as the current conditions of servitude exist.



They have worked the fields for generations producing the wealth of Guatemala.

Some Results of One Year of the Agrarian Reform Law

As of May 31, 1953:

107 nationally owned farms had been divided as follows;
46 farms were leased to cooperative associations with a membership of 6,646 individuals,
61 farms were divided into tracts leased to 7,892 small farmers.
The total amount of land involved in this transfer was 740,500 acres.
More than 100,000 peasants had benefited by the division of 164 private farms, totalling 377,500 acres.
The bank, CREDITO HIPOTECARIO NACIONAL DE GUATEMALA, had granted a total credit of Q195,894.00 to the cooperatives, and a total credit of Q189,030.25 to individuals receiving land from the national farms.
Compensation in Agrarian Reform Law bonds, issued and guaranteed by the government to the former proprietors of 164 farms expropriated is Q1,827,149.94.

These Miserable Dwellings will Be Replaced through the Agrarian Reform.



The government has readied an agency to construct new living quarters to replace shacks that shelter thousands of farm workers throughout the country.

"That is why agrarian reform is of major importance to our program. Its success calls for the elimination of the enormous, uncultivated estates, and for the introduction of basic changes in primitive work methods.

"In other words, it requires better distribution of untilled lands, abolition of the remnants of feudal customs, and the application of agricultural science and technique to our agricultural activities in general."

SOME HISTORY

IN GUATEMALA, seat of the ancient Mayan civilization which was the highest Indian culture of pre-Colombian times, the Indians were dispossessed by the Spanish conquest. They were enslaved and held under ruthless exploitation for centuries.

The road from colonial slavery has been long and tortuous. The vestiges of the incredibly cruel colonial economic structure are those which the new Guatemala is now liquidating. The agrarian law is the principal instrument in this task.

Many uprisings have taken place since Cortez' captain, Pedro Alvarado, first came to Guatemala in 1524. He was the cruelest, most oppressive and rapacious of the Spanish conquerors. He enslaved even women in Guatemala.



The good earth of Guatemala which will be farmed by a new independent farmer.



A young beneficiary of agrarian reform.

The colonial, feudal structure established by Alvarado is that which Guatemala is now changing to a modern social structure within a free enterprise framework.

Old laws for the protection of the Indians and for the liberation of the slaves had remained on paper. They were inoperative because there were not corresponding changes in the feudal economy. Great landed estates were in the hands of a few who did not work the land nor permit others to work it except on the most oppressive terms.

Under the government of Justo Rufino Barrios in the last century the first land reform was attempted. It was a feeble effort, principally arranged to provide land for Barrios' supporters. The basic situation was not changed. Feudalism remained and was even strengthened.

PAST EXPERIENCE GUIDES GUATEMALA

FROM THIS NATIONAL experience and from studies of similar efforts in other countries, Guatemala evolved its Agrarian Reform Law. The first year has passed.

The results have been completely satisfactory. The law is being firmly and equitably enforced. The deepest and fullest results are yet to be achieved, but the execution of the law proceeds in orderly fashion in the public flurry that a law seeking to end the injustice of centuries must create.

The internal opposition of the anti-reform press and the external opposition of the foreign press serving the foreign landholding monopolists; the several attempts at

armed uprisings; the menace of foreign intervention; denunciations of every kind against Guatemala, even to the point of statements that we have bases in both oceans for Soviet submarines, and similar heated fabrications; —all this originates from the effort to transform our provincial backwardness through the agrarian and other reform measures.

NEED FOR LAND REFORM CONCEDED

WE SAID THAT THE NECESSITY of agrarian reform was unanimously accepted. It could not have been otherwise when the 1950 census, the first accurate census in our history, and other statistical data so clearly revealed such tremendous social injustice. However, the big plantation owners, landed interests and the foreign monopolies with huge privileged concessions granted by former repudiated dictatorships have organized a most tenacious and inflammatory resistance to the law while pretending to recognize the need for reform.

The entire political life of the country is affected by the reform. As Pres. Arbenz said, "For the first time in the history of Guatemala, the peasants will commence to participate in the public life of the country." They are participating.



The last years of this old man will be better because his needs are met with justice.

And the aggressive publicity campaign against Guatemala and its two democratic administrations (Pres. Arevalo, 1945-51; Pres. Arbenz, 1951-57) has increased violently outside the country, backed by monopolist interests; such as, the United Fruit Co., affected by the reform laws.

But the government through the law is bringing more land into production. It is increasing production per acre by making improved varieties of seed available, by the use of machinery, fertilizers, technical aid, extension of credit, and support of cooperatives. It has set up a machinery station in tropical Cuyuta and is establishing a cattle experimental project in Peten.

Thus the agrarian reform continues to benefit production and the national interests. Giving land to thousands of landless, modernizing production methods, ending feudal conditions, —these measures raise purchasing— power and create the internal market necessary for the development of the national industry. These are the positive accomplishments of the first year of reform measured against the distorted picture which a part of the foreign press delights to present.

AS WE GO TO PRESS

The first anniversary of the Agrarian Law was greeted throughout the country with meetings of political groups and peasant organizations.

The most important of these meetings took place in the little town of La Tinta, in the northern part of the country. More than 7,000 peasants, representing some 250 peasant union locals, gathered to greet a special delegation which included Alfonso Martinez, head of the National Agrarian Department.

Labor and political leaders attended the celebration. Many of the peasants addressed the gathering in their own regional language, the Kekchi Indian tongue.

As we close this bulletin, additional news of another 15 private farms expropriated in different parts of the country has been published. Their former owners have been paid Q.67,832.00 in agrarian bonds.

An additional 6,130 acres have been turned over to the peasants in the last weeks of June.

CONGRESS ACTS ON FARM BANK

Congress has just approved the first six articles of the law which will establish a national farm bank for granting needed credits to small farmers.

The first article reads: "A State Bank called the 'Banco Nacional Agrario,' is created, autonomous, with appropriate legal powers, funds, and full authority to acquire rights and obligations, whose primary object is to extend credits which aid agricultural production, fundamentally for the small farm economy and for other agriculturists as determined by this law."

The law creating this bank, which has congressional approval as shown by the passing of these first six articles, is the needed instrument to guarantee the final success of the agrarian reform.

PUBLIC FINANCE

The fiscal budget has been more nearly balanced as public finances became more stable. The fiscal year is computed from July to June, a fact which is convenient to keep in mind when discussing the annual budget.

A comparison of the last two fiscal years gives the following results in thousands of quetzales:

Fiscal Year	Cash Revenue	Cash Expenditure	Cash Surplus	Total Expenses	Budget Deficit
1950-51	47,436.1	47,022.5	413.6	48,236.3	800.2
1951-52	57,414.9	52,522.2	4,892.7	57,734.4	319.5

Difference:

$$+ 9,978.8 + 5,499.7 + 4,479.1 + 9,498.1 = 490.7$$

The above figures show that during the past year the budget deficit was reduced by 60%; moreover, the cash surplus was such that the Public Treasury operated at a high degree of liquidity. The expansion of revenue and expenditure during the last year came about as a consequence of the Government program of social and economic development. Such investments of particular importance were: the construction of the interoceanic highway, the school building program and several water supply projects.

GUATEMALAN NEWS ON THE AIR

«The Voice of Guatemala», a national radio broadcast service, transmits uninterrupted programs every day from 6:30 AM until midnight. The programs may be received as follows:

Broadcast band: Station TGW on 640 kilocycles.

Station TGWC on 1520 kilocycles.

Short Wave: Station TGWA on 9760 kc. 31 meter band.
or 15170 kc. 10 meter band.

Station TGWB 6180 kc. 49 meter band.

Best for reception outside the country, and particularly for the United States, is the short wave broadcast from TGWA from 6:30 AM until 5 PM on the 10 meter band (15170 kc.). After 5 PM, this station operates on its other frequency, the 31 meter band (9760 kc.).

TGW transmits news program daily in Spanish at 7 AM, 12:30 PM, 1 PM, and 10:15 PM. The program «Guatemala and the World», of commentary related to foreign countries and the national life in its different aspects, is broadcast Mondays, Wednesdays, and Fridays at 9:15 PM. Daily at 8:30 PM, «Press Clippings» is heard, a program of news items in dramatic form. For the benefit of Guatemalans living outside the country and for all friends of the country, a musical program «Chapinlandia» may be heard everyday at 9:30 PM and 10:15 PM.

The hours above are local time; New York is two hours in advance; New Orleans 1 hour in advance; and the West Coast 1 hour behind the times shown.

The Nation Supports the Agrarian Reform



Peasant parades in support of the land reform which gives the fruit of the land to those who work it, that adds to the national wealth the yield of land once unused!

ASSISTANCE TO INVESTORS

INFOP in its program of aid to private initiative, is supporting a program of assistance to investors, Guatemalan and foreign. It will furnish prospective investors with information and assistance for new industries, agriculture, or

for modernization of existing production. The address is INFOP, Guatemala City, Guatemala.

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GUATEMALA

GOVERNMENT INFORMATION BUREAU

No. 6

Guatemala City

July 15, 1953

Construction Program to End Monopoly Stranglehold

HIGHWAY TO ATLANTIC VITAL

THE IMPORTANCE of Guatemala's highway to the Atlantic, now under construction, is out of proportion to its length, just short of 200 miles.

Reporting to congress on March 1, 1952, Pres. Jacobo Arbenz brought up the importance of highways in his program for economic development based on the agrarian reform.

He stated then, "...the principal means of transportation, over which we ship the major volume of our national product destined for export and over which we import the greatest part of the foreign merchandise which we consume, is frankly monopolized; because there exists only an antiquated railroad, with high rates, leading to the Atlantic."

Pres. Arbenz referred to the International Railways of Central America (IRCA.) The United Fruit Co. controls directly or indirectly a large part of IRCA's shares as well as the only three seaports of Guatemala. Most of the exports and imports of the country are carried in United Fruit Co. ships, loaded or unloaded at its docks, and freighted to and from the capital area over the 197 mile rail line of IRCA.

FIRST PRIORITY

"THE FIRST PROJECT to be put in motion is the vital highway to the Atlantic, which will allow us our own route of communication with the principal port of the country; which will reduce the drain on foreign exchange; which will open, especially in the east of the Republic, great possibilities for extensive agricultural areas; and which can lower the cost of living considerably as a result of a general reduction in transportation costs of capital and consumers' goods which we bring from other countries," Arbenz said in that congressional message.

The president's appraisal of the vital importance of the Atlantic highway is born out by the fact that freight rates for merchandise from Puerto Barrios to the capital city are actually higher than ocean freight rates from Europe or the United States to Puerto Barrios.

The International Bank for Reconstruction and Development reported in 1951:

"Average freight rates per ton-mile on the IRCA are quoted at Q. 0.073 for local freight and from Q. 0.046 to Q. 0.050 for all freight handled. Although direct comparisons are seldom valid in matters of this kind, inspection shows

that these average rates exceed those of many other countries. It is quite possible that they are higher than they should be."

Among basic causes for the high freight rates, the bank survey points to the lack of competition in freight movement, and the lack of any government control over rates. Contracts between IRCA and former discredited dictatorships permit no government regulation of the railroad's rate structure.

Concretely, the bank recommended a paved heavy duty highway between Guatemala City and Puerto Barrios at an estimated cost of Q. 17,000,000, (quetzal at par with the dollar) as a practical means of testing high rail rates against truck borne transport rate competition as well as offering an alternate freight route to supplement the railroad overtaxed with the growing volume of freight.

By the end of 1951, Q. 3,300,000 in orders for heavy highway machinery had been placed. The army was enlisted into the work of building the highway as a patriotic contribution to a vital national need. Long before machinery arrived from the United States, work on cutting and grading was under way.

When completed, nearly 200 miles of first class highway will connect the capital area with the Atlantic coast, and feeder roads will open the market to new agricultural zones.

CONTENTS:

CONSTRUCTION PROGRAM TO END MONOPOLY STRANGLEHOLD

- HIGHWAY TO ATLANTIC VITAL
- FIRST PRIORITY
- NATIONAL HIGHWAY NETWORK

A NEW ATLANTIC PORT
FARM BANK LAW PASSED
SERVES MEMBER BANKS
MUNICIPAL FINANCES IN 1952
A PEASANT SPEAKS
PUBLIC EDUCATION

NATIONAL HIGHWAY NETWORK

BUT THE ATLANTIC ROUTE, despite its importance, is but one part of a planned modern road system. As shown on the map, up-to-date highways with their feeder lines will link centers of production with centers of consumption and export.

Today the nation has only 223 miles of asphalt roadways. Mountainous terrain and costly imported materials and machinery make for expensive and slow construction. But it is interesting to note that of the present 223 paved miles, only twenty-four miles were built under the fourteen year dictatorship that preceded the democratic revolution of 1944. The balance must be credited to the progressive policies of the two democratic administrations.

Commenting on the accelerated road construction under his administration and that of his predecessor, Pres. Arbenz said, "Nevertheless, this is not sufficient. To achieve our objective, we need to build and place in service nearly 200 miles of asphalt highway per year."

The goal is 750 miles in four years. That will complete the basic road system shown on the map. In addition to the road to the Atlantic (No. 1 on the map,) 145 miles will be finished on the highway along the Pacific coast (No. 2,) 74 miles from Quezaltenango to the Port of Champerico on the Pacific (No. 3) 240 miles on the road from Huehuetenango to Poptun in Peten (No. 4,) and 245 miles on two unfinished sections of the Roosevelt (Pan-American) highway (No. 5,) plus four feeder roads. Numbers above are map reference numbers, not highway numbers.

Current efforts indicate that the goal will be reached.



Minor Keilhauer, Guatemalan representative of the Morrison-Knudsen company spots the location of the new Port of Santo Tomas on map in office of Col. Carlos Aldana Sandoval, Minister of Communications and Public Works, left. Work on the port, expected to ease handling of exports and imports, starts next month.

A New Atlantic Port

MONOPOLY SEAPORT control will be broken by government construction of port facilities at Puerto Santo

Tomas, near Puerto Barrios. The new Atlantic highway will connect the new port to the country's markets.

Contracts for its construction have been let to the Morrison-Knudsen Co. of Central America, a United States construction firm. The agreement, with penalties for non-completion within two years, is for Q. 4,800,000. The work includes dredging, dock and warehouse construction, electric and telephone installations, water supply, drainage system, and the preliminary construction of the new city that will grow on the Atlantic site. The work will start in August.

With the new port completed and operating, delays in shipping which now result from the inadequate facilities of the United Fruit Co. at Puerto Barrios will be overcome. In addition, the element of competition that has been lacking in the operation of the foreign dominated harbors will have a good effect. The new port and the new highway will correct many of the evils that grow from large monopolies in small countries.

Farm Bank Law Passed

Legislation authorizing the *Banco Nacional Agrario*, the National Farm Bank discussed in previous issues of this bulletin, was passed unanimously in a session of congress held July 7. The specific function of the bank is to facilitate credits to small farmers thus rounding out the agrarian reform.

Initial capital furnished by the state will be Q. 5,520,000. A governing board will be appointed this month.

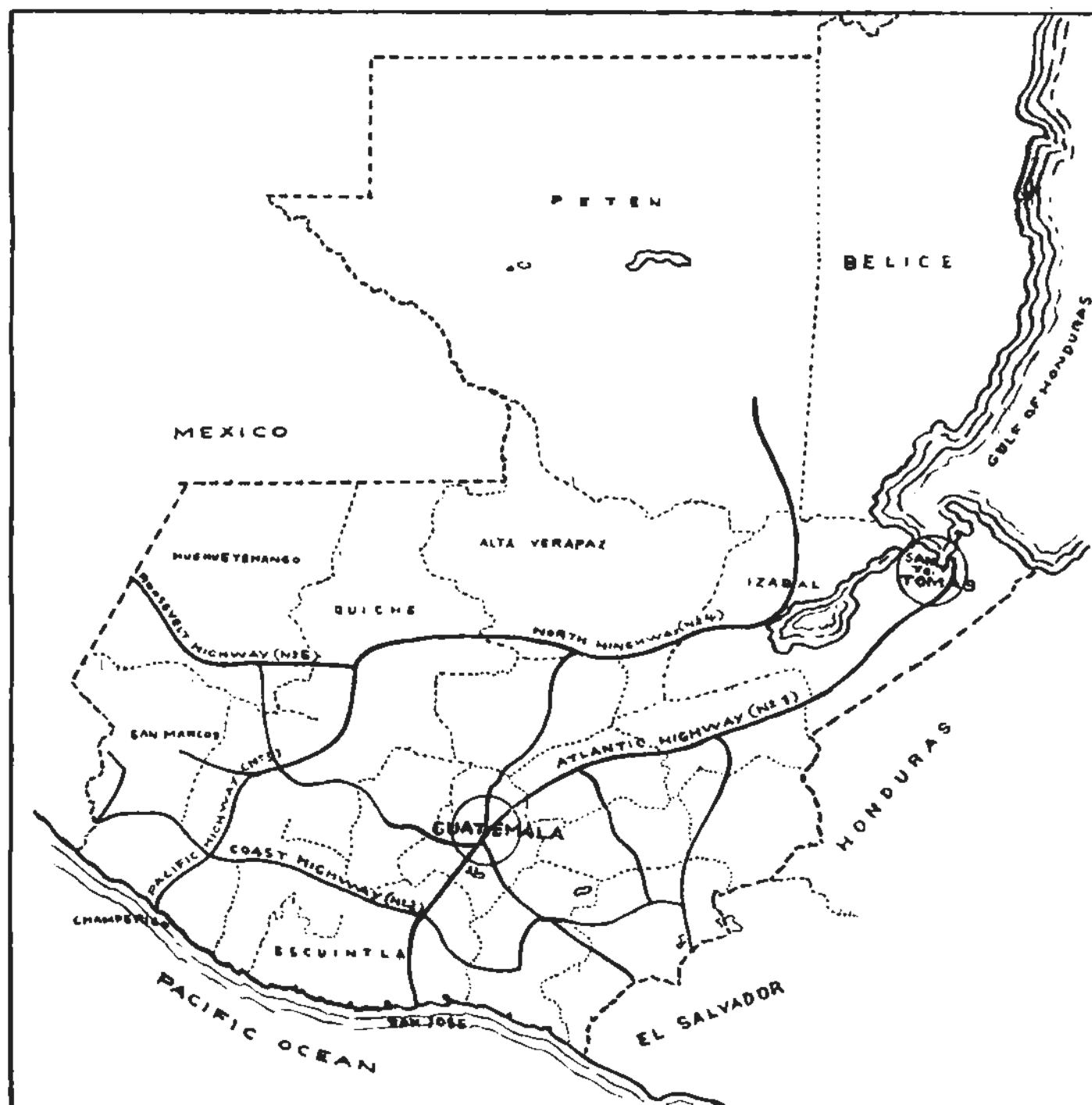
Serves Member Banks

An important function of the Bank of Guatemala in its role as the central banking institution is the adoption of a monetary and credit policy which is in accordance with national interest and brings about a distribution of credit adequately serving all legitimate business needs.

