

*Communism in Latin America*

50066-40 Vol. 3

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# RED REGISTRY

**Subject:**

File No. 50066-40

Volume Three

From Oct 1957

To 3/ DEC. 1957

# Communism in Latin America.

[illegible]

**FOR SUBSEQUENT CORRESPONDENCE  
SEE NEXT PART OF FILE**

Defence Liaison(2)/H.W. Walker/bl

~~SECRET~~

Our File No. 50066-40

X  
Ottawa, December 30, 1957.

50066	40
43	50

Dear Phil,

I attach a copy of despatch No. 451 dated November 14, 1957, from our Embassy in Rio de Janeiro reporting, inter alia, that the Soviet Union and its satellites are presently carrying on an intensive campaign in Brazil in an effort to induce that country to extend further its diplomatic and trade relations with the Iron Curtain countries. One of the many enticements is a reported Polish offer to invest up to \$300,000,000.00 in the Brazilian economy. Specific projects for the Polish investment have been mentioned to include the construction of a steel mill and the building of a new railway from Itabira in the Minas iron country to the coast.

with C/A  
It may well be that the Poles are acting in behalf of the USSR in this matter if this report is true. I should be grateful, therefore, if you would check the authenticity of the report made to our Ambassador by Mr. Decio de Moura, Secretary-General of Itamaraty without disclosing the source of our information.

Yours sincerely,  
G. H. SOUTHAM

G.G. Crean

P.E. Uren, Esq.,  
Canadian Embassy,  
Washington, D.C.,  
U.S.A.



DEPARTMENT OF EXTERNAL AFFAIRS

MEMORANDUM

TO: DEFENCE LIAISON (2) DIVISION.....  
.....  
FROM: EUROPEAN DIVISION.....  
REFERENCE: Rio de Janeiro's Despatch No. 451.....  
..... of November 14, 1957.....  
SUBJECT: Soviet, Polish and Czech Activities in Brazil.....

Security ...CONFIDENTIAL.....

Date .....December 23, 1957

File No.

50066-40

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I attach copies of a Despatch from our Embassy in Brazil concerning, inter alia, Soviet, Polish and Czech trading activities. The Despatch refers to a reported Polish offer to invest up to \$300,000,000 in a railroad and steel mill, and suggests that the Poles may be acting on behalf of the U.S.S.R.

2. Could you check these reports with CIA to determine their authenticity.

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DEC 23 1957

CIRCULATION

American  
Division  
Moscow  
Prague  
Warsaw

*{Enquiries  
being made  
via Wash.}*  
*Please file.*  
*H. Walker*  
*Jan. 2, 1958.*

*H. Walker*  
European Division

DEPARTMENT OF EXTERNAL AFFAIRS

MEMORANDUM

File 98

TO: ...MR. HOLMES.....

Security ..CONFIDENTIAL.....

Date ...December 10, 1957..

FROM: ....Far Eastern Division.....

File No.		
50066-40		
98	/	

REFERENCE: ...Caracas Despatch No. 354 of Oct. 18 on.

... "Chinese Goodwill Mission to Latin America".....

SUBJECT: ....Security Classification.....

The despatch under reference has been regraded "Top Secret" because of the sensitive information contained in paragraph 4. All holders are requested to take similar action and to avoid any reference to anyone that we are aware of the activities described.

RC

Far Eastern Division

CIRCULATION

Similar  
memos to:  
J.N. Div.  
European Div.  
D.L. (2) Div.

gws

10.12.59/05

D.L.(2)/J. Timmerman

 FAR EASTERN DIVISION

CONFIDENTIAL

Dec. 4, 1957.

DEFENCE LIAISON (2) DIVISION

Caracas Despatch 354 of Oct. 18, 1957 on  
Chinese Goodwill Mission to Latin America.

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4390	-

Security - Classification and Distribution of Classified Documents.

Original on: 10083-40  
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In view of the highly sensitive nature of the information contained in paragraph 4 of Mr. Bower's despatch, we think it should have been regraded Top Secret immediately it was received in the Department. We suggest that this now be done, and that all who received it be notified accordingly. It would be as well at the same time to draw the attention of recipients to the need for not revealing or hinting to anyone, especially the Americans, that we have been informed in this rather casual way on what the Americans must consider to be a highly secret operation.

2. We shall take up with Mr. Bower the desirability of excluding from political reports, which normally receive wide circulation, information of this kind and sending it to us in a separate communication.

cc.  
American Div.

 Defence Liaison (2) Division.

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DOWNGRADED TO ~~SECRET~~  
REVERT A ~~SECRET~~

OTTAWA FILE

No. 50066-40

Despatch No. 354

Date. October 18, 1957

SECURITY CLASSIFICATION

~~CONFIDENTIAL~~  
TOP SECRET

FROM: THE CANADIAN AMBASSADOR, CANADIAN EMBASSY, CARACAS

TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

Reference.....

Subject: Chinese Goodwill Mission to Latin America

Copy to:  
All Latin  
American posts  
& Washington

I had a forty minute private interview yesterday with Dr. Shen Chang-Huan, the Chinese Nationalist goodwill Ambassador at present in Caracas. Dr. Shen Chang-Huan who is Senior Deputy Minister of Foreign Affairs in the Chinese Nationalist Government heads a Mission which includes four other Chinese officials. The Mission originally intended to start its South American circuit at Caracas, but because Dr. Arismendi, the Venezuelan Foreign Minister was going to New York to attend the General Assembly of the United Nations, the itinerary was changed, and when the group arrived here on October 12, it was the eighteenth Latin American country to be visited.

Copies Referred  
To.....

2. Dr. Shen presented his credentials to President Perez Jimenez on October 16. While press reports suggested that the Mission was interested in improving economic relations, it was clear that the main purpose of the tour was to solicit support for the Chiang Kai-Shek regime in the United States. Up to now, this support has been forthcoming and its continuation is important to the Chinese Nationalists. Dr. Shen was among friends in Latin America - none recognizes the Peking Government. His Government is represented by Embassies or Legations in every Latin American Republic except Uruguay - in most cases the head of post is accredited to more than one country.

No. of Enclosures

3. Dr. Shen devoted most of his time to talking about communism in Latin America. He is not unduly worried about it. Even where living standards are low, he feels that Catholicism will contain it. He is not worried about the Central American Republics. All are "constitutionally" secure against authoritarian regimes, and while he admits this is not enough to prevent the rise of a dictator, - it is enough to ensure his early overthrow if he is a communist. He is much more concerned about the A.B.G. countries, - Argentina, Brazil and Chile, and he is worried about them in that order.

Post File

ARGENTINA. He feels that anything can happen in Argentina. Communism is strong and growing stronger as economic conditions deteriorate. It makes allies with Peronistas in order to gain power and is capable of paralyzing the entire country. Aramburu is a great man, and Dr. Shen feels that despite his intention to withdraw from the political stage, he will endeavour to use the armed forces to prevent a communist administration taking over. He attributes Argentina's present difficulties largely to Peron, and believes that should he return to Argentina, it would only be a short time before he would align himself definitely with Russia. Dr. Shen cannot understand why Venezuela continues to give sanctuary

No.....

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to Peron and he made what I consider an extremely apt remark. He said, "Peron is Accion Democratica personified." You will recall that Accion Democratica was the extreme left wing party in Venezuela which was overthrown by a military clique which included Perez Jiménez, and which is now banned from this country.

BRAZIL. Dr. Shen believes that the danger to Brazil is the failure of the Government and the anti-communist elements to recognize the communist threat. They claim that Brazilian communism is just extreme nationalism, - and that it has no international connotations. Dr. Shen points out that this is exactly the way many people viewed the Chinese communist threat in the early days. One of the most clever aspects of the Brazilian communist movement is its appeal to the nationalistic elements in the population. He was assured many times by responsible Brazilians that the Communist Party in Brazil is too small ever to win an election. Dr. Shen points out that this is dangerous thinking; - communists have never secured political control anywhere as the result of a free election; - they have other means. He doubts if communism would win a genuinely free election in any country in the world today - including the U.S.S.R. Brazilian complacency about the danger in their midst gives the communists handsome opportunities to organize themselves in key places where, when the time is ripe, they can control the whole country.

CHILE. Dr. Shen believes that communism is spreading rapidly in Chile, though it is still less of a danger than in Argentina or Brazil. Recent gains have come largely from the deterioration in the economic situation resulting from low copper prices in world markets. He feels that the President has lost his grip and is not giving the leadership the situation calls for; - he is old and tired. He cited the Kelly escape as symbolic of the weak administration, which in itself leads people to support those who promise to straighten things out.

URUGUAY. Uruguay is the only Latin American country with which Nationalist China does not have diplomatic relations. This is a situation which Dr. Shen hopes will be changed in the near future. He claims that there is a strong left wing element in the country, and that it is poorly governed. Despite this, the Uruguayan press (which is free) unanimously supported his mission as representing the "true China". He said that Montevideo is the headquarters of Russian communist activities for Latin America, and that the Uruguayan authorities are worried about it. When the opening of a Russian Legation was under consideration, the Russians promised to "behave". Their real intentions were revealed, however, when just short of 100 people arrived to staff the new post. A recent attempt to sabotage Montevideo's water supply system has been laid to a group of communists who, according to Dr. Shen, were operating under instructions from the Russian Embassy.

4. Dr. Shen presented Dr. Jose Arismendi with a high Chinese decoration at a reception in the Chinese Legation on the evening of October 17. Mr. Dempster McIntosh, the United States Ambassador to Venezuela was present and as he had been the previous United States Ambassador to Uruguay, I asked if he could confirm Dr. Shen's views about communism in that country. He has been out of the country for a year and a half, so his knowledge was not up to date. He said that the estimate of the size of the Russian Legation staff seemed on the high side. He thought the figure would be 100 if wives and children were taken into account. He said the Legation had definitely been active and he then told me in confidence that the United States Embassy had tapped the telephone lines in the Russian Legation and were able to listen in on every phone call, - even the internal ones. The buildings were not far apart, and they also photographed with a telescopic lens, every visitor to enter the Russian Legation in daylight. He felt that communists in Uruguay had more freedom than any subversive group should be allowed but that the people generally were opposed to it and that it would be contained. He said that their wire tapping was done with the full knowledge - in fact with the co-operation - of the Uruguayan Government.

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5. PARAGUAY and BOLIVIA. Dr. Shen believes that the anti-communist regimes in these two countries are working well and have the situation under control. He admitted that there had been trouble in Bolivia, but he was not worried about the position there. The country seems to be on the threshold of an important economic advance, based on new mineral discoveries including oil, - and the promise of improved living standards has weakened interest in communism.

PERU. Largely because of enlightened leadership by Prado, Peru, according to Dr. Shen is in better shape than any Latin American Republic except Venezuela. He believes that communism is not a problem there.

6. Dr. Shen said that wherever he went in Latin America the press had been sympathetic and helpful. When asked for his views on trade with Communist China, he had always advised the Republics to trade if they could do so profitably, but had expressed doubt about the possibilities. Eighty-five percent of Chinese Communist trade is with Soviet Russia. The remaining fifteen percent contains little that would benefit Latin America. He warned against the danger of trade promises being used to justify the establishment of trade offices which would in reality be espionage centers. He, also, regretted the Chinese Communist cultural activities in Latin America. These, he said, were designed to give the impression that communism is encouraging the ancient Chinese culture. According to him, the reverse is the case; - all that was fine in ancient Chinese culture is being destroyed. Confucianism has been banned and its teachings subverted.

7. He said that wherever he had gone he had met the local Chinese communities. He found them all hostile to the Peking regime, and a useful source of information about conditions on the mainland, particularly in South China. Either they were getting information from relatives via Hong Kong - or they had recently escaped and had first hand knowledge of conditions. These, he said, were unbelievably bad, starvation was a reality to at least fifty million people. He maintains that the country is bursting for liberation by Chiang Kai-Shek.

8. I was impressed by Dr. Shen. He has an attractive personality and is, I think, a shrewd observer. I do not believe he has wasted his time coming to South America, and I am sure he can count on the continued support for the Chiang Kai-Shek regime in the United Nations from the Latin American Republics.

*Robert Bowen*  
Ambassador

DEPARTMENT OF EXTERNAL AFFAIRS  
CROSS REFERENCE SHEET

Security ..CONFIDENTIAL.....

50066-40		

Type of Document..Intelligence Brief~~g~~... No..2217.....Date..Dec..2..1957.....

From.....

To.....

Subject:

Guatemala: Leftist Resurgence

Original on File No....6397-40.....

Copies on File No.....

Other Cross Reference Sheets on.....

Prepared by.....000011  
J.C.

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JIB/0

# Intelligence Report

*File  
T-2  
JIB*

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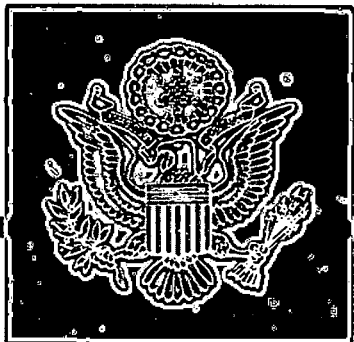
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X ref. on 5399-40

No. 7622

COMMUNISM IN THE ECUADORAN LABOR MOVEMENT

DEPARTMENT OF STATE



Office of Intelligence Research  
and Analysis

Prepared by  
Division of Research and Analysis  
for American Republics  
November 30, 1957

THIS IS AN INTELLIGENCE REPORT AND NOT A STATEMENT OF DEPARTMENTAL POLICY

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This report is based on information available through November 15, 1957.

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## COMMUNISM IN THE ECUADORAN LABOR MOVEMENT

Abstract

The Ecuadoran Communist Party, PCE, has so far failed to establish a significant mass base. Although legal, with its estimated membership of 1,000 to 1,500 it remains one of the weaker Latin American communist parties. Communist ability to develop a labor front is limited by the competition of other parties and by the essential weakness of the organized labor movement, which is confined primarily to the transportation, petroleum, textile, and food-processing fields. The mass of workers in the country's predominantly agrarian economy has so far shown no strong or sustained interest in unionization.

With their restricted capabilities, the Ecuadoran Communists have depended upon alliances with other leftist parties or elements. In 1944 as part of the short-lived Democratic Alliance, the PCE reached its highest point of influence thus far and attained two of its key objectives: legal status and the unification of organized labor into the Ecuadoran Confederation of Workers, CTE. For almost a decade the Communists, although they have regularly maintained positions at the national as well as the local and functional levels of the CTE, have not been able to elect more than four party members to its executive committee, which has been dominated by Socialists. At the same time some Socialist labor leaders have been willing to follow the Communist lead, particularly in regard to joint labor action against conservatives. At present, the growing influence of independent labor organizations seems to be offering the best promise of reducing Communist capabilities in labor.

Over the years the Socialist Party as a whole, now consisting of some 30,000 members, has been more willing than other parties to collaborate with the PCE. While they declined Communist overtures for closer political ties between 1951 and 1956, because of their increasing opposition to the present Conservative administration the Socialists participated actively in the VI National PCE Congress in May 1957. The Communist success in holding this frequently postponed congress and in persuading Socialists and other left-wing groups to participate shows that the PCE continues to be a force of some significance. If a new left-of-center alliance should be formed in which the Communists were permitted full participation, they would doubtless be able to use this point of vantage to bolster their position in labor.

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I. OVERALL STATUS OF COMMUNISM

Although one of the few Latin American communist parties with legal status, in size the Ecuadoran Communist Party (Partido Comunista del Ecuador, PCE) is one of the weaker communist parties in the area. Since its organization in the mid-1920's, it has never been able to reach the goal of 5,000 members necessary to launch a national electoral ticket. It is estimated to have 1,000 to 1,500 members out of a total population of 3,500,000 and a national electorate of 600,000. Its one member of Congress, Senator Pedro Saad, PCE secretary general, holds his position by virtue of being a functional labor representative, elected by unions of the coastal area not through a popular election.

Various factors in the Ecuadoran environment help to explain the present resistance to the spread of communism. In addition to the anti-communism of the still dominant upper-class elite, the armed forces, and the highly influential Catholic Church, the dissemination of communist propaganda has been effectively limited by the general illiteracy and political apathy of the rural Indians, who constitute a majority of the population. Ecuador is said to have been less touched by social revolutionary tendencies than any other Latin American country, with the possible exception of Paraguay. Furthermore, certain weaknesses within the PCE have limited its effectiveness. It has been frequently beset by internal friction, which was reported in August 1957 as tending toward a major schism despite the show of unity at the May 1957 party congress. The PCE now has a dearth of effective leaders, partly because of the expulsion of former key members, such as labor leader Primitivo Barreto Garzon of the PCE executive committee, who is attempting to form a rival communist party. It appeared in 1954 that the leadership corps might be reinforced by communist and procommunist exiles from Guatemala, but many of this group subsequently left Ecuador. The PCE has also been hampered by inadequate finances, which has permitted only sporadic publication of the party organ, El Pueblo. While plans were made at the May congress to launch a new publication to be financed by the sale of a Guayaquil house willed to the party, so far this project has not materialized.

Nevertheless, certain factors favor communist penetration of worker groups over the long run. Significant among these are the country's deep-seated economic inequalities, poor working conditions, and the widespread indifference of the ruling upper class to such conditions. In these respects, Ecuador has few counterparts in Latin America, and international communism has apparently recognized it as a fertile field for exploitation. During 1957, for example, the country has been visited by members of the central committee of the communist parties of France and Mexico and by the secretary general of the International Union of Students, IUS. Furthermore, the Soviet bloc has provided extended training for selected young Ecuadoran communist students, such as Jorge Arellano Gallegos, who spent two years, 1953-55, in the Soviet orbit, and Hugo Jativa Silva, who returned to Ecuador in October 1956 after seven years in Poland and other bloc countries.

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Because of its weakness as a party, the PCE can do little alone, but it has frequently been able to persuade the Socialist Party, its traditional rival in labor, to combine forces against the conservatives. Thus, in 1944 the PCE helped to organize the Democratic Alliance, which supported a successful coup d'état by former President José María Velasco Ibarra. For a few months thereafter, the PCE was represented in the cabinet, and from this point of vantage it achieved two important goals: legal status and the unification of organized labor groups into the Confederation of Ecuadoran Workers (Confederación de Trabajadores del Ecuador, CTE). Following President Velasco Ibarra's break with his leftist supporters in late 1944, the Democratic Alliance was dissolved. The Socialists have subsequently collaborated intermittently with the Communists on labor matters but have refused any firm political alliance although the minority left wing of the Socialist Party, led by university professor Manuel Agustín Aguirre, has been persistent in its efforts to draw the party nearer communism. In the 1956 presidential election, the Socialists and Liberals formed a political bloc from which Communists were excluded although the PCE supported the bloc's candidate, doubtless because the party had nowhere else to go. Another party bidding for worker support is the leftist nationalist Concentration of Popular Forces (Concentración de Fuerzas Populares, CFP), whose leader, Carlos Guevara Moreno, made a strong bid for the presidency in June 1956, gaining 150,000 votes in a four-way race. The CFP is now the major party in Guayaquil, Ecuador's largest city, which was formerly considered a communist labor stronghold.

