

*Aleksandra Giera*

## FORTUNE AND SUCCESS: U.S. POLICY TOWARDS GUATEMALA IN THE YEARS 1944-1954

After World War II the United States was planning to focus on Europe, the Middle East and the Far East. Latin America was safe, in their opinion. So the events in Guatemala, called the “Guatemalan Revolution,” surprised politicians in Washington. Fear of communists, strengthened by the Korean War and the political activity of Senator Joseph McCarthy, was the main reason for the change of policy towards Guatemala. Corporations, concerned about their wealth, stirred up tensions. The domino theory made officials in the United States see a direct threat to their political system and domination in the Western Hemisphere. Therefore they saw the necessity of action.

### REASONS FOR DISCONTENT

Starting at the beginning of the 1930s, Guatemala was ruled for fourteen years by Dictator Jorge Ubico Castaneda. Opposing the demands of workers and Native Indians to increase wages and welfare, he kept his position due to support from the oligarchy and foreign corporations.<sup>1</sup> His policy effected the archaic ownership system still present in Guatemala - 142 possessors hold in their hands 98 percent of the land (Dent 1999: 198). Such a situation caused social discontent, which led to the overthrow of the dictator in 1944. The revolutionary leaders were army officers - Colonel Jacobo Arbenz Guzman and Francisco Arana cooperating with Juan José Arévalo and Jorge Toriello. As a result of the “October Revolution,” junta took over power and ordered elections in 1945, in which Juan José Arévalo, a popular literature and philosophy professor, won.

The newly elected head of state introduced reforms, which improved the state, changed the political system, upheld the freedom of speech and introduced laws restoring freedom of press and allowing the establishment of political parties. He

<sup>1</sup> In Guatemala most of the banana production market embraced the United Fruit Company (UFC); the International Railways of Central America (IRCA) controlled nearly the whole railway system, Electric Bond and Share (EBS) controlled the entire electrical infrastructure.

recognized the postulates of the labor unions and dealt with them kindly. Then new government took care of improving the standards of living (Dent 1999; 199). In 1947 Guatemala's parliament passed a law announcing the control and restriction of the United Fruit Company and other companies' activities on Guatemalan land (Smith 1983: 44).

Ardvalo began a landowner reform which was continued by his successor, elected at the beginning of November 1950, Col. Jacobo Arbenz Guzman. Early in 1952 he went even further, carrying out expropriation of noncultivated land, which he distributed among farmers. In 1953 Arbenz Guzman's government decided to temporarily take over two concerns: the Guatemalan Electric Company and the International Railways of Central America. In March of the same year, 234,000 acres of land belonging to the UFC was expropriated, giving to the company bonds worth 627,572 dollars, while the company representatives estimated the land's value at 15,854,849 million. In February of the next year, 172,532 acres of the company's land were taken over (Smith 1996: 135). Jacobo Arbenz Guzman continued reforms, increasing taxes transferred to health care, implementing welfare programs and providing employees with new rights (Smith 1994: 74).

## ANSWER IN AMERICAN STYLE

Although the United States was engaged in World War II, politicians carefully observed the events in Guatemala and became concerned by the moves of President Ardvalo. In 1948 the position of U.S. Ambassador to the country was given to Richard C. Patterson, a fierce anti-communist.<sup>2</sup> Just before taking his post, he wrote to Samuel Zemurray, chairman of the UFC: „I want you to know that I am giving my undivided attention to trying to protect and promote American interests” (Smith 1994: 75). In the spring of 1950 Patterson returned to the U.S., ending his mission as American Ambassador, facing complaints from the Guatemalan government that he had been interfering in domestic affairs and that he had believed that communists were threatening his life.