Whenever general economic conditions have justified such policy, the Bank of Guatemala, through liberal advances and rediscounts, has made available funds needed by member banks so they in turn could give credits that would increase production or otherwise benefit the country's economy.

Since its foundation, the Bank of Guatemala has thus exercised the regulatory functions provided for in its charter primarily through its credit policy toward the member banks. Advances granted to these banks by the central bank have risen during the last six years from Q. 4,897,500 in 1947 to Q. 15,610,800 in 1952, a percentage increase of 31%.

The financial aid given to the member banks in the form of central bank advances or rediscounts has been one of the determining factors in bringing about the credit expansion of recent years. This expansion is shown by the increase in bank loans which during the last year have risen Q. 5,270,900, from Q. 24,017,400 in 1951 to Q. 29,288,300 in 1952.



The map of Guatemala, shown above, indicates the principal highways as they will appear when the four year construction program is completed. No map, unless it be a combined relief and weather map, can give an idea of the topographical and climatic conditions with which Guatemalan highway engineers must cope. Road building is tortuously slow and costly through the volcano studded mountain range that parallels the Pacific coast. In the coastal lowlands the six month rainy season slows construction and makes maintenance of finished sections very expensive. But the need for better communications if many isolated productive areas are to be integrated into the national economy is so urgent that the completion of the unfinished portions ranks first in the program for public works of the present administration.



The little town of San Pedro Yepocapa was the scene of the distribution of some twelve hundred acres affected by the Agrarian Law to landless peasants. Cattle and poultry were also given to those who will work the formerly uncultivated land. Shown in the photo is Major Alfonso Martinez (in white shirt), head of the National Agrarian Department, who delivered the land in the name of the government.

Municipal Finances in 1952

A study of the municipal finances is particularly interesting since it permits one to see the origin and destination of the financial resources of the local governments and the positions which these corporate bodies occupy within the local as well as the national economy.

In Guatemala there are 322 municipal corporations whose administrative structure, functions and operations are independent of the central government. As a whole the municipal finances showed a high degree of stability during the year 1952. The revenues of the municipalities reached Q. 5,862,800 and the expenditures were Q. 5,898,800, leaving a deficit of Q.36,000, which, comparatively speaking, represents only 0.61% of the total expenditures during the year.

For purposes of analysis, the municipal revenue has been classified into three categories: a) Head taxes and other personal fees; b) Revenues from commercial enterprises owned by the municipalities; c) Indirect taxes. Of the three, the indirect taxes are the major source of revenue. They account for approximately 67.9% of the total collected by the municipalities.

The expenditures have been classified into four groups: a) Payments to individuals; b) Investments; c) Payments of debt; d) Current expenses of their commercial enterprises.

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Impresos Hispanos

A Peasant Speaks

In Escuintla recently, one third of a farm of over 10,000 acres was found affected by the agrarian reform and some 3,500 acres were divided among the peasants. At the ceremony of the partition of the land, Jose Reyes Rodriguez, president of the local agrarian committee spoke,

"I have lived and worked for twenty-three years on this farm. My father also worked here and here many of my family have been buried. During the last twenty-three years, we have suffered greatly, living in misery.

"No government ever took note of us until the government of Arevalo gave us the Labor Code.

"The owner of the land has treated us badly. There have been three mass dismissals of us workers. For two years we have not had work. They told us it was for reasons of economic necessity that we were fired, but later they replaced us with other workers.

"In reality they threw us out because of our struggle for a chance to live. During all of the years of our suffering, I have never shed a tear. But now the government gives us land, and I feel so glad that I can cry and feel no shame.

"At first many of us did not believe that we were going to be given land and even now it is hard to believe. But now we are joyful to see the way in which land is being given to all, because we are all workers.

"Now we see that our friend, Pres. Jacobo Arbenz, is a true brother to us; we see that we must be ready to defend the revolution and Jacobo Arbenz, all of us!

"We have put other governments in power, but we were forgotten afterwards..."

The property turned over to the peasants was known as "Los Cerritos." 150 families which had been jobless for a two year period as a result of a mass lay-off were given the uncultivated 3500 acres of the farm. Thus the land is now in use and the people now have work.

PUBLIC EDUCATION

The budget for Public Education for the current fiscal year is Q. 10,600,315.68. This is a greater sum than that allocated to any other ministry or department of the federal government including the budget of the military arm. It stands as eloquent testimony to the relative importance of education in the program for the continued development of Guatemala.



GUATEMALA

GOVERNMENT INFORMATION BUREAU

No. 7

Guatemala City

August 1, 1953

Electric Power Shortage a National Problem

A walkout of power company employees on July 16 left Guatemala City and eight nearby towns without electricity. Nine and a half hours after the strike started, the government intervened in the public interest. An executive order placed a government representative, Alfonso Bauer Paiz, in temporary charge of the company without prejudice to the company or striking workers. Government management will continue only until the wage issue is settled.

Inconvenience suffered by the public during the brief power stoppage caused attention to be focussed once again on the electric power problem.

SERVICE INADEQUATE, RATES HIGH

The company, *Empresa Eléctrica de Guatemala*, operates five small hydroelectric plants and one steam powered plant. The total capacity of the plants, all located near the capital, is only 17,210 kilowatts. Another hydro plant of 3,000 kilowatts is under construction.

When the new powerhouse is completed, the capital city and surrounding area will continue to suffer a chronic power shortage. With less than 60 watts per capita available in the area served, even modest domestic use of electricity will remain limited. Today only a few families which have previously been assigned "quotas" may use electricity for cooking.

Overloads on generators, some of which have served over forty years at full capacity, cause wide voltage and frequency variations. At times fluorescent lamps will not light; motors will not start; radios function poorly.

Rates are high. Thousands of domestic users pay an average of 7.5 cents per kilowatt hour. The average industrial rate is 5.3 cents, although the four large industrial users pay only 1.5 cents.

SAFETY IGNORED

Public safety is endangered by existing electric installations. Although there is no national electric code, one of the contracts under which the company was granted its fifty year franchise requires that it observe the National Electric Code of the U. S. A. This contract provision is violated in transmission lines, distribution lines, and private wiring installed under company supervision, according to a study made last year by a congressional committee investigating the manner in which the company had evaded contractual obligations.

It has been charged that failure of the company to

expand its service to meet demand, bad service, and safety code infractions have not been due to lack of revenue.

OPERATION PROFITABLE

Originally founded by a German citizen in 1894, the power company was expropriated as enemy alien property during World War I. Shortly thereafter it became a unit in the international power trust, Electric Bond and Share Co.

Since then, financial manipulations masked by holding companies, reorganizations, and name changes have been highly profitable to investors.

Thus, although able to pay seven and eight per cent dividends on preferred stock, and never less than five per cent on common stock; able to pay interest charges and amortization on bonds representing allegedly fictitious debts; the company finds itself in the unhappy situation of being unable to expand its services, properly maintain its equipment, or pay its workers an adequate wage.

NEW APPROACH NEEDED

It is felt that with the more progressive modern business outlook, where service to the consumer as well as profit to the investor is held important, there is a field for private operation on terms more favorable to the national interest than those of the present contract.

CONTENTS:

ELECTRIC POWER SHORTAGE

A NATIONAL PROBLEM

- * SERVICE INADEQUATE, RATES HIGH
- * SAFETY IGNORED
- * OPERATION PROFITABLE
- * NEW APPROACH NEEDED
- * GOVERNMENT TAKES STEPS

BOOK FAIR IN SEPTEMBER

U.S. EDITOR VISITS COUNTRY

MORE ON SANTO TOMAS PORT

CAPITAL CITY PUBLIC WORKS

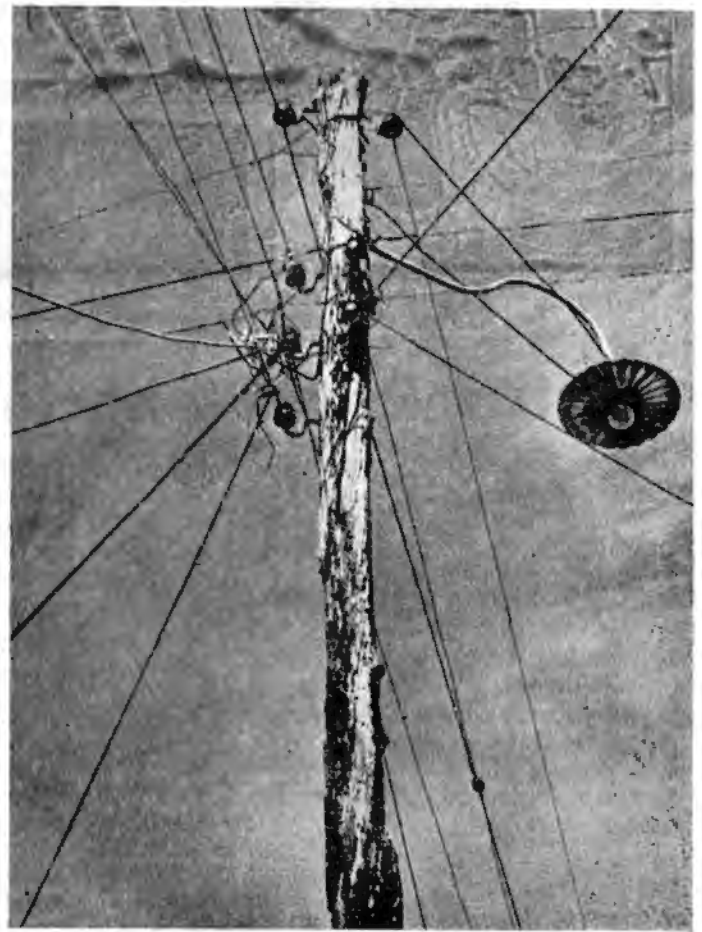
SMALL FARM METHODS TAUGHT

GUATEMALAN NEWS ON THE AIR



Although many steel posts and towers are used to support transmission and distribution lines, wide use is made of wooden posts. A survey by a congressional investigating committee showed that 60% of the wood posts in use were in such bad condition as to constitute an immediate danger. Untreated posts installed many years ago are so rotted below ground that they topple if brushed by a car or truck. Danger to passersby results, as well as constant service interruptions.

Recently such a pole carrying high voltage fell over



while a lineman was at work on it resulting in serious injuries to the worker.

Shown above on the left, a close-up of a wooden pole with the visible rot typical of many such posts. On the right is seen a pole which violates code provisions governing spacing of conductor lines.

The U.S. electric code which the company contracted to follow specifies methods of treating wooden posts and installing wooden and steel posts, methods which have been widely ignored by the company.

In the past, the need for power has been principally for domestic use. The primitive nature of agriculture and under developed industry has not demanded full use of the natural potential.

In the country as a whole, the total installed generating capacity is estimated at 40,000 kilowatts, including private and public installations.

The 1951 report of the International Bank for Reconstruction and Development, noting that hydroelectric power is increasingly important for economic development, recommended the establishment of a National Power Authority to plan and supervise an integrated program of construction and operation of publicly owned facilities.

The report advised additional private power production. "Under present circumstances in Guatemala, there seems to be a field for both public and private ownership in electric power development," the report stated.

"The Mission believes that, in cases where electric power has long been produced and where there are records of sales growth and unfulfilled demand for service, as in the case of the *Empresa Eléctrica de Guatemala*, private capital can be induced to invest with reasonable assurance of return."

GOVERNMENT TAKES STEPS

To meet immediate need, the government has moved further into the field of public power.

In his March 1 message to congress, Pres. Jacobo Arbenz stated that preliminary planning of a 30,000 kilowatt hydroelectric plant at Jurun on the Michatoya River had been completed.

Actual construction is now under way. Completion of this federally owned plant will take four years. The

cost is estimated at Q. 5,500,000. (Quetzal at par with the dollar.) It will be financed by part of a Q. 20 million dollar treasury bond issue for public works.

Engineers will use Lake Amatitlan as a dry season regulator of the water supply that will be conducted to the turbines through a mountain tunnel.

When the project is completed, Guatemala will have built in four years a powerhouse with a third more capacity than the private monopoly has built since its inception. Competition by the government plant is expected to result in lower rates, better service, and more rapid expansion by the private company.

Book Fair in September

An eight day Book Fair will be held in Guatemala City beginning September 12. The purpose is to stimulate interest and appreciation of the works of leading writers, Guatemalan and foreign.

With the support of local writers, artists, educators, and cultural institutions, a comprehensive program of cultural activities is to be offered during the Book Fair. Raffles and auctions of autographed books have been arranged. Book stores have agreed on special discounts for the book buying public. Publishers and book dealers, of course, are cooperating fully.

Main center of the book festival is to be the Exhibit Room of the centrally located National Palace, Guatemala's principal federal building. There books from many countries will go on display. A special section will be devoted to Guatemalan authors.

A series of lectures is planned. Subjects include the history of printing, the cultural outlook in Guatemala, distinctive costumes of Guatemala, and Guatemalan music.

Of particular interest to music lovers is a concert by the National Symphonic Orchestra, twelve chamber music recitals, five concerts by vocal soloists, and six concerts of popular music. Readings of poetry, much loved in Guatemala, are to be given.

Several theater groups will participate in dramatic presentations. Theatrical readings of the type recently popularized in the United States will be offered. The Guatemalan ballet group will perform.

Public attention will be directed to books by daily tours of mobile libraries into urban neighborhoods.

For children, puppet shows and marionette displays have been arranged. A display will be made of children's books in the palace exhibit. A children's orchestra will present selections.

September 15, Guatemala's Independence Day, falls on the fourth day of the fair. The Book Fair is sponsoring a contest for local artists to mark the day on which Guatemala won its independence from Spain. The paintings will be hung in the Exhibit Room at the palace.

Representative of indigenous art will be an exhibit of the colorful masks made and used by the Indians in their ceremonial dances. The Archeological Museum has arranged the display of masks.

Special bulletins, radio, movies, posters and the press are being used to publicize the Book Fair which has significance for Guatemalans as a merited recognition of their contemporary artists.

U. S. Editor Visits Country

Gordon Pates, Sunday editor of the San Francisco *Chronicle*, flew back to San Francisco July 23 after a fifteen day tour of Guatemala as a guest of Guillermo Palmieri, director of the Tourist Bureau.

In an interview with Guatemalan newsmen before his departure, he expressed himself as charmed with the natural beauty of the country. He refrained from comment on the progress of the agrarian reform other than to say that he had heard both favorable and unfavorable comment within the country.

"I do consider the highway improvement program of the Guatemalan government as of great importance, as much for industrial development as for tourist convenience," he said. Future industrial development has great possibilities, according to Pates. There is need for an industrial bank that will give financial assistance to local manufacturers.

He smilingly denied that he had been bothered by local communists as had been reported in the local press, but stated that as far as he had been able to observe there was complete liberty of the press which newspapers of differing political tendencies knew quite well how to exploit.

He found no evidence of an anti-U. S. campaign in the country. To the contrary, "None of the American tourists with whom I have spoken have mentioned any anti-U. S. feeling in Guatemala. All speak well of this country."

More on Santo Tomas Port

The state bank, the Banco de Guatemala, has announced the terms of payment to the Morrison Knudsen Co. of Central America, a subsidiary of Morrison Knudsen Co. of Boise, Idaho, for the construction of port facilities at Santo Tomas.

Work is to be completed in 24 months. Total cost will be Q. 4,800,000.00. The government will pay Q. 450,000 monthly for the first six months, Q. 116,666.00 monthly for the next 17 months and a final payment of Q. 116,678.00.

The government has guaranteed its compliance with the contract clauses by immediately placing the sum of Q. 4,800,000.00 in a special account with the Banco de Guatemala. In accordance with the government's instructions, the bank has placed the total amount in an escrow deposit with one of its main correspondent banks in the United States to ensure regular payments to the company.

According to the bank, this contract initiates a new era in the relations of foreign companies with the government. Its clauses are equitable, in accordance with Guatemalan laws, and provide safeguards for the country's economic security. The port installation will mean a considerable addition to existing facilities for handling imports and exports fulfilling the desire of the government to facilitate international trade.

Capital City Public Works

Guatemala City has just completed the construction of a new pipe line which will add considerably to its water supply. The project was made possible by the Banco de Guatemala which helped in placing a Q. 1,000,000.00 bond issue.

Other municipal projects benefiting the community are under way. They are:

a) construction of three markets in populous suburbs to decentralize business activity and alleviate traffic congestion;

b) construction of a modern slaughterhouse for hogs and sheep in the outskirts of the city to replace an existing slaughterhouse which is obsolete and located in the heart of the city;

c) construction of an adequate drainage system and additional city paving; and

d) modernization of street cleaning equipment.

The Monetary Board has authorized the Municipality to issue bonds up to the amount of Q. 1,500,000 to be used in the undertaking of this important public works program. The bonds will be known as "Bonos de Obras Públicas de la Municipalidad de Guatemala," 5%, Series "E", at fifteen years maturity. Each year one fifteenth of the issue will be called. The issue will be financed with new revenue from the increase in the liquor tax. The Banco de Guatemala will act as Agent.

Small Farm Methods Taught

Short courses in modern farming are being brought to the peasants of Chimaltenango by the Department of Agriculture. The United States Embassy is cooperating by furnishing mobile movie equipment to assist in the program.