Since late 1955 the PCE has suffered setbacks in some important areas of influence outside the labor movement: student organizations, which some observers consider the major target of international communism in Ecuador, and intellectual groups. At the 13th Congress of the Ecuadoran Student Federation (Federación de Estudiantes Universitarios, FEUE) in November 1956, anticommunist students who objected to FEUE affiliation with the communist-front International Students Union broke away to form a rival group. Due to continuing pressures, the main body of the FEUE subsequently announced its disaffiliation from the IUS although this action reportedly has to be ratified at the next FEUE congress, scheduled for late 1957. Communism has also received a setback in the government-supported but largely autonomous organization for the diffusion of culture, Casa de la Cultura, some branches of which have begun to take a firm position against extremist influences. Almost the only PCE victory in 1956 was the reelection of Pedro Saad to the senate as a functional representative for labor organizations of the coast.

Offsetting to some extent recent reverses in student and intellectual areas have been shifts in political alignments favoring the Communists. At the PCE VI National Congress in May, the party apparently made progress toward its goal of a new leftist alliance. Socialist speakers joined with Communists in calling for an anti-administration coalition. Because of a split in Liberal Party ranks, Conservatives won the Ecuadoran presidency in 1956 for the first time since 1895, and the Socialist Party has subsequently advocated an anti-Conservative front to include the Liberal Party, the CFP, and the PCE. The Socialists have been careful to maintain that they have no pact with the PCE and are interested only in a

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broader alliance which would include the CFP and Liberal and independent elements as well as the PCE. Although anticommunist Eduardo Salazar Gómez, until recently head of the Liberal Party, opposed ties with either Socialists or Communists, Socialist La Tierra has claimed that a number of individual Liberals are supporters of the proposed alliance. When the Conservatives lost control of Congress in a surprise upset on August 10, 1957, La Tierra attributed this development to increasing unity in Congress between Liberals and leftists.

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## II. COMMUNISM IN THE LABOR MOVEMENT

### A. Status of Organized Labor

With the exception of Paraguay, Ecuador has the weakest organized labor movement of any South American country, in part because there are few large concentrations of industrial workers. Current overall labor statistics are not available, but in 1950, 49.4% of the 1.2 million working population was employed in agriculture and forestry, 23.8% in the manufacturing industry, 11.7% in services, and the rest primarily in transportation, commerce, and construction activities. In 1953 the CTE, the only substantial national labor organization, claimed 66,000 dues-paying members, but by 1956 the number had dropped to an estimated 40,000 to 45,000 many of whom paid little, if any, dues. Because of its weak financial status, the CTE has no paid officials.

Other Ecuadoran labor organizations are anti-Communist but are small and relatively ineffective. They include the Ecuadoran Confederation of Catholic Workers (Confederación Ecuatoriana de Obreros Católicos, CEDOC), primarily a social organization rather than a union, which claims 13,000 members; the Workers Confederation of Guayas Province (Confederación de Obreros de Guayas, COG) with less than 1,000 members, which is the only Ecuadoran affiliate of the anticommunist Inter-American Regional Organization of Workers (Organización Regional Interamericana de Trabajadores, ORIT); the Artisans Movement (Movimiento de Artesanos, MA), which claims 2,000 members; and two other small groups, whose membership is not known: the National Labor Front (Frente Nacional de Trabajo, FNT), the labor instrument of the ultraconservative Ecuadoran Revolutionary Action Party (ARNE); and the Confederation of Employees (Confederación de Empleados, COE), which was long defunct but reactivated in 1956.

Labor has been weak not only numerically but also in political influence. Hence, most of the provisions pertaining to labor in the 1946 Constitution have not yet been implemented by law. The right of unionization, which is stated in the Constitution, was not legally established until January 1956, when a law was promulgated forbidding employers from dismissing workers attempting to form a union. In September 1956 Socialist deputies introduced a bill for a 40-hour week as stipulated by the Constitution but it failed of passage, reportedly because of the drastic change it represented in prevailing working hours particularly of unorganized laborers. As yet Ecuador has no social security system for manual workers. In fact, in late 1957 it was estimated that no more than 150,000 persons had social security coverage of any kind. There are no family subsidies. The present Minister of Labor has expressed a determination to raise the workers' standard of living, but Congress has shown little interest. When a CTE delegation appeared before Congress in October 1956 to request its support for such matters as worker education and wage increases, Socialist La Tierra commented that the "rightist legislators listened impassively to the voice of the workers and yawned." Since the Conservatives lost control of Congress in August 1957, it has shown more

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interest in labor problems as was indicated by its efforts to mediate in the Manabí petroleum workers' strike discussed below. In late 1956 the National Economic Council stated that wages were "miserably inadequate." It nevertheless disapproved a wage-raise bill on the basis that it would cause inflation, which in the long run would adversely affect the workers. The use of women laborers, even in construction work, is one factor in the depressed wage scale. Child labor, also, is so widely used in agricultural areas that it was cited as a major reason for excessive school absenteeism by a March 1957 congress of primary school principals. Agricultural workers, except those in a few modern plantations on the coast, are at the bottom of the scale in remuneration and working conditions. While the Labor Code includes regulations regarding agricultural labor, probably nowhere in Ecuadoran legislation is there a greater disparity between theory and practice.

B. Communist Penetration of the CTE

Communists have penetrated the Confederation of Ecuadoran Workers, CTE, at the national level and also in its provincial and functional affiliates. The CTE is governed at the top by a national executive committee. It has only a loose control over its affiliates, which consist of two main groupings: provincial federations, including unions grouped together on a geographic basis, and functional federations, composed of unions grouped by occupation. Thus, an individual union may belong to both the provincial affiliate where it is located and also to its own functional federation.

1. National Executive Committee. When the CTE was first set up in 1944 during Velasco Ibarra's brief honeymoon with leftists, Communist influence was clearly dominant on the national executive committee. Pedro Saad won the position of secretary general against the bid of the rival Socialist contender, Juan Isaac Lovato. The first executive committee contained 7 Communists and 4 Socialists, and the new organization affiliated almost immediately with the communist-dominated Confederation of Latin American Workers (Confederación de Trabajadores de América Latina, CTAL), an affiliate of the World Federation of Trade Unions, WFTU. In the 1947 CTE convention, the PCE retained its dominant position, but by 1949 the Socialists had moved ahead. The Communists have not subsequently been able to win more than 4 posts on the 11-member executive committee. Nevertheless, it is important to note that left-wing Socialists elected to the committee have often been willing to collaborate with Communists or to follow their lead, arguing that labor unity against the conservatives must be preserved at all costs.

At the September 1957 CTE Congress the Communist labor forces were probably weakened by PCE dissensions which found dissident Communist labor leaders contesting for office. Modesto Rivera Jarrín, who was expelled from the PCE at its Sixth Congress, won one of the four seats usually gained by Communists. The three other Communists elected were not prominent leaders of the PCE and have even been described in some reports as

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pro-Communist Socialists. Thus, one of the three, Ezequiel Torres Arroyo, an inspector in the Ministry of Labor and Social Security, was reported by the Guayaquil press in January 1956 to be a member of the Socialist Party's national executive committee. Socialist Víctor Zúñiga was elected CTE president. (See Table I for a list of the 1955 and 1957 CTE executive committee members.) Zúñiga, a federal deputy, has taken part in the movement for closer collaboration between the Communist and Socialist parties during 1957, although he was previously described as a moderate Socialist. On the other hand, political independent Noé Villacreces, anti-Communist head of the National Textile Federation, was elected vice president. Although independent anti-Communists were disappointed in their failure to elect Villacreces to the presidency of CTE, they reportedly felt that they could continue to work within the organization and abandoned, at least for the time being, plans to create a rival organization.

The CTE Congress, which was held during a strike at the American-owned Manabí Exploration Company provided a forum for the Communists. In particular, PCE chief Pedro Saad, as functional senator for labor, held the limelight in connection with strike negotiations. The Communists also succeeded in making their influence felt in the CTE resolution of solidarity with the WFTU, although this resolution may have been inspired in part by the hope of free trips to the October 1957 WFTU Congress at Leipzig.

2. Provincial Federations. In 1956 the CTE claimed provincial affiliates in 12 out of the country's 17 provinces, but only 5 were reported to be active: those in Pichincha, Guayas, Tungurahua, Loja, and Azuay. The politically independent Chimborazo federation and the Socialist-controlled El Oro federation were reported as partially active. The September 1957 CTE congress was attended by 267 labor delegates from 15 provinces, which included, in addition to those mentioned above, the provinces of Imbabura, Los Rios, Esmeraldas, Carchi, Manabí, Bolívar, Cañar, and Napo Pastaza. By far the most important provincial affiliates of the CTE are those of Pichincha, which includes the capital city Quito, and of Guayas, where the port city of Guayaquil is located.

The Provincial Federation of the Workers of Guayas (Federación Provincial de Trabajadores de Guayas, FTPG) was formerly considered the major bulwark of communism within the CTE, but Communist influence in the area is believed to have declined substantially since the FTPG Congress of May 1955. At this congress, Segundo Ramos Navarrete of the PCE central committee was elected secretary general, and reported Communists won 12 out of the remaining 17 posts on the directorate. In addition to the growing strength in Guayaquil of the rival Concentration of Popular Forces, CFP, another important reason for a possible decline of Communist influence in this area has been friction within the party, which resulted in the expulsion in 1954 of prominent Communist Alfredo Vera Vera, Minister of Education in 1944. A number of Vera supporters subsequently left the party and, while still adhering to communism, they do not follow PCE discipline. They appear to be, in fact, the possible nucleus of a "national Communist" group.

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strong Communist influence, has occasionally ignored PCE instructions, as in 1953 when it came out against the PCE choice for mayor of Guayaquil. Recent statistics regarding FTPG membership are not available, but in 1953 it claimed some 700 members in at least 15 unions. These unions represent groups such as oil workers, chauffeurs, street cleaners, shoe makers, brewery workers, railway workers, and barbers. Stevedores have apparently not been active in the FTPG since 1952 although on the national functional level there are apparently two stevedore federations still affiliated with the CTE.

The Provincial Federation of Workers of Pichincha (Federación Provincial de Trabajadores de Pichincha, FTP) the largest and most active CTE provincial affiliate, is Communist infiltrated to a considerable extent as was apparent at the FTP congress in 1956 and also in 1957. In 1956 prominent Communist participants included Pedro Saad and Gonzalo Villalba Coloma, both members of the PCE central committee. While Pedro Saad apparently did not attend the 1957 FTP congress, Villalba again took an active part and was reelected to the executive committee. Communist influence was particularly apparent in certain resolutions proposed for adoption by the executive committee such as: agrarian reform, to include giving land to the peasant farmers (campesinos) and liquidating latifundism as the only means of freeing the Indian; rejection of the "colonizing role" of foreign capital; opposition to holding the next Inter-American Conference in Ecuador and to using such conferences as an avenue to "rivet the chains of oppression on the Latin American people" as allegedly occurred in the case of Guatemala.

Although these resolutions to some extent corresponded to leftist Socialist and nationalist thinking, the overall pattern reflected Communist influence. According to press reports, the number of FTP affiliates represented at the congress was more than halved in 1957 as compared to 1956, suggesting that labor membership in Pichincha province may be declining. In 1956 some 37 union affiliates were reportedly represented at the congress but in 1957 the number registered on the opening day was only 17. Left-wing Socialist José Telmo Hidalgo Díaz was reelected president and two known Communists were retained on the 11-member executive committee, Gonzalo Villalba Coloma, organizational secretary, and César Muñoz, secretary for Indian affairs. Despite Communist penetration of the executive committee, few of the FTP union affiliates are believed to be Communist-dominated. For example, a Quito Communist said in January 1957 that the party had established its first industrial cell in Quito, which consisted of 14 workers in the Victoria Brewery.

The other active CTE provincial federation in which Communist influence is considered significant is that of Tungurahua. Both Loja and Azuay provinces have active federations but they are Socialist-dominated. Tungurahua is among the country's more populous provinces and its capital, Ambato, is estimated to have as many as 5,000 industrial workers. Data are not available on the present officers and strength of the Tungurahua federation; it held its first congress in December 1953 and is, therefore,

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one of the newer CTE federations. As of June 1956, Communist Carlos Lalana was reported to be working actively to increase PCE influence in Ambato.

3. Functional Federations. The third main avenue for communist penetration of the CTE is through its functional federations. An examination of these shows that, while the Communist potential is strong, the actual PCE hold is tenuous even on those groups alleged to be most under its domination. Table II shows that the largest of the functional federations is the National Federation of Chauffeurs of Ecuador (Federación Nacional de Choferes del Ecuador), which includes teamsters as well as chauffeurs. This group and the textile workers are reported to be definitely anti-Communist. The only functional federation headed by a known Communist is the Ecuadoran Federation of Indians, but two other CTE functional groups show varying degrees of communism: the petroleum and municipal workers. The rest of the federations are Socialist-dominated or independent. None of these groups contributes financially to the CTE except the chauffeurs, the petroleum workers, and the stevedores, and their contributions are small with the possible exception of the petroleum workers. The Chauffeurs' Federation for example, reportedly contributes only 30 sucres (about \$US1.60) monthly to the CTE.

The National Federation of Petroleum Workers, FNTP, although one of the smaller federations, seems to be the most militant. It is headed by Raúl Guzmán, frequently called a Communist but most recently reported to be a right-wing Socialist. The FNTP represents some 1,500 of the country's 2,000 oil workers: 1,700 at Ancon in the British and US-owned Anglo-Ecuadoran oilfields and 300 at Salinas in the US-owned Manabí Exploration Company. Strike threats seem to be an annual feature of FNTP renewal of contract negotiations with management. In 1956 the principal FNTP adviser on the labor contract was Pedro Saad, who reportedly persuaded the workers to make exorbitant demands. However, when Saad failed to appear at an important meeting of union leaders at Ancon, they dismissed him as their representative and engaged Socialist leader Juan Isaac Lovato, who convinced the workers that their demands were excessive and brought about a peaceful and reasonable renewal of contract. Socialist La Tierra praised this development and US observers described it as the "most significant communist labor setback of the year." In April 1957, however, annual contract negotiations resulted in a strike at the Manabí Exploration Company, which was accompanied by a sympathy strike of Anglo-Ecuadoran workers in the Ancon field. The country's petroleum industry was paralyzed for a week until mediation was effected through the personal intervention of the Minister of Labor and Social Security. Again in September 1957, during the CTE congress, a serious strike broke out at Manabí because of the company's sudden dismissal of a third of its labor force as surplus. The strike was not generally regarded by the Ecuadoran press as a Communist maneuver. The country's leading newspaper, El Comercio of Quito, criticized the company as "intransigent" after it rejected a congressional compromise formula which the workers had accepted. It is difficult to determine the degree of communism in the FNTP since Raúl Guzmán was its secretary general also in 1956 when it dismissed Pedro Saad as negotiator. Also worth noting is the fact that

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the CFP of Carlos Guevara Moreno has been reported as one of the militant influences in the FNTF, particularly in the Ancon area, which is near the CFP stronghold in Guayaquil.

The Ecuadoran Railway Workers' Federation (Federación de Ferrovianos del Ecuador, FFE) was formerly one of the principal CTE affiliates although it reportedly withdrew from the confederation in late 1957. Organized in 1945 when individual unions on seven railways amalgamated after the railroads had been nationalized, by 1955 the FFE was considered one of the strongest functional federations. In July 1955, however, President Velasco Ibarra intervened personally to arrest FFE leaders and outlaw the federation after workers on the vital Guayaquil-Quito railway struck because of a two-months' lag in pay. The President's action in thus outlawing one of the principal CTE affiliates is indicative of the relatively minor influence of organized labor in Ecuador. Leftist influences reportedly continued to be strong among railway workers, partly because the railroads, which operated at a loss, seldom met payrolls on time. The railway system was reorganized under new management in 1957, many workers were dismissed, and those remaining were recently allowed to reactivate their federation.

Potentially the most important field for Communist labor penetration is agriculture since it employs a big proportion of all Ecuadoran workers. The PCE is aware of this challenge and has made efforts to organize agricultural workers despite their political apathy. In the 1940's Communists set up the Ecuadoran Federation of Indians (Federación de Indios del Ecuador, FIE), which includes agricultural workers in the sierra provinces of Chimborazo, Cañar, Cotopaxi, and Imbabura, but so far the organization has accomplished very little. At the VI PCE Congress in May the FIE president, Communist César Muñoz, was sharply criticized on the grounds that he had permitted Socialists to extend their influence in the FIE. In September 1954, the Guayas Provincial Federation of the CTE organized the Federation of Agricultural Workers of the Coast (Federación de Trabajadores Agrícolas del Litoral, FETAL) to represent a number of incipient farm worker organizations. Under the popular slogan of "Land for him who works it" (La tierra para el que la trabaja), the organizing congress attracted 102 delegates, reportedly representing farm worker groups from the provinces of Guayas, Los Ríos, Esmeraldas, Manabí, and El Oro. Communists were active in this project, and 6 of the 27 officers elected by the FETAL were Communists, including its president, Neptali Pacheco León, prominent member of the PCE Central Committee. Although little has subsequently been heard of the FETAL, Communists and other extremists have continued their efforts to exploit poor working conditions, particularly among banana workers, both Indian and Negro. The Swedish-owned Astral and Fruit Trading Companies, banana exporters in Esmeraldas Province, were plagued by intermittent strikes during 1956. At the 1955 CTE congress, special attention was given to a spokesman for banana workers. He claimed that in one area the workers transported bananas on foot for 17 kilometers, then placed them in ship refrigeration compartments, thus subjecting their bodies to extremes of heat and cold, which often caused pneumonia. At the 1957 congress also, demands were made for agrarian reforms and improvements in the working conditions of farm labor.

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The political orientation of stevedores is of special relevancy in an analysis of the degree of communism in coastal labor. Available reports indicate that the PCE has had relatively little success in infiltrating stevedore unions, totalling some 1,500 members, partly because of the strong anti-Communist campaign carried on in Guayaquil by the Workers Confederation of Guayas, the ORIT affiliate mentioned above. Likewise, the influence of Guevara Moreno's party, the CFP, is significant in Guayaquil where the stevedores are largely concentrated. As of September 1956, there were reported to be three separate organizations of stevedores: The Society of Stevedores and Helpers (Sociedad de Estibadores y Socorros Mutuos, SESM), affiliated with COG; the Union of Stevedores (Unión Sindical de Estibadores, USE); and the Syndicate of Stevedores and Port Helpers (Sindicato de Estibadores y Portuarios Auxilios, SEPA). The two latter groups were affiliated with the CTE on the functional level, but on September 25, 1957, the Union of Stevedores published a strong attack on the CTE for its recent resolution of solidarity with the WFTU. The membership of the separate organizations is not known. The ORIT-affiliated SESM has an advantage in procuring members because the major shipping companies, including the Grace Line, use SESM stevedores exclusively. In an effort to strengthen their position, the other two groups reportedly merged in January 1956, but some of their members would not join the new organization because of the SESM campaign against it. According to most recent information, the stevedore organizations are primarily independent politically.

The remaining CTE functional affiliate reported to show Communist influence is the Municipal Workers Federation, which has an estimated total of 5,000 members distributed among the following cities: Guayaquil, Quito, Imbabura, Ambato, Esmeraldas, Cuenca, Riobamba, and Portoviejo. As of September 1956, the branches in Guayaquil, Ambato, and Portoviejo were considered Communist-oriented; the others were Socialist or independent. Since that report, the CFP has won control of the municipal government in Guayaquil; a number of municipal workers have been replaced, and CFP supporters may well have taken their positions. No data are available regarding the specific extent of Communist influence among municipal workers in Ambato and Portoviejo.