In March 1948 Gen. Federico Ponce came to the State Department (in 1944 he had declared himself the president of Guatemala) in the company of American adventurer John Rendon, asking for assistance in overthrowing Ardvalo, which was supposed to protect the Western Hemisphere from the communist penetration. In response they heard that any violence would be a violation of inter-American commitments. Moreover, the U.S. government would do “everything within its power to discourage revolutionary activities” (Smith 1994: 74). At the same time President Ardvalo was officially accused of “lack of concern” for traditional good relations with

<sup>2</sup> Patterson is the author of so called “duck test” - The duck test works this way: suppose you see a bird walking around in a farm yard. This bird wears no label that says, “duck.” But the bird certainly looks like duck. Also, he goes to the pond and you notice that he swims like a duck. Then he opens his beak and quacks like a duck. Well, by this time you have probably reached the conclusion that the bird is a duck, whether he's wearing a label or not (see: Dent 1999: 209).

the United States because he was giving "cooperation and assistance to pro-Communist elements in Guatemala national life" (Smith 1994: 74).

The new Ambassador, Rudolf Schoenfeld, conducted a more rational policy, trying to appease arisen contradictions. In spite of the difficult situation, economic cooperation continued. It was written in a policy statement on May 13, 1949 that it was advisable to continue former assistance in modernization programs in Guatemala.

Gaddis Smith writes that starting in 1949 Americans waged unofficial, diplomatic and economic war with Guatemala. At the forefront of it was Edward G. Miller, Jr., assistant secretary for inter-American affairs. Devoted to the Monroe Doctrine, he said in 1950 that Americans "consider any attempt to extend the Communist system to any portions of this hemisphere as 'dangerous to our peace and safety'" (Smith 1994: 71).

In the State Department Soviet Union specialist, George F. Kennan, had quite a different opinion on the question of necessary action. After a short trip to Latin-American countries, he came to the conclusion that political culture in the region was too weak to successfully confront communism. That is why he wrote in March: "we cannot be too dogmatic about the methods by which local communists can be dealt with (...) where the concepts and traditions of popular government are too weak to absorb successfully the intensity of communist attack, then we must concede that harsh measures of government repression may be (...) the only alternative to further communist success" (Dent 1999: 200). However, his opinion was not the official policy line.

In Congress criticism was heard, attacking President Truman for his relatively too soft policy in this situation. They put forward the slogan predicting the loss of Guatemala, referring to the loss of China to the communists. Despite this, the government still acted with restraint. In May 1950 Thomas Corcoran, a UFC representative, asked the State Department if he should put up his own candidate in the forthcoming elections in Guatemala. Thomas C. Mann, director of Middle American Division, told him that such attempts would be ineffective, causing only public outcry in Latin American countries and in the United States. To the suggestion that corporations could try to affect election results on their own, Mann answered that such action would not only deteriorate his [Corcoran] clients' situation, but would also cause additional problems.

In February 1952 IRCA's chairman came to the State Department, saying that "communist infiltration in Guatemala is a modern day violation of the Monroe Doctrine, just as serious as physical intervention of a foreign government in Latin America was in the 19th century" (Smith 1994: 77). Miller answered that the Monroe Doctrine was currently recognized by the U.S. government as the inter-American system and any interventions were out of the question, while more open involvement of the Soviets or proof of their military presence would exert an eventual change of the political line of the United States.

On June 12, 1952, the Bureau of Inter-American Affairs recommended limiting aid programs, abstaining from new commitments and to introducing lower exportation quotas for some products. However, it advised subtle actions in order to avoid accusations of the return to the "big stick" policy (Smith 1983: 47). The measures were taken in order to put pressure on the government of Guatemala and persuade it to

take a less radical line of changes introduced in the country. These measures were supposed to be sufficient for Arbenz Guzman to understand the message and re-think his stance.