In Cuillapa another federation type school, formally opened July 18, is named in honor of the Argentine writer Domingo Faustino Sarmiento. At ceremonies inaugurating the school Belisario Arevalo, representing the Argentine Embassy, thanked Guatemala for so honoring Argentine's famous cultural leader.

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Subjects offered include soil conservation, soil betterment through leguminous crops, fertilizer methods, crop rotation, erosion control, scientific poultry and hog raising, seed selection, farm home arrangement, and the use of farm machinery.

Guatemalan News on the Air

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Short wave: Station TGWA on 9760 kc. 31 meter band, or 15170 kc. 19 meter band.

Station TGWB 6180 kc. 49 meter band.

Best for reception outside the country, and particularly for the United States, is the short wave broadcast from TGWA from 6:30 AM until 5 PM on the 19 meter band (15170 kc.). After 5 PM this station operates on its other frequency, the 31 meter band (9760 kc.).

TGW transmits news programs daily in Spanish at 7 AM, 12:30 PM, 7 PM, and 10:15 PM. The program «Guatemala and the World», of commentary related to foreign countries and the national life in its different aspects, is broadcast Mondays, Wednesdays, and Fridays at 9:15 PM. On the same days at 8:30 PM, «Press Clippings» is heard, a program of news items in dramatic form. For the benefit of Guatemalans living outside the country and for all friends of the country, a musical program «Chapinlandia» may be heard everyday at 9:30 PM and 10:15 PM.



Pres. Jacobo Arbenz is shown as he was leaving the dedication ceremonies of the new school. Accompanied by the first lady, doña Maria Vilanova de Arbenz, the president made a thorough inspection of the building. In the dedication ceremonies he congratulated those in charge of the construction of this school, the most complete and modern built thus far in the school building program.



GUATEMALA

GOVERNMENT INFORMATION BUREAU

No. 8

Guatemala City

August 15, 1953

New Program Protects Mother and Child

In a pleasant residential area on a main thoroughfare in Guatemala City, the first modernly appointed maternity hospital in the country was formally opened on May 1. The carefully planned 200 bed hospital, *El Centro Materno-Infantil*, offers working mothers and the wives of working men a model center where the best available medical techniques can be applied to child birth and advanced methods in pediatrics can be used for child welfare.

SOCIAL SECURITY IN GUATEMALA

A project of the *Instituto Guatemalteco de Seguridad Social*, IGSS, the center is an additional service of that Guatemalan organization for social security.

IGSS was established as an autonomous agency by an act of Congress of October 30, 1946. Supported by obligatory contributions from the worker, employer, and federal government, IGSS started operations January 2, 1948, offering limited benefits to 70,000 workers.

Today it functions in ten *departamentos*, or states, of the republic. Today it provides a first aid ambulance service, medical and hospital care for accident cases, an accident prevention program, and cash payments for time lost because of accidental injuries to 235,000 covered workers.

The cash payments system offers a considerable measure of protection to the worker and his family because it covers accidents both on and off the job.

Immediate payment of funeral expenses is made if death results from an accident. In addition, death benefits are paid to specified dependent relatives. Dependent minor children receive regular monthly pensions until their majority. A pension claim may be established by a wife, common-law-wife, divorced, or separated wife in the priority named if dependent. A dependent mother of the deceased worker is entitled to a pension. A father or grandparents over 60 years of age may be entitled to payments.

In all cases, pensions are based on cost of minimum standards of living, not on wages earned by the deceased.

The goal of IGSS, stated in its charter, is to extend its services to the entire country and broaden them to include, not only accident coverage, but also the hazards of maternity, occupational diseases, common sicknesses, invalidism, widowhood and orphanhood, old age, death, and any other risks that may be determined to be of a social character.

Launched during the term of Pres. Arevalo, who headed the first democratic administration following the 1944 revolution, it has continued and expanded its operations under Pres. Jacobo Arbenz as a part of his administrative program to foster the general welfare.

Throughout the countryside, IGSS maintains medical services in four private hospitals and twenty-two national hospitals, has medical dispensaries in eight villages, manages eleven clinics, thirteen first aid stations, and twelve hospital centers. In the capital city there are one principal hospital, a central clinic, a rehabilitation center, and a lodging house for those cases requiring special attention which are referred from rural areas. A large warehouse, garage, and central administrative office building are located in the capital. To these installations has been added the new maternity center.

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PRELIMINARY PLANNING

First steps toward the maternity program were taken in September 1950 when the social security tax for workers and employers was increased by one half cent on each quetzal (quetzal at par with the dollar) of salary paid. The increase was planned to cover extension of the accident service into new areas, for improvement of hospital installations, to make studies for additional services, and to prepare a program for maternity and child welfare.

From this additional tax the maternity and child welfare account had accumulated Q.755,283.31 by the end of June 1952.

Early in 1952 a committee was appointed by the executive board of IGSS to make concrete plans for the first maternity hospital and child welfare center. The committee consisted of three medical doctors, Salvador Piedrasanta, Aquilez Jimenez Pinto, Ricardo Castañeda, and a layman, Ernesto Mencos, who had studied hospital administration in the United States on a Kellogg Foundation scholarship. Later a construction engineer, Oscar Muratori, was added to the committee and remained to direct the construction required.

HOTEL BOUGHT AND REMODELED

It had been decided to purchase and remodel a modern hotel consisting of a three story main building and a four story annex, well situated and of ample size.

Extensive remodeling and reconstruction work on the hotel, purchased by IGSS for Q 380,000, commenced June 24, 1952.

The adaptation included provision for two additional elevators of hospital design, and conversion of hotel rooms and suites into wards, cradle rooms, floor kitchens, laboratories, operating rooms, pharmacy, offices, and other hospital facilities. Some additional new construction was also required. The steam plant was enlarged and a new hospital laundry and central kitchen were installed, using where possible existing hotel equipment and installations. New interior telephone equipment was put in, and a nurses' and doctors' call system made ready for service.

Conversion construction cost was Q. 180,000.

More than Q.100,000 additional was spent on special equipment. Operating room and surgical equipment, sterilizers, a complete dental unit, X-ray equipment, laboratory necessities, new steam kettles, range and dishwash-



A cradle room. The even year round temperature of Guatemala makes heating and cooling apparatus unnecessary. In another area incubators are used for premature infants. In the incubators temperature, humidity, and oxygen supply are carefully regulated.



Mothers-to-be await registration. Medical examinations and treatment, if required, will follow. The number of applicants for service increases monthly.

ing machinery for the kitchen, diet and floor kitchen equipment, hospital plumbing fixtures, hospital beds, incubators for premature infants, — these and many other items were purchased.

Most of the equipment was purchased in the United States. A few items were imported from Mexico, Germany, and Sweden. Local purchases were limited to wooden furniture and linens except, of course, for locally produced construction materials.

TRAINING PROGRAM

In addition to construction work, it was necessary to prepare personnel to service the new program.

Special training was given for one year in Mexico to ten physicians who now serve as resident doctors. Fifteen nurses and midwives also spent a year in Mexico for special instruction. Thirty-eight practical nurses were schooled in obstetrics, pediatrics, nursing, and hospital routine in an intensive course conducted locally by IGSS.

Ten third year midwife students now serve as nurses' aids. Classes for the social worker staff were conducted by a technical adviser who has a background of social work in South America.

In addition to the doctors trained in Mexico, the medical staff consists of a director, four heads and four assistant chiefs of the departments of obstetrics, pediatrics, the labor and delivery suite, and the out patient division. These physicians, as well as a specialist in internal medicine, are all full time salaried hospital doctors.

The non-medical staff is handled by an administrative director who is charged with responsibility for accounting, maintenance of equipment, food and linen, and general supervision of non-medical employees. A housekeeper sees to the smooth functioning of the kitchen, diet kitchen, floor kitchens, and general sanitation.

Adequately trained employees handle the laundry; the boiler room which furnishes steam for the laundry, kitchen, central sterilization room, and milk sterilization room; local transportation; the information and telephone service; elevators and mechanical equipment generally.

General purchasing and personnel work are handled in the central office of IGSS.

PRESENT SERVICE AREA LIMITED

The new maternity program covers only those workers who live in the department of Guatemala. Here experience will be acquired to carry the services into other areas.

In addition to the Guatemala City hospital there are extension services in the towns of Amatitlan and San Juan Sacatepequez, both in the department of Guatemala. In these cities, IGSS contracts hospital facilities as needed from the national hospitals operated by the ministry of public health.

60,000 workers are covered by social security in the department of Guatemala. Of these, 18% are employed women and thus entitled to maternity benefits through their own employment. Of the male workers, 38,000 are married and their wives are entitled to benefits through their husbands' employment. Bachelors pay the same extra tax on wages without directly benefiting.

Prior to the inauguration of the maternity service, social security was financed by a tax based on payrolls of 1% by the worker, 2½% by the employer, and 1½% by the federal government. Because social security covers the hazards of on the job accidents, the employers' contribution may be regarded as a form of employers' liability insurance.

In the department of Guatemala, to cover the additional expense of the maternity service, the contributions have been increased to 2% for the employee, 4½% for the employer, and 2½% for the government. Income from this additional tax has exceeded operating expenses of the program during the first three months of operation.

COMPLETE BENEFITS AVAILABLE

The prospective mother is entitled to monthly medical examinations during the first six months of pregnancy. Fortnightly examinations are made during the seventh and eighth months.

Sickness or disease which might menace the life of mother or child is given medical treatment and hospital-



Workers in milk preparation room fill nursing bottles for sterilization. New mothers are instructed in modern baby feeding techniques.

ization if required. Sickness arising from pregnancy or any sickness that merits treatment from a social viewpoint is treated. Dental attention is given in cases where its lack threatens the health of the prospective mother.

Abortions and any complications arising from them are treated. Cash benefits are paid for time off the job required for treatment of spontaneous abortions. An abortion provoked by the patient is treated, but cash benefits are forfeited. An abortion ordered by staff physicians when good medical practice requires it is treated as a spontaneous abortion in respect to any cash benefits to which the patient might be entitled.

The father is given a medical examination to determine the state of his health in relation to that of the prospective mother and child.

During thirty days preceding delivery, the mother-to-be receives weekly examinations under ordinary circumstances.

Additional examinations and treatment if required are given if any illness or complication warrant them.

Delivery normally takes place in the hospital. Both mother and child remain under medical supervision for forty-five days after child birth. If necessary, the new born infant receives a layette. If the new mother is unable to nurse her child, the necessary milk and other items of diet are furnished by the maternity center.

CASH DISABILITY PAYMENTS

If the prospective mother is covered by social security through her own employment and suffers any disabling sickness or complication from pregnancy or child birth, she receives full pay for time off the job for the first three month period of disability and two-thirds pay for any longer period.

Working women who have abortions receive half salary for time lost from work, unless the abortion was provoked. A working mother is entitled to full pay for a rest period of two and one-half months, or thirty days prior to delivery, and forty-five days after delivery.

If death results from pregnancy or child birth, funeral expenses are paid whether the woman be covered through her own employment or as the wife of a covered worker.

If the woman is covered through her own employment, in case of death her minor children or adult children unable to work receive a pension of Q.10.00 per month each. If there is only one child, the child receives Q.20.00 per month.

Care continues after the forty-five day post-natal rest period. Medical examinations are made during the third month, and during the fifth or six month, or at other times in the discretion of the doctor. Illnesses discovered through such examinations are treated.

CARE FOR THE CHILD

The infant receives monthly examinations through the first year of life and examinations every two months during the second year. Necessary vaccinations and other needed treatment are provided. At the same time the mother gets instruction in child care, hygiene, and related matters.



View of completed hospital. Remodeled at cost of Q.180,000, the former hotel is well located on a broad paved avenue, and easily accessible by five cent fare auto bus. An auxiliary water reservoir storing several days supply of water is provided for emergencies. A stand by electric generator will provide necessary power for plant if regular power fails. An annex to house resident personnel is under consideration. It may be erected on site formerly used for hotel swimming pool.

Children continue to receive regular examinations through the sixth year. If dietary deficiencies are noted, the doctor may recommend that the maternity center provide supplementary foods if diet lacks are the result of inadequate family income.

For mothers who must travel overnight for the services of the center, transportation, food and lodging are provided. The regular ambulance service of IGSS is always available for emergencies.

A mobile unit is being readied for service this month. It is to be used for home deliveries or other emergencies in which the patient fails or is unable to reach the hospital. It will be fully equipped and staffed by personnel from the maternity hospital staff.

FIRST RESULTS OF PLAN

Because the program has been in operation only since May, no patient has received all the benefits listed. But

already it is noted that increasing numbers of eligible women are using the service.

In addition to births registered in Amatitlan and San Juan Sacatepequez, the new hospital in Guatemala reports 252 deliveries in May, 283 in June, and 317 in July.

Through August 4, the Out Patient department had registered 2354 prospective mothers. In June, 1295 mothers and 295 children born in the hospital were treated or otherwise serviced. The July figure was 1907 mothers and 591 children.

There is far too little experience with which to assess the benefits and weaknesses of the program. It may be noted that services provided exceed the minimum standards recommended by the 35th Conference on Social Security of the International Labor Organization which was held in Geneva, Switzerland in June of this year. Those minimum standards do not provide coverage for the wives of workers. Nor do they allow full pay for working mothers during the two and one-half month rest period. Their minimum standards call for two-thirds pay.

COST OF SERVICE

The social service work included in the Guatemalan program is expensive. Social service workers trained by IGSS with cooperation of the existing Day Nurseries and Municipal Dispensaries were sufficient in number to launch the program, but many more will be needed as the program gathers momentum.

To give even minimum attention to children through their sixth year means a cumulative work load which will reach great proportions. In full operation the plan even includes a widespread public hygiene and health information service and pre-conceptional medical examinations, advice, and treatment.

The prevailing low salaries, wages, and living standards may appear to make the expense of such mother and child protection appear prohibitive, but the director of IGSS, Alfonso Solorzano, and the executive board are determined to push the program as far as possible. They can point to the fact that all preparation to date and all current operating expenses are being handled on a cash basis.

CONFORMS TO GOVERNMENT POLICY

The administration of Pres. Jacobo Arbenz has shown by a variety of measures that it prizes human welfare. It can be expected to give full support to any constructive measures in the field of social security.

The prospect, then, is for further development of mother and child services in the department of Guatemala and for eventual extension to other departments of the nation.

The beneficiaries of the program to date will endorse further extension fully. They report that they are well pleased with the service. They feel that they are receiving as good or better treatment than they would get in private hospitals or maternity homes or in their own homes from midwives not always competent.

They express themselves as highly satisfied with the food, its quality, preparation and presentation. They like the sanitation. The care of the doctors and nursing staff



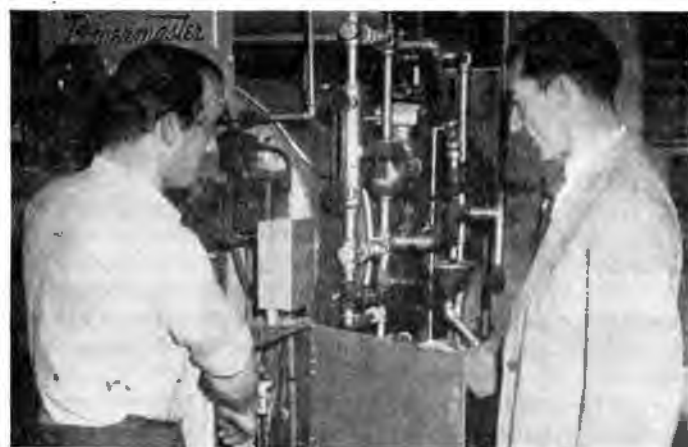
Section of main kitchen. Fast working steam kettles cut labor requirements to minimum. Electric dumb waiters deliver bulk food to floor pantries. A special diet kitchen is on an upper floor.

is praised. They commend the attitude and service of the social workers. The barefoot Indian woman feels that she receives treatment equal to that of those socially or economically more favored.

Many of the mothers come from homes that lack running water and sanitary facilities, that are overcrowded, that may even have dirt floors. Often their family diet is gravely deficient, sometimes as much through lack of knowledge as because of economic necessity.

They carry ideas of sanitation, adequate diet, and improved child care with them from their contact with the social workers and medical people of the maternity center.

The seed of desire for a better way of living is planted. That desire is the first requisite for self improvement. The net result of the maternity program may very well eventually be measured in terms of a healthier, stronger society.



Ernestó Mencos, business manager, right, discusses boiler upkeep with maintenance chief. Regular inspections are a must to avoid breakdowns requiring repair or replacement parts which are often slow in arriving from the United States.

Notes on UFCO

The United Fruit Co. gained a foothold in Guatemala at the turn of the century during the twenty-two year dictatorship of Estrada Cabrera.

Granted a concession on the shores of the Motagua river, it proceeded to ruin private banana producers; moved into control of Guatemalan railroads; and took over the principal port of the country, Puerto Barrios. It gained economic control over vast extensions of the most fertile Guatemalan territory and rose to a position of almost complete domination of the nation's economy.

The penetration began with the first contract of January 19, 1901 which was merely an agreement to carry the mail in company ships.

From 1901 until the end of the dictatorial governments in 1944, onerous concessions granted the fruit company have constantly menaced national sovereignty and the democratic development of the country.

Municipalities in the Atlantic zone such as Morales and Los Amates demanded justice in 1934 when Guatemalans were being dispossessed with the connivance of the dictator Ubico. There was no redress.

Only the fruit company remained in that region after driving out the Guatemalan producers and taking over their land.

Not satisfied with the Atlantic zone, the fruit company began its penetration of the Pacific coast, always seeking the most fertile land. Two contracts, that of 1930 and that of 1936, show a repetition of the same process of conquest.

On the Atlantic the penetration began under the pretext of a contract to carry the mail; on the Pacific the pretext was an offer by the company to construct a modern harbor.

Decades have passed and in none of the ports of the Pacific — San Jose, Champerico, or Ocos — have any modern docks been built.

In the Pacific area, the fruit company is established under the name *Compañía Agrícola de Guatemala*. It was to this company that the concession was granted in return for construction of a harbor.

