The Cold War Comes to Guatemala

(1) The Cold War and the National Security State
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(1) The Cold War and the National Security State

NSC-68, "Report by the Secretaries of State [Dean Acheson, 1949-153] and Defense [Louis Johnson] on 'United States Objectives for National Security'" (April 1950): premised on idea that the world was divided into two camps, that USSR sought world domination, thereby making conflict endemic and unavoidable: “conduct ourselves to affirm our values.”


“In Latin America we seek first and foremost an orderly political and economic development which will make the Latin American nations resistant to the internal growth of communism and to Soviet political warfare .... “Secondly, we seek hemisphere solidarity in support of our world policy and the cooperation of the Latin American nations in safeguarding the hemisphere through individual and collective defense measures against external aggression and internal subversion.”
(1) The Cold War and the National Security State

CIA Director
Allen Dulles

US Secretary of State
John Foster Dulles
(1) The Cold War and the National Security State

CIA Director
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US Secretary of State
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Dwight Eisenhower
president 1953-61
United Fruit Co.

Samuel Zemurray, president of United Fruit Company
United Fruit Co.

from
“international corporation”
dominating colonial regions
through government-sponsored
international trade monopolies

to
“multinational corporation”
monopolizing government policy in
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(Berkeley anthropologist Phillippe Bourgeois)
United Fruit Co.

from "international corporation" dominating colonial regions through government-sponsored international trade monopolies to "multinational corporation" monopolizing government policy in its own interests

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Woody Allen, *Bananas*, 1971
(2) Guatemala in 1954

President Jacobo ARBENZ Guzman and Foreign Minister Guillermo TORIELLO Garrido during June 1954 crisis
President Jorge Ubico, 1930

Francisco Arana, Guillermo Toriello, Jacobo Arbenz, 1944
(3) The United States Goes on the Offensive

12 August 1953: NSC authorizes covert action against Guatemala.
11 Sept: plan for PBSUCCESS submitted; John Peurifoy arrives as new ambassador.
1 May: Operation SHERWOOD begins broadcasting *La Voz de la Liberación*
15 May: US announces that Guatemala's purchasing arms from Czechoslovakia, government acknowledged the report, said it needed to re-equip its army.
19 May: Eisenhower castigated Guatemala, warned of a possible Communist “outpost on this continent”; publicly authorized airlifts of military aid to Honduras and Nicaragua dictatorships.
26 May: unmarked C47 leaflets Guatemala City.
6 June: air-dropped leaflets warns army of a secret plan by Arbenz to replace the military with a militia, urges soldiers to rise up against him.
15 June: sabotage teams sent into Guatemala
Dulles: “a reign of Communist-type terror going on in Guatemala,” Guatemalans need to start “cleaning their own house.”
(3) The United States Goes on the Offensive

CIA puppet
Carlos CASTILLO ARMAS
(4) The American operatives

Al Haney, head of LINCOLN, CIA temporary headquarters for the Guatemala operation in Miami

John Doherty, CIA Guatemala Station chief

Enno Hobbing, CIA agent

John Peurifoy, US ambassador to Guatemala
SUCCESS from Central American embassies. The group's leader, John Peurifoy, took over as Ambassador in Guatemala City in October 1953. He was in a familiar rôle. As Ambassador to Greece during its civil war, he coordinated State [ ] activities on behalf of the royalists. An admirer of Joseph McCarthy, he shared the Senator's taste in politics. Whiting Willauer and Thomas Whelan arrived at their ambassadorial posts in Honduras and Nicaragua in early 1954. Willauer also had a long association with CIA. As one of the founders of Civil Air Transport, he had arranged the airline's secret sale to the Agency in 1950. Whelan had developed strong ties to Somoza and was considered part of the team even without an intelligence background. The ambassadors reported to the CIA through former DCI Walter Bedell Smith, whom Eisenhower had appointed Under Secretary of State.  

Meanwhile, [ ] established PBSUCCESS headquarters in a [ ] The [ ] offered facilities for offices, storage, and aircraft maintenance, and two days before Christmas, the operation moved [ ]. Florida, under the cover name [ ] If asked, officers were to explain that they were part of a unit that did [ ]. Code named LINCOLN, the headquarters soon became the center of feverish activity as over a hundred case officers and support personnel began the operation's assessment phase. [ ] under his new title, Special Deputy for PBSUCCESS, issued orders from a desk facing a 40-foot wall chart detailing the operation's phases and categories of action: political, paramilitary, psychological, logistics. Gruff and s[ ] enjoyed the loyalty of

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21Raymond G. Leddy to Ambassador Michael McDermott, 30 December 1953, Records of the Office of Middle American Affairs, Lot 57D95, RG 59, Box 5, US National Archives.
23For a discussion of the ambassadorial team, see Gleijeses, Shattered Hope, pp. 289-292; and Immerman, CIA in Guatemala, pp. 140-141.
24Schlesinger and Kinzer, Bitter Fruit, p. 113.
Indochina is hot, and that the Soviets will drop them in a hurry when the going gets tough.

f. If they are unhappy about being in the US sphere of influence, they might be reminded that the US is the most generous and tolerant taskmaster going, that cooperation with it is studded with material reward, and that the US permits much more sovereignty and independence in its sphere than the Soviets, and so forth.