### C. National Teachers' Union

The major functional group outside the CTE showing significant Communist penetration is the National Teachers' Union (Unión Nacional de Educadores, UNE). Although the UNE was represented, at least by observers, at the 1957 CTE Congress, as of late 1956 it was not a CTE affiliate. The Communists have long been active in attempting to penetrate teacher organizations, and prior to the formation of the UNE in 1950 a teachers' syndicate existed which had reportedly been captured by the Communists. Membership in the UNE has fluctuated sharply. A year after its formation, it claimed 7,000 members with affiliates in every province, but many of its members subsequently dropped away, reportedly because of its failure to obtain salary increases. By late 1956, membership had again risen, reaching a reported 6,500 primary teachers, 2,000 secondary teachers, and 6 university

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professors. The UNE is considered leftist in orientation although not Communist controlled. Inspectors in the Ministry of Education estimated in 1956 that 15% of the membership was Communist or procommunist, 5% middle of the road, and the other 80% leftist but apparently noncommunist. The UNE president, Rubén Silva, the vice president, Eliser Irigoyen, and one other board member are Socialists. The board also includes two reported Communists, Odilio Aguilar and Virginia Larenas; the political affiliation of the rest of the 10-member board is unknown. The leftism of the UNE apparently is inspired in part by the teachers' low salaries and the government's failure, as in the case of railway workers, to pay salaries on time. UNE affiliates in Guayas and Esmeraldas provinces are listed as the most active in the federation.

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#### IV. COMMUNIST CAPABILITIES IN THE LABOR MOVEMENT

Communist capabilities in the Ecuadoran labor movement, as in political life, depend primarily upon a continued tie with the Socialists. Under the present Conservative administration, the Communists have been able to strengthen their ties with the Socialists in political action, and have maintained their long-standing collaboration with the Socialists in the labor movement. Communist ability to achieve collaboration with the Socialists has apparently not been seriously affected by setbacks among student and intellectual groups, or by dissensions within the PCE labor leadership.

Over the long run, social and economic conditions in Ecuador may make it one of the most fertile fields in Latin America for Communist penetration. To the extent that the Communists can maintain their working ties with the Socialists in political action and the labor movement, and the Socialists maintain control of organized labor, Communist influences will be an important factor conditioning the outlook of Ecuadoran labor in the future.

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TABLE I: POLITICAL ORIENTATION OF THE CTE EXECUTIVE COMMITTEE

Committee Elected at 1957 CTE Congress

<u>3 Communists*</u>	<u>1 dissident Communist</u>	<u>5 Socialists</u>	<u>2 Independents</u>
Manuel Torres Ezequiel Torres Arroyo Félix Cueva	Modesto Rivera Jarrín	Víctor Zúñiga (president) Nelson Chávez Olmedo Octavio Terán Wilfredo León Camus Pablo Rafael Duque Arias	Noé Villacreces (vice president) Leonidas Córdova

\* These three individuals are currently listed as Communists although in some previous reports they have been called pro-Communist Socialists.

Committee Elected at 1955 CTE Congress

<u>4 Communists*</u>	<u>5 Socialists</u>	<u>2 Independents</u>
Modesto Rivera Jarrín Primitivo Barreto Garzon Tirso Gómez Paredes Marcelo Oramos	Miguel Angel Guzmán (president) Víctor Zúñiga (vice-president) Luis Genero Chávez Pablo Rafael Duque Arias One other Socialist (name not available)	Noé Villacreces Luis Salas Mancheno

\* Unlike the Communists elected in 1957, these four individuals were prominent, openly professed members of the PCE.

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TABLE II.  
CTE Functional Affiliates\*

Name	Estimated Size	Leader	Political Orientation
National Federation of Chauffeurs of Ecuador ( <u>Federación Nacional de Choferes del Ecuador</u> )	12,000	Pacífico Vega	Independent, but strong CFP influences
National Textile Federation ( <u>Federación Nacional Textil</u> )	5,000	Noé Villacreces	Independent
Municipal Workers Association ( <u>Asociación de Empleados Municipales</u> )	5,000	Manuel Naranjo	Communist-infiltrated
National Federation of Petroleum Workers ( <u>Federación Nacional de Trabajadores del Petroleo</u> )	1,500	Raúl Guzmán	Communist-infiltrated
National Federation of Shoemakers ( <u>Federación Nacional de Obreros del Calzado</u> )	less than 1,000	n. a.	Independent
Ecuadoran Federation of Indians ( <u>Federación Ecuatoriana de Indios</u> )	less than 1,000	César Muñoz	Communist
Federation of Barbers ( <u>Federación de Peluqueros</u> )	700	n. a.	Independent
Stevedores: Union of Stevedores ( <u>Unión Sindical de Estibadores</u> ) and Union of Stevedores and Port Helpers ( <u>Sindicato de Estibadores y Portuarios Auxilios</u> )	n. a.	n. a.	Independent
	n. a.	Jorge Moran Bohorquez (as of August, 1955)	Independent

\* Data taken primarily from D 151, Quito, September 13, 1956.

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OTTAWA FILE

No. 50066-40

Despatch No. 463

Date... November 29, 1957

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SECURITY CLASSIFICATION

SECRET

FROM: THE CANADIAN AMBASSADOR, RIO DE JANEIRO, BRAZIL

TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

Reference... Our Despatch No. 451 of November 14, 1957

Subject... Communist Diplomatic and Trade Drive in Brazil

As a sequel to my despatch under reference, I should like to report briefly on fresh information which we have obtained from the Acting Head of the Political Division in Itamaraty.

2. Our informant told us that the Foreign Minister had recently sent a letter to each of the armed services' Ministers in the Government as well as to the Chiefs of Staff to ask for their comments on the possible resumption of diplomatic relations with the Soviet Union, and the establishment of relations with some of the satellite countries. This was an indication of the active consideration being given to the matter by Itamaraty.

3. We were told that there continues to be lesser and lesser opposition to these prospective developments among both the public and the Government. The feeling was growing among the people here that a country that can launch "Sputnik" is not a country of "cannibals", while the Government, with an eye on greater economic aid from the United States, seemed prepared to go along with the saying: "play with the Devil if you want God's help".

4. In the meantime, new trade and cultural contacts with iron curtain countries have come to our knowledge. A trade delegation from East Germany will be coming to Brazil within the next few weeks. A Russian athlete will be participating in the important Saint Sylvester marathon to be held in São Paulo on January 31. Arrangements have already been made for the early return to Rio of the Bolshoi Theatre ballet dancers. And Itamaraty learns from the Chinese Nationalist Ambassador that the Peking Circus is planning to come to Brazil next year.

for the Ambassador.

Copies referred  
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No. of Enclosures

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FROM THE OCI WEEKLY REVIEW NOV 21/57

THE COMMUNIST OPPORTUNITY IN GUATEMALA

POLITICAL INSTABILITY IN GUATEMALA IS LIKELY TO CONTINUE FOR SOME TIME, AND THERE ARE MOUNTING INDICATIONS THAT A MILITARY COUP MAY BE IMMINENT. THE COMMUNISTS ARE LIKELY TO WIN A SIGNIFICANT VICTORY IF PRESENT POLITICAL TRENDS CONTINUE THROUGH THE 19 JANUARY NATIONAL ELECTIONS.

ARMY OFFICERS, MOST OF WHOM OPPOSE THE EXTREMES OF RIGHT AND LEFT, ARE BECOMING INCREASINGLY ALARMED AT THE EVIDENT INABILITY OF THE DIVIDED CENTER FORCES TO AGREE ON A SINGLE CANDIDATE TO OPPOSE BOTH RIGHTIST MIGUEL YDIGORAS FUENTES AND THE PROBABLE CANDIDATE OF THE COMMUNIST-INFILTRATED REVOLUTIONARY PARTY (PR), MARIO MENDEZ MONTENEGRO, IN THE PRESIDENTIAL RACE. ARMY LEADERS THEMSELVES ARE DIVIDED BETWEEN TWO LEADING CONTENDERS: LT. COL. JOSE LUIS CRUZ SALAZAR, THE YOUNG AND AMBITIOUS AMBASSADOR TO WASHINGTON, AND COLONEL ENRIQUE PERALTA, A 49-YEAR-OLD OFFICER WHO HAS SPENT THE LAST 12 YEARS AT VARIOUS POSTS ABROAD.

NEITHER CRUZ NOR PERALTA IS WIDELY KNOWN TO THE PUBLIC AND NEITHER COULD WIN THE REQUIRED ABSOLUTE MAJORITY OF VOTES AGAINST BOTH YDIGORAS AND THE REVOLUTIONARY PARTY WITHOUT FRAUD OR GOVERNMENT FAVORITISM. SUCH FRAUD OR FAVORITISM WOULD PROBABLY SPARK RENEWED POPULAR DISORDERS SUCH AS THOSE WHICH LED TO THE ANNULMENT OF THE 20 OCTOBER ELECTIONS.

THE GOVERNMENT OF INTERIM PRESIDENT GUILLERMO FLORES AVENDANO, THOUGH BASICALLY ANTI-COMMUNIST, IS MORE LIBERAL TOWARD LEFTIST ACTIVITY THAN ITS PREDECESSOR. MANY ADHERENTS OF THE FORMER LEFTIST AREVALO AND PRO-COMMUNIST ARBENZ REGIMES WHO SUPPORT THE PR HAVE RETURNED FROM EXILE OR PLAN TO RETURN SOON.

THE PR, WHICH IS INFLUENCED BY COMMUNISTS ENTRENCHED IN ITS LOWER ECHELONS, IS THE COUNTRY'S STRONGEST SINGLE PARTY. ITS

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PAGE TWO R232030Z/11/57 S E C R E T FOR CANADIAN EYES ONLY

C17 F SOURCE OF STRENGTH COMES FROM ITS EMBODIMENT OF THE STILL  
WIDELY POPULAR DEMOCRATIC NATIONALIST, SOCIALIST OBJECTIVES OF THE  
1944 REVOLUTION WHICH OUSTED THE 13-YEAR UBICO DICTATORSHIP. THE  
PR IS WELL FINANCED AND, ACCORDING TO A FAIRLY RELIBLE SOURCE,  
IS BEING CLANDESTINELY SUPPLIED WITH WEAPONS. IF DENIED THE RIGHT  
TO PARTICIPATE IN THE COMING ELECTIONS, IT IS CAPABLE OF CAUSING  
SERIOUS DISTURBANCES.

A GROWING NUMBER OF OFFICERS IS CONVINCED THAT THE ONLY SOLUTION  
IS A MILITARY COUP. THIS WOULD ONLY BE A TEMPORARY SOLUTION AT  
BEST. A MILITARY GOVERNMENT WOULD ALMOST CERTAINLY HAVE TO DEAL  
WITH STRONG POPULAR AND ORGANIZED POLITICAL REACTION AGAINST ANY  
POSTPONEMENT OF THE ELECTIONS. IN ADDITION, THE ARMY IS SO WEAKENED  
BY FACTIONALISM AND LACKING IN COMPETENT LEADERSHIP THAT IT  
PROBABLY COULD NOT RULE EFFECTIVELY FOR LONG.

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western promoters who had been interested in the railroad had asked for a sixty year concession. The Poles had said they would be satisfied with twenty. De Moura's comment was that it is quite obvious that the Poles did not have this kind of money and that they no doubt were acting for the U.S.S.R. He did not mention any specific trade proposals but it was clear he had in mind the possibility of an offer or offers by Iron Curtain countries to take surplus coffee which is accumulating under the Government's price support program. He implied that any concrete offer which would substantially reduce the problem of accumulating coffee stocks would be politically difficult to resist.

5. De Moura also mentioned the propaganda success of the Sputnik operations and was somewhat critical of the American reaction thereto. He even went so far as to suggest that the Americans had been a bit childish in what he described as their refusal to face up to the reality that in certain technical fields the Russians were highly competent.

#### An American Embassy View

6. Some days ago Mr. Côté had a conversation with Eric Wendelin, Counsellor of the U.S. Embassy, in which the latter referred to American fears that the current Communist offensive here might achieve substantial results. Wendelin said that President Kubitschek had given the Americans assurances that Brazil would not establish diplomatic relations with the Soviet Union and that the Communist party would not be legalized again. The Americans felt the President was sincere but, because of his proneness to yield to political pressure, they had doubts as to whether his assurances could be taken at face value and that he might be thinking in terms of the political influence which could be exercised by the Communists in the elections of 1958 and 1960.

7. He went on to say that Brazil was under growing pressure from the U.S.S.R. and the Iron Curtain countries to resume diplomatic relations. Brazilian Ambassadors abroad were being wooed by Iron Curtain country heads of missions. He also referred to growing pressure within the Government here for establishing trade relations with several Iron Curtain countries and he referred also in general terms to offers of investment being made by the Polish Mission here in Rio. The Poles were operating as the trade front while the Czechs were looking after what he called "the local dirty work" for the U.S.S.R.

#### Visits of Brazilian Legislators to the U.S.S.R.

8. During a recent conversation a senior executive of The Light told me that his office had been keeping track of the number of Brazilian politicians who had been officially invited to visit the U.S.S.R. and that during the last eighteen months the list of visitors had grown to some 300. These were drawn mainly from the Federal Congress, from the State Legislatures and from municipal councils. My informant said that in some cases contacts would be made with Brazilians while they were in Europe, and Paris seemed to be the center of this particular activity. In cases of this kind the visitor probably would have paid his own way to Europe but his expenses from Paris to the U.S.S.R. and return would be taken care of by agents of the U.S.S.R. In other cases all expenses were paid to and from Brazil to the U.S.S.R.

9. My informant added that in his view this operation was having a softening-up effect on the individuals involved and that in the long run it could have political consequences. In his conversation with Mr. Côté, Mr. Wendelin also referred to visits of Brazilians to Russia and said that a high proportion of the invitations seemed to be going to the North and Northeast which, as you know, are the poorer areas of Brazil.

#### Communist Cultural Activities

10. Meanwhile Communist participation in local cultural activities is considerable. At a recent international piano festival in Rio which lasted for some weeks, one of the Soviet participants placed second and received a good deal of favourable publicity. In a recent women's international basketball

Tournament a Russian team placed second to the Americans and received a great deal of publicity on the sports pages of the local press. Russian Ballet has also been represented by a group of second stringers from the Bolshoi Theatre which played in Rio and other cities. As you know, football is the national sport here and it was recently announced that the Dynamo team from Moscow would arrive in Brazil on November 20th to play a series of matches with Brazilian teams.

Pressure to Legalize the Local Communist Party

11. Although the Americans tell us that the President has assured them the local Communist Party will not be legalized there are indications that the proposal is being discussed favourably in some quarters. One of the main arguments being used is that Brazilian Communists are Brazilians and that they should have the same political rights as other Brazilians. Prestes, the able and energetic outlawed Communist leader, continues active although in hiding. Articles signed by him continue to appear in the local Communist press. Recently there was a splash of front-page publicity in the Rio press indicating that Prestes was holed up in an apartment in Copacabana which was surrounded by police but within two or three days both police and story had evaporated. We are told that the police are following Prestes' movements but that they have no intention of arresting him for fear of making a martyr out of him.

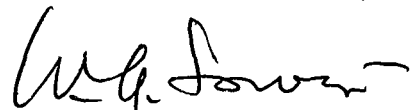
12. During October there was a general strike in the City of São Paulo involving some 400,000 workers seeking a 40% wage increase. In the end the strike was settled by labour court order of a 25% increase and the Communist press made a great play of "labour" leadership having achieved this victory. / At one point during the strike violence developed and struck factory/ properties were damaged. It is interesting to note that the Communists appear to have been embarrassed by the outbreak of violence which would suggest that their current tactic is to try to achieve respectability in the hope that this will help their efforts to secure legal recognition for the party.

Summary

13. The foregoing is not intended to indicate that Brazil is on the immediate eve of recognizing the U.S.S.R. or other Iron Curtain countries which are not represented here ---- and in fact de Moura made it quite clear that any such development in the immediate future was not likely ---- but it does suggest that recognition is a possibility which should be taken into consideration for the longer-run.

14. Those who fear recognition are obviously motivated by the premise, usually not openly admitted, that a country in which somewhere between 40 and 50% of the population is illiterate, a country in which there is an enormous social and economic abyss between privileged and under-privileged classes and in which a high proportion of the population lives in extreme poverty could be a fertile breeding ground for Communism. Therefore, the less contact with the seat of communist power, the better.

15. Meanwhile, current developments suggest that the seat of communist power may be thinking in terms of a major propaganda thrust against the key country of South America.



AMBASSADOR.

DEPARTMENT OF EXTERNAL AFFAIRS, CANADA.

~~NUMBERED LETTER~~ DESPATCH

TO: THE UNDER-SECRETARY OF STATE FOR  
EXTERNAL AFFAIRS, OTTAWA, CANADA.

FROM: THE CANADIAN AMBASSADOR  
RIO DE JANEIRO, BRAZIL

Reference:

Subject: Communist Diplomatic and Trade

Drive in Brazil

Security: CONFIDENTIAL

No: 457

Date: November 14, 1957

Enclosures:

Air or Surface Mail: COURIER

Post File No:

Ottawa File No.

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Concern is developing here in some quarters over the possibility that pressure currently being exercised by the Soviet and satellite countries on Brazil for extension of diplomatic and trade relations with the Iron Curtain area may bear fruit.

2. Last night at dinner at the Residence, Decio de Moura, Secretary-General of Itamaraty told me he was "very worried" about the possible consequences of the current diplomatic and trade offensive in Brazil of Iron Curtain countries. This is taking a variety of forms:

- Offers of trade deals;
- Offers of substantial investment assistance, particularly in the heavy industry field;
- Pressure for diplomatic recognition of the U.S.S.R.;
- Attempts to indoctrinate Brazilian legislators through all expenses-paid tours to the U.S.S.R.;
- Increased cultural activity of Communist countries in a variety of fields;
- Pressure to legalize the local Communist party.

3. As you know the U.S.S.R. has no diplomatic mission here. Poland and Czechoslovakia however are represented by missions headed in each case by a Minister. Yugoslavia has a small mission headed by an ambassador. The Poles and the Czechs appear to be particularly active and their efforts are being supplemented by trade missions from other Iron Curtain countries. Trade missions from Hungary and from Roumania are currently in the country. The latter is headed by Mikhail Ciobanu, a former Roumanian Minister to Brazil who I gather made many friends here during his posting.

4. De Moura told me that the Poles were very active in the trade and investment fields in a number of the principal states. They had made representations in Minas Gerais, in Rio Grande do Sul, and in São Paulo to the effect they had \$300,000,000.00 to invest in Brazil. Specific projects which have been discussed in Minas Gerais include the construction of a steel mill and the building of a new railroad from Itabira in the Minas iron country to the coast.