## OPERATION FORTUNE

During his visit to the United States in April 1952, Anastasio Somoza presented a plan according to which the CIA and UFC would help him overthrow Arbenz Guzman. The coup, under the codename of Operation Fortune, would be carried out by forces formed by Guatemalan exiles, led by Colonel Carlos Castillo Armas. By administration workers 'Rufus' (Armas's pseudonym) "was judged to be the only one with 'sufficient prestige, character, and ability to organize and lead a successful revolution.'" Operational plans were authorized and the invasion was scheduled to take place on the 15<sup>th</sup> of November with the assistance of the other regional countries. On the day when the ship laden with arms set out to New Orleans, the State Department refused to give it authorization. During a meeting in the department with the CIA's representative, the refusal was sustained, on the basis that it wasn't a revolutionary moment. Action was postponed till March of the next year, but it was restrained by an attempted revolt in Salama held by Carlos Simmons' group. The agency reports indicated that the spirit to fight was weakened as a consequence of arrests in Guatemala. Because of this, the plan had no chances of success. It was recommended to take another chance in four to six months (<http://www.state.gov/r/pa/ho/frus/ike/guat/20195.htm>).

## OPERATION SUCCESS

The assumption of power by Dwight Eisenhower meant tightening of the course towards Guatemala. The president exerted pressure on Arbenz Guzman to get rid of communists from his government and labor unions. To make his point of view clear, he designated John Peurifoy, another fierce anti-communist, as the American Ambassador to Guatemala. After meeting with the Guatemalan head of state in October 1953, the ambassador wrote: "I came away definitely convinced that if President [Arbenz] is not a Communist, he will certainly do until one comes along, and the normal approaches will not work in Guatemala" (Smith 2005: 120).

In March 1953, Secretary of State John Foster Dulles went to the tenth Inter-American Conference in Caracas, with a decision to force resolution condemning external intervention by international communism. As a matter of fact, a 'Declaration of Solidarity' was passed, criticizing the aggressive policy carried out by international communism, but the Guatemalan case was not mentioned, which had been Dulles's main concern (Smith 2005: 121).

In April, John Moors Cabot, Assistant Secretary of State for Latin America, after the meeting with Arbenz came to the conclusion that he was committed to communism. Therefore he recommended collective action undertaken by the Organization of American States (OAS). In September he changed his mind, writing: "I realized

that no such action was remotely possible. After much soul-searching I went to Be-dell Smith and said I thought a CIA-organized coup was the only solution. He nodded and smiled, and I got the impression that the plan was already under way (...) My principal concern was to keep secret any United States involvement in projected coup" (Smith 1994: 80).

Again in the USA voices were heard criticizing events in Central America. The press wrote that the failure to hold back communists' progress in Guatemala would mean the waste of American soldiers' lives in Korea. A democratic congressman from Montana, Mike Mansfield, alarmed that the situation was "dangerous in its implications to the peace and welfare of the Western Hemisphere," expecting that the State Department in collaboration with the OAS would "take the necessary steps to consider what can be done to bring democracy back to Guatemala and a fair deal to American investors in that country" (Smith 1983: 49).

Before Dulles's trip to Caracas, a team of people whose assignment was to prepare a coup in Guatemala was called into being in the CIA, the codename of which was Operation PBSUCCESS. Among people engaged in these plans were Allen Dulles - head of the CIA, Richard E. Bissell, E. Howard Hunt, David Phillips, J.C. King, Adolf Berle and Thomas C. Mann. A small group of Guatemalan exiles was formed, equipped and trained in camps in Honduras and Nicaragua. At the same time President Arbenz Guzman tried to obtain arms for his army, the United States refused him the sale. This led him to turn in 1954 to the government of Czechoslovakia. The Swedish ship *Alfhelm* came to Guatemala on May 15, with a cargo of arms from Czechoslovakia. Then, at a conference J.F. Dulles said that "a government in which Communist influence is very strong has come into a position to dominate militarily the Central America area" (Smith 2005: 121). The Guatemalan head of state was then called "Red Jacobo."