If with the 1930 contract Guatemala had at least the promise of a "modern" port, with the contract of 1936 made with the dictator Ubico, the swindle was complete and even the expectation of such a port disappeared. According to the 1936 contract, the company will construct the port when it wishes, and if it does not so wish, the port will never be constructed.

Central American nations, because of the domination by the United Fruit Co. have been called "Banana Republics." A state within a state, the fruit company has been like a great tape worm. The derogatory term, "Banana Republics" indicates the power which the company has wielded over corrupt, anti-patriotic governments.

Village Water Supplies

Nothing better illustrates the primitive conditions under which the majority of the people of Guatemala lived through centuries of feudalism and dictatorial repression than the shocking lack of minimum water and sewage systems in the small villages that dot the countryside.

Decade after decade the women and children of many towns have been condemned to journey daily to nearby and not so nearby brooks, lakes and springs to fetch water for their daily needs.

The Indian women are a picturesque sight as they journey down the road balancing their *tinajas*, or water jars, upon their heads. Their daughters, costumed as their mothers are, early learn to balance their smaller jars upon their heads as they aid in the family chores.

Always colorful is the spectacle of women and children bathing in a flowing river and laundering their bright garments on the rocks that border the stream.

But it isn't practical. To the people who are building the new Guatemala, lack of village water supplies means lack of sanitation, sickness, and waste of human labor.

Since October 1949, the federal government has provided water services for seventy-three towns and villages. In many cases this has meant merely a piping job from a nearby stream, or a small pumping station in a clear lake. In little Las Animas in Jutiapa, the cost of bringing water to the people was only Q.1,029.16. An installation in Chimaltenango cost Q.60,882.13. Between these two extremes, the seventy-three population centers have been furnished water supplies at a total cost of Q.1,331,244.45.

Twenty-five more water systems are under construction in six zones of the country. Daily the congress, the minister of public works, and the federal department of water and drainage receive requests from the village fathers of isolated hamlets for water supplies. The village people look to their democratic government to give them the minimum requisites that previous feudal minded administrations have refused.

Villages that existed before Columbus discovered America today enjoy "city water" because of Guatemala's progressive government. The people become healthier, happier!

Pan American Highway

By next spring it should be possible to travel down the Pan American highway through Mexico, Guatemala, and El Salvador to Nicaragua. The last remaining road block from the U.S. border to Nicaragua is a twenty-six kilometer stretch from the Mexican border town of Cuauhtemoc to Cuilco in the department of Huehuetenango, Guatemala.

Machinery and men, according to present plans, will be moved to Huehuetenango in November at the end of the present rainy season. Before the beginning of next year's rainy season the work of opening the road through the mountains, grading, terracing and surfacing will be complete.

The Guatemalan section of the highway is called the Roosevelt highway. It extends for 500 kilometers from the Mexican border, across Guatemala, to El Salvador. About 150 kilometers are paved, but the rest can be called good "all weather" highway.

With the elimination of the Guatemalan bottleneck, there still remain unopened sections in Nicaragua, Costa Rica, and Panama. In this connection we quote the *Journal of Commerce*, New York, June 27. Referring to highway bottlenecks, this paper said, "The worst ones are in Guatemala, whose blatantly Left Wing Government shows little interest in completing the 25-mile stretch left unfinished within its borders....."

The *Journal of Commerce*, ill informed on the nature of the Guatemalan government, might well direct its fire to areas where highway construction presents fewer problems than in Huehuetenango whose massive mountains are the highest in Central America.

Rice Yield Increases

Although Guatemala's economy is basically agricultural, only in recent years has there been scientific improvement of crops other than coffee. The recent progress with these other crops can be attributed to the efforts of enterprising young farmers and to the work of various government organizations, among them the agricultural research station which is jointly supported by the United States and Guatemalan governments.

The production of rice can be taken as an example of improvements made in various crops for domestic consumption and for export.

The Agricultural Census of 1950 indicated that Guatemala had one of the lowest rice yields per acre, 891 pounds, in the western hemisphere. Now as the result of research, improved cultivation methods, and the distribution of selected varieties of seed, the yield obtained in some areas of production, 3429 pounds per acre, is about equal to that obtained in intensively cultivated areas of Japan, 3486 pounds per acre. It is higher than the average in any other country of this hemisphere.

One of the rice varieties introduced, which is partially responsible for the increased yield, is that called "Blue Bonnet."

In past years it was necessary for Guatemala to import considerable quantities of rice in order to meet the domestic consumption of about 180,000 hundred-weight. From the crop harvested during the early months of this year, it was possible to export a surplus of 30,000 hundred-weight. It is expected that twice this amount will be exported from the fall harvest.

The lowlands along the Pacific coast are admirably suited to the production of either dry farmed or irrigated rice. In the past two years irrigation systems have been installed in some plantations with very good results. Private individuals have built storage elevators and the government institution, INFOP, has undertaken a program of building a much needed system of granaries throughout the country.

Land Reform Continues

"At last the land has been blessed, blessed with the law of agrarian reform," said a farm worker standing in line for documents turning over his share of a 500 acre farm, El Tempisque, in Pueblo Nuevo Viñas, Santa Rosa.

"Yes!" replied his companion, one of thirty who were asking for land, "we have won the land; now it is for us to take the richness from its ribs."

In Barbarena, Ixpaec, 112 acres of another farm were delivered to a handful of claimants. But watching were a great number of country people who had come from long distances to see if the stories they had heard of land distribution were really true.

Daily such scenes are being repeated, scenes of unused land being turned over to those who will work it.

According to the National Agrarian Department, 254 private farms have been expropriated to date. For the 535,200 acres of these private farms, the owners have received government bonds in the amount of Q.2,417,956.67. These farms do not include national lands previously distributed.

Bumper Corn Crop

Estimates indicate that the corn crop this year will be the greatest in the history of Guatemala. According to Roberto Fanjul, minister of economy, production will exceed 12 million hundred-weight. Mr. Fanjul attributes this increased production to the operation of the Agrarian Reform Law.

An average of estimates furnished by the bureau of statistics shows that domestic consumption of the 1953 crop will be slightly more than 8 million hundred-weight. A surplus for carry-over storage and for export of nearly 4 million hundred-weight is anticipated.

Based on these figures, export licenses for shipments of 100,000 hundred-weight each to Mexico and El Salvador have already been granted. Growers expect additional export licenses.

The increase in the production of corn, a staple crop, has produced substantial exportable surpluses for the first time.

During the years 1941 to 1950, corn was imported each year. In 1951, 76 hundred-weight were exported. In 1952, with the beginning of land reform, 21,000 hundred-weight were exported. This year's export and carry-over surplus of nearly four million hundred-weight

results from the labor of hundreds of new independent farmers working land formerly held out of production.

As an incentive to production, the government agency INFOP guarantees a price of Q.2 50 per hundred-weight for corn delivered at any rail station in the republic.

Credit Aids Land Reform

In April of this year, farmers who were given land under the Agrarian Reform Law began to receive help in the form of credit from the *Crédito Hipotecario Nacional*. Within the following three months this state bank granted loans to farm cooperatives and small independent farmers. By the first week in July, 14,011 persons had received credit amounting to Q.2,641,546.00, an average of Q.188.53 per person.

INFOP (Institution for the Development of Production) also collaborates in the financial aspect of the agrarian reform. It has begun to purchase Guatemalan staple crops in order to stabilize their prices. This will guarantee a fair return to farmers and thus encourage them to increase production and to diversify crops.

In these transactions the two banks were assisted by the *Banco de Guatemala*. This central banking institution granted them special advances, totalling nearly 3.5 million quetzales, to be used exclusively for the farm loan and price stabilizing program.

With the passage of the Agrarian Reform Law it became obvious that a banking institution was needed solely to provide credit to the small farmers. In July of this year, congress established the National Agrarian Bank and appointed its first executive board. This bank will soon begin to function.

Forest Planting

Guatemala's six month rainy season together with the practice of hillside farming cause much loss of topsoil by erosion. In the past, indiscriminate cutting of timber for fuel in the absence of other natural fuels has aggravated the erosion problem.

For this reason, the agricultural department maintains a forestry division which has the duty of limiting cutting as well as directing a reforestation program. Nurseries have been established in different parts of the country to supply new trees.

During the year ending in June, more than 455,000 small trees were given for replanting to those receiving land under the agrarian reform. Both fruit trees and other species were supplied.

If you wish to receive this bulletin, please send your name and address to P. O. Box 107, Guatemala City, Guatemala, or to Embassy of Guatemala: 1614 18th Street N. W., Washington, D. C. — Guatemalan Consulate: 408 So. Spring St. Los Angeles 13, California. — Guatemalan Consulate: 30 Rockefeller Plaza, Suite 1430, New York 20, New York. — Guatemalan Consulate: 301-302 Pan American Building, P. O. Box 1286 New Orleans 10, Louisiana. — Guatemalan Consulate: 416 Market Street, San Francisco 5, California.



GUATEMALA

GOVERNMENT INFORMATION BUREAU

No. 8

Guatemala City

September 1, 1983

Guatemala's National Indian Institute

Authorized by a governmental decree on August 28, 1945, the *Instituto Indigenista Nacional* was established as a research, advisory, and planning agency to serve government departments on Indian affairs. In October that year, Guatemala became the fourteenth country to affiliate with the Inter-American Indian Institute.

A founder and the first director of the Institute, the late Antonio Goubaud Carrera, a distinguished social anthropologist, charted the course of scientific investigation and concrete work that is continued today under the able and enthusiastic leadership of Joaquin Noval.

Guatemala offers a rich and varied field for the work of the Institute. According to the 1950 census, the native Indian population is 53.5% of the nation's total. Twenty Indian languages, nineteen of them stemming from the Maya-Quiche tongue, have been tallied by the Institute.

Work has been done on many aspects of Indian culture: languages, the typical costumes, diet, farming methods, shelter, religious beliefs, community political organization, family life and the social customs that distinguish Indian from non-Indian Guatemalans.

VARIED NATURE OF ACTIVITIES

The Institute's archives contain the documents and publications of many foreign social scientists who have studied Guatemalan Indian culture. The Institute has published only part of its own research.

Regular reports are made to the Inter-American Institute. A synthesis of the agrarian reform law was translated and published in the Quiche, Cakchiquel, Mam and Kekchi languages. Recordings were made of these translations as few Indians are literate. The law on leasing of land was translated into Cakchiquel. An eight section study of rural credit practices was published for the use of INFOP (Institute for Increasing Production) in establishing a rural credit system.

The law for the protection of Indian textiles was translated into five languages. The Guatemalan national anthem was translated into four languages at the request of the ministry of education. Motion pictures dealing with sanitation and hygiene were supplied with translations into four Indian tongues of the spoken commentary.

At the request of UNESCO, translations into four Indian tongues were made of the "Declaration of the Rights of Man". Recordings were also made of the declaration. A study of regional markets in Guatemala has been published. Regular bulletins in magazine form are often monographs on some specific study of the Institute.

The Institute has collaborated with or furnished information to the Inter-American Educational Cooperative Service, United Nations, International Labor Office, Pan-American Union, Inter-American Institute, Nutrition Institute of Central America and Panama, International Bank for Development and Reconstruction, and other foreign groups and individuals requesting data or cooperation.

INDIAN MUNICIPALITIES

An idea of the detailed labor with which the field workers find themselves confronted may be gained from the fact that a study of the organization of Indian municipalities has already required studies of more than two hundred Indian communities and the work still continues.

A brief summary of this municipality study is interesting for the light it throws on Indian social structure at the community level. The following highlights are taken from an Institute bulletin.

Before the coming of the Spaniard, Indians did not live in towns and cities. The old metropolitan centers; such as, Utatlan, Iximche, Zaculeu and others familiar to archaeologists were the religious and administrative centers of the tribes, inhabited principally by the chiefs and priests. The main body of the people was scattered over the farmlands.

Spanish priests and civil authorities in the sixteenth century began gathering the Indians into urban centers. Municipalities evolved, patterned after the Spanish, but made to conform to Indian social custom. Such municipalities were often city states, with a main population center as well as nearby villages and scattered rural dwellings included within their boundaries. Studies of the Institute reveal that their distinct politico-social structure has endured to modern times.

CIVIL AND RELIGIOUS FUNCTIONS

Duties of municipal officers are closely related to duties within the religious organizations of the locality. Two organizations, political and religious, offer a ladder of official positions which represents to the Indian the social ladder of his group.

The young man, who usually starts his public career at age sixteen when he is considered adult, serves alternately in parallel political and religious offices. Duty to his people is so thoroughly recognized as a personal obligation that few public offices are paid.

The full time positions are so arranged that posts are held for only a year with a year intervening before the next job in the scale comes up. The off year permits the Indian to devote his full efforts to earning a living. Usually two officers hold the same function so that they can alternate the work in eight day periods and permit themselves time for their personal work.

The woman is significant in the social scale only through the position of her husband. A widow is tendered the respect which custom dictated for her deceased husband. If she re-marries one lower in the social hierarchy of the community than her dead husband, her own social status and the community's deference to her position decline in the same order. An unmarried woman has no social standing.

LOCAL CUSTOMS DIFFER

Customs vary with the regions, but usually the man enters public service as a *mayordomo* in a religious fraternity. His next public position may be as a municipal officer in the lower ranks of *alguaciles*, *regidores*, or *mayores*. Thus his service progresses through the ranks of lower to higher *mayordomo* in the religious brotherhood, to *Primer Mayordomo* and finally to the highest post, *Alcalde de Co-fradía*.

The scale of civil offices runs through *alguacil*, *regidor*, *mayor*, *sindico*, *comisario municipal*, to the highest, *alcalde municipal*.

Having reached the peak in both municipal and religious offices, the Indian passes to the ranks of the *principales*.

No important community decision is taken without the approval of the *principales*. The *principales* usually name the individuals who hold non-elective offices. As an elder of the community, a *principal* is often consulted on personal disputes and matters on which his experience makes him an authority.

A knowledge of the politico-religious hierarchy must take into account the different types of "specialists" on matters of the supernatural world of the Indian.

Although the "specialist" is not equally feared in every place, the Institute always seeks to determine how his viewpoint will affect its studies or a given government program.

In passing, it may be noted that the typical municipal organization is changing because of the participation, particularly of the younger men, in the activities of the new political parties.

PRACTICAL USE MADE OF RESEARCH

This and other information developed by the Institute has countless practical uses. Campaigns for health and sanitation, education, better farming methods, civic improvement, —all are made easier as a result of knowledge of the customs and traditions of the Indian municipalities.

A current educational experiment using the Indian alphabet is being conducted in Alta Verapaz by the ministry of education and the national committee for literacy with the cooperation of the Institute. Experience in other countries has shown that the Indian, literate in his own language, more easily becomes literate in the dominant tongue.

An adult educational program was launched last March among the Kekchi, a cultural group of about 300,000. Text books prepared under the direction of the Institute by a group of bi-lingual teachers are used. Classes are held at night and aimed at the age group fifteen to forty years. Six experimental classes are under way. The center of operations is in San Pedro Carcha, an Alta Verapaz community of 55,000 population.

SCHOOL BOOKS IN KEKCHI

The four illustrated texts used are: 1. Kekchi alphabet; 2. Reading in Kekchi; 3. Spanish with the Kekchi alphabet; 4. Reading Spanish with the Spanish alphabet.

Three hundred students are busy mastering the symbols for the ten vowels and twenty-five consonants of Kekchi. More than a hundred others have already learned the alphabet and are reading in the Kekchi language from the second text.

All of the students are *campesinos*; that is, peasants or farm workers. Most are between twenty-five and thirty years of age. It is significant to note that twelve are women.

Their livelihood comes from growing corn, squash, fruits, coffee, and the sugar cane from which they make a crude sugar called *panela*. During the coffee harvest, families work for the big coffee growers.

It is reported that they are delighted with the opportunity to learn to read their own language. Juan de Dios Rosales, Guatemalan anthropologist leading the field work on the project, states that many more Indians than can be served are asking for instruction in reading and writing.

LANGUAGE STUDIES MADE

Behind this experiment lies the work accomplished at the six day language conference held in November, 1949. That conference, also sponsored by the ministry of education, the committee for literacy, and the Institute, was attended by educators, social scientists, and linguists in the Indian tongues.

Bi-lingual experts represented the following languages: Quiche, Cakchiquel, Tzutujil, Mam, Kanjobal, Jacalteca, Chuj, Aguateca, Kekchi, Pokomchi, Pokoman, and Chorti.

It was found that a comprehensive alphabet required fifty-eight symbols, but that the four principal languages, spoken by 85.8% of the indigenous peoples, could be represented by forty-seven symbols.

The simplified alphabet, based on Spanish letters and



Joaquín Noval, Institute director, indicates San Pedro Carcha on language map. Rafael Díaz Gómez, left, is chief of national literacy department.

combinations of letters, was published by the Institute in 1950 for the Quiche, Cakchiquel, Mam, and Kekchi speaking groups. Alphabets for the Tzutujil and Kanjobal groups have been prepared for publication.

Work is being done on dictionaries in Tzutujil, Mam, and Quiche. Field workers continue speech research in many areas.

The work is important because the 72.2% illiteracy rate revealed in the 1950 census is due in the main to the illiteracy in its own languages of the huge, indigenous population. In the highland areas where most Indians live by choice — Totonicapán, Huehuetenango, Solola, El Quiché, and Alta Verapaz — the illiteracy rate varies from 85.8% to 92.5%

SOCIAL CONDITIONS CHANGING

Isolated and discriminated against before the 1944 revolution, few Indians spoke fluent Spanish and many had no knowledge of Spanish. The social atmosphere is changing.

As President Jacobo Arbenz said on taking office in March, 1951, "And when we speak of our social problems, we must not turn our view from the indigenous groups of Guatemala, nor from the special needs of youth and women. Within the consideration which raising the standard of living of the people generally deserves, we must carefully consider the great Indian population and our youth and women as our best reserves, the most precious treasures of our human wealth."

In the spirit of Pres. Arbenz' concern for Indian welfare, the Institute has intensified its research and its application. In 1951 the Institute felt that it had found a large part of the sources of Guatemalan anthropological information. In contact with scientists all over the world who had done anthropological work in Guatemala, it tripled its work in the field of anthropological sources in the second part of 1952.