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REF YOUR XT14. LATEST OCI WRITTEN REPORT 7 NOV FOLLOWS:

LITTLE IF ANY PROGRESS IS BEING MADE BY THE DIVERSE AND ANTAGONISTIC ANTI-COMMUNIST POLITICAL GROUPS IN GUATEMALA TOWARD AGREEING ON A COALITION CANDIDATE FOR THE PRESIDENTIAL ELECTION WHICH WILL PROBABLY BE SET FOR JANUARY. IF THE IMPASSE CONTINUES AND THE GOVERNMENT REMAINS NEUTRAL AS IT HAS PROMISED, THE COMMUNIST-INFILTRATED REVOLUTIONARY PARTY (PR) MIGHT WIN. GOVERNMENT SUPPORT FOR ANY CANDIDATE WOULD PROBABLY SET OFF RENEWED VIOLENCE.

THE PR, WHICH EMERGED FROM THE LATE OCTOBER VIOLENCE AS PROBABLY THE STRONGEST SINGLE PARTY, IS ACTIVELY ORGANIZING FOR THE COMING ELECTION. MANY GUATEMALANS OF DIVERSE POLITICAL CONVICTIONS ARE CONVINCED THAT THE PARTY'S PROBABLE PRESIDENTIAL CANDIDATE, THE LEFTIST BUT NONCOMMUNIST MARIO MENDEZ MONTENEGRO, WOULD WIN THE ELECTION.

COMMUNISTS ARE ACTIVE IN THE LOWER RANKS OF THE PARTY DESPITE REPEATED ASSURANCES FROM ITS LEADERS THAT COMMUNISTS WOULD BE KEPT OUT. THE PRESIDENT OF THE PROCOMMUNIST LAW STUDENTS' ASSOCIATION WAS RECENTLY ADDED TO THE PARTY DIRECTORATE AFTER COMMUNISTS HAD DEMANDED MORE VOICE IN POLICY MAKING, ACCORDING TO ONE SOURCE. ANOTHER SOURCE REPORTS, HOWEVER, THAT THE COMMUNISTS OPPOSE THE PARTY'S ATTEMPT TO GAIN POWER NOW, BELIEVING THAT AN ECONOMIC COLLAPSE, WHICH THEY EXPECT AFTER A YEAR OR SO OF RIGHTIST RULE, WILL PERMIT THE PR AND THE COMMUNISTS TO TAKE CONTROL IN THE WAKE OF A STRONG WAVE OF POPULAR DISCONTENT.

THE PRINCIPAL OBSTACLE TO AN ANTI-COMMUNIST COALITION IS THE DETERMINATION OF RIGHTIST MIGUEL YDIGORAS FUENTES, LEADING OPPOSITION CONTENDER IN THE 20 OCTOBER ELECTION, TO RUN AGAIN. A GROUP OF ARMY OFFICERS WHO DISTRUST YDIGORAS AND REMNANTS OF THE MODERATE PARTIES WHICH BACKED THE LATE PRESIDENT CASTILLO ARMAS ARE ATTEMPTING TO

000036



PAGE TWO

PP 221616Z/11/57

SECRET CANADIAN EYES ONLY

A RE ON A CANDIDATE TO OPPOSE BOTH THE PR AND YDIGORAS.

EVEN IN THIS NARROWED POLITICAL SPECTRUM, HOWEVER, THERE ARE BITTER DIVISIONS AND CONFLICTING AMBITIONS. LEADING PRESIDENTIAL CONTENDERS OF THIS GROUP ARE LT COL JOSE LUIS CRUZ SALAZAR, YOUNG AND AMBITIOUS AMBASSADOR IN WASHINGTON, AND THE 49-YEAR-OLD COL ENRIQUE PERALTA. BOTH HAVE ENEMIES IN THE FACTION-RIDDEN ARMY AND NEITHER IS WIDELY KNOWN TO THE PUBLIC.

IT IS UNLIKELY THAT ANY ANTI-YDIGORAS, ANTI-PR COALITION CANDIDATE COULD WIN THE REQUIRED ABSOLUTE MAJORITY OF VOTES IN THE ELECTION UNLESS HE HAD OBVIOUS SUPPORT FROM THE GOVT. SUCH OFFICIAL FAVORITISM WOULD ALMOST CERTAINLY PROVOKE RENEWED POPULAR DISTURBANCES.

2. OCI ALSO STATES ORALLY THAT EXILED COMMUNISTS ARE RETURNING AND NO EFFECTIVE STEPS ARE BEING TAKEN TO COMBAT THIS. ARBENZ HAS LITTLE INFLUENCE AS COMMUNISTS BELIEVE HIS PERFORMANCE IN PAST SHOWED LACK OF COURAGE. CIA IS CONCERNED OVER STRONG POSSIBILITY THAT PR WILL WIN JAN ELECTIONS. ANOTHER OCI REPORT 31 OCT STATES:

GUATEMALAN COMMUNISTS ARE "DELIGHTED" WITH RECENT DEVELOPMENTS AND NOW ARE OPERATING OPENLY AND WITHOUT RESTRAINT. THEY HAVE ONLY AN ESTIMATED 300 TO 500 PARTY MEMBERS BUT HAVE INFILTRATED THE LEFTIST REVOLUTIONARY PARTY. THIS PARTY, WHICH WAS DENIED PARTICIPATION IN THE 20 OCT ELECTION, HAS EMERGED FROM THE RECENT DISTURBANCES AS PERHAPS THE COUNTRY'S STRONGEST SINGLE POLITICAL GROUP. IT IS ALREADY REPORTED ORGANIZING THE DECISIVE RURAL VOTE IN ANTICIPATION OF THE PROMISED PRESIDENTIAL AND CONGRESSIONAL ELECTIONS, AND MANY OBSERVERS BELIEVE IT WILL WIN THESE. THERE ARE GENUINE LIBERALS IN THE PARTY WHO ARE NOW TRYING TO PURGE THE ORGANIZATION OF COMMUNISTS, BUT THERE ARE OTHERS WHO WORKED WITH THE COMMUNISTS DURING THE PRO-COMMUNIST ARBENZ REGIME.

BT

CFN SECRET CDN EYES ONLY PP 221616Z/11/57 EMBWA TO EXTOT WX48 XT14

OCI 7 OCI 31

000037

DESPATCH

TO: THE SECRETARY OF STATE FOR  
EXTERNAL AFFAIRS, OTTAWA, CANADA.

FROM: Canadian Ambassador,  
Bogotá, Colombia.

Reference: .....

Subject: Soviet Propaganda in Latin America.

Security: RESTRICTED

No: 434

Date: November 12, 1957

Enclosures: .....

Air or Surface Mail: Courier

Post File No: .....

Ottawa File No.	
500 66 - 40	
2 48	75 - 40

References

I was very much impressed first on the occasion of the Youth Festival held in Moscow and later on the occasion of the launching of the first Russian earth satellite, and again on the 7th of November, with the thorough covering of these events by Moscow Radio. I have therefore made an experiment with the short-wave radio I have, and wish to report that on one test evening Radio Moscow broadcast simultaneously on four different wave lengths in the Spanish language, two in English, and one in Russian. All seven broadcasts were easier to pick up and freer of static than any of the Voice of America broadcasts, not to mention the BBC and Radio Canada. Since there is no overt Soviet propaganda permitted in Colombia it is quite obvious that the Russians are using short-wave radio as their principal vehicle. This is a country with a very high proportion of short-wave radio fans and I have no doubt that most of these broadcasts are picked up and listened to.

Internal  
Circulation

*R.A.D. Ford*  
R.A.D. Ford

Distribution  
to Posts

1957 NOV 27 AM 10:56

NO ENCLOSURES

DEPARTMENT OF EXTERNAL AFFAIRS, CANADA

DESPATCH

TO: THE SECRETARY OF STATE FOR  
EXTERNAL AFFAIRS, OTTAWA, CANADA.

FROM: Canadian Ambassador, Bogotá, Colombia.

Reference: My Desp. No. 254 of July 22, 1957.

Subject: Communist Activities in Colombia.

Security: SECRET

No: 402

Date: October 23, 1957.

Enclosures:

Air or Surface Mail: Courier

Post File No: 12-8-1

Ottawa File No.

5 0066 - 40

486 - 40

As mentioned in my despatch under reference, I have been attempting to gather information on this rather illusive subject, illusive because the Communist party is illegal in Colombia and the information I have received has been fragmentary and often contradictory. However, I now have enough information to give you a rough picture of the situation.

2. The Communist Party in the period of the 30's and the war years had become fairly well organized and was gaining rapidly in prestige and membership up until the out-break of violence in April, 1948 following on the assassination of the Left-Wing Liberal Leader Gaitan. We shall probably never know the extent of Gaitan's entanglements with the Communists but there seems little doubt that he was following a line indistinguishable in many ways from that advocated by the Communists. He was probably doing this in an opportunistic way and if he had been elected President, would undoubtedly have toned down his social and economic policies. There was doubt also about the complicity of the Communists in the assassination of Gaitan. The United States Ambassador to Colombia at the time was convinced that it was the Communists who murdered him, but I have yet to see any evidence to prove this assertion.

3. The C.T.C., at that time the principal trade union organization, was also under strong Communist influence and many of its leaders graduated from the union to the Left-Wing faction of the Liberal party. The socialist party was small and divided among itself with regard to tactics, affiliation with the trade unions, and Marxist doctrine. The Soviet Embassy was very large, very active, and very indiscreet. There seems little doubt that it actively encouraged social unrest and provided funds for the Communist party and fellow travelling organizations.

4. As a result of the "Bogotazo" the Communist party was declared illegal and diplomatic relations were severed with the U.S.S.R. Nevertheless the unsettled years which followed and the violent fighting throughout most of the country in what amounted to civil war, provided fertile ground for the Communists. Some of them helped to organize guerrilla bands which took to the mountains and harrassed the government forces. The most famous was under the command of a man called Lister and it is supposed still to be in existence in the most inaccessible region of Tolima.

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Internal  
Circulation

Distribution  
to Posts

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27 NOV 23 PM 2:02

TO: [illegible]  
FROM: [illegible]  
SUBJECT: [illegible]  
[illegible text continues]

NO ENCLOSURES

[illegible text continues]

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11/27/23  
4/5

- 2 -

There is another Communist group in the mountains to the south-west. It would appear, however, that these Communist guerrilla bands were organized largely on an individual basis by leaders with Communist sympathies and there was little if any over-all organization, or outside help. That the Communists would have liked to organize the impoverished and land-hungry peasantry there can be little doubt but their organization was broken up and they were driven under-ground before they had a chance to make much progress.

5. At the present time the Party is still illegal. Its public activities are mostly carried on through front organizations such as the local representatives of the World Peace Committee. The latter has undergone several transmogrifications, as the police broke up the original committee. Nevertheless it managed to organize a group of six Colombians to attend the Youth Festival in Moscow this summer and sent two representatives to the meeting of the executive in Ceylon. The Colombians who attended the latter meeting have apparently stayed on in Europe mostly in the East European satellites.

6. The organization of the Party is still in a fragmentary state. There is a good deal of over-lapping between the work of the cells in various parts of the country. It is not certain how instructions and funds are received from Moscow. The route of messengers seems to be via Rio de Janeiro. One of the few Colombians identified as a go-between is a man called Viera White and his contact seems invariably to be the Brazilian Communist Party. The only Soviet bloc representative in Bogotá is the Consul General of Czechoslovakia. He has played his game very very carefully and the Colombian Security Police have not yet intercepted any communication between him and Colombian communists or between him and Prague which would implicate him as the direct channel of instructions. Nevertheless the Colombian Security Police keep a very close watch on the activities of the Czechs.

7. The Colombian Security Police, the S.I.C., is an organization of reasonable competence by Latin American standards and it has the advantage of having been formed and trained by a mission from Scotland Yard. It still maintains very close relations with the latter and there is a constant exchange of information on the subject of Communist activities. Much of my information comes from the United Kingdom Embassy and I should be grateful if you would protect this source.

8. As I mentioned in my Despatch No. 381 of October 10th describing the visit of the I.C.F.T.U. mission to Colombia, there is a good deal of Communist infiltration into the trade unions at the local level. In view of the impotence of the national headquarters of the trade unions, this is a serious problem. If the economic and political situation should deteriorate and the already low standard of living decline further, we could well be confronted with a dangerous situation.

9. At the present time there are two organs which are believed to be possible Communist front organizations - a weekly paper called Horizons, and a labour bulletin published monthly. Both are cleverly edited but follow the Soviet line on international questions. Mimeographed bulletins carrying such things as important speeches by

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- 3 -

Soviet speakers and edicts of the CPSU are also widely distributed. The S.I.C., suffering from an endemic shortage of trained personnel, has been unable so far to trace the originators of these documents.

10. A word should finally be said about the economic activities of the Soviet bloc. As you know, East Germany and Czechoslovakia had very large exhibits at last year's Bogotá International Fair. Both countries have on several occasions indicated a willingness to barter machinery for coffee but have not been taken up by the Colombian Government. I now understand from the French Ambassador that negotiations have been taking place in Paris between the Colombian and Soviet Embassies for a large purchase of Colombian coffee by the U.S.S.R., presumably again in return for machinery. If the price of coffee should continue to drop this may look very attractive to the Colombians. Such a deal would open the door for the return of the Russians in some form to Colombia, either as technicians to demonstrate their machinery, or at least as sailors in the Soviet ships which would transport the goods.

11. I shall attempt to follow this subject and report any further information which may become available.

  
R.A.D. Ford

American/A.Anderson/kh

cc. Mr. Cole, Mexico.

500 6640

Cross Ref on 79 6729-40

Ottawa, October 7, 1957.

Dear Sir:

I appreciate very much the interest you have shown in sending me, with your letter of September 24, the TIME magazine article on San Miguel Allende. The article itself had already been seen in my department, but it was extremely interesting to read the statement which you enclosed, made by Mr. Fernandez Martinez, former governor of Guanajuato. It would certainly seem that Mr. Fernandez Martinez should be in a position to know the facts.

I can well understand your indignation, but I feel that this is not a matter in which the Canadian Government could take any action. I am sending copies of this correspondence to our Ambassador in Mexico, Mr. D. E. Cole. In normal circumstances he would doubtless have had some comment to offer on the article but, as you perhaps know, the building at Paseo de la Reforma No. 1 was condemned immediately after the earthquake and our Embassy, forced out of its quarters, has been considerably handicapped.

I am,

Yours sincerely,

(S) SIDNEY SMITH

T. E. Brient, Esq., M.B., F.A.C.S.,  
23 Division Street,  
Nelland, Ontario.



# Off for the week end!



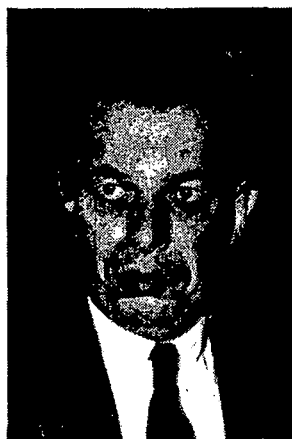
Tossed her bags in the back, settled herself in the driver's seat, and she's off for a week end in the country . . . two glorious days of sunshine, fresh air and lots of things to do . . . just as she planned. A little thing like "time of the month" isn't holding *her* back. She's a Tampax user!

She knows she'll be comfortable\* all through the trip. Tampax is *completely* comfortable when in place. Knows she'll be her usual confident self whatever the week-end activity. Tampax can't "show." Odor can't form. She can shower or tub without removing Tampax. Why, *you'll* find a dozen and one reasons to like Tampax internal sanitary protection. Changing's neat and dainty. Take seconds. Disposal's easy. And Tampax is cool in hot weather. No bulky external pads to chafe and irritate.

Short jaunt or extended holiday, you'll like the compact way Tampax packs into your suitcase. Or, should you forget, stop in wherever drug products are sold and buy Tampax in your choice of 3 absorbencies—Regular, Super, Junior. But go! . . . and have a wonderful time! Canadian Tampax Corporation Limited, Brampton, Ont.



Invented by a doctor—  
now used by millions of women



Acme Photo  
**MALTZ**



N.Y. Daily News  
**MRS. FIELD**  
Pink parties in the parlor.



Associated Press  
**FIELD**

People's Radicals were too split among themselves to assume their hoped-for role of leadership in favor of reform.

But from the labor-union Congress came evidence that Peronista influence is on the wane. When Aramburu & Co. bounced Perón, they also tossed out Peronista labor leaders down to the local level, replacing them with government inter-ventors. In the elections in the locals this year, some of the old Peronistas came back to power, gaining control of the meat, textile and metal workers' unions. But other big groups, notably printers, railroadmen and office workers, remained anti-Peronista. The two factions clashed at the C.G.T. Congress last week, and in the first test of strength—selection of a credentials committee—followers of the ex-dictator took a licking. Anti-Peronistas won 20 out of the 25 seats. If this power alignment holds, the anti-Peronistas can write a strong national constitution for the C.G.T.—and perhaps thereafter help pull Argentina into the second half of the 20th century.

## MEXICO

### Red Haven

Alfred and Martha Stern, ducking extradition to the U.S. for grand-jury questioning about their activities as Communist spies, were gone from their high-walled, Spanish-colonial retreat in Mexico City (TIME, Sept. 2). But still in Mexico is a thriving colony of wealthy expatriates representing every shade in the Communist spectrum, from parlor pink to Moscow Red.

A gathering place for the colony reportedly is the spacious home of Sterling Dickinson, U.S.-born director of art-conscious San Miguel de Allende's biggest art school. A resident of Mexico for 20-odd years, he keeps open house for Communists and fellow travelers. The leading Red-line expatriates:

Frederick Vanderbilt Field, the maverick millionaire who served as a U.S. Communist Party angel for years, was secretary of the Civil Rights Congress bail fund that posted bond for a long procession of U.S. party leaders on trial for Smith Act violations.

Mrs. Anita Boyer Field, Frederick Field's wife, and former wife of McGill University's research chemist Raymond Boyer. Chemist Boyer served 19 months for passing Canadian explosives secrets to the Soviets in 1943-44.

Maurice Halperin, onetime chairman of Boston University's department of Latin American regional studies, who fled to Mexico in 1954 before a scheduled questioning by university authorities. FBI Chief J. Edgar Hoover included Halperin's name with that of Harry Dexter White in a list of suspected Communist agents sent to President Truman in 1945; according to ex-Communist Courier Elizabeth Bentley, Halperin gave her secret documents and party dues when he was employed by the OSS.

Albert Maltz, playwright and novelist, convicted in 1950 along with other members of the "Hollywood Ten" for contempt of Congress, after refusing to tell the House Committee on Un-American Activities whether he was a Communist.

Samuel J. Novick, radar-parts manufacturer during World War II, reportedly sponsor of wartime Atom Spy Arthur Adams as an immigrant to the U.S. and backer of Communist causes and front organizations.

On the fringes of the Communist upper-crust drift several hundred fellow U.S. Communists and fellow travelers of lesser rank. Bearded and beardless, they idle away the hours in avant-garde jazz cellars, drink tequila and loaf. But the top-line expatriates live well. Most of them rent comfortable, well-staffed houses in Mexico City or the flower-splashed resort town of Cuernavaca, talk art in state-ly houses set amid the ancient colonial towers and belfries of San Miguel de Allende. Shying away from publicity, they entertain one another at dinner, avoid noisy nightclubs. They operate businesses (in travel, real estate, even eggs), clip coupons or live on fat inheritances. A few are reportedly involved in genuine cloak-and-dagger plotting under the command of Yuri N. Paparov, who is cultural attaché of the suspiciously oversized (200 staff members) Soviet embassy in Mexico City, and reputedly the working boss of all active Communists in Mexico.