Operation Success was given a green light. In June, the team composed of about 150 people, led by Col. Carlos Castillo Armas, headed towards Guatemala. Insurgents were supported from the air by bombers provided by the CIA and piloted by private pilots, hired for that purpose. During the fight the CIA broadcasted anti-presidential propaganda through the newly-created radio station Voice of Liberation. A retired actor was hired to prepare the radio scripts for the Guatemalan people. Hunt contacted the New York cardinal Francis Spellman, who enabled contact with Guatemalan priests, who then prepared a pastoral letter to people without access to the radio. The message was then dropped over the country by CIA planes (Chapman 2007: 135-136). The invasion began on June 18, 1954.

At the same time, in the United Nations the American representative, Henry Cabot Lodge, effectively countered a revision of the Guatemala case by the Security Council. Guatemala made a suggestion to send observers, because the invasion forces were approaching from Honduras and Nicaragua. In answer to that, Brazil and Columbia proposed a motion that the problem should be examined by OAS. The resolution wasn't accepted because of the veto raised by Soviet Ambassador Semyon Tsarapkin, who insisted that Guatemala wouldn't find justice in an organization dominated by the U.S.A. France proposed a ceasefire resolution, which didn't obtain unanimous support. On June 22, Guatemala put forward a motion to summon another assembly of the Security Council. Lodge delayed two days and then called for the meeting, not to examine the case, however, but only to consider en-

tering it in the agenda. France and Great Britain insisted on hearing the Guatemalan delegate, but they gave up after hearing the argument that the United States, militarily engaged in Central America, would not be able to get involved in other regions of the world (France was engaged then in Indochina and Great Britain on Cyprus). The case of Guatemala was not part of the agenda on that day.

On July 7, the United States called for an assembly meeting of foreign ministers of OAS member countries, to which the representatives of Brazil, Costa Rica, Cuba, the Dominican Republic, Haiti, Honduras, Nicaragua and Peru came. The main purpose of the session was to accuse Guatemala of aggression against Honduras and bringing about a communist treat to America. The U.S. announced sending to Guatemala an OAS peace mission, which admission advertised President Arbenz, but it stopped in Mexico because of a bombing raid launched by invasion forces.

Jacobo Arbenz Guzman, convinced that rebel forces were coming from every direction, resigned on the June 28, 1954. Power in Guatemala was seized by Col. Castillo Armas, in a short time withdrawing changes carried out in the years 1944-1954. He ordered the arrest of suspected communists, renegotiated contracts signed with the UFC and other corporations, called back land reform and sharpened regulations of labor unions' activities. Under a Preventive Penal Law Against Communism he established the National Committee of Defense Against Communism, which could sentence a person to death for activities such as sabotage or membership in trade unions (Smith 1994: 138).

John Foster Dulles denied any connections between United States and the overthrow of the Guatemalan head of state, defining this action as strictly internally inspired. As for the CIA, it had performed an example of a perfectly planned and successfully ended action, which it repeated over the next years.

## REFERENCES

- Chapman, P., *Jungle Capitalists. A Story of Globalisation, Greed and Revolution*, Canongate Books Ltd, Edinburgh 2007.
- Dent, D.W., *The Legacy of the Monroe Doctrine. A Reference Guide to U.S. Involvement in Latin America and the Caribbean*, Greenwood Press, Westport 1999.
- Smith, G., *The Last Years of the Monroe Doctrine 1945-1993*, Hill and Wang, New York 1994.
- Smith, J., *The United States and Latin America. A history of American Diplomacy, 1776-2000*, Routledge, New York 2005.
- Smith, P.H., *Talons of the Eagle. Dynamics of U.S.-Latin American Relations*, Oxford University Press, New York 1996.
- The United States and the Latin American Sphere of Influence*, Vol. II: *Era of Good Neighbors, Cold Warriors, and Hairshirts, 1930-1982*, Smith, R.F., Krieger, Robert E. (eds), Publishing Company, Malabar 1983.
- [www.state.gov/r/pa/ho/frus/ike/guat/20195.htm](http://www.state.gov/r/pa/ho/frus/ike/guat/20195.htm)