Although [ ] had too few sources close to the Army to know it, these facts already weighed on the minds of Guatemala’s military leaders. Deteriorating relations with the United States exacted a price on the Army’s effectiveness and prestige. Successive shocks—Perufoy’s denunciations, the arms embargo, and Caracas-filled the officer corps with dread and suspicion. Officers could not tell who among their peers could be trusted, who would betray. “A great number of the officers are extremely unhappy about the Communists in the government and the poor US-Guatemalan relations,” a US adviser reported, but “none dares to speak out for fear of jeopardizing his personal security.”103

[ ] efforts to find and recruit disgruntled officers continued to come up short. An attempt to bribe Carlos Enrique Díaz, chief of the Guatemalan armed forces, failed.104 [ ] was particularly frustrated by his inability to place an agent close to [ ] In April, LINCOLN case officers obtained the help of [ ] who agreed to return to Guatemala and attempt to recruit [ ] and others. [ ] had been popular among the officer corps and appeared “highly knowledgeable regarding key military personnel targeted under K-Program.” [ ] he arrived in Guatemala City and had no trouble mixing with

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103Ibid.
104Díaz was to be approached while visiting Caracas and offered a $200,000 bribe to “act decisively to change the present Guatemalan problem.” The attempt failed, possibly because Díaz was surprised to be recognized while traveling with his mistress. [ ] to King. “Col. Carlos Enrique Díaz,” 14 May 1954, Job 79-01025A, Box 70; King to Wisner, “Approach to Col. Carlos Enrique Díaz,” 6 May 1954, Job 79-01025A, Box 70.
“Mihailovich-Tito deal” in Peurifoy’s words—could be reached that would allow the Army to coopt and then discard Castillo Armas. By turning over power to the military, Arbenz hoped to salvage most of the gains of the 1944 revolution while defeating the rebellion and defusing US opposition.

Moments later, Díaz took the microphone and proclaimed that he was seizing power in the name of the Revolution of 1944, and that the Army would continue the fight against Castillo Armas. “We have been double-crossed,” Peurifoy cabled Headquarters. Díaz, Sánchez, and Monzón formed a junta that retained in power most of the Arbenz Cabinet. When Peurifoy asked if they would negotiate with the rebels, the junta leaders “evaded all issues, praised their own anti-Communism, slandered Castillo Armas.” They warned Fortuny and other Communist leaders to seek asylum in foreign embassies. Peurifoy cabled Washington to “urgently recommend bombing Guatemala City… Bombs would persuade them fast.”

That night [ ] and [ ] who had arrived in Guatemala City for the denouement, decided to do some persuading of their own. At 6:00 in the morning, they called on Díaz to give him an update on the facts of life. [ ] began to spell out the importance of acting quickly against the Communists. [ ] interrupted him. “Colonel,” he explained, “you are not convenient for American foreign policy.” Díaz had to hear it from Peurifoy himself, and a few hours later the Ambassador confirmed [ ] interpretation of American foreign policy. The colonel grudgingly stepped aside.

With Díaz out of the way, Peurifoy decided the Agency ought to step aside and allow the State Department to negotiate with Guatemalan officials. He asked Wisner to “have a little talk” with [ ] who had done an “outstanding job” but needed now to “retire more to the background.” On 30 June, Wisner sent [ ] a

75Guatemala Station to Director, GUAT 992, 28 June 1954, Job 79-01025A, Box 8.
76[ ] interview.
77Peurifoy to Leddy, 13 July 1954, Job 79-01228A, Box 23.
(5) June 18-27, 1954

P-47s

18 June 1954

22 June 1954
President Jacobo ARBENZ Guzman and Foreign Minister Guillermo TORIELLO Garrido during June 1954 crisis
(5) June 18-27, 1954

Jacobo ARBENZ being strip-searched at the airport on his departure, 27 June 1954
US Ambassador John Peurifoy with Castillo Armas

Castillo Armas with Gen. Elfego Monzon
US Ambassador John Peurifoy with Castillo Armas

Castillo Armas with President Eisenhower