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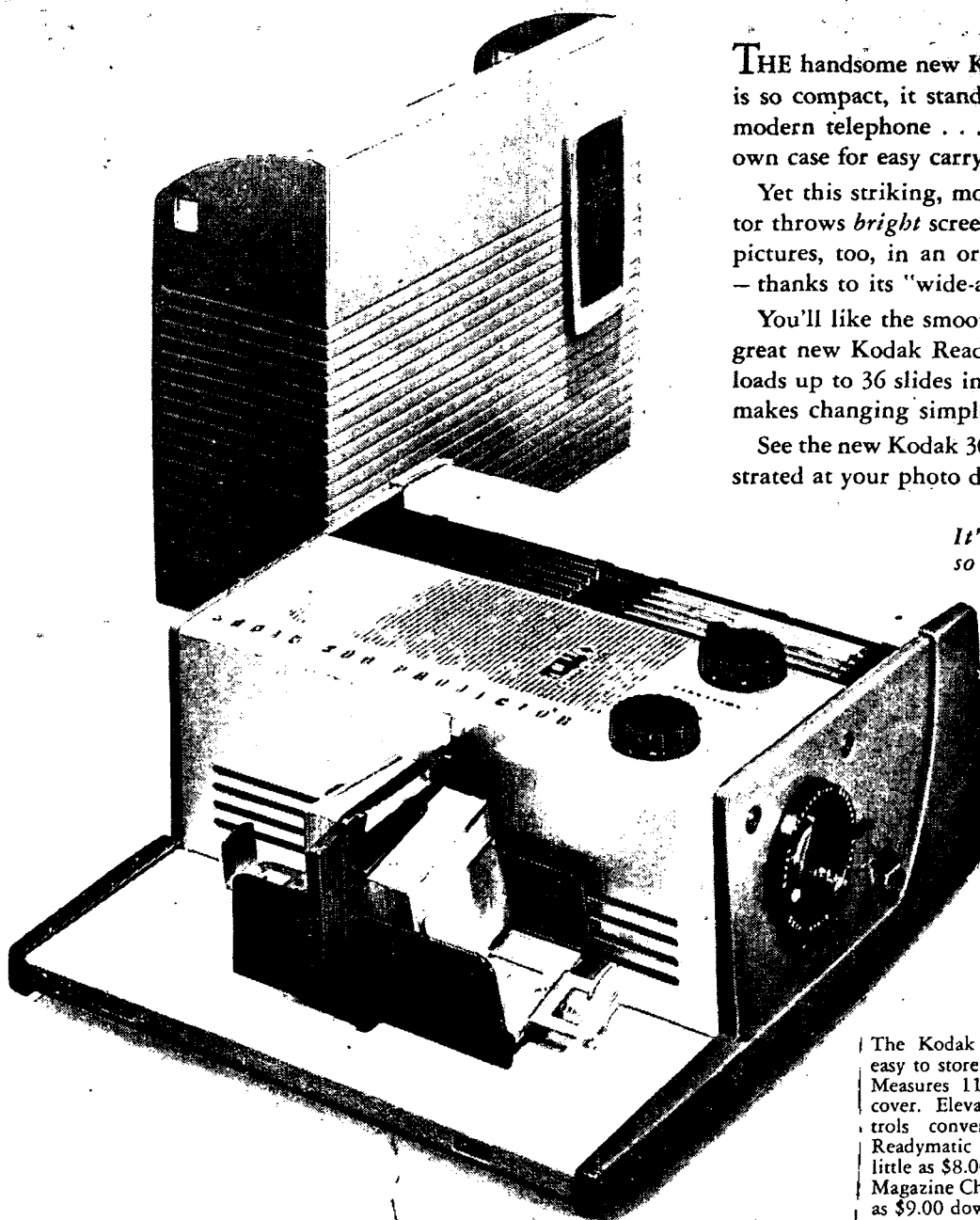
THE handsome new Kodak 300 Projector is so compact, it stands no higher than a modern telephone . . . and closes into its own case for easy carrying.

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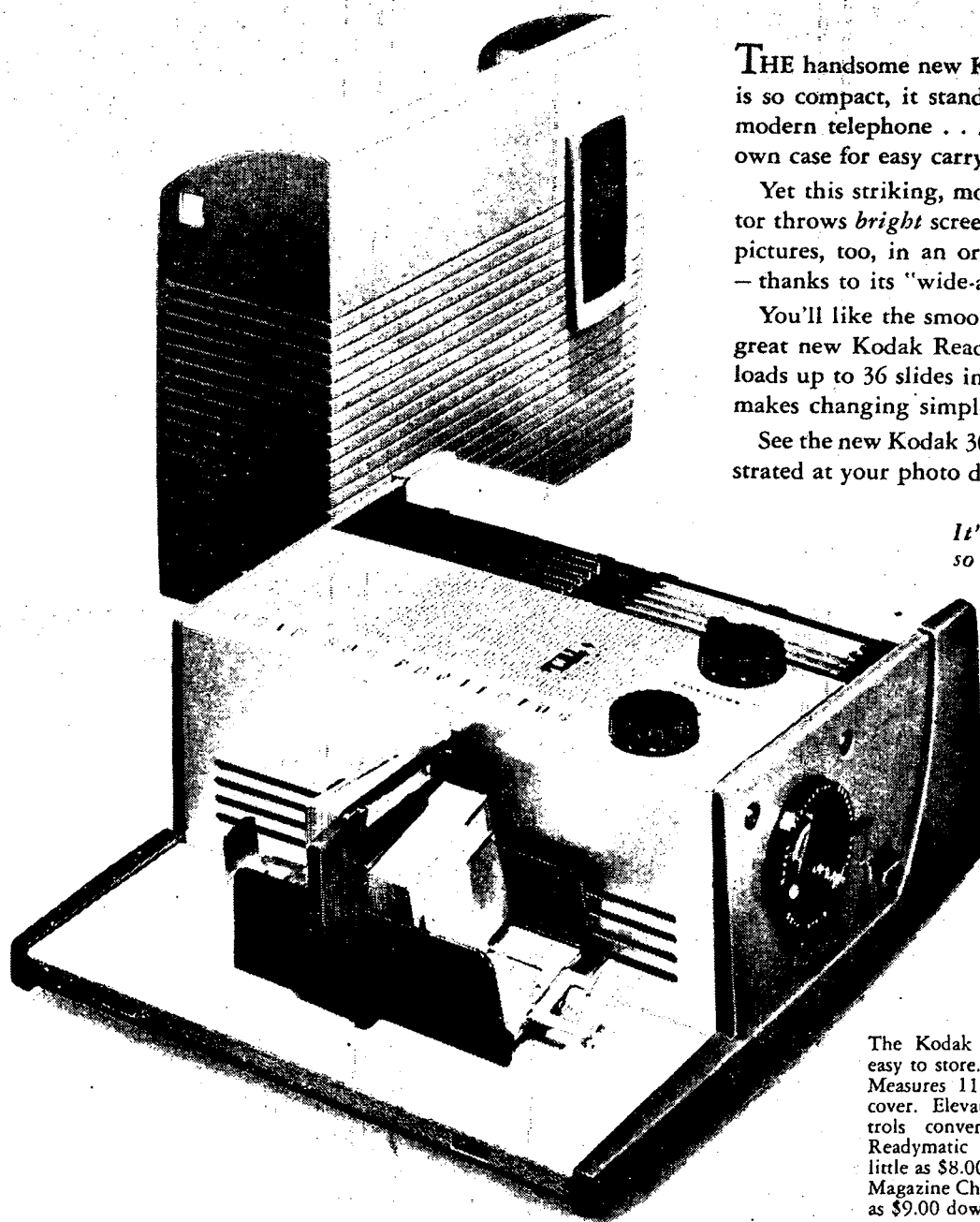
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**Kodak**  
TRADEMARK

T. E. BRIANT, M.B., F.A.C.S.

23 Division St.

WELLAND — ONTARIO

September 24, 1957

The Honourable Sydney Smith,  
Minister of External Affairs,  
Parliament Buildings,  
Ottawa, Ontario.

Dear Sir:

I am taking the liberty of calling to your attention the astonishing and malicious article in Time magazine of September 9th, 1957. In the absence of Ambassador Clay of Mexico, now on vacation, and the relative inexperience of Miss Stock who recently arrived in Mexico, I am referring the material directly to you.

The Canadian edition of Times has been toned down from the original American article, stating that the town of San Miguel is a hot bed of Communism. Many Canadian students obtain scholarships at the Instituto Allende, Canadian painters reside there such as Leonard Brooks and Michael Forster more intimately acquainted with the political section of the foreign colony. I have a house in San Miguel and spend a month or two a year there to avoid hay fever and asthma. I know Mr. Dickinson very well. I have never heard any Communistic ideas expressed by anyone in San Miguel and resent the fact that this article in Time associates the names of known Communists with a reportedly affiliation of Mr. Dickinson as a leader of the Communist party. The article gives the impression that these known Communists visit San Miguel, where as not one of these has been known of being present in the town.

I am enclosing a copy of a statement by Don Enrique Fernandez Martinez who was former governor of the State of Guanajuato and a possible candidate for the presidency of Mexico.

Many Canadians visiting San Miguel and parents of Art students, who have scholarships there, are directly

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BRIANT, M.B., F.A.C.S.

23 DIVISION ST.

WELLAND — ONTARIO

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affected by this irresponsible, hysterical and untrue report of the Time magazine, which I believe merits the attention of your department to prevent dissemination of this type of propaganda in Canada.

Yours truly,

*T. E. Briant*

T. E. Briant, M.B., F.A.C.S.

M.B. - Toronto

Former President of the Welland  
riding of the Conservative Association.

A statement  
addressed to the faculty and students of the Instituto Allende by  
Don Enrique Fernandez Martinez concerning recent press allegations  
of communism in San Miguel de Allende.

By way of preface to his statement, it should be pointed  
out the Mr. Fernandez Martinez is one of the founders, and is now  
president of the Instituto Allende. He was formerly the governor  
of the State of Guanajuata, and is a distinguished public figure.  
In both his private and his public life, he is respected as a man  
of impeccable character and integrity.

---

During the past week or so, several serious and entirely  
unfounded allegations concerning the Instituto Allende, concerning  
its director Mr. Stirling Dickinson, and concerning the city of  
San Miguel itself, were published in the New York Herald-Tribune and  
in TIME magazine. These were likewise reprinted in the Mexican Press.

In essence, these press reports which are without substance  
whatsoever, libelously pictured Mr. Dickinson a mysterious and im-  
portant communist leader. With complete irresponsibility, the articles  
further implied that large numbers of notorious American communists  
and fellow travellers were and are frequently entertained at lavish  
parties at Mr. Dickinson's home. The articles likewise imputed that  
San Miguel de Allende is a headquarters for some of America's richest  
and most active communists who maintain elaborate estates here. The  
articles named individuals whom our city officials and police have no  
records of their ever having been here or lived here.

As the former governor of this state, as president of the  
Instituto, and as a person who has known Mr. Dickinson since 1937  
I wish to say that there is absolutely no truth in these press reports.

As an individual, and as a Mexican, my position regarding  
communism or any system of totalitarian control of free people, is one  
of complete opposition. Here in Mexico our love of liberty and our  
deep respect for the dignity of the individual man permits no harboring  
of totalitarian ideas and doctrines. As a person who is passion-  
ately opposed to such insidious philosophies I would be among the first  
to uncover and to eradicate any such influences were they to appear in  
our community -- and particularly, were they to appear in the Instituto  
Allende.

As I have said, I have known Mr. Dickinson for some twenty  
years. In all this time I have positively never seen or heard anything  
that would remotely lead me to think that he had any communist connect-  
ions or leanings. He is neither a communist nor a fellow traveller,  
as they say. Rather, he is a charitable, much-loved person, whose  
principal interests center around the directing of the art program of  
the school, and his support of the town's champion baseball team.

During his long residence in Mexico, Mr. Dickinson has never  
been involved in any political activities. Nor is he a "little known  
and mysterious person" as the press implied. His record is open to  
view. He comes from a well-known and respected Chicago family, whom I  
know personally. He is a graduate of Princeton, an author of 000050  
books about Mexico and South America, and an artist. During the  
war he served in the U.S. Naval Intelligence and later in the OSS.

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He is well known to members of the American and Canadian embassy staffs for he has served them in many ways as well as having entertained them in his home and here at the Instituto.

Some years ago, when San Miguel celebrated its 400th anniversary, the citizens of this town officially honoured Stirling Dickinson by naming him -- hijo adoptivo predilecto -- that is, adopted son of the city. It was an honour which was also granted to the then president of Mexico, Avila Camacho. How mysterious can a man be when he is publicly honoured in this manner?

Since our feelings, respect and support of Mr. Dickinson have not changed, I assure you that we shall not permit the libelous allegations made by irresponsible newsmen to stand unchallenged. I have wired statements of my position to the American Ambassador Mr. Hill. I have lodged strong protest with the Mexican governmental authorities, and have called for an immediate investigation of San Miguel, of the Instituto, and of Mr. Dickinson, in order to disprove these damaging press reports.

I wish to thank you for hearing me out, and again to reassure you that you can have full confidence in the Instituto Allende, its policies and in the conduct of its director and its faculty. I hope you can wherever possible, explain the truth of these matters to visitors in San Miguel, and to your friends abroad.

San Miguel de Allende,  
September 9th, 1957

**Note:**

The N.Y. Herald Tribune and Time articles aroused tremendous indignation in this conservative and usually placid town. Prominent citizens, the present governor of the State of Guanajuato, representatives of the Catholic church, the mayors of San Miguel for the past sixteen years, bankers, the Lion's Club, Chamber of Commerce and the District Attorney have all made public statements flatly rejecting the press allegations.

Report of an interview granted to Mr. Dickinson by Ambassador Robert Hill on September 9th at 4:45 P.M., an interview which lasted approximately an hour and a quarter.

As the result of this interview, Ambassador Hill authorized Mr. Dickinson to issue to the press a statement quoting him as denying categorically that the United States Embassy ever issued any statements attacking Mr. Dickinson or naming San Miguel de Allende as a center of communist activity.

Mr. Hill stated that he resented very much that an irresponsible reporter using the columns of the New York Herald-Tribune would, by quoting the United States Embassy as one of his sources, jeopardize the cordial relations which he hopes very much to promote as representative here of the United States. He promised a prompt and full investigation of the charges, and stated that he definitely plans to visit San Miguel as soon as possible.

Mr. Hill's statement was carried on the front page of the newspaper "NOVEDADES" on Tuesday, September 10th, and also in the newspaper "EL UNIVERSAL" where it was the headline of the second section. The Associated Press immediately released a full report of the interview to all subscribers in the United States.



DEPARTMENT OF EXTERNAL AFFAIRS, CANADA.

NUMBERED LETTER

TO: THE UNDER-SECRETARY OF STATE FOR  
EXTERNAL AFFAIRS, OTTAWA, CANADA.

FROM: ..The Canadian Embassy, Bogota, .....

Reference: ..Your Letter S-188 of Aug. 16/57.....

Subject: ...Communist Activities in Colombia,....

Security: ....RESTRICTED.....

No: .....333.....

Date: .....Sept. 12, 1957.....

Enclosures: .....

Air or Surface Mail: Courier .....

Post File No: ....10-15.....

Ottawa File No.

50066-40

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References

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Thank you for your letter under reference. Having received your authorisation to give public talks, if invited, on the subject of the U.S.S.R., I took advantage of an official visit to the University of the Andes to address the political science students on the subject of the Soviet Union. I spoke for about half an hour in Spanish and the remaining hour was given over to questions. I was surprised at the knowledge of the students on the subject of developments in Marxist theories and Soviet policy. The University seemed very pleased that I had taken the trouble to talk to the students and the Rector has invited me to give a somewhat similar lecture to the students in the philosophy and economic courses. Since there is a serious social problem here because of the very great poverty, combined with a large number of well educated but relatively under-privileged students, I think it is a useful thing to occasionally give talks of this sort in order to correct the misinformation which is bound to circulate. The Communist party is illegal, but there is still a certain amount of sympathy for Communist ideas, particularly in student and working-class circles.

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R.A.D. Ford,  
Ambassador.

DEPARTMENT OF EXTERNAL AFFAIRS, CANADA.

NUMBERED LETTER

TO: ~~The Canadian Embassy,~~  
..... **BOGOTA, Colombia**.....  
  
FROM: THE UNDER-SECRETARY OF STATE FOR  
EXTERNAL AFFAIRS, OTTAWA, CANADA.  
  
Reference: **Your letter No. 254 of July 22**.....  
Subject: **Proposed Lecture to the National**.....  
..... **University.**.....  
.....

Security: **S E C R E T**.....  
No: **S- 188**.....  
Date: **August 16, 1957**.....  
Enclosures: **---**.....  
Air or Surface Mail: **Air**.....  
Post File No: .....

Ottawa File No.	
<b>50066-40</b>	
<b>11</b>	<b>73</b>

References

We were interested in your account of communism in Colombia, especially in view of the interest which the Soviet Union is now showing in Latin American countries.

2. We see no reason why you should not lecture in the National University.

G. H. SOUTHAM

*fr* Acting Under-Secretary of  
State for External Affairs

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DEPARTMENT OF EXTERNAL AFFAIRS

MEMORANDUM

*h. Roberts*  
*h. Roberts*

TO: DEFENCE LIAISON (2) DIVISION

Security .S.E.C.R.E.T.

Date August 16, 1957

FROM: European Division

File No.		
50066-40		
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REFERENCE: Your memo of August 13.

SUBJECT: Despatch No. 254 of July 22, from Bogota

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I attach for your signature and release, if you agree, a reply to the above despatch.

*Mr. Southern for signature*  
*I do not know why they did not sign it.*  
*Sw.*

*J. Park*

European Division

*DL(21)*  
*Aug 20*

*Ret'd. from DL 2 Aug 20, 5.10 p.m.*  
*Sent to Mail Room for numbering*  
*L. Hyffe*

CIRCULATION

D. L. (2) Div./E.D. Wilgress/rh

DEPARTMENT OF EXTERNAL AFFAIRS

MEMORANDUM

TO: EUROPEAN DIVISION.....

Security .SECRET.....

Date .AUGUST..13,1957.....

FROM: DEFENCE LIAISON (2) DIVISION.....X:

File No.		
50066-40		
12	/	

REFERENCE: Despatch No. 254 of July 22,1957, from Bogota,...  
Columbia.

SUBJECT: Communism in Latin America.....  
*file*  
*pr*

I attach Despatch No. 254 of July 22,1957 from our Ambassador at Bogota, Columbia in which he asks whether or not he should accept an invitation from the National University of Colombia to talk about Soviet Communism, (para.5). As Mr. Ford will presumably wish to discuss Soviet internal and foreign policy, you will doubtless wish to deal with this question. We would be interested to have a copy of your reply and so also I am sure would American Division who referred this Despatch to us.

2. I have sent a copy of this Despatch to the RCMP for their information; as far as we are concerned this is the only circulation of this Despatch required.