As the archives of the Institute grow, so does its usefulness to other government agencies increase. The human movement unleashed by such democratic measures as the labor code, social security, and the agrarian reform requires

that branches of the government have exact information on the social and economic conditions of the Indian population. The Institute has proved itself ready and able to serve them.

EFFECTS OF LAND REFORM

Of all the measures introduced by the democratic governments, the agrarian reform is having the most direct effect upon the Indian. The Indian economy, primarily agricultural, has been hampered by the feudal landholding system prevailing in Guatemala prior to the land reform. As a sharecropper, usually on a fifty per cent crop rental basis, the Indian has lacked incentive for great production. The easily farmed lands were barred to him even on a sharecropper basis.

On his own poor mountain lands, the Indian has demonstrated his skill as a farmer. Many hillside farms with slopes as steep as forty-five degrees have been farmed by the Indian year after year. And it should not be forgotten that corn, the most completely domesticated of the food grains, according to John Collier, U. S. Indian expert, was developed from its wild state by Indian farmers.

Under the reformed land tenure system, as was noted in the last issue of this bulletin, agricultural production is already showing a marked increase. For the first time in centuries, the Guatemalan Indian is beginning to work the land on an equitable basis and the result will be a better life for the nation of which he is the majority.

For this reason, Joaquín Noval, director of the Guatemalan National Indian Institute, commenting on Indian problems, says, "The agrarian reform is not exclusively an Indian measure. But since the Indian has been the principal sharecropper of the nation, it is right to suppose that the agrarian reform is the most important Indian measure taken to date. I personally believe that it is the most far-reaching effort on behalf of the Indian in our history."



Juan de Dios Rosales reports on progress of adult education in Alta Verapaz. Seated, left to right: Domingo Botzoc, Kekchi linguist; Martín Ordóñez, Cakchiquel linguist; Benjamin Cux Chan, Quiche linguist; Joaquín Noval, director; Leon Augustin Valladares, psychologist and assistant head of field work; Rafael Díaz Gómez, head of national department for literacy.

Notes on UFCO

The execution of the Agrarian Reform Law, as might have been anticipated, has encountered sharp opposition from large holders of uncultivated lands. Among this group is the United Fruit Co. and its affiliate, *La Compañía Agrícola de Guatemala*. Perhaps because it is the largest private landholder, it has been most vocal in its opposition to the law, in spite of the favored position it has held in Guatemala for many years.

Nevertheless, it would be strange that Guatemala should receive a protest from the U. S. state department on August 28, the second inspired by UFCO, if it were not for a fact pointed out by Pres. Arbenz in a speech in May, 1953:

"The present fight, then, is between the party of the great majority of the people and the party of the great landlords and the privileged foreigners. This latter party would have almost no backing if it were not that with the object of defending their interests as the Mexican General Alvaro Obregon stated in an historic manifesto '...the privileged foreigners always seek the aid of their respective governments...'"

It has been charged that Guatemala has discriminated against foreign as opposed to national landholders. There has been discrimination, but it has been the other way around. A study of the contracts made with UFCO in violation of the national constitution and the law of the land shows that UFCO and similar interests have been favored over Guatemalan nationals.

These contracts, fully exposed by the Guatemalan jurist, Oscar de Leon Aragon, are analyzed in "*Los Contratos de la United Fruit Company y las Compañías Muelleras en Guatemala*," a publication of the ministry of economy and labor. UFCO contracts, so clearly prejudicial to Guatemalan interests, are so slanted in favor of UFCO that the chicanery of long since repudiated dictatorial governments which made them is obvious.

Yes, the question of discrimination in favor of UFCO does exist.

"*Las Finanzas Públicas y el Desarrollo Económico de Guatemala*," by Adler, Schlesinger, and Olson, published in Mexico in 1952, states:

"The three greatest foreign enterprises which operate in Guatemala — the United Fruit Company (including its affiliate the *Compañía Agrícola*), the Electric Company, and the International Railways of Central America (IRCA) — are also exempt from this tax (progressive tax on profits — ed.) in accord with the conditions of their original concessions."

The legality of Decree 900, the Agrarian Reform Law, is not in doubt. The right of eminent domain recognized by U. S. law also prevails in Guatemala.

Many Guatemalan landholders have felt injured because the nation compensated them for expropriated lands at their

declared tax valuation instead of a price set by themselves, but only UFCO has been able to appeal to the state department of a great nation to intervene in its dispute over valuation.

The question of just compensation and equitable treatment are to be judged on the facts and the law of Guatemala. The foreign minister of Guatemala has announced that the U. S. protest will be studied and answered when its complete contents are known to the Guatemalan government.

National Farm Divided

Distribution of the lands of the national farm called Concepción on August 22 was marked with a day long celebration. Concepción with its annexes La Eminencia, El Volcan, Chaguite, Colorado, and Santa Isabel, has nearly 15,000 acres. It is one of the largest and richest of the national farms.

Hundreds of peasants joined in the fiesta that accompanied the division of the land. Typical marimba music, dancing, the traditional fireworks, and speechmaking highlighted the festivities.

The agrarian reform law, aimed at putting uncultivated lands into production, also provides for the parceling out of all national farms, cultivated or not.

Much of Concepción is in full production of coffee, sugar cane, corn and cattle. It includes good pasture lands, timber areas, and uncultivated areas suitable for coffee, cane and other crops. Near Escuintla, the farm is in the richest agricultural area of the nation, well watered, and with a twelve month growing season.

More than a thousand head of horses and cattle were turned over to the land claimants. Tractors and other farm machinery with an upkeep center are at the disposal of the new, independent farmers. Some of those receiving land and cattle were women, an expression of the expanding role women are playing in the country.

Part of the land is set apart for a model orchard to be maintained in cooperation with the ministry of agriculture.

Alfonso Martinez, head of the national agrarian department, congratulated the beneficiaries of the land distribution in the name of Pres. Arbenz. Other speakers represented the pro-government political parties, and workers and peasants organizations.

An old peasant leader, Gabriel Camey, president of the local agrarian committee, spoke, "Brothers, the moment has come at last when we find ourselves masters of the land, thanks to the intrepid fight of the peasants and the revolutionary honesty of our great president, Col. Jacobo Arbenz. Now we are ready to make the soil produce the maximum. At last the land is ours. '*Hoy la tierra es ya de nosotros!*'" And the assembled peasants repeated in a deep refrain, "*Hoy la tierra es ya de nosotros!*"

Representatives of INFOP, the agricultural ministry, and Credito Hipotecario Nacional were present.

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GUATEMALA

GOVERNMENT INFORMATION BUREAU

No. 10

Guatemala City

September 15, 1953

High School Students Rally Against UFCO Pressure



First to demonstrate against the action of the United Fruit Co. in calling upon the U.S. state department to support its unjust demands on Guatemala were high school students, boys and girls. Parading in late afternoon, Friday September 4, the students bore placards, among them a banner expressing student unity against foreign intervention. Scene is in downtown Guatemala City.

Since then other similar protest banners have been carried in the patriotic parades celebrating the 132nd year of Guatemala's Independence from Spain. On the following page the widespread public protest against the fruit company's unfair demands is noted. The popular indignation has been marked throughout the nation. The feeling is general that the company's attitude endangers the Agrarian Reform Law.

UFCO Involves U. S.

What does one say to the uninvited guest who dines at one's table, wipes his lips, and then pulls a gun and demands the family silverware?

The United Fruit Co. with its seat in Delaware and its hands in Guatemala and other Caribbean countries has played the role of uninvited guest for many years.

In return for fabulous concessions in Guatemala, UFCO signed contracts in 1901, 1924, 1930, and 1936 in which it expressly agreed NOT TO HAVE RECOURSE TO DIPLOMATIC CHANNELS IN ANY MANNER FOR ANY REASON IN ANY DISPUTE OVER CONCESSIONS GRANTED BY THOSE CONTRACTS!

Now, in its dispute with the Guatemalan government over the application of the Agrarian Reform Law, UFCO HAS APPEALED TO THE U. S. STATE DEPARTMENT TO INTERVENE on behalf of the company's special privileges and to demand further special privileges.

The guest has pulled his gun!

Decree 900, the Agrarian Reform Law, was the first real challenge to UFCO's tremendous political power that has been used to make and unmake Caribbean governments, to promote dissension within Caribbean countries, to cause friction between neighboring and friendly countries, and thereby create the political climate in which it could procure one-sided concessions that permitted unhampered exploitation of the resources and manpower of small, undeveloped countries.

But the reform law was not aimed at harrasing UFCO or any other large landholder. It was designed to put into production hundreds of thousands of acres of uncultivated land held out of production in his small, densely populated, agricultural country where the average peasant family land holding is 3.1 acres.

Prior to the enactment of the agrarian reform, UFCO and every other large holder of unused land, Guatemalan and foreign alike, were put on notice by Pres. Jacobo Arbenz that fundamental changes were going to make a better distribution of uncultivated lands.

UFCO, which with its affiliate *La Compañia Agrícola de Guatemala* controlled the largest and most fertile acreages in the nation, chose to ignore the warning of Pres. Arbenz and continued to hold hundreds of thousands of acres out of production.

The government moved to execute the law impartially, making no distinction between foreign and Guatemalan landholders, and granting no special exemptions or waivers to UFCO.

Thus far, 400,000 acres of idle land held out of production by UFCO have been expropriated. Without the agrarian reform, UFCO could have played dog in the manger indefinitely with those 400,000 acres. Under the law, land hungry small farmers will put the land to work immediately.

For this land UFCO is compensated at the declared tax value in long term bonds precisely as other landholders, Guatemalan and foreign, have been compensated.

Time magazine, August 31, agonized because in the company's East coast plantation only 88,000 acres would be left for bananas. UFCO would have no reserve land "for use when the ruinous Panama disease, a blight which

attacks the banana plants, forces it to turn present banana acreage into flood fallow to drown out the fungus".

In that plantation, "present banana acreage" consists of only 4,000 acres. The Panama disease takes about ten years to develop in new land. If no diseased land were ever turned into flood fallow, the 88,000 acres would provide enough reserve for a 4,000 acre banana plantation for 220 years!

But UFCO, ignorant of how much preferential treatment is enough, appeals to the U. S. state department to support its demand for further special privileges. It demands that its unused land receive a special appraisal not given to Guatemalan landlords. It demands to be paid in cash instead of in the bonds given to Guatemalan landlords. It is unhappy because so much of its idle land has been taken over, claiming discrimination, without mentioning that it had the largest acreages of uncultivated land in the nation.

The latest result of UFCO's appeal is the state department memorandum of August 28 handed to the Guatemalan ambassador in Washington.

Stripped of diplomatic verbiage, that memorandum boils down to UFCO's demand that Guatemala surrender its sovereignty and assume the status of a "banana republic" by giving UFCO additional privileges which it does not give its own nationals.

But times have changed!

Already the land reform is working its transformation in the economic and social life of the people. The clock will not be turned back. The second half of the twentieth century demands that small countries as well as large ones have the right to use their natural resources as their needs require.

Ask Fair Play

A storm of popular protest touched off by the August 28 memorandum of the United States state department continues to grow while the Guatemalan government prepares a reply.

Resolutions and statements from organizations, protest meetings throughout the nation, public parades and demonstrations reflect the concern and resentment of the people. Letters from municipalities, business and professional men, farmers, students, teachers and government employees pour in to the president, the foreign minister, and the daily papers.

Ire seems to be directed toward the United Fruit Co. as the instigator of an attack on the right of Guatemala to run its own affairs. On September 14, the eve of Independence Day, workers demonstrated before the National Palace bearing many banners against "foreign intervention".

The PAR, majority Guatemalan political party, stated in a special bulletin, "The right of the peoples to freely exploit their resources and natural products was confirmed in an assembly of the United Nations, and our inalienable and sovereign right to make and enforce our own laws nullifies the protest and the concern of the government of the United States over the application of the Agrarian Reform Law".

In an open letter, the executive committee of the national teachers' union published, "... (we) denounce energeti-

cally the maneuvers of the United Fruit Co. or any other foreign monopoly which scoffs at or disobeys the national laws which the people in exercise of their sovereignty decree or may decree for the development of the economy of the country and for the popular welfare".

An association of students of The College of Legal and Social Sciences, "...condemns and repudiates all those acts which violate or restrict the free determination which legitimately belongs to the republic of Guatemala as a sovereign state; and in this particular case affirms the right of the government to reject any intervention in internal affairs".

MEXICAN PRESS COMMENTS

Mario Ramón Beteta, eminent Mexican economist, in an article in *El Nacional*, important Mexican daily, noted on September 4, "Guatemala correctly maintains that the company (UFCO-ed) has been equitably treated, inasmuch as the citizens of the country are compensated in the same way as the foreign company. The company cannot justly claim privileged treatment".

Commenting on the statement of a Guatemalan political party that the memorandum was "...a positive menace to the national sovereignty...", the conservative Mexican newspaper *Excelsior* stated on September 8, "Fortunately, the Mexican government's position has always been clear and positive that the right of nations to nationalize their natural resources was not to be debated. This has been made clear in all international gatherings where Mexico has had a voice, and furthermore is intimately connected with national conviction and experiences."

Independence Day 1953

Today the republic of Guatemala celebrates the 132nd anniversary of its independence from Spain formalized in a declaration September 15, 1821. No four year war like that led by George Washington preceded the Guatemalan breaking of its ties with Europe, but revolts and risings of artisans, the middle class, and Indian groups against the economic stranglehold of Spain and the royal tributes exacted by the crown took place before independence.

Scattered risings between 1808 and 1820 were plentiful. Notable was the revolt led by the Indian, Manuel Tot, in the Verapaces in 1813. In 1820, on the eve of independence, another rebellion was headed by the Indian, Atanasio Trul, and carried to the point where he was actually crowned as the king of a Quiche Indian group.

The act of independence climaxed the wave of unrest started by the French revolution and the revolution of the thirteen American colonies. Liberal writers in Guatemala, such as Pedro Molina and Jose Francisco Barrundia fanned the flames of discontent. Spain was too weak in the nineteenth century to check the chain of events that freed its colonies in North and Central America.

It is difficult for a small country to be free, independent, and democratic. Today Guatemalans, sensing another

threat to independence, are celebrating September 15 with a fervor lacking in the past.

After nine years of democracy under the revolutionary administrations of Presidents Arevalo and Arbenz, the people reject any submission to foreign pressure groups which would plunge the country again into the dark days of political dictatorship.

PEOPLE CELEBRATE

Celebrations started in the morning of September 12, with a ceremony at the National Palace in which Guatemalan flags were presented to representatives of the public schools. A parade followed through streets lined with houses decorated with white and blue, the national colors.

Other events were a marathon race to Port San Jose from Guatemala City; the inauguration of a new paved highway from Totonicapan to Quetzaltenango; and the opening of the eight day Book Fair.

On the following day, athletes and sportsmen paraded to the Olympic Stadium for special patriotic ceremonies. In the neighborhoods there were popular concerts. Autos and bicycles in the streets were decorated in white and blue bunting.

At eight in the morning of September 14, students, delegates of labor unions, peasants, Boy Scouts, Girl Guides, nurses and women's groups gathered at Central Park for a long parade to the monument erected to the fathers of Guatemalan independence. There wreaths were laid and special ceremonies observed.

Marimbas furnished music in the public markets and parks of the city. In the evening the ceremony of raising the flag was attended by thousands in front of the National Palace.

SEPTEMBER 15

This morning, celebration in the traditional manner started with the explosion of fireworks at one minute after midnight. The mayor of Guatemala City read the act of independence. The reading was followed by salvos of artillery. The crowd gathered in Central Park sang the national anthem.

For those who were still in bed, martial bands paraded at four o'clock in the morning. At six o'clock, honors were paid the flag in front of the National Palace. Simultaneously in the neighborhoods of the city and in the public markets, citizens sang the national anthem with a background of marimba music and the hissing of skyrockets.

At seven military units formed at Central Park for a parade to the army field, Campo de Marte. Cadet companies from the national military academy participated with army infantry, field artillery, tank and armored car units, the medical corps, and military bands.

Ceremonies and military exercises followed at the Campo de Marte.

As in the capital city, so in the municipalities throughout the country, celebration was continuous and fervent. On September 15, 1953, Guatemalans found themselves united as never before.

Book Fair Success

People from all walks of life thronged to the unique Book Fair to examine the estimated 15,000 books displayed and enjoy the music, theater, lectures and other attractions offered to stimulate public interest in literature and art.

Open daily from nine in the morning until midnight, the Book Fair started September 12 and will continue through September 20, dates chosen to coincide with the celebration of national independence day. The spacious Exhibit Room in Guatemala's beautiful National Palace is the center of the Fair activities which have attracted many thousands during the first four days.

There twenty large book stalls, some of them thirty feet long, are accommodated. There is ample space for the concerts, ballet offerings, movies and lectures in the auditorium arranged in the exhibit hall. Large stained glass windows add to the color of displays of the radiant native textiles and the painted masks used by the Indians in ceremonial dances. The masks and textiles, choice examples of indigenous art, were furnished by the Archeological Museum.

The history of printing in Guatemala is depicted by four large panel paintings. Painted by four Guatemalan artists, the panels show the hieroglyphic writing of the Mayan era, the book during the Colonial period, the book of today, and the book and its relation to culture.

Special programs are sponsored by other countries on days dedicated to those nations. A day honoring France is sponsored by the French Guatemalan Center. A program on the following day under the auspices of the Guatemalan-American Institute is dedicated to the United States.

Similarly, the Italian-Guatemalan Center sponsors a program, and the Chilean Guatemalan Institute another. Cuba is represented by a program of the Cuban-Guatemalan Institute. There are also days dedicated to Mexico and Central America. Displays of books published in Costa Rica and the Mexican state of Chiapas are shown in stalls, and from private libraries of Spanish Republicans an exhibit of books in Spanish, Basque, and Catalanian includes works of authors exiled from the Franco regime.

Some of these cooperating groups have also furnished speakers, documentary films, films on art, and music.