*gus*  
DEFENCE LIAISON (2) DIVISION

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*Aug 14*

CIRCULATION

DEPARTMENT OF EXTERNAL AFFAIRS, CANADA.

DESPATCH

TO: THE SECRETARY OF STATE FOR  
EXTERNAL AFFAIRS, OTTAWA, CANADA.

FROM: Canadian Ambassador, Bogotá, Colombia.

Reference: Washington Despatch No. 743 of  
May 29, 1957.

Subject: Communism in Latin America.

Security: SECRET

No: 254

Date: July 22, 1957.

Enclosures:

Air or Surface Mail: Courier

Post File No:

Ottawa File No.

50066-40

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References

Thank you for sending me a copy of the despatch under reference which I read with great interest. I have only a few comments to add.

2. Colombia established diplomatic relations with the U.S.S.R. in 1942, and both countries maintained missions in each other's capital until the violent outbursts in Bogotá in May, 1948. Following the assassination of the left-wing leader, Gaitan, allegedly by the Conservatives, his supporters rose in revolt and were only put down after bitter fighting during which whole districts of central Bogotá were destroyed. (Parts of the old city are still in ruins today in spite of rebuilding). The Colombian Government accused the Communist Party of complicity in the revolt, and the Soviet Embassy, which was very numerous, of aiding and abetting it. Whatever the real explanation, relations were severed and the two diplomatic missions withdrawn.

3. At the present time Colombia has no diplomatic relations with any member of the Soviet bloc. I was told recently by the Secretary-General of the Foreign Ministry that the new government did not intend to change this situation. This also applies to Communist China. The Taiwan government maintains a minister here. The one loop-hole, and that a very small one, is a Consul-General of Czechoslovakia in Bogotá, and a Colombian Consul in Prague. The Communist Party is illegal and is likely to remain so. If it operates underground, I have not been able to obtain any accurate information about it. I shall try to follow this up in a subsequent report.

4. East Germany and Czechoslovakia had large and impressive exhibits at last year's Bogotá Trade Fair, and, I am told, are planning on even bigger efforts this year, if the fair is held. They appear to be the only bloc countries making any appreciable commercial drive here. There are rumours from time to time that they will offer to buy, or barter, large quantities of goods from Colombia, coffee for machinery, and so on. If they make a serious effort to buy coffee they might be able to make an impression, but the Colombians seem wary of bloc trade offers.

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NO ENCLOSURES

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5. I was particularly interested in the remarks in para. 11 of Mr. Ree's letter. I shall certainly do my best to talk about the pit-falls of dealing with the Russians, and satellites, which, I shall find easy as Colombian officials often ask me questions about Eastern Europe. I have also been asked by the National University to talk about Soviet Communism, but have put them off for the time being. I should be grateful for your advice on whether or not I should accept. I imagine the reasons militating against public lectures in Canada do not hold good here, and I would be inclined to accept.



R.A.D. Ford

Ambassador

DEPARTMENT OF EXTERNAL AFFAIRS, CANADA.

NUMBERED LETTER

SECRET

TO: THE UNDER-SECRETARY OF STATE FOR  
EXTERNAL AFFAIRS, OTTAWA, CANADA.

FROM: The Canadian Embassy,  
Washington, D.C.

Reference:.....

Subject: Communism in Latin America - State  
Department Assessment of the Present  
and future Prospects.

Security:.....

No: 743

Date: May 29th, 1957.

Enclosures:.....

Air or Surface Mail: Bag

Post File No:.....

Ottawa File No.

50066-4

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*McDonald*  
J-16

References

National Defence  
CCOS (5)  
T & C  
BoE  
Finance  
VDC (Mr. Guider)  
R.C.M.P.  
Directorate  
J. & B.  
Economic  
D.L. 2  
European  
Far East  
O/U S.E.A.  
A. GUERIN

20/6/57

Internal Circulation

Mr. Cleveland  
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Warsaw  
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Distribution to Posts

All Latin  
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Moscow

Following receipt of your telegram X88, May 22nd we called upon Spencer M. King, Special Assistant to the Assistant Secretary, Bureau of Inter-American Affairs. The appointment was made through William Krieg, Deputy Director of the Bureau of Inter-American Regional Political Affairs, which Bureau is in fact the office of the United States representative to the OAS. Krieg had already spoken to King concerning our interest in this matter and no doubt is responsible for the confidence King showed us in speaking as openly as he did. There was no need for Canadian "counterpart" or "barter" on this occasion.

2. King suggested that 1956 had been marked by a new interest on the part of the Soviet Bloc towards Latin America. He gave January 16th, 1956 as the launching date of this new policy when the review "Vision" published an interview with Marshall Bulganin. The State Department regard this as the first occasion on which a top level Soviet official had expressed public interest in Latin America. According to King, Bulganin's declaration caused a serious stir, but did not have all the results which the Soviets had expected. It nevertheless awakened the Latin Americans to the possibility of some benefits accruing from closer commercial and trade relations with the Soviet Bloc. Bulganin's statement was echoed by the Latin American Communist press in a campaign for "trade with all nations" (underlined, of course, were the USSR and satellites). It was surprising, however, King said that the Soviet Bloc did not immediately jump on the band wagon, although to a certain extent they increased their efforts to establish closer trade relations. It was not the Soviet Union, however, which was the most active, but the satellite countries such as Czechoslovakia, Poland and even East Germany. (East Germany had the best exhibits at the Bogota Trade Fair last year). The impact of this "trade entrance" approach was certainly felt, but the end result did not prove advantageous for two principal reasons. First, the Soviet Bloc, anxious to establish a more permanent basis for its various operations, attempted to have certain Latin American countries, which had previously broken relations, renew diplomatic relations with the Bloc, but these Latin American Governments rejected these blandishments. The second and more important reason was that the countries of the Soviet Bloc did not "follow through" on trade agreements they had signed. In other words, they were unable to meet their commitments so that the Latin American countries accumulated large credits with these various countries from

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which they had to accept unsuitable or unwanted goods. As there was no other solution because of the bilateral nature of these trade agreements, they then had to seek other markets for the required goods. This was not healthy for their already shaky economies.

3. The trade agreements on a bilateral basis with countries of the Soviet Bloc were so unsatisfactory that Brazil, Argentina and Uruguay are now restricting sales to the Bloc in order to reduce their credit and are trying to push their goods on other markets. At the same time, there are indications that they have not lost interest in trading with the Bloc and are seeking multilateral agreements with Soviet Bloc countries under which, by a triangular arrangement, they could procure from one Bloc country goods under commitment but not obtainable from another.

4. King concluded therefore that notwithstanding serious commercial drawbacks, some progress had been made by the Soviet Bloc, and that their multiple activities in this field had produced alarming results in the view of the State Department.

5. King added that certain officials in the State Department had been amazed at the lack of imagination the Soviet Bloc had shown in its effort to saturate the Latin American market. He thought it would be a most serious situation if a more imaginative approach were made, for instance, for the Soviets to undertake to absorb certain surpluses which some Latin Americans cannot use, and then to establish a credit from which they could undertake to develop certain basic industries in Latin Americans such as petroleum exploitation, mining, etc. This not only would give them control over these strategic markets but would also bring substantial numbers of Communist experts within these countries.

6. While speaking of the re-establishment of diplomatic relations between the Soviet Bloc and the Latin American state, King added that this question was proving an embarrassing one for the State Department. It was difficult for the United States, he said, to make recommendations against this practice while virtually every Communist country, except China, was represented in Washington. The question was how, without offending Latin Americans, they could tell them of the dangers of having these numerous listening posts established over all America while they had neither the organization nor the experience to deal with them in an efficient manner and to control their activities. He said that among American officials there was a divergence of opinion as to whether a formal position should be adopted or not. For the moment, however, the official line, whenever approached for advice by a Latin American country, is informally to discourage them from re-establishing direct diplomatic relations.

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7. The Hungarian revolt resulted, in the majority of the Latin American countries, in a violent anti-Soviet reaction. Struck by the impact of Soviet ruthlessness, this reaction flared up to serious proportions in many corners of the continent. In Montevideo, for instance, the consulate general of the USSR was burned to the ground on the night of the celebration of the October revolution. These events resulted in a serious set back for the Soviet Bloc in Latin America, which was reflected in Communist Party membership. King said it was the State Department's opinion that the Communist Party in Latin America had "lost its teeth" and was less important than formerly. Nevertheless certain vulnerable spots remain - for instance, Argentina where the party is said to have grown from 35,000 to 65,000 since the fall of Peron. King added, however, that it was difficult to assess the true value of this increase because it is possible that many new members have been enrolled under duress as had been the case with the Peronista Party. He also endorsed an opinion which has frequently been reported from Buenos Aires by our mission that Peron had created a structure which could easily become Communist-led, and which could still very easily be put to use by the Communists should a viable political regime not be established in a not too distant future.

8. Another vulnerable spot he mentioned is Uruguay. Its Government, because of its difficult economic situation, due to the fact that it cannot find markets for its three main products, considers that there is a need for trade and economic rapprochement with the Soviet Bloc and as reported above, is seeking profitable trade agreements with those countries.

9. A new danger is appearing on the scene in Latin America under the guise of the "red dragon". Communist China is entering the field and although it has so far made only limited progress, its activities have alarmed the State Department to some degree. The State Department is particularly disturbed because of the influence of the Latin American Bloc in the United Nations and the distant possibility of some Latin American pressure developing in favour of Chinese Communist representation in the United Nations. So far, however, there has been little to justify this apprehended danger. The Mexican press, though, has taken some initiative in this direction. The field that Red China has chosen to enter is primarily cultural for the moment. A number of opera companies and folklore groups have circulated rather freely in Chile, Argentina and Uruguay and visas have been granted these various groups even in violation of national laws. In Uruguay, for instance, the government granted visas, although the immigration law forbids the granting of visas to citizens of countries whose governments are not recognized. The Uruguay honorary consul in Hong Kong recently entered Communist China to do some spade work on trade agreements. A Mission of the Bank of China is presently in Montevideo discussing trade possibilities. This same mission will then go to Buenos Aires. There is, according to King, among State Department experts, some who are inclined to believe that Communism coming from Asia may have more influence on Latin Americans because of certain similarities in their problems. There are some reports to indicate that certain Latin Americans are greatly interested in the so-called success of the

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Chinese Land Reform. As a further evidence of Latin American interest in Communist China, King told us that at the Eighth Chinese Congress last fall, representatives from eleven Latin American republics were known to have participated. This is a bigger representation than that which attended the Twentieth Soviet Congress in Moscow.

10. The general appreciation by the State Department, as given to us by King, is that as of today the situation in Latin America is much better than it was last year, but that there is no telling what the future will reveal. There is much to be done if the western countries are to neutralize Communist influence in Latin America. The most important task before us, said King, is to educate the Latin Americans to the awareness of the true meaning of International Communism. The Latin American reflects on Communism only within the narrow context of his internal domestic political life. He regards International Communism with complacency and refuses to link it with the Kremlin. He does not realize that Communist domination would spell the end to his own institutions. (As an illustration of Latin American complacency, King told us of the Bolivian Government accepting for a group of students a four-year scholarship to Czechoslovakia, not realizing that when these students return after four years of indoctrination and possibly as members of the party, they will be fully consecrated to the Communist cause and will form a dangerous nucleus within an already sensitive intelligentsia milieu.)

11. King went on to say that this duty to educate the Latin Americans should be shared by every western country having representatives in Latin America, and in fact he added, Canada could be a great help, in virtue of its geographical position, its relations with Latin America, and its aspirations and ideals, by speaking on anti-Communism not only on its own behalf, but often instead of the United States. Every Time the United States attempts to speak of anti-Communism there is an immediate feeling amongst Latin Americans that the United States wants them to fight its battles and that their sovereignty is threatened. It was King's opinion that advice from Canada at every level: through our embassies, our delegations, at international meetings informally and otherwise, was bound to be better received and therefore would get better results.

*W. A. Rae*  
The Embassy.

Ext. 180 A

OTTAWA FILE

No. 50066 H.

Despatch No. 145

Date May 6, 1957

SECURITY CLASSIFICATION

CONFIDENTIAL

FROM: THE CANADIAN AMBASSADOR, LIMA, PERU.

TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

Reference.....

Subject Third Congress of the "Confederación Interamericana en  
Defensa del Continente".

The Third Congress of the "Confederación Interamericana en Defensa del Continente" was held in Lima from April 9 to 14, attended by delegations from all the Latin-American nations and with fraternal representatives from the Asian People's Anti-Communist League, the National League of Russian Solidarists and individuals purporting to speak for Hungary, Rumania and White Russia.

2. The Confederation, whose financial support seems to come mainly from a group of Mexican businessmen with some help from the Mexican and Argentine Governments, has held two previous Congresses, the first in Mexico City in 1954 and the second in Rio in 1955. The recent third Congress was organized largely through the efforts of Admiral Carlos Penna Botto of Brazil, President of the Confederation; Jorge Prieto Laurens of Mexico, its Secretary General; and Eudocio Ravines, a well-known Peruvian journalist who is now a professional anti-communist, having been at various times during a turbulent career both a Communist and an Aprista. The proceedings of the Congress were presided over by Dr. Luis Alayza y Paz Soldan, a Peruvian author.

3. The purpose of the 1957 meeting, according to Secretary-General Prieto, was to unite all the anti-communist elements in Latin America in an effective body. It also hoped to accomplish something more concrete than did the Rio meeting, when, as one of the delegates pointed out, over 100 resolutions were passed and none implemented. It is unlikely, however, that the resolutions which were passed this time will produce results of much more value than those of Rio. The aim of uniting all the anti-communists of the Continent was probably hopeless from the start, and the Congress has if anything reduced the chances of such a united front.

4. Shortly after the first announcement that the Congress was to take place, a letter from Arturo Jáuregui, Assistant Secretary of the Organización Regional Interamericana de Trabajadores (ORIT) in Mexico City, was published in "Impacto", a leading APRA organ in Lima, describing the Confederation for

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the Defense of the Continent as composed of "elements of doubtful moral solvency" who were "distorting the true antitotalitarian sentiments" of Latin Americans. Jáuregui, who is himself a Peruvian Aprista, claimed that the Confederation had gone out of its way on a number of occasions to attack democratic governments like those of Costa Rica, Mexico and Uruguay and had defended such men as Trujillo, Pérez Jiménez and Odría. The main burden of his attack, however, was on Prieto, whom he charged with having served as a mouthpiece of Odría by trying to identify APRA and Haya de la Torre as tools of Communism. It is true that as recently as last December a release emanating from the Confederation and naming APRA as a communist agency was eagerly snapped up by the conservative Lima press. Jáuregui's letter caused considerable embarrassment to the organizers of the Congress, some at least of whom had hoped to obtain the support of APRA and the Peruvian Labour Confederation and with it some backing from labour and left-wing groups elsewhere. It gave rise to a number of reports that as an earnest of democratic intentions the Dominican delegates would not be admitted and it was of course made much of by the local Communists. In the event all delegates were admitted who presented themselves, and the question of allowing those from the dictatorships to take part was disposed of by a decision not to interfere in the internal affairs of other nations from a Peruvian platform. It was widely agreed at the Congress nevertheless that the dictatorships themselves were a major cause of growing communist strength in the Hemisphere.

5. Unfortunately the incident ended any possible Aprista disposition to take part and led to a condemnation of the Congress by the Peruvian Confederation of Labour. Even so, apart from such delegations as those of the Dominican Republic and Venezuela, which as was to be expected faithfully reflected their rulers' views, the representatives were of varied political coloration. The Cubans, for example, included opponents of Batista; Bolivia had both an official delegation made up of representatives of the governing Movimiento Nacional Revolucionario and an unofficial one of political exiles, mostly members of the Bolivian Falange; and a few trade unionists were in the Mexican delegation. But in the main the anti-communist left stayed away. The only labour representatives from Peru were former Peronist ATLAS members who have turned anti-communist for want of a more convenient label. The situation was not improved when at the closing session on April 14, Pedro Roselló, a Peruvian politician who had helped bring Odría to power in 1948, was elected Vice-President of the Confederation and took the opportunity to reverse his colleagues' previous conclusion on the dictatorships by asserting that "chauvinist and philomarkist" organizations—among which he listed APRA, the Venezuelan Acción Democrática, Justicialism and "Cardenismo" in Mexico—were the greatest allies of communism in Latin America.

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6. The immediate result of this contribution was to reduce the end of the Congress to all the absurdity its opponents had predicted for it. An editorial in "Impacto" reflecting on the career of Roselló and the sources of his views on APRA, in which the tribune of the Congress was described as "nada prestigiosa" drew an immediate challenge to a duel to the editor of "Impacto" from Ernesto de la Fe, a Cuban delegate. De la Fe has a reputation as a duellist but a larger one as an indefatigable publicity-seeker. The flimsiness of the grounds of the challenge eventually obliged de la Fe to accept a statement from "Impacto" which was far from a retraction, and to withdraw the challenge. On this ludicrous note the Congress dispersed.

7. There was one concrete benefit which resulted from the meeting: it drew from President Prado his first unequivocal statement opposing communism internally. Until then, like other Presidents of Peru before him, he had apparently never cared to commit himself publicly against a group long considered potentially useful against APRA. It is perhaps symptomatic of this new attitude that a communist-inspired demonstration at the tomb of José Carlos Mariátegui, founder of the Party in Peru, was suppressed unexpectedly recently and that reports have been circulating of the organization of a special anti-communist section of the police.

8. Against this single positive result must be set the Congress' negative achievements. Its more irresponsible members have done their best to cut it off from any support among the anti-communist left, which, in Peru at least, commands by far the largest popular support of any single political grouping, and probably from most of the labour movement as well. They have brought it into ridicule, and by trying to arrogate to it the credit for the only true anti-communism they have done a disservice to anti-communism in any form. In Peru APRA and the Peruvian Labour Confederation have held aloof, although their attitude as the Congress progressed was rather cool than hostile. They are not of course entirely innocent as charged: both the left-wing of APRA and the CTP are afflicted by sizeable communist or fellow-travelling elements, but a less effective body for their purification than the Confederation for the Defence of the Continent after its performance in Lima could hardly be imagined.


9. Four actions of some interest were taken by the Congress: a call to the Governments of the Americas to break off diplomatic relations with the Soviet Bloc, and thus to remove the danger presented by its missions in their countries; an exhortation to those Governments to refuse asylum to Juan Perón and to Venezuela to expel him; a decision to send a commission of enquiry to Bolivia to settle the dispute between the two rival delegations from that country as to whether the Government of Siles Suazo is Communist-controlled; and a decision to invite Canada and the United States to join the Confederation. A special

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Congress is planned in Buenos Aires for November of this year to hear the commission's report on Bolivia and the fourth regular Congress is to be held in Guatemala early in 1958.

10. The major impression left by the Congress is one of disunity among the groups represented in it, many of which find anti-communism a useful device to serve other and private interests, or are unable to distinguish the trivial from the vital. Delegates came to blows over platitudes or had to lose much time correcting the unfortunate impressions created by their colleagues. Altogether a useful opportunity to demonstrate that to be anti-communist is not necessarily to be reactionary was wasted, largely owing to the activities of those who have helped to create the impression that it is precisely that.

  
Ambassador.