SALES REFLECT INTEREST

Thirteen local book dealers have stalls in addition to the non-commercial stands and exhibits. The Boys Scouts of Guatemala with a large selection of books on many subjects are pursuing sales with youthful intensity. Sales are an essential feature of the Book Fair's effort to arouse interest in literature. Buyers are offered a special discount at the fair and in stores in the city.

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During the first four days the largest sales were registered in works dealing with economics and social sciences. One dealer featuring installment sales of encyclopedias and Bibles reported heavy sales of a large, beautifully bound, illustrated Holy Bible. Other books in demand are bibliography, works on painting and sculpture, and poetry. Authors of the United States are well represented in Spanish translations published in Mexico and Argentina.

A locked case display changed every other day exhibit its the first book printed in Guatemala dating back to 1662; the original document of the Declaration of Central America's Independence from Spain on September 15, 1821; the original of Bernal Diaz del Castillo's work on the "History of the Conquest of New Spain", a source book for many authors since; the "Testament of Brother Pedro de Betancourt"; Bibles in many languages; and the best works of contemporary Guatemalan authors.

Prizes offered by the government of Guatemala in the interests of culture were presented on September 14 for the best works in music, the novel, poetry, painting, sculpture, and the science of teaching. This contest is an annual affair.

An award was also made for the best poster advertising the Book Fair in a contest arranged by the Fair committee.

CHILDREN PARTICIPATE

Afternoon programs appeal to children with puppet and marionette shows. A children's ballet was presented by the children of the George Washington and other schools. A round table on the Independence of Guatemala was conducted on Independence Day by the Society of Geography and History.

A children's library was presented to a group of children patronized by the local Lions' Club in San Juan Sacatepequez. United States contributed to this library for under-privileged children with books donated by the Guatemalan-American Institute.

An open air theater in the Central Park near the National Palace was used for the Book Fair's theatrical offerings. Three groups, the Garcia Lorca group, the University Art Theater, and the Mobile Fine Arts Theater gave shows.

The popular response to the Book Fair has greatly exceeded the expectations of its sponsors, the Guatemalan House of Culture, and the cooperating groups and individuals. Thousands of volumes were sold at the Fair and book stores throughout the city are noting increased sales.

The publishing department of the ministry of education, which was represented with a display at the Fair, was completely sold out several of its collected edition sets on the third day of the fair. One experienced book dealer said that he was amazed at the interest in books developed through the Fair activities. Writers and artists were greatly pleased with the public reception of their efforts.



GUATEMALA

GOVERNMENT INFORMATION BUREAU

No. 11

Guatemala City

November 16, 1983

LAS VICTORIAS - VILLAGE OF MODEL HOMES

One of many public events celebrating the ninth anniversary of Guatemala's democratic revolution of 1944 was the opening of the federally financed housing project, Las Victorias.

Located in the northeast section of the capital, Guatemala City, the development with its open mountain view, has its own water supply, a market area, and a children's park and playground. Experimental, both in design and construction methods used, the ninety-four modern homes of Las Victorias contrast markedly with traditional Guatemalan housing which is still influenced by the Spanish colonial period in which modern notions of comfort and utility did not exist.

Building materials of the best local construction practice such as fireproof and earthquake proof concrete were used in the Las Victorias homes.

MODERN DESIGN

Instead of the house, customary in this area, with its front wall flush with the sidewalk and one or more open patios within, in Las Victorias a fenced area in the front and rear of each home allows space for lawns and gardens.

Interior patios, so necessary in the old style fortress like design for light and air, wasted much space in lengthy corridors, restricted possible arrangements of livable space, and made for much physical discomfort.

In contrast, the two and three bedroom houses of Las Victorias save floor space, are compact and livable, and have no interior areas exposed to the elements.

Modern low ceiling design speeded construction, saved materials, and improved appearance of the homes.

Because heavy rains fall during half the year, roofs must be substantial. The best and most expensive roofs are reinforced concrete slabs. Such roofs were used in the low cost Las Victorias homes.

EXPERIMENTAL METHODS

In addition to innovations in style, Las Victorias also served as a pilot project for improved construction methods.

Under the capable direction of Angel Martinez Franco and Otto W. Szarata, the building site became a laboratory for the most efficient methods of erecting similar units with concrete tile floors and concrete walls and roof.

For cost comparison, six units were built using the customary handcraft methods which produce excellent work with a high expenditure of manpower. Other methods involving on-the-site pre-fabrication, were tried. In one method, the concrete roofs were pre-cast and later elevated with derricks.

Many data for speeding construction and lowering costs were obtained. Local builders followed the course of construction with considerable interest as there has been little local experience in mass construction.

COSTS LOW

The development, including all improvements, such as, paved streets, sidewalks, sewage system and the water supply piped from two deep wells drilled on the site to a central distribution tank, was built at a cost of slightly over Q.500.000.00 including the land. (Quetzal at par with the dollar.)

Eligibility for purchase of the homes was limited to families with incomes of Q150.00 to Q275.00 per month.

More than two thousand purchase applications were received. The new owners will pay monthly installments. No down payment is required. Terms of payment may extend as long as twenty years.

Construction was in charge of the government agency INFOP, an institution whose general function is research and other activities to increase national production. Forty of the homes were built on contract by private builders; the others directly by INFOP.

HOUSING NEEDED

A housing shortage, chronic in Guatemala as in many other countries, is largely the result of high city land values, comparatively high construction costs, and the low incomes of the majority of the people.



A street in the new Las Victorias housing project. New owners have as long as twenty years to pay for the substantially built homes. Independent water supply and drainage system, children's play park, and shopping district make a self-contained residential area.

A detailed study by the National Committee on Housing headed by Carlos Leonidas Acevedo, head of INFOP, shows 26,620 Guatemala City dwellings without bathrooms and 15,261 lacking sewage facilities of any sort. Another ten thousand homes in the city require major improvements to meet minimum standards of health and decency.

In country areas, the peasant family occupies dwellings much like the Spaniards found when they arrived centuries ago.

Anatole A. Solow, technical advisor for the Pan-American Union, in a report prepared in collaboration with INFOP describes them:

"We know that the majority of rural homes lack even the most elemental sanitary facilities, that they are of inferior construction, that they have dirt floors, and that they consist of one room in which the entire family sleeps, eats, and cooks... it is not unusual to find animals in the same dwelling..."

Solow estimated that almost eighty per cent of rural housing required major improvements or complete rebuilding.

The national need, city and country, could be met, he

said, with an annual building rate of 3,000 new city homes and 24,000 country homes for the next twenty-five years. That, he stated, is a minimum building program for current need and population increase.

ABILITY TO PAY

Contrasted to the demonstrated need is the people's capacity to pay for better housing.

According to one source, fifteen per cent of the city's workers average Q30.00 per month; forty per cent average Q60.00 per month; and twenty-five per cent average Q100.00 per month.

Thus, in the capital city where wages are highest, eighty per cent of the workers earn Q100.00 or less per month.

In the rural areas, prior to the Agrarian Reform, the average peasant family income was estimated at Q100.00 per year.

Measured by ability to pay, comfortable and hygienic housing is out of reach for the majority.

AID NEEDED

Government assistance for a solution of the housing problem has been recognized as necessary since the ending of the dictatorship in 1944. Since then, 1,106 dwellings have been built directly with government funds and 572 are now under construction.

Federal funds have been available on small scale for financing private building.

These government efforts have not been sufficient.

The National Committee on Housing has proposed that a permanent government agency be set up with broad powers to deal with the housing shortage.

It is pointed out that the Agrarian Reform is already resulting in substantially increased incomes in the rural areas and that the proposed federal agency could assist peasants who wish to improve or replace their homes on a self-help basis by giving advice and making small loans.

Such an agency could cooperate with large farmers, industrialists, and mining companies which now supply dwellings for their workers in a program to improve those homes. It could assist with planning and financing those municipalities which undertake slum clearance programs. It could help privately financed building with research and experimentation leading to better design and construction methods; provide credit for middle income families for home building; and encourage local production of certain building materials now imported at high costs.

If the committee's recommendations are adopted, the proposed agency would construct and manage low rental homes for those whose income is so low as to make purchase impossible. Some experience in building and operating such projects has been accumulated. The government built "Colonia 20 de Octubre" consists of 204 modest adobe homes that rent for Q5.00 per month.

Such an agency, concerned with housing in all its ramifications, is the logical culmination of government efforts since 1944 to eliminate sub-standard housing and achieve minimum standards of decency and comfort in homes for its people.

Viewed against the total housing problem, the recent opening of Las Victorias is more than just modern new homes for ninety-four families.

Las Victorias has introduced standards and methods that point a new direction in housing the people.

Big Cotton Crop

Guatemala, which formerly imported raw cotton, this year will witness a record breaking crop of more than 4,000 tons. This estimate, based on field inspections made in the Pacific lowlands and the department of Zacapa, indicates that the needs of local processors will be met without the need to import cotton.

Next year, according to the Ministry of Agriculture, Guatemala will have cotton for export.



Peasants take possession of uncultivated lands in Santa Rosa. This scene is typical of many taking place in every part of the nation as the agrarian reform continues to put idle lands to work, stimulate production of diversified crops, and give a living to formerly landless farm workers.

Largest Land Transfer

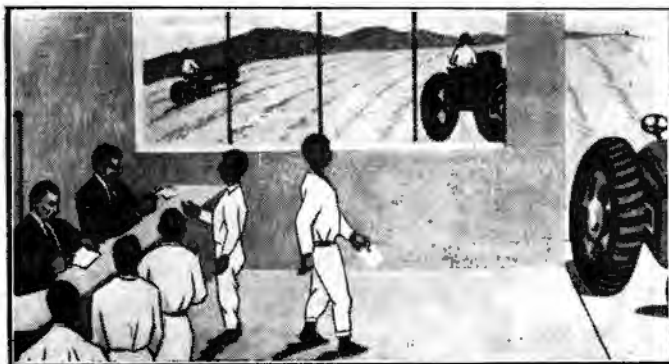
Nearly 200,000 acres of uncultivated land expropriated from the *Compañía Agrícola de Guatemala*, subsidiary of the United Fruit Co., were parceled out to more than 23,000 peasants and farm workers on November 15. The company will be paid for the unused land in long term bonds at the declared tax value of the property in accordance with the law. The bonds are fully guaranteed by the government of Guatemala.

The delivery of this land was the largest single distribution of lands made since the inception of the agrarian law. The thousands of landless peasants and farm workers benefited will receive the loans necessary to put the land into production from the newly created National Farm Bank. Technical advice and other assistance will be offered by the Ministry of Agriculture and the National Agrarian Department.

The expropriation of the land, formerly a part of the Pacific coast holdings of the fruit company, was protested by the company and was recently the subject of diplomatic interchange between the United States state department and the government of Guatemala.

The United Fruit Co. had protested that there was discrimination in the enforcement of the Agrarian Reform law, but as one of the speakers at the ceremony of parceling out UFCO's acres explained, the National Agrarian Department is following the law to the letter, without distinction as to nationality nor to political affiliations.

Among landholders already expropriated are the Minister of Agriculture, Nicolas Brol, and the Guatemalan ambassador to Washington, Guillermo Toriello. Soon to lose 1700 acres under the terms of the law is the president of the republic, Jacobo Arbenz.



National Farm Bank Opens

October 20, the ninth anniversary of Guatemala's democratic government, was celebrated by the formal opening of the *Banco Nacional Agrario*, the national farm bank authorized by congress last July to implement the Agrarian Reform Law.

An overflow crowd of farm and city workers filled the bank building and the street in front for the inaugural ceremonies.

Pres. Jacobo Arbenz and his staff attended. Speakers were Major Alfonso Martinez, chief of the National Agrarian Department; Alfonso Bauer Paiz, president of the new bank; Marco Antonio Soto, representing farm workers' organizations; and Jose Alberto Cardoza, speaking for organized labor.

The bank has an initial capital of Q10,000,000. An autonomous institution, its primary purpose is to extend credits to aid agricultural production, primarily for the small farm economy in general and especially for the new independent farmers created by the land reform law.

As Major Martinez stated in his inaugural address, "...delivering the land does not by itself solve the problem of the peasants. In addition, they need help to be able to plant and harvest on their own account. The national agrarian bank is the basic institution for giving that help. The credits given to the peasants will allow them to cultivate the land without mortgaging their crops in advance to usurers and profiteers."

In a previous bulletin it was pointed out that a survey into rural credit practices made by the National Indian Institute had uncovered interest rates of as high as 175% per month.

Loans carrying such exorbitant rates were usually very small loans against the security of a crop ready to harvest.

In some cases, small farmers in need of cash sold their crops in advance of the harvest for much less than their value.

The new bank will correct many such abuses. For example, among the first loans made were those to thirty-five peasants of Villa Nueva for harvesting small crops of corn and tomatoes. A loan period of four months allows those borrowers time to harvest and sell their crops before repayment. Small loans of that type could not well be made except by a specialized bank.

Q2,000,000 is earmarked for loans for harvesting crops during the balance of the year. The crops are principally corn, rice, beans, cotton, cane, cocoa, peanuts and yuca. By November 7, 4,838 loan applications had been received by the new bank.

Before the opening of the new bank, many of those receiving land under the agrarian reform had been assisted by loans from the National Agrarian Department, INFOP, and Crédito Hipotecario Nacional. Crédito Hipotecario Nacional has loaned Q2,582,894 to beneficiaries of the land reform.

The bank will have offices in Guatemala City, Quetzaltenango, Mazatenango, Chiquimula, and Coban. Two special agencies will serve the departments of Peten and Izabal. Thus local service will be available in every part of the country.

Land Reform Continues

Through October 31, 426 uncultivated farms had been expropriated under the terms of the Agrarian Reform Law. Former owners of the land have received Q3,376,663.59 in interest bearing bonds for the approximately 672,000 acres involved in the transfer. Payments for the land condemned are made at the declared tax value.

Expropriation of unused land is continuing, according to the National Agrarian Department, the executive agency of the reform law.

During sixteen months since the beginning of the land reform, many thousands of peasants have received and are working the formerly idle lands.

The evils of the semi-feudal agricultural system prior to the land reform were the backward farming methods and low production, a coffee monoculture, and a latifundist landholding system conducive to peonage which held out of production large areas of arable land.

Under the land reform, agriculture has become diversified, more food for home consumption is being produced, overall volume of production has been increased, and private initiative has been stimulated. Living standards are rising.

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GUATEMALA

GOVERNMENT INFORMATION BUREAU

No. 13

Guatemala City

January 1, 1954

MEXICANS TAKE STAND WITH GUATEMALA

On April 1, 1953, the government of Guatemala formally protested to the United Nations against a "succession of developments in recent years which demonstrate the intention of certain international political circles to intervene openly in the domestic affairs of Guatemala, thus denying the right of self determination of peoples which is one of the basic principles of the United Nations."

In entering this protest into the record "to be available as evidence in the event of an attempt, on the part of those who are pursuing these tactics, to infringe by force the territorial inviolability and national independence of Guatemala," the government cited anti-Guatemalan activities of United States corporations operating in Guatemala, the abortive armed uprising of March 1953 supported from abroad, the subversive activities of a former United States ambassador in Guatemala, a public call for intervention made by a former official of the U. S. State Department, the pressure put on some nearby countries designed to create animosity toward Guatemala, and the press campaign in the United States and other countries which has tried to paint Guatemala as an "outpost of Soviet Communism on the American continent" and a "spearhead" of the U. S. S. R. against the United States.

SLANDER CAMPAIGN GROWS

Since that protest, the systematic campaign of press calumnies emanating from the United States has increased in volume and virulence. New charges, also without foundation in fact, have been made to the effect that Guatemala threatens the security of the Panama Canal and that the Caribbean has become a Soviet lake. These and other similar falsifications try to take advantage of present strained world relations to inflame American public opinion against Guatemala.

Much of this false and tendentious propaganda is addressed to other countries of Latin America, both in an effort to influence their domestic policies and to isolate Guatemala from the community of American republics.

But baseless propaganda must be expected at times to boomerang. Such has been the case of the hostile publicity effort against Guatemala in Mexico.

MEXICANS REACT

The press of that great American nation which borders both the United States and Guatemala has recently published an extraordinary declaration carrying the signatures of many distinguished Mexican leaders in the fields of education, science, literature, philosophy, government, and art.

The statement, freely translated, follows:

"In the neighboring and sister republic of Guatemala, the democratic way of life was restored by the popular movement of October 1944. On that date a new era in the history of the sister country, a country which had suffered from some of the cruelest dictatorships in the Americas, was initiated within clearly outlined political principles.

"The Guatemalan people and government are strengthening their consciousness of nationhood, are launching the most equitable and necessary measures, and, after a lag of a half century, are creating for the first time in their history the laws and institutions which make democracy possible; laws and institutions such as the Labor Code, Social Security, and the Agrarian Reform. Since the October revolution which ended the bloody dictatorships, a genuine resurgence is operating in Guatemala, and its spirit manifests itself in all social, political, economic, and cultural activities.

"Under the dictatorships, the frontier between Guatemala and Mexico was closed by Guatemalan despots and the people of the two countries had almost no contacts or relations of any kind. The situation changed completely in 1944. The drawing together of our people and governments each day becomes deeper, more real, and more active in all its aspects.

"Today Guatemala is one of the freest and most vigorous nations of the continent. Because of this it finds itself engaged, as is Mexico, in democratic development, and in the strengthening of the most sincere friendships with all peoples and especially with those of our country and the other American countries.

"It is our desire, to which we will give all our best endeavors, to strengthen such fraternal friendship by active contacts and cultural and economic interchanges for the benefit of both peoples. Friendship and understanding are already very deep because each day we better understand the true situation of Guatemala.

"We wish to express to Guatemala our most fervent solidarity. In Mexico, which has had so many sad experiences in its struggle for sovereignty, the enemy propaganda directed at Guatemala enjoys no prestige.

"We also wish the people and government of Guatemala to know that in our country fair minded persons of patriotic and democratic sentiments look with admiration and warmth to the gains of Guatemala which are a stimulus to the fight for democracy and independence for the Mexican people and all the peoples of the continent.

"Today Guatemala faces the threat of foreign intervention managed and directed by those monopolies which conspire to destroy the democratic progress of the country and are opposed to the measures which Guatemala has taken

in accord with its laws and sovereign right to defend the patrimony of its people and fight for the full conquest of their independence.

"The serious nature of the danger of foreign intervention against Guatemala, denounced by its government early in April this year before the United Nations and its Security Council, has become intensified at this time because Guatemala in applying its laws has made no unconstitutional exceptions, and because its people and its government stand up to oppose the attacks they suffer today.

"We men and women of Mexico, of different political opinions and beliefs but supporting the democratic development of our people, understand that the fight of Guatemala is closely and indissolubly linked to the cause of Mexican



President and Mrs. Arbenz are honored guests at opening of new highway between Quetzaltenango and Totonicapan, part of the four year highway plan.

democracy; and we take careful note of the threats to liberty involved in foreign maneuvers which tend to unloose armed aggression against the Guatemalan people.

"Those of us who join together in spite of differences of opinion and political convictions to lend solidarity and support to a brother people with whom we are united by indestructible ties and common ideals of progress and liberty call upon all Mexicans who share these same ideals to express their firm support of the Guatemalan people and take part in forming an extensive national entity for solidarity and friendship with Guatemala.

"We address our fellow countrymen, calling upon them to express their solidarity and friendship in the most varied forms, and to subscribe to this document as a testimony of their love for the cause of democracy and national sovereignty, the banner of which the Guatemalan people have so valiantly unfurled."

Mexico City, December 14, 1953.

Profesor Ramón Alcorta Guerrero, licenciado Alonso Aguilar economista, fundador del Banco de Comercio Exterior; profesora Herminia Aguilar Vázquez, secretaria auxiliar de la Confederación nacional campesina; profesora Consuelo Aguirre C., ingeniero Isabel Cisneros A., licenciado Manuel Aguirre Colorado, pintor Ignacio Aguirre, pintor David Alfaro Siqueiros, periodista José A. Varado, Manuel Álvarez Bravo, fotógrafo; periodista Ernesto Álvarez Noasco, profesor Luis F. Amaya, pintor Raúl Angulano, licenciado Francisco Arellano Belloc, Máximo Arrechea, Bernardo Arrieta, escultor Ignacio Asúnsolo, doctor Carlos Ayala, profesora Angeles Alveláez de Córdova, grabador Alberto Beltrán, escritor Fernando Benítez, profesor José F. Benítez, oficial mayor de la Confederación nacional campesina; grabador Angel Bracho, licenciado Alberto Bremauntz, magistrado del Tribunal superior de justicia del Distrito y territorios federales; profesora A. Bellinas Gurria, profesor José Burgoa García, secretario general de la Sección XXIX del Sindicato nacional de trabajadores de la educación; periodista Juan Manuel Berlanga, pintor Jorge Vest.

Arquitecto Raúl Cacho, general de brigada Roberto Calvo Ramírez, licenciado Rómulo Calzada Hernández, doctor Jorge Carrión, escritor y periodista; Aaron Castillo Marín, doctor Ismael Cosío Villegas, pintora Olga Costa, doctora Ester Chapa, pintor José Chávez Morado, escultor Federico Canessi, pintor Miguel Cobarrubias, licenciado José Luis Ceceña, economista; licenciado Alejandro Carrillo, exsecretario general del departamento del Distrito Federal; profesor Daniel Cavazos G., jefe de Misión cultural de la Secretaría de educación pública; profesor David Próspero Cardona, inspector técnico escolar; escultor Tomás Chávez Morado, ingeniero Eli de Gortari, catedrático de la Facultad de Filosofía y letras de la UNAM; escritor Juan de la Cabada, arquitecto Enrique de la Mora y P., Máximo de León Garza, dirigente juvenil; periodista Rodolfo Dorantes, Juan Manuel Elizondo exsenador de la república; profesor Alfonso Fabila, indigenista y escritor; doctor Bernardo Fischleder, Fernando Flores B., secretario general del Sindicato industrial de trabajadores de artes gráficas (CTM); doctora María Eugenia Flores, pintor Oscar S. Frías, licenciado Carlos Fuentes, subdirector de difusión cultural de la Universidad Nacional autónoma de México; Prof. Guillermo Fernández H., director de escuelas secundarias federales; profesor E. de la Fuente, director de escuela secundaria federal.

Fernando Gamboa, museógrafo, R. García Bravo, grabador Arturo García Bustos, licenciado Luis García Carrillo, licenciado Ignacio García Téllez, exsecretario de gobernación, exdirector general del Instituto mexicano del seguro social; licenciado Jaime García Terréz, director de difusión cultural de la Universidad nacional autónoma de México; doctor Luis Garrido, rector de la Universidad nacional autónoma de México; profesor y senador Jesús Gil R., doctora Paula Gómez Alonso, exdirectora de la Escuela nacional de maestras; licenciado Enrique González Casanova, escritor Pablo González Casanova, profesor Federico González Gallo, secretario general de la Sección de Nayarit del Sindicato nacional de trabajadores de la educación; J. Refugio González, presidente de la Federación nacional de estudiantes técnicos; pintor José Gordillo, profesor Antonio Guerrero González, secretario general de la Sección de Baja California Sur del Sindicato nacional de trabajadores de la educación; pintor Xavier Guerrero, pintor Jesús Guerrero Galván, profesor Angel E. Guerrero, Tonatiuh Gutiérrez, campeón de natación; doctora Carlota Guzmán, doctora Eulalia Guzmán, antropóloga; doctor Ignacio González Guzmán, exdirector de la Escuela nacional de medicina de la UNAM; Miguel Guardia, crítico teatral; pintor Luis García Robledo, escultor Gustavo Gutiérrez.

Astrónomo Guillermo Haro, director del Observatorio de Tonantzintla, miembro del Colegio nacional; licenciado Héctor Hernández Casanova, escritor Andrés Henestrosa, jefe del Departamento de literatura del Instituto nacional de bellas artes; profesor Luis Hernández Valdés,

(Continued on last page)



President Jacobo Arbenz, himself a farmer, goes to grass roots to discuss progress of the Agrarian Reform with one of its beneficiaries.

Government Aids Farmers

The ministry of agriculture is mobilizing its several departments to participate in a campaign for better farm methods in 1954.

In addition to technical aid, machinery will be loaned and rented, five million seedlings will be distributed for reforestation, ornamentation, and orchards, 4,000 pure bred chickens will be distributed, dairy farmers will be aided by breeding stations and cattle testing and treatment, and another 20,000 acres will be brought under the soil conservation program.



The NACIMIENTO, an arrangement of figures and objects in re-creation of the birth of Christ is typical of Christmas in Guatemala. Priest blesses nacimiento in headquarters of the Second Corps of the Civil Guard, federal police force.

Mexicans Take Stand with Guatemala

(Continued from page 3.)

profesor Luis Herrera Montes, profesor Francisco Hinojosa Guerrero, poeta Efraín Huerta, secretario general del Consejo nacional de partidarios de la paz; licenciada Mireya B. de Huerta, presidenta de la Unión democrática de mujeres mexicanas; licenciado Xavier Icaza, escritor José Iturriga, general de división Heriberto Jara, exsecretario de marina, expresidente del Partido de la Revolución Mexicana, presidente del Consejo nacional de partidarios de la paz; Julia Jiménez Alarcón, presidenta de la Sociedad de alumnos de la Escuela nacional de maestras; Moisés A. Jiménez.

Licenciado Horacio Labastida, rector de la Universidad de Puebla; ingeniero José Domingo Lavín, expresidente de la Cámara nacional de la Industria de transformación; licenciado Vicente Lombardo Toledano, presidente de la CTAL y del Partido Popular, vicepresidente de la Federación sindical mundial; licenciado Francisco López Cámara, Jorge López Pérez, jefe del Departamento de cooperación intelectual de la Secretaría de educación pública; doctor Luis López Galván, exsubdirector de la Escuela nacional de medicina rural del IPN; licenciado Rafael López Malo, pintora Rina Lazo, profesor Jesús Lazcano, director de escuela secundaria; profesor Arturo de Luna Menchaca, representante nacional de escuelas normales en el SNTE; profesor Pedro Loredó Ortega, presidente del Seguro del maestro; profesor José R. Muñoz, secretario general de la sección de Coahuila del Sindicato nacional de trabajadores de la educación; licenciado B. Menabrito, Joaquín MacGrégor, escritor; José Mancisidor; licenciado Alfonso Magallón, senador Luis C. Manjarrez, ingeniero Manuel Marcué Pardifas, director de la revista "Problemas Agrícolas e Industriales de México"; doctor Gustavo Medrano, profesor Rafael Méndez Aguirre, exdirector general de educación primaria en la república, catedrático del Instituto Politécnico Nacional; ingeniero Manuel Meza Andraque, doctor Ignacio Millán, arquitecto Julio Mochtezuma, Marco Arturo Montero, escritor Rafael F. Muñoz, grabador Francisco Mora, grabador Leopoldo Méndez, profesor Leopoldo Martínez Cortés, profesora Ana Mayés, Antonio Mayés Navarro, exsenador de la república; profesor Felipe Méndez, secretario de organización del comité nacional del Sindicato nacional de trabajadores de la educación; profesor Ramón C. Mendoza, secretario de conflictos; periodista Eugenio Múzquiz, profesor Ignacio Márquez Rodiles, doctor Carlos Augusto Méndez, director de la Escuela nacional de medicina rural del Instituto Politécnico Nacional.

Doctor Carlos Noble, director de la Unidad de neumología del Instituto mexicano del seguro social; profesor Daniel Ortiz Esquivel, auxiliar del comité nacional del Sindicato nacional de trabajadores de la educación; pintor y arquitecto Juan O'Gorman, Arturo Orona, dirigente campesino; pintor Jorge Ortega, Francisco de la Peña, Mauro Palomares, arquitecto, Alejandro Prieto, periodista Antonio Prieto, diseñadora Clara Porcet, periodista Manuel O. Padrés, director del diario "El Popular"; escritor Ernesto Prado, poeta Carlos Pellicer, miembro de la Academia mexicana de la lengua; Ramiro Puch Poot, exsecretario general de la Federación nacional de estudiantes técnicos.

Ingeniero Luis Rivera T. astrónomo, subdirector del Observatorio de Tonantzintla; licenciado y senador Luis I. Rodríguez, embajador en Guatemala; doctor Samuel Ramos, exdirector de la Facultad de filosofía y letras de la UNAM; María Efraína Rocha, dirigente femenil; profesor José Reyes Ayala, representante nacional del magisterio de segunda enseñanza foránea en el SNTE; periodista Carlos R. Juanco, Enrique Ramírez y Ramírez, periodista y dirigente político; periodista Gregorio Rosas Herrera, pintora Fanny Rabel, licenciado Pedro Rojas, pintor Diego Rivera, profesor Ismael Rodríguez Aragón, exdirector de la Escuela nacional de maestros; profesora Raquel Roblela, doctor Alfonso Rivera, profesor Jesús Romero Flores, historiador y diputado constituyente de 1917; doctor Horacio Rubio Palacios, presidente de la Sociedad mexicana de fisiología; arquitecta Ruth Rivera, Samuel Ruiz Mora, presidente de la Confederación de jóvenes mexicanos; doctor Antonio Ríos Vargas, director ejecutivo de la Asociación mexicana de hospitales, director de la Comisión nacional de hospitales de la Secretaría de salubridad y asistencia; profesor Rogelio Rosas Jacobo, Prof. Ambrosio Rubio Candías, secretario auxiliar del comité nacional del Sindicato nacional de trabajadores de la educación.

Profesor Indalecio H. Sáysago, coreógrafa Rocío Sagsón, Felipe Sánchez Acevedo, dirigente textil; pintor Rosendo Soto, ingeniero Cuauhtémoc Salazar, licenciado Modesto Sánchez V., exdirector de la Escuela nacional de maestros; Ricardo Salgado Corral, profesor y diputado Enrique W. Sánchez, dirigente nacional magisterial; profesor Francisco Salinas, secretario de conflictos de la sección de Sinaloa del SNTE; licenciado Luis Sánchez Pontón, exsecretario de educación pública, exembajador; doctor Samuel Salinas Quinard, profesor Juan Pablo Báñez A.,

Social Security Resumé

From January, 1948 through June, 1953, 134,503 workers had been treated for accidents on and off the job in centers of the Guatemalan Social Security Institute. Hundreds of mothers and children have been cared for in the *Centro Materno Infantil* which opened its 200 bed maternity hospital May 1, 1953 and now operates mobile units for maternity and child care in Guatemala City and nearby towns.

The Social Security directly operates 49 medical units which include 19 hospital centers, 9 clinics, 12 first aid centers, and 9 pharmaceutical dispensaries.

In addition it has contracts for care of covered workers with local doctors in eight towns, and contracts with 15 national hospitals, three private hospitals, and with the hospital of the Guardia Civil. Services are contracted in areas where Social Security does not have its own installations.

Since 1948, Q 4,767,562.22 (Quetzal at par with the dollar) has been spent for medical and hospital services. Q 1,588,939.62 has been paid out in cash benefits to workers for time lost as the result of accidents on or off the job.

239,265 workers are covered by Social Security. Revenue is derived from a tax based on payrolls and paid jointly by workers, employers, and federal government.

Loans to Farmers

The first credits issued by the branch of the National Land Bank in Mazatenango were granted in December to peasants of Pueblo Nuevo Tiquisate for the harvest of their cotton crops.

In an informal speech to the farmers gathered to receive their loans, Fonseca Penedo, manager of the bank's branch, said, "The money of this bank is yours, but you must use it wisely to make the land produce. The bank will back you at any time you need credit."

presidente de la comisión nacional de educación del Sindicato nacional de trabajadores de la educación; escritor José Tiquet, ingeniero y geógrafo Jorge L. Tamayo, escultor Jorge Tovar, profesor Jesús Teja Andrade, general Adalberto Tejeda, exsecretario de gobernación, exgobernador de Veracruz; F. Tinajero, Manuel Terrazas, director del periódico "La Voz de México"; periodista Paulino Velázquez, escultor Alberto de la Vega, Luis Villoro, catedrático de la Universidad de Guanajuato; geógrafo Jorge A. Vivó, doctor Guillermo Villaborda, licenciado Víctor Manuel Villaseñor, J. Encarnación Valdés, dirigente político; arquitecto Enrique Yáñez; pintor Alfredo Zalce; licenciado Carlos Zapata Vela; periodista Adelfina Zendejas.

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GUATEMALA

GOVERNMENT INFORMATION BUREAU

No. 14

Guatemala City

January 16, 1964

GUATEMALA HOST TO UNIVERSITIES

PERMANENT SEAT OF LATIN AMERICAN ASSOCIATION

Last month the Union of Latin American Universities meeting in Chile selected Guatemala as the permanent seat of their organization. This honor to Guatemala, one of the smallest American nations, could not have been foreseen a decade ago.

Guatemala once had a dictator named Cabrera who, knowing that free schools are the enemies of tyrants, wisely arranged affairs so that few Guatemalans saw the inside of a school during his regime; although all were free to admire temples dedicated to the goddess of learning, Minerva, which he built throughout the country.

Guatemala's last dictator, Ubico, made no pretense of interest in schools or education. He seldom put his foot in a school. His interest was in his army and his prisons.

PEOPLE ELECT TEACHER

The people of Guatemala chose as their first democratic president, after the 1944 revolution in which university students and professors played a prominent part, Dr. Juan Jose Arevalo, a professor.

Dr. Arevalo initiated a program of new schools, raised

the salaries and standards of teachers, and led a renaissance in education. His work was continued and expanded by President Jacobo Arbenz, the second and present constitutional president.

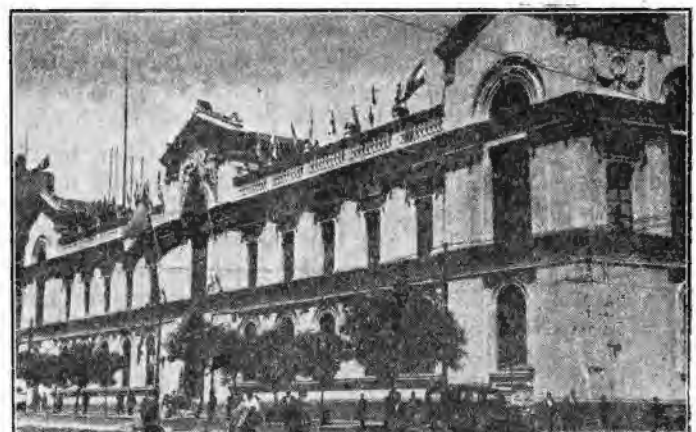
Thus, it was not strange that the Union of Latin American Universities meeting in Chile November 23 to December 4 last year should select Guatemala as the permanent headquarters of their organization.

ALL OF LATIN AMERICA

Guillermo Coto Conde, secretary of the Union, upon returning to his headquarters in Guatemala from the assembly in Chile, said, "The Second Congress and the First General Assembly of the Union of Latin American Universities was one of the most important cultural events of recent years in Latin America. For the second time—the first was in Guatemala in 1949—the greatest authorities from the highest cultural centers of Latin America met with absolute independence and no outside interference of any kind to discuss the common problems of their university centers in their own languages, Spanish and Portuguese.



University of San Carlos in Guatemala where First Congress of Latin American Universities was held in 1949.



University of Chile, host to most recent congress, the Second Congress of Latin American Universities, 1953.

"All the countries of Latin America without exception were present at this conference which about three hundred delegates from more than sixty universities attended. That number includes observers sent by universities of Europe, United States, and Canada, and by international organizations, such as the United Nations, the Organization of American States, and the International Association of Univers-



Executive Council of Union. Left to right; Guillermo Coto Conde, secretary, Prof. Juan Gomez Millas, president, Dr. Carlos Martinez Duran, vice president.

ities of which the Union of Latin American Universities is an associate regional member."

BEGAN IN GUATEMALA

The previous Guatemala meeting to which Mr. Coto Conde referred was that of September 1949 in which twenty-four universities of Bolivia, Costa Rica, Cuba, Chile, Ecuador, El Salvador, Haiti, Honduras, Mexico, Panama, Uruguay, and Guatemala were represented by delegates to what was the first Congress of Latin American Universities.