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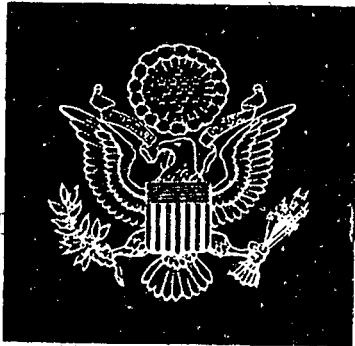
# Intelligence Report

No. 7440

50066-H.  
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TRAVEL BETWEEN LATIN AMERICA  
AND THE SINO-SOVIET BLOC IN 1956

DEPARTMENT OF STATE



Office of Intelligence Research

Prepared by  
Division of Research for  
American Republics  
March 6, 1957

THIS IS AN INTELLIGENCE REPORT AND NOT A STATEMENT OF DEPARTMENTAL POLICY

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This report is based on information available through February 15, 1957

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III. Communist China . . . . .	2
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SELECTED LISTING OF TRAVEL BETWEEN LATIN AMERICA AND THE SINO-SOVIET BLOC IN 1956

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Travel between Latin America and the Sino-Soviet bloc on "cultural", commercial and other missions continued at a high level in 1956, with a sharp increase in bloc missions to Latin America. Sino-Soviet bloc travelers to the area totalled 665-685 (as compared to an estimated 230 in 1955), with more than 50 sports, cultural and similar delegations. Five countries -- Argentina, Brazil, Chile, Colombia, and Uruguay -- received the bulk of the bloc visitors, or about 80% of the total 1,300 appearances of bloc travelers in the 20 countries.

Approximately 500 Latin Americans visited the bloc or attended Communist-sponsored conferences elsewhere in 1956, as compared to an estimated 660 in 1955. The decline in travel to the bloc reflected the fact that there were no meetings such as the 1955 World Youth Festival to draw large delegations. The bulk of travel took place in the second half of the year, about three-quarters of the total, and showed no appreciable decline following events in Hungary.

Latin American travel to the bloc in 1956 is believed to have been financed largely by the host countries or international Communist fronts. While no more than 25 Latin Americans, chiefly Communists and labor leaders, are known to have received any extensive training in the bloc during 1956, other Latin American Communist travelers to the bloc and front conferences probably gained some indoctrination or at least improved morale. (Tables I and II show the estimated travel, including repatriates, between Latin America and the Sino-Soviet Bloc during 1955-1956. See also the selected listing of 1956 travel.)

USSR

Exchanges between the USSR and Latin America reached a high level in 1956, totalling about 350-370 persons. Moscow continued to be the main attraction for Latin American travelers, most of whom used it as a point of departure for tours of the Communist countries. In contrast with previous years a relatively large number of non-Communist Latin Americans of standing visited the USSR. Brazilian (12 members) and Uruguayan (7 members) parliamentary delegations visited the USSR and the satellites in June-August and a group of fifteen Argentine physicians traveled to Moscow en route to Communist China in April. A Brazilian soccer team played in Moscow in June, while a number of Latin American teams were reportedly scheduled or invited to play in the bloc in 1956. Seven groups of Latin American intellectuals and artists, primarily Communist Party members and sympathizers, visited the Soviet Union in 1956.

The 18 Soviet groups visiting Latin America in 1956 included six delegations, of various sizes and totalling about 95 persons, that attended specialized and technical conferences in Mexico, Chile, Brazil

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and Venezuela. The largest was the 50-70 member Soviet delegation to the 20th International Geological Congress in Mexico, Sept. 4-11. A Soviet basketball team (20 members) played in Argentina, Chile, Brazil, and Uruguay. A three-member Soviet artists' delegation, headed by violinist Leonid Kogan, gave a series of concerts in Argentina, Chile and Uruguay in May, while members of a Soviet cultural group that visited Argentina in August also performed in at least six other Latin American countries in succeeding months. Soviet diplomats, especially officials of the Embassy in Mexico City, traveled often in Latin America during the year. (Table III gives estimated travel between the USSR and Latin America in 1956.)

European Satellites

Travel between Latin America and the European satellite countries totalled approximately 850 persons in 1956 (448 to Latin America; 406 to the satellites). Here, too, a relatively large number of non-Communist Latin American travelers of standing was noted, many of whom had previously visited the Soviet Union. Following their visit to the Soviet Union, the Brazilian and Uruguayan parliamentary delegations also traveled to several satellite countries. Sizable Latin American Communist party delegations attended WFTU meetings in June and September-October.

Numbers of official satellite delegations and cultural and sports groups visited Latin America during the year, including Czech, Polish, and/or Hungarian (also Yugoslav) delegations to presidential inaugurations in Brazil, Bolivia, Ecuador, Panama, and Peru. The 50-member Czech Lucnica folklore group and a 36-member Czech soccer team toured Argentina, Brazil, Chile, and Uruguay in July-October. Of the approximately 200 commercial representatives and technicians visiting Latin America from all bloc countries (except Albania), about 150 were East German and Czech officials attending trade exhibits in Bogota and Montevideo in November-December. (Table IV gives estimated travel between Latin America and the satellites in 1956.)

A very active bloc repatriation campaign resulted in the return from Latin America of approximately 3,700 East European repatriates (as compared with an estimated 370 in 1955). Most of these repatriates came from Argentina and Uruguay, and while the largest number left in March-June small groups were reported departing on regular passenger liners for Europe in later months.

Communist China

Communist China made a striking effort to develop ties with Latin America through the visit of the 90-odd member Peiping Opera group to Chile, Uruguay, Brazil, and Argentina in the period August-October. The Opera, complete with songs, dances, musical instruments, juggling and gymnastics, gave 58 performances during its South American tour, according to Radio Peiping. In Santiago high officials of the Chilean

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Government and other dignitaries attended the opening night, while a round of social entertainment was provided for the troupe by various local cultural societies and leaders. In Montevideo, the Opera group was equally well received. The Brazilian Foreign Office, under pressure from influential political and intellectual circles, reversed an earlier decision not to grant visas to the group, and it appeared in Rio and São Paulo. The opening night of the Opera at the Rio Municipal Theater was attended by a number of high Brazilian Government personalities, including the President's wife, the Foreign Minister, the Chief of the President's Civil Household, and the Prefect of Rio. The President's wife sponsored a performance of the Opera for a social welfare organization of which she is a patroness. The performances of the troupe in Rio received what The New York Times called "rave" notices, and probably contributed to the reversal of the Argentine Government's original decision to deny visas to the Peiping Opera. Performances in Buenos Aires in October were also very favorably received. Reported arrangements for the troupe to visit Venezuela and Mexico failed to materialize, as the governments of those countries refused to issue visas for the Opera group.

Further evidence of Communist China's interest in Latin America was the remarkable increase in the number of Latin American visitors, a total of 141, to that country, in 1956. Premier Chou En-lai and other top Chinese Communist officials surpassed Soviet leaders in the number of interviews granted visiting delegations and in making bids for closer diplomatic commercial and other relations with Latin America. At the Eighth National Congress of the Chinese Communist Party in Peiping, September 15-27, more Latin American Communist parties were represented with more delegates in attendance than at the Twentieth Congress of the Communist Party of the Soviet Union in Moscow, February 14-25. The most prominent non-Communist delegations visiting Communist China included two separate Brazilian parliamentary delegations in June and December and a group of fifteen Argentine physicians (including a few Communist sympathizers) that toured the country at the invitation of the Chinese Medical Association in April-May. Of interest also was the travel of approximately 5 Mexican newspaper reporters to Communist China during the year, several of whom had long interviews with high government officials. The Mexican newspaper Excelsior carried a series of reports on Communist China and the Soviet Union in May written by a traveling reporter. Commercial contacts were minor. The visits of two Uruguayan commercial representatives to Communist China were noted in 1956. A three-man Chinese Communist trade delegation visited Brazil in September but reportedly failed to negotiate any agreement. (Table V gives estimated travel between Latin America and Communist China in 1956)

### Labor Participation

Participation of Latin American labor leaders and workers, Communist and non-Communist, in travel to the bloc represented about 15 percent of such travel, involving about 80 persons. Of these 15 attended the

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WFTU General Council (8th Session) and the CTAL Executive Secretariat meeting in Sofia, September-October. Some few received extended indoctrination, probably including specialized labor training courses. Travel of Soviet bloc labor representatives to Latin America, more extensive than in the past, reflected the generally increased bloc representation in the area.

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SELECTED LISTING OF TRAVEL BETWEEN LATIN AMERICA AND THE SINO-SOVIET BLOC IN 1961

1. Latin America to the Bloc

Mexican National Institute of Fine Arts professor Marco Arturo, painter Ignacio Aguirre, and art critic and journalist Antonio Rodríguez arrived January 20 to participate in a Mexican art exhibit in Brno, according to the Prague press. The exhibit subsequently toured Poland, Bulgaria, East Germany, and Communist China.

The following ten Latin American countries were represented by at least 17 Communist party delegates at the Twentieth Congress of the Communist Party of the Soviet Union, February 14-25: Argentina (3), Brazil (2), Chile (2), Colombia (1), Costa Rica (1), Mexico (3), Uruguay (3); Bolivia, Cuba, and Venezuela by at least one delegate each. Delegates traveled extensively throughout the bloc following the Congress.

Argentine businessman and member of the Directing Commission of the Communist trade front Comisión Argentina pro Fomento del Intercambio (CAFI) Jeremias E. Milchberg represented CAFI at the Leipzig Fair, scheduled for February 26-March 8. An official of the Argentine Embassy in Moscow, Dr. Juan Dardalla, reportedly represented the Argentine Government at the Fair.

An Uruguayan delegation to the Leipzig Fair was headed by Mameel Fariffa, Uruguayan commercial agent in Poland and East Germany. Fariffa, who traveled to Communist China in mid-April and was reported in East Germany in June, held talks with high government officials of the bloc countries concerning the promotion of Uruguayan trade.

Three Chilean students arrived in Pyongyang on March 30, according to local radio broadcasts, to visit North Korean educational and cultural establishments and industrial sites.

Dr. Benito Marianetti, a Communist Party (PCA) member from Mendoza, reportedly returned to Argentina in early April after a three months visit to the Soviet Union.

Seven Latin American countries, Argentina, Brazil, Chile, Colombia, Cuba, Mexico, and Uruguay, were represented by 21 delegates at an extra session of the World Peace Council in Stockholm, April 5-9. Members of the Brazilian delegation subsequently traveled to Moscow at the invitation of the Soviet Committee for the Defense of Peace and to Communist China at the invitation of the China Peace Committee.

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A representative of the Uruguayan wool firm SADIL (Sociedad Anónima de Industrias Laneras) traveled to Peiping in mid-April and again in November to negotiate the sale of Uruguayan wool.

Mexican Communist painter Diego Rivera returned to Mexico on April 4 after a stay of seven and a half months in the bloc, including the Soviet Union.

Fifteen Argentine physicians, several of them Communist Party members, left Argentina on April 10 en route to Prague, Moscow, and Peiping. They spent a month in Communist China at the invitation of the Chinese Medical Association.

The wife of the Secretary General of the Mexican Communist Party and Brazilian Communist Party (PCB) leader Branca Fialho attended a meeting of the Council of the Women's International Democratic Federation (WIDF) in Peiping, April 24-29.

A group of 10 Argentine intellectuals and "Partisans of the Peace" spent three weeks in the Soviet Union at the invitation of VOKS in April. Six members of the group, including two physicians, subsequently traveled to Communist China in May.

At least 16 Latin American Communists and labor leaders from Argentina, Chile, and Mexico reportedly attended May Day ceremonies in Peiping and Moscow at the invitation of the Chinese Communist and Soviet governments.

The influential Mexican conservative newspaper Excelsior carried a series of special reports on Communist China and the Soviet Union written by its traveling correspondent Hugo Latorre Cabal (Colombian), who visited these countries during May-July. He had long interviews with prominent Communist leaders, including Premier Chou-En-lai, and Premier Bulganin.

Argentine guitarist María Luisa Anido arrived in Moscow on May 9 for a concert tour sponsored by the Soviet Ministry of Culture, according to Pravda.

A twelve-member Brazilian Chamber of Deputies group touring the bloc, visited the Soviet Union in May. Five of the group subsequently went to Communist China. Two Brazilian Senators also visited the bloc and the Soviet Union in May.

An Uruguayan "cultural" delegation, consisting of SODRE (official Uruguayan radio and cultural organization) Director Hector Laborde, singer Virginia Castro, pianist Nybia Marina

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Bellini, and director Carlos Estrada, visited Czechoslovakia and the Soviet Union in April-May.

A group of three Argentine, eighteen Brazilian and eleven Chilean lawyers and their wives, several of them Communist party members or sympathizers visited the Soviet Union and Communist China in June-July. Two of the Brazilian lawyers also visited North Korea during July, according to Radio Pyongyang.

The following six Latin American countries were reportedly represented at the International Conference of Journalists in Helsinki, June 10-15: Bolivia (1), Brazil (35), Chile (3), Mexico (9), Ecuador (1), and Uruguay (1). The Chilean delegation reportedly visited Communist China and the Soviet Union following the conference. Several Brazilian delegates and Bolivian, Peruvian and Uruguayan journalists reportedly traveled to Communist China in July, where they were offered a reception by the Chinese Association of Journalists attended by Premier Chou-En-lai and Vice-Premier Chen Yi. The following members of the Mexican delegation also visited Communist China in July: Novedades (moderate, pro-US) reporter Edmundo Valades, La Voz de Mexico (Communist) managing editor and PCM member Gerardo Unzueta, and Siempre (frequently pro-Communist magazine) special correspondent Genaro Carnero Chéca (Peruvian Communist).

Represented at the International Conference of Working Women in Budapest, June 14-17, the following five Latin American countries: Argentina (12), Brazil (2), Costa Rica (2), Mexico (8), and Uruguay (7).

Three Chilean journalists were reportedly invited in June to visit Rumania under the auspices of the Chilean-Rumanian Cultural Institute: Pedro Gajardo of La Nación, Hernán Millas of Ercilla, and Ignacio Carranza of Ultimas Noticias.

Argentina, one of four Latin American countries with exhibits at the 25th International Poznan Fair, June 17-July 1, was represented by CAFI members Mones Herz Minces and Raul Soifer. Brazil, Mexico, and Paraguay were also represented.

A five-member delegation of Uruguayan textile workers reportedly visited the Soviet Union in late June.

Chilean labor leader Diaz Muñoz returned from the Soviet Union in July, where he had undergone successful surgery to restore his eyesight, according to Communist newspaper El Siglo.

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Domingo Piga, state director of the Teatro Experimental of the University of Chile, and Humberto Mewes Bruna, president of the Chilean-Rumanian Cultural Center (CCRC), reportedly visited Rumania in July.

A seven-member Uruguayan parliamentary delegation visited the Soviet Union and Czechoslovakia, July 31-August 20.

The following eight Latin American countries were reportedly represented at the Fourth World Student Congress in Prague, August 26-September 4: Bolivia (1), Brazil (5), Chile (6), Cuba (2), Ecuador (8), El Salvador (1), Mexico (4), and Uruguay (3).

The following Latin American countries were reportedly represented at the Eighth Session of the WFTU General Council and a CTAL Central Committee meeting in Sofia, September 27-October 4: Brazil (2), Chile (2), Costa Rica (1), Cuba (2), Mexico (5), Panama (1), Peru (1), and Uruguay (1).

An Uruguayan commercial delegation, headed by Uruguayan Ambassador to Bonn Carlos A. Chulow, traveled to Czechoslovakia and the Soviet Union in October, according to Radio Prague and Radio Moscow.

The Belo Horizonte soccer team, América, played in Poland in early October, according to Brazilian Communist newspaper Imprensa Popular.

A Brazilian railroad workers union delegation visited Stalingrad and Moscow at the invitation of the Soviet Railroad Workers Union Central Committee, according to the Bolivian and Chilean Communist press.

A group of thirteen members of the Lithuanian colony in Uruguay and two others from Argentina reportedly made a 30-day all-expenses-paid trip to Moscow and Lithuania in November-December, at the invitation of Lithuanian unions.

The following members of the Brazilian delegation to the 45th Conference of the Inter-Parliamentary Union (IPU) in Bangkok, November 12-23, and their wives, reportedly traveled to Communist China on November 28, at the invitation of the Chinese People's Institute of Foreign Affairs: Federal Senator and frequent pro-Communist Domingos Netto de Vellasco (Brazilian Socialist Party - PSB), Federal Deputies Paschoal Ranieri Mazzilli (Social Democratic Party - PSD), Francisco Saturnino Braga (PSD), and Emilio Carlos Kyrillos (National Labor Party - PTN).

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Brazilian sculptress Maria Martins arrived in Peiping on December 4, at the invitation of the Chinese People's Institute of Foreign Affairs.

2. Sino-Soviet Bloc to Latin America

The following Polish and Czech delegations attended the inauguration of Brazilian President Kubitschek on January 31: Wacław Barcikowski, Vice Chairman of the Polish Council of State, First Chairman of the Supreme Court, and head of Polish delegation; Czesław Bajer, Polish Vice Minister of Foreign Trade; Euzebiusz Dworkin, head of the Latin American section of the Polish Ministry of Foreign Affairs; Wacław Frankowski, Polish Minister to Brazil; Ladislav Stoll, Minister of Culture and head of the Czech delegation; József Válo, Vice Chairman of the Czech National Assembly; Miloslav Hruza, head of the Latin American section of the Czech Ministry of Foreign Affairs; and Jaroslav Kuchvalek, Czech Minister to Brazil.

Soviet cinema director Gregori V. Aleksandrov traveled to Mexico to present the Stalin Peace Prize to former Mexican President Lázaro Cárdenas on February 26.

A delegation from the Union of Czech Composers, including Dr. Josef Burianek, director of the Czech Radio in Brno, and Dr. Teodor Hirner, secretary of the Union of Slovak Composers, traveled to Mexico to attend a Mexican Music Congress, according to the Czech press.

Soviet Ambassador to Mexico Anatoli Kulazhenkov and two subordinates visited Argentina, Bolivia, Ecuador and Peru, February 28-March 11.

A Soviet textile workers delegation, which arrived in Montevideo on March 2 at the invitation of the Secretary General of the Uruguayan Communist-dominated Textile Workers Union (UOT), included: Aleksandra Novikova, head of the delegation and Secretary of the Central Committee of the Union of Workers of the Consumers Goods Industries; Victor Froteev, textile engineer; Mikhail Kapralov, worker innovator; and Vadim Kochergin, interpreter.

A three-member Soviet artists' delegation, headed by violinist Leonid Kogan, gave a series of concerts in Argentina, Chile, and Uruguay in May.

A Soviet basketball team (20 members) played in Argentina, Chile, Brazil and Uruguay during June.

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Czech Minister to Argentina Vladimir Pavlicek and Czech Chargé in Lima Josef Rutta attended the Peruvian presidential inauguration, July 28.

The Czech Janacek Quartet gave a series of performances in Montevideo in early July, according to Communist newspaper Justicia.

A 50-member Czech soccer team played in Argentina, Chile, Brazil, and Uruguay during July-October.

Some of an eight-member Soviet artists, scientific, and cultural delegation that visited Argentina in August also traveled to at least six other Latin American countries in succeeding months.