Every Latin American university was invited; state and private universities, autonomous and semi-autonomous, secular and Catholic. In addition to the delegates, nine observers from as many United States universities were present. Universities of Belgium, France, Italy, and Israel sent observers. Two observers attended on behalf of UNESCO.

That first congress grew out of action taken in 1948 at the Congress of Central American Universities held in El Salvador. Acting on a proposal of the American Institute of University Relations and Research of the University of Santiago in Chile, the El Salvador gathering selected Guatemala City as the scene of the first Congress of Latin American Universities.

GOVERNMENT GAVE FUNDS

Upon the University of San Carlos in Guatemala, with the full financial support and cooperation of the Guatemalan

government headed by Dr. Arevalo, fell the task of organizing and directing the first representative University Congress.

In the free intellectual atmosphere of Guatemala the Congress was a complete success. Diverse points of view were freely debated and from the discussion a *Charter of Latin American Universities* was evolved. The *Charter* defined the objectives of Latin American Universities, the scope of university education, the rights and duties of professors and students, and the need for administration and finances free from political interference.

The first resolution approved by the Congress condemned the dictatorial governments existing in Spanish America; opposed the interference of any government in free teaching; took a stand against remnants of the European colonial system still existing in America, the Monroe Doctrine notwithstanding; and recommended that the universities study the territorial problems of the continent.

FIRST LEADERS

Upon the initiative of Cuba and Chile, the Congress established the Union of Latin American Universities and selected Guatemala as the provisional headquarters of the executive council.

Dr. Carlos Martinez Duran, former rector of the University of San Carlos in Guatemala, headed the council as president. Vice-presidents were Dr. Luis Garrido, rector of the National Autonomous University of Mexico, and Dr. Octavio Mendez Pereira, rector of the University of Panama. Guillermo Coto Conde, a Costa Rican, graduate economist



Union's secretary, Guillermo Coto Conde in session with delegates from the Catholic University of Chile and the University of Bolivia at second congress in Chile.

of the University of Santiago, Chile, was the executive secretary.

The Union has offices in Guatemala, a department of Coordination and Promotion of Scientific Research in Mexico, a department for Coordination of Vacation Schools

in Puerto Rico, and a department of Economic Sciences in Chile.

CURRENT ACTIVITIES

A magazine is published in Mexico and a bulletin issued from the Guatemalan headquarters. Six volumes in preparation include a Latin American University directory, a study of curricula, a directory of professors, a university census, a history of Latin American universities, and a work on the organic laws and regulations of the universities.

The Union organizes general and specialized university gatherings; such as those in Mexico in 1951 and 1952, in Puerto Rico in 1952, in Honduras in 1953, and in Chile in 1953.

NEW OFFICERS

Officers elected at the recent Chilean assembly are: president, Prof. Juan Gomez Millas, rector of the University of Chile; vice-presidents, Dr. Carlos Martinez Duran of Guatemala, former president, and Dr. Octavio Mendez Pereira, rector of the University of Panama. Mr. Coto Conde was re-elected as general executive secretary.

The announcement that Guatemala had been chosen as permanent seat of the Union was hailed in this country as a vote of confidence in the ability of Guatemala to maintain the freedom of speech, press, and instruction, without discrimination of a religious, political, racial or social character, —all of which freedoms are so vital in the meeting place of educators.

Address: Unión de Universidades Latinoamericanas.
Apartado Postal No. 422.
Guatemala.

Support from Chile

A dispatch from Chile reads as follows:

"The Chamber of Deputies of Chile in its session of January 6 heard a denunciation by Deputy Armando Mallet, socialist, of the sinister military interventionist plot under way against Guatemala by the forces who oppose the progressive measures of its revolutionary government.

"In his speech, Deputy Mallet repudiated the conference soon to be held at Caracas, Venezuela, where representatives of popular and genuinely democratic regimes will mingle with delegates of dictatorial regimes; and at which conference the North American power under the pretext of combating communism will try to intervene in Guatemalan internal affairs.

"Deputy Mallet proposed that the Chamber ask President Ibañez to instruct the Chilean delegate to the conference to oppose absolutely any motion that would signify intervention or aggression against Guatemala. The proposal was approved by the democratic representatives of the Chilean people, the Chamber."

Friends of Guatemala

Following the public appeal to the people of Mexico to demonstrate their solidarity with democratic Guatemala against the threat of intervention, republished in the last issue of this bulletin, a meeting was held in the Palace of Bellas Artes in the heart of Mexico City.

The meeting, which filled the hall, set up the Society of Friends of Guatemala. The chairman, Guillermo Haro, famous astronomer and director of the Observatories of Tonantzintla and Tacubaya, opened the meeting with a statement that Mexican experiences made them understand that the cause of Guatemala was the cause of all weak and oppressed peoples, and the struggles of Guatemala were also the struggles of Mexico.

The new society voted to call upon all the peoples of the continent to express their support of the Guatemalan people in their fight against the monopolies.

Sponsors were: Senators Luis I. Rodriguez and Jesus Gil R., Licentiate Francisco Arellano Belloc, Carlos Zapata Vela, and Horacio Labastida, Dr. Jorge Carrion, Enrique Yanez, architect, Guillermo Haro, astronomer, Jose Domingo Lavin, engineer, Carlos Pellicer, poet, Jorge L. Tamayo, engineer, and Jose Mancisidor, writer.

Messages of support from General Heriberto Jara and Alfonso Caso were read at the meeting. A board of directors of seventeen prominent Mexican leaders was elected.

U. S. Officer Honored

Col. James M. Higgins, chief of the Inter-American Geodetic Service was guest of honor at a reception at the National Palace where he was decorated with the Order of Quetzal in the grade of Commander on January 12.

Col. Higgins, working for his government through the Geodetic Service, has also served the government of Guatemala. His enthusiastic and intense labors have greatly speeded the basic work for accurate mapping of Guatemala, and the example of his disciplined and untiring work and his excellent collaboration with Guatemalan associates well merit the distinction given him by the Guatemalan government.

Image of Guatemala

An exposition of Guatemalan handicraft, archeological objects, paintings, photographs, and literary and musical works was presented in Santiago, Chile under the auspices of the Chilean ministers of foreign relations and public education. The display, entitled "Image of Guatemala", drew thousands of visitors during the two weeks of the exhibition, December 4 to 20, 1953. Santiago newspapers were enthusiastic in their comment.

At the conclusion of the showing, the colorful textiles, baskets, pottery and similar items were donated to the Museum of Popular Art of the University of Chile whose

director requested them for display in the "Guatemala Room" of the museum.

In return, Chile has sent material for a similar exhibit of Chilean art to be presented soon in the National Palace of Guatemala under the title "Image of Chile." The Chilean display will feature wire recorded messages from such Chilean poets and writers as Cruchaga, Santa Maria, Pablo Neruda, Ruben Azocar, Juvencio Valle, Marta Brunet, Laura Rodig, Olga Poblete and Maria Flora Yanez.

The busy go-between in the interchange of exhibits was Mrs. Ana Maria Hermosillo de Coto Conde, director of the Guatemala-Chile Cultural Institute.

Wiley vs. Guatemala

Asseverations of Alexander Wiley, chairman of the foreign affairs committee of the United States senate, quoted in the local press January 14, were generally taken as part of the "softening up" process directed against Guatemala in preparation for the Inter-American congress to take place in Caracas, Venezuela.

His twenty-two point bill of charges accusing individual Guatemalans of "communism" was regarded as unwarranted interference in internal affairs.

The following excerpts are taken from an editorial appearing in a capital city daily, *Nuestro Diario*, January 16.

"Mr. Alexander Wiley attacks only individual persons of our country, and not to accuse them of crimes, but only to say that they are "communists" and oppose the colonial pretensions of the United States on a continental and world scale.

"We are not able to discuss whether those named in the police speech of the North American representative are or are not communists. We do not possess an ideology detector, nor do we have laws which authorize the state to oblige persons to appear and declare their political affiliation, because Hitler fascism has not been set up in our country, and because here the Inquisition is only a memory of the sad historical past and not an existing state institution.

"Against the democratic government, there is no other accusation than that it recognizes and guarantees the exercise of democratic liberties that had been abolished before 1944 by dictatorial governments.

"It is only Senator Wiley who argues that from the exercise of these liberties those citizens accused of upholding socialist political doctrine should be excluded, while those affiliates of fascism and the feudal ideology should be free to meet and express themselves politically.

"But the truth is that those liberties won in 1944 are the patrimony of all Guatemalans without excluding even those who supported and served the semi-feudal dictatorship of General Ubico..."



Landless Benefit

Idle lands will continue to change hands in 1954 under the terms of the Agrarian Reform Law.

The largest single transfer announced by the National Agrarian Department since the New Year is that of the farm called La Cajeta y Anexos.

12,500 acres of unused land will be expropriated from this property in San Cristobal.

The land affected is entirely uncultivated and unimproved and is yielding no return to its owner, Lisandro Cardoza Castillo. He will be compensated, as have all owners surrendering idle lands under the law, with long term bonds. Declared tax value is the basis of expropriation valuation. Bonds in payment bear interest and are guaranteed by the government.

This land will be parceled out to landless farm workers. The government sponsored Land Bank will aid the beneficiaries with funds to start operations.

Indian Languages

On September 1, 1953, this bulletin carried a report of experiments being conducted in teaching the Kekchi Indians to read and write in their own language. At that time alphabets had been prepared for six of the twenty Indian languages spoken in Guatemala, but only in Kekchi were text books available.

Now text books have been prepared in the Cakchiquel language and are being used in Balanya and Patzun in the department of Chimaltenango. The experimental work is a joint project of the Indian Institute and the department of Rural Education.

The object is to make the Indians literate in their own language as a shortcut to making them literate in Spanish and thus reducing the high rate of illiteracy in the nation. Results in Balanya and Patzun will determine whether the text books will be adopted for wider use, or modified, or discarded.

If you wish to receive this bulletin please send your name and address to P. O. Box 107, Guatemala City, Guatemala, or to Embassy of Guatemala: 1614 18th Street N. W., Washington, D. C. — Guatemalan Consulate: 408 So. Spring St. Los Angeles 13, California. — Guatemala Consulate: 30 Rockefeller Plaza, Suite 1430, New York 20, New York. — Guatemalan Consulate: 301-302 Pan American Building, P. O. Box 1286 New Orleans 10, Louisiana. — Guatemalan Consulate: 416 Market Street, San Francisco 5, California.

EDWARD L. BERNAYS
28 EAST 64TH STREET
NEW YORK 21, N.Y.
TELEPHONE TEMPLETON 8-8000

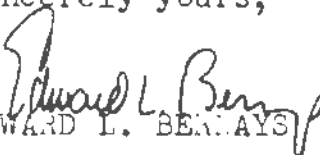
March 17, 1954

My dear Mr. Pearson:

I have just been given a translation, back and forth, from English to Spanish to English which purports to be a paragraph written by you. I thought you might care to see it. It was published in a Cuban journal, "Bohemia."

Because of your interest in Guatemala, I send you, at the suggestion of the United Fruit Company, a copy of an international committee report, "Communism versus Progress in Guatemala," prepared and published by the National Planning Association. I think you will find it an authoritative and valuable document.

Sincerely yours,


EDWARD L. BERNAYS

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

Enclosures

Translation from "Bohemia"

"That country (Guatemala) is embarked in an intent of agricultural reform that has been needed there for a long time. I do not believe that the Government of Guatemala is communist; what happens is that agents of international communism, finding a state of affairs propitious for their maneuvers within economic conditions of the country, try to gain influence with the people and the government. In my opinion, agricultural reform is the best way to fight communist purposes, inasmuch as the marxism existing in that Republic is in a great part the result of the situation created by monopolistic companies like the United Fruit Company which grabbed vast portions of land."

March 23, 1954

Mr. Edward L. Bernays
26 East 64th Street
New York 21, New York

Dear Mr. Bernays:

Many thanks for the translation. I certainly appreciate your forwarding me a copy of "Communism versus Progress in Guatemala." I found it interesting and am glad to have a copy for my files.

Sincerely,

DP:g

Drew Pearson

Alberto Ruiz Cárdenas,
256 Manor Circle, No. 3,
Washington 12, D.C.

April 1, 1954

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

Dear Mr. Pearson:

Re: GUATEMALA COMMUNIST

In the number dated March 7, 1954, of the Cuban magazine "Bohemia", pp, 66, there appears a statement of yours, in which you refer to Guatemala.

You don't believe the Guatemalan government is communist, and you rather attribute all this noisy tales about Guatemala communist, to the struggle between the government with its plans of social improvements in favor of its people, and the long time established interests of the monopolistic companies such as the United Fruit and others, which are being seriously affected by such a governmental measures. I certainly agree with you, Mr. Pearson, at all. It is not fair to impute Guatemala to be communist because of its sincere social performances for the mere fact that it affects the interests of any company.

By the way, you know well, that no communistic regime in any place of the world has the support of the people, being this the reason why all communistic regimes are the most brutal dictatorships. Russia, China Communist, Sche-coalovaquia, etc. are the most criminal dictatorships. But they are not in any instance the government of the people. The case of Guatemala is completely different. It has now a genuine government of the people overwhelmingly supported by a majority of Ninety Five per cent of the Guatemalans. Of course, since that government is a democratic one, it respects the freedom of everybody. Communism also is free there, but they are not a majority, to such an extent that they have ~~only a few~~ representatives at the Congress, right now.

To accuse Guatemala of being communist with the mere purpose of defending the interests of the United Fruit, I believe, Mr. Pearson, is not a good policy. I think sincerely, that there would be many better ways to reach an effective understanding with that country. On the contrary, all the results will be a negative reaction among the people of that country, and the communists will, rather take advantages of this situation to become stronger into governmental institutions.

To threat Guatemala with a possible collective intervention insistently imputing it to be the center of the international communism, will never change the attitude of Guatemala regarding its relations with the United States. It can rather prepare the courage of every Guatemalan to join all together unitedly to die all fighting for their independence. And this determination that the Guatemalans could show us, is for me, Mr. Pearson, the unquestionable demonstration on the part of them that they are sincere in what they proclaim, that is to say, they are engaged in securing the welfare of their country. Moreover, the more Guatemala is accused and threatened, the more it gains the sympathies throughout the hemisphere.

Attached you will find a sheet containing the translations of your statement in Havana, and the declaration of "The Pro-Guatemala Committee", established in Cuba.

I am very much friendly to the United States, and to all its wonderful institutions and am anxious to see the peoples of the whole Americas being the same.

Mr. Drew Pearson, # 2.

I took the liberty to write you on the basis that you are a Wide-World liked and respected, and your authority as a Newspaper man is unquestionable. And my sincere belief is that you have in your hands to contribute to a better understanding between the United States and that sister country, Guatemala. These are my best wishes..

Yours very truly,


Alberto Ruiz Cardenas,
Aprista exile from Peru,

" BOHEMIA ", March 7, 1954

Translated reproduction of Drew Pearson's
statement on Guatemala, in Havana, Cuba

*File
Gunderson*

I N T E R V I E W S

DREW PEARSON IN HAVANA

Among other things, Drew Pearson, ".....
.....

"With his usual independence of opinion, Pearson referred to the ques-
tionable situation of Guatemala;

"This country is engaged in an attempt at agrarian reform very much
needed there for a long time. I don't believe the government of Guatemala
is communist; what really happens is that agents of the international com-
munism, after realizing a fertile situation for its purposes within the e-
conomic conditions of the country, do its best to gain influence with the
people, as well as in the government. To me the agrarian reform is the best
way to fight against communism, due to the fact that the marxism existing in
that country is in part the result of the situation created by monopolistic
companies, such as the United Fruit, which got possession of vast extensions
of land".....
.....

Translated by: Alberto Ruiz Cardenas,
256 Manor Circle, No. 3,
Washington 12, D.C.

(Translation)

The "Pro-Guatemala" Committee, which for its composition can be considered representative of the thought of our whole people in supporting the principles of the International Democracy, and the respect of the sovereignty of all nations, feels honored in giving publicity to its first document which is being enthusiastically supported by the majority of the social, political, student, intellectual, etc, ranks of our country. It is as follows:

TO THE PUBLIC OPINION OF CUBA AND AMERICA

The efforts of the Guatemalan people and of its last two administrations, to redeem the national wealth organizing it to the service of the people, and especially the agrarian reform conducted to expropriate the huge landed estates of the United Fruit Company, have gotten a resounding sympathy throughout the Americas. The manner in which Guatemala is carrying out this nationalistic program for the benefit of all social classes, the peasants, and the exploited indians, while scrupulously following the provisions of the Constitution and the Laws, indemnifying the companies and individual proprietors, makes this beautiful democratic action a much more respectable one. Nevertheless, all the forces interested in maintaining our countries under their economic yoke and in a contemptible retarded state, are now furious in their opposition to Guatemala. The United Fruit Company and the representatives of the exploiting organizations have organized a number of attempts to overthrow the Guatemalan government by force. Right now, this government has been obliged to denounce a plot to invade its country, in which plot such remarkable dictators as Anastacio Somoza and Rafael Leonidas Trujillo appear to be taking a part. And in addition to those criminal plans, they intend to utilize the Caracas Conference -which is being held in a country where thousands of men are imprisoned because of their defense of democracy- to facilitate intervention by violating the sovereignty of this sister country, with the support and approval of the representatives of governments came to power by a coup de etat.

It is necessary that the democratic forces of the Americas to prevent this crime. Possibly many Americans who are interested in the independent development of our countries may not agree with some of the aspects of the internal policy of Guatemala. But surely, no one willing to contribute to the cause of liberty, democracy, and national progress, will remain indifferent before such a grim efforts to strangle the noble ambitions of this sister country. As in the case of Mexico and the petroleum expropriations of Lazaro Cardenas, the destiny of Guatemala represents now the possibility of constructing a Latin America free of oppressive chains.

Havana, March 11, 1954

(Signed) Dr. Jorge Manach, Prof. of the University of Havana,
outstanding Latin American writer.
Hundreds of additional signatures.

Translated by: Alberto Ruiz Cardenas,
256 Manor Circle, No. 3,
Washington 12, D.C.