The following bloc delegations reportedly attended the Fourth National Congress of the Communist-dominated General Union of Workers (UGT) in Montevideo, September 5-9: Soviet Union (3), Rumania (2), Czechoslovakia (1), Communist China (1).

The following bloc delegations reportedly attended the 20th International Geological Congress in Mexico City, September 4-11: Soviet Union (50-70), East Germany (8), Czechoslovakia (5), Hungary (4), Poland (4), Rumania (3), and Bulgaria (2).

The 90-odd member Peiping Opera troupe performed in Chile in August, in Uruguay and Brazil in September, and in Argentina in October.

A three-member Chinese Communist trade delegation spent about ten days in Brazil in mid-September.

Approximately 50 Czech commercial representatives and technicians attended the Czech Industrial Exposition in Montevideo, November 4-26.

Czech and East German technicians and trade specialists participating in the Bogota International Trade Fair, November 23-December 9, reportedly numbered almost 100.

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TABLE I

Travel Between Latin America and the Sino-Soviet Bloc, 1955-1956

	1955	1956	Jan.-June 1956	July-Dec. 1956
Latin Americans to the bloc and Communist-sponsored conferences	660	490-510	160-170	330-340
Bloc representatives to Latin America	230	665-685	120	545-565
Total	890	1155-1195	280-290	875-905

Repatriates	370	3,720	2,500	1,220
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TABLE II

Travel Between Latin America and the Sino-Soviet Bloc in 1956, by Country

	Travel to bloc	*Bloc travel to LA country	LA commercial travelers to bloc	*Bloc commercial travelers to LA countries	LA labor leaders and workers to the bloc
Argentina	74	223	13	16	12
Bolivia	14	10	2	2	—
Brazil	130-150	266	9	43	11
Chile	66	156	2	20	9
Colombia	4	118	—	118	—
Costa Rica	12	14	—	9	3
Cuba	8	27	—	9	2
Dominican Republic	1	1	—	1	—
Ecuador	20	14	2	4	—
Guatemala	5	7	—	—	3
El Salvador	2	2	1	2	—
Haiti	—	5	—	5	—
Honduras	2	6	—	5	—
Mexico	80	80-100	3	15	14
Nicaragua	—	9	—	9	—
Panama	3	9	—	9	1
Paraguay	2	4	—	4	—

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TABLE II (Continued)

	Travel to bloc	*Bloc travel to LA country	LA commercial travelers to bloc	*Bloc commercial travelers to LA countries	LA labor leaders and workers to the bloc
Peru	6	15	--	8	4
Uruguay	63	287	5	55	19
Venezuela	3	15	--	6	--
Total	495-515	1298-1318	37	340	78

\* Includes travelers visiting more than one Latin American country.



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TABLE III

Travel Between the Soviet Union and L. A. in 1950

	LA to USSR	USSR to LA
Totals	229	122-142
Argentina	41	38
Bolivia	5	3
Brazil	69	32
Chile	27	27
Colombia	1	—
Costa Rica	3	3
Cuba	1	1
Dominican Republic	—	—
Ecuador	—	5
El Salvador	—	—
Guatemala	—	—
Haiti	—	—
Honduras	—	—
Mexico	24	60-80
Nicaraguay	—	—
Panama	2	—
Paraguay	—	—

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TABLE III (Continued)

Travel Between the Soviet Union and L.A. in 1950

	LA to USSR	USSR to LA
Peru	5	7
Uruguay	50	27
Venezuela	1	3
Totals	229	206-226*

\* Signifies total Soviet appearances in Latin America is contrasted with total Soviet travel to Latin America. Also, does not include figures on repatriates returning to the Soviet Union (See Table I).

TABLE IV

## Travel Between Latin America and the European Satellites in 1956\*

(Including travel between Latin America and Yugoslavia, and Latin American travel to Communist front conferences in Europe)

	LA to Satellites	Satellites to LA
Totals	406	448
Argentina	55	106
Bolivia	8	9
Brazil	154	137
Chile	44	110
Colombia	3	124
Costa Rica	7	15
Cuba	7	24
Dominican Republic	—	1
Ecuador	20	15
El Salvador	1	2
Guatemala	2	5
Haiti	—	5
Honduras	—	6
Mexico	62	56
Nicaragua	—	17
Panama	2	9
Paraguay	1	4

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TABLE IV (Continued)

Travel Between Latin America and the European Satellites in 1956\*

(Including travel between Latin America and Yugoslavia, and Latin American travel to Communist front conferences in Europe)

	LA to Satellites	Satellites to LA
Peru	5	11
Uruguay	32	161
Venezuela	3	14
Totals	406	831*

\* Signifies total Soviet satellite travel in Latin America as contrasted with total Soviet Satellite travel to Latin America.

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TABLE V

Travel Between Communist China and Latin America  
in 1956

	LA to Communist China	Communist China to LA
Totals	141	98
Argentina	34	90
Bolivia	2	---
Brazil	43	93
Chile	24	90
Colombia	---	---
Costa Rica	4	---
Cuba	2	---
Dominican Republic	---	---
Ecuador	2	---
El Salvador	---	---
Guatemala	1	---
Haiti	---	---
Honduras	---	---
Mexico	16	4
Nicaragua	---	---
Panama	---	---
Paraguay	1	---

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TABLE V (Continued)

Travel Between Communist China and Latin America  
in 1956

	LA to Communist China	Communist China to LA
Peru	6	---
Uruguay	6	91
Venezuela	---	---
Total	141	368*

\* Signifies total Chinese Communist appearances in Latin America as contrasted with total Chinese Communist travel to Latin America.

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D. L. (2)/E. D. Wilgress/meh

TRANSLATION BUREAU

September 2

DEFENCE LIAISON (2) DIVISION

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Translation of Article in "Vision"

Done  
meh  
28/9/66

I am attaching a copy of the Latin American news magazine "Vision" and should be glad if you could let me have a translation of the article "Comunismo: otra tactica, pero el mismo objetivo" appearing on Pages 22-24, which I have flagged for your convenience.

(Signed) G. G. CREAN.

Defence Liaison (2) Division.

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DEPARTMENT OF EXTERNAL AFFAIRS

MEMORANDUM

TO: ..... DEFENCE LIAISON (2) DIVISION .....

Security .....

Date ..... September 27, 1956 .....

FROM: ..... American Division/A. Anderson/nk .....

File No.

50066-40

REFERENCE: .....

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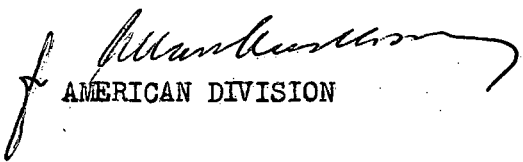
1

SUBJECT: ..... Attached copy of "Vision" .....

The Latin American news magazine Vision is received regularly in this division. It is usually well-informed, and I undertook some little time ago (with Mr. Williamson) to let you know of any article that seemed interesting.

2. In the edition of September 28, pages 22 to 24, there is an article which purports to be a resume of a report made "behind closed doors" by Allen Dulles, head of the C.I.A., on communist objectives. The principal theme is that the communists are finding that their best route is by penetrating the parliamentary machinery of the democratic governments.

3. You may wish to have this put into English by the Translation Bureau. I should be glad to have the magazine returned to me in due course.

  
AMERICAN DIVISION



*File*

DEFENCE LIAISON (2) DIVISION

RESTRICTED

Attention Mr. K. B. Williamson

May 25, 1956

American Division/A. Anderson/nk

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Following are unofficial translations of three or four paragraphs from the current issue of Vision, May 25, which may be of interest:

1. Some Argentine diplomats are saying that it is "possible the Communist Party may be declared illegal in their country. The party had no strength during the Peron regime but is now converting itself into the "Sinners' Refuge" of the descamisados. The aim is to establish a united front with the Socialist Party and obtain control of the C.G.T. (General Confederation of Labour), the labour group which is the backbone of peronism.
2. Important changes in the Chilean Communist Party are about to take place. Although the present leadership under Secretary General Galo Gonzalez adopted itself immediately to the anti-Stalin line, there is no confidence in the present leaders. The former Secretary General, Carlos Contreras Labarca, is in Moscow and will bring the new instructions of the Kremlin. The plan is to reorganize a popular front like that of 1938, but with a wider scope and trying to obtain the support of "Social Christian Catholic groups".
3. Secret reports of various Western military attaches stationed in Iron Curtain countries predict that within

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some five months there will be a violent clash between the army of Marshal Zhukov and the state police of General Serov in Russia. The object of the journeys of Bulganin and Khrushchev abroad was to consolidate their prestige in order to maintain themselves as arbitrators of the situation.

4. In a recent editorial, the newspaper La Nacion of Santiago, Chile, expresses its viewpoint on the Russian interest in trading with Latin America. "The reason is simple: Latin America is made up of a group of nations of weak economy generally based on one exportable product". The editorial writer maintains that it would be easy for Russia to buy for some years and then, at the right moment, to cut its imports so as to produce an economic chaos which would facilitate communist penetration.

A. ANDERSON

AMERICAN DIVISION

EXCERPT FROM THE CANADIAN TRIBUNE, JANUARY 30, 1956.

### LATIN-AMERICAN PEOPLE ON THE MOVE

Lessened world tension opens great prospects to the peoples of Latin America. The struggle for independence for sovereignty and for democratic rights gains momentum despite intensified problems.

Countries like Brazil, Argentina and Chile are plagued by instability and inflation; but the peoples' struggle is reaching new heights in the face of increased pressure from pro-U.S. elements seeking to establish out-and-out dictatorships. In Mexico, the sharp rise in the cost of living, and the drive by U.S. firms to seize control of the rich base metal deposits, are bringing nationwide protest on a growing scale.

#### Advance in Brazil

Perhaps the most significant event of the past year was the success of the democratic forces in Brazil, largest Latin American republic. The October elections brought victory to Juscelino Kubitschek and Joao Goulart as President and vice-President, supported by Brazil's powerful but illegal Communist Party.

Attempts to prevent Kubitschek and Goulart from taking office are being blocked by a growing democratic unity; such advances in the country where the famous Communist leader and national hero Luiz Carlos Prestes has enormous prestige, will affect all Latin America.

The Argentine last year saw the overthrow and exile of Juan Peron, nationalist dictator caught in the insoluble contradiction between the interests of the people of his country and those of the big U.S. monopolies. Distrusted by Wall Street in spite of his readiness to do business with them, distrusted by the people as the facts of his deals came out, the Peron government lost its popular base and was overthrown by a right-wing coup.

Peron's successor, Lonardi, was ousted in his turn by the Aramburu government which still clings unsteadily to power but under mounting attack against its dictatorial measures, mass arrests and failure to grapple with inflation and the rising cost of living.

#### Chilean Masses Fight Back

In Chile where the economy is dominated by the U.S. copper monopolies (Anaconda and Kennecott) President Ibanez seeks to establish an outright dictatorship. His efforts have been thwarted by the militancy of the united Chilean working class which is organized in one trade union centre (the CUT) under the leadership of Clotario Blest, who, at latest reports, was in prison along with many top CUT leaders.

Government concessions to the copper firms (better exchange rates, lower taxes) coupled with a situation where the cost of living has gone up 35 percent in six months, sparked a series of nationwide strikes during 1955. A government-proclaimed state of siege and the threat to conscript all strikers were unable to defeat the 14,000 Chilean copper workers.

- 2 -

Despite the terrible poverty of their people, pro-U.S. Latin American governments seek an answer to their economic problems either in increased loans from U.S. banks or by offering concessions to private investment. President Ruiz Cortines of Mexico calls for help from foreign capital for "projects of immediate welfare", "to speed the rhythm of economic development".

But U.S. loans come with strings attached and in limited amounts. They cannot be got at terms Latin America can afford, to develop the basic industry, without which the republics cannot advance.

### Huge Oil Profits

Almost half the \$7 billion U.S. investment in Latin America is centred in the rich oil wells of Venezuela, where Pérez Jiménez, a ruthless, murdering tyrant, pockets huge royalties and makes Caracas into a luxury capital while his people starve.

The oil companies make an annual profit of \$14,000 from the labor of every Venezuelan oil worker.

Venezuelan oil is controlled by the world oil cartel; one of the main participants in the plunder is Creole Oil which like Imperial Oil of Canada is a subsidiary of Standard Oil of New Jersey. Pérez Jiménez has exiled or imprisoned Venezuelan patriots of all opposition parties and crushed the trade union movement. For five years he has held in prison Jesus Faria, former Senator, president of the oil-workers union and general secretary of the Venezuelan Communist Party.

Outside Venezuela and a few other countries exporting oil or commodities needed in the dollar markets (and who therefore have a supply of dollars for the imports they need) most Latin American countries are short of dollars to buy needed exports from the U.S. of Canada. In spite of Washington's disapproval, even reactionary Latin American governments have had to seek relief in trade agreements with the socialist countries.

In this context can be seen the importance attached in Latin America and Washington to Soviet Premier Bulganin's recent interview on Soviet-Latin American relations. Premier Bulganin stressed the gains possible to both sides from increased diplomatic, economic and cultural relations. He outlined the kind of goods the Soviet Union was prepared to sell to Latin America and what the Soviet Union was interested in buying.

The U.S.S.R. is prepared to export industrial equipment, machinery for the oil industry, machine tools, automobile, agricultural machinery, and technical assistance.

Through the purchase of Soviet oil machinery, oil rich Brazil and Argentina might be enabled to begin extracting enough oil to meet their own needs. Today, both countries, with vast oil reserves, have to import costly oil because the cartel will not make machinery and know-how available to the government-owned companies in charge of oil reserves.

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Today no Latin American dictator can be confident of his future. The Caribbean despots are unsure of themselves. In spite of his phony elections, Castillo Armas is uneasy in Guatemala. In his 18 months in office he has richly repaid his U.S. backers by throwing open Guatemala's oil reserves to the cartel and by suppressing the free trade unions for the benefit of United Fruit.

Symbolic of the distaste with which his seizure of power is regarded by Latin Americans was the gesture of Romulo Gallegos, exiled president of Venezuela and a distinguished novelist, who returned an honorary degree conferred on him by Columbia University on hearing that the same distinction had been bestowed on the unspeakable Castillo.

Personal and Confidential

"X" 50066-40  
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Ottawa, January 12, 1958.

Mr. C.F.W. Hooper,  
Second Secretary & Vice-Consul,  
The Canadian Embassy,  
Buenos Aires, Argentina.

50066-40  
file  
ALLAN ANDERSON ARCH.

Dear Bill:

It was good to hear from you in your letter of December 9 and to learn that, despite the vagaries of Argentina's politics which must indeed be fascinating, you still remember that there are other divisions in the Department besides the American.

I spoke to one or two people about the report you sent along with your letter. The political section of it is interesting but does not really add a great deal to what we know about the Soviet plans for East Germany. As for the economic section, our intelligence people do not really have the staff to make use of odd pieces of information from East Germany. As I think you will appreciate, it would take a much more extensive operation than we have in Ottawa to put to good use the very detailed facts and figures about a particular plant which you sent along. The reluctant conclusion is therefore that we just are not equipped to turn such reports to very good advantage. As an ex-D.L. (2) man, I might also mention that it is not really possible to evaluate reports unless one knows the source and has a good idea of the reliability of that source. Perhaps you would drop me a note giving me an idea of what the source of material is.

In general I think it would be better, if you obtain a substantial amount of information of this sort, to put it together into a regular letter or despatch to the Department. As you no doubt know the Department does not really encourage us to get into the intelligence game as it is a highly specialized field for which we, poor diplomats, are not really very well trained.

I was very interested in the information that Communist and fellow travelling newspapers are now being published freely in Buenos Aires. I am sure that American Division would be very interested in a report on the press in the post-Peron era. And the desk on which I previously worked in D.L. (2) has a continuing interest in Communist parties and Communist activities in non-Communist countries. It will be interesting to see what headway the Communists make in Argentina now that Peron is gone.

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I noticed an article in a recent issue of Foreign Report published by the Economist to the effect that the Soviet-Argentine trade and credit agreement has been working out very badly for Argentina. According to this report Argentina delivered a very substantial proportion of the goods it had promised but the Soviet Union had yet to send more than a small fraction of the goods it had undertaken to supply. I do not know whether your Embassy has reported on this but I think it would be an interesting thing to look into. The Soviet Union is talking a lot about trade and economic assistance these days and we would like to know the extent to which the facts fall short of the words.

With best personal regards,

Yours sincerely,

J.B. SEABORN

J. B. Seaborn.

DEPARTMENT OF EXTERNAL AFFAIRS, CANADA.

(DUPLICATE)

DESPATCH

TO: THE SECRETARY OF STATE FOR  
EXTERNAL AFFAIRS, OTTAWA, CANADA.

FROM: THE AMBASSADOR, CANADIAN EMBASSY,.....

RIO DE JANEIRO, BRAZIL.....

Reference: My despatch No. 411 of August 4th,  
1955

Subject: Monthly Review of Events in Brazil  
August 1955.

Security:..CONFIDENTIAL.....

No:....499.....

Date:.....September 8th, 1955.....

Enclosures:.....

Air or Surface Mail:.....

Post File No:.....

Ottawa File No.

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References

Political Situation:

August threatened to be an explosive month. Political temperatures were rising in the election campaign as October 3rd grew nearer and there were two tragic first anniversaries to be observed during the month, the anniversary of the attempted assassination of newspaperman Carlos Lacerda in which an officer of the airforce was killed, and that of the suicide of Getulio Vargas. Yet there were only a few anxious moments and the month ended with minds more at ease than for some time.

2. The anniversary of the death of Major Vaz was marked by uneventful religious, military and civilian ceremonies in which many Brazilian politicians, high ranking officers of the armed forces and cabinet ministers took part. Those accused of the crime are still awaiting judgment: they have only just been ordered to stand trial by jury. As for those who were mentioned as instigators and abettors of the murder, some have immunity as federal deputies, one is campaigning for the vice-presidency, and the Army's Superior Court has just accepted jurisdiction over another, General Mendes de Moraes Perante.

3. The anniversary of Vargas' suicide passed off quietly, too, with public demonstrations and parades prohibited. The only important gathering was around Vargas' monument in downtown Rio but it was peaceful.

4. A speech by General Canrobert da Costa, Chief of the General Staff, at the Vaz anniversary ceremonies in the Military Club, of which he is President, gave new life to the rumours of a coup, or "golpe", and sent some politicians running for cover. Speaking bitterly of the coming election as a "democratic lie" which only would put the country under a regime of "apparent legality", Canrobert was widely believed to have issued his own call to arms but his blunt speech had the

Internal  
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to Posts  
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Haiti, Latin  
American Missions  
& Washington.

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opposite effect. There was an outcry of protest against a coup, including an appeal for peace from the Roman Catholic Cardinal of Rio. The situation eased further with Canrobert's subsequent illness and departure to Washington for medical treatment.

5. Then Congress made an important contribution to peaceful prospects by passing a bill establishing a uniform ballot for the coming elections. Up to now, the political parties themselves printed and distributed before the election ballots containing only the names of their candidates. It was a practice open to fraud; and it meant that only parties with ample funds could distribute their ballots to all districts. The Minister of War declared that this practice made elections a travesty of the democratic process. Congress by adopting the new and improved form of ballot deprived the armed forces of one excuse for intervening..

#### The Communists:

6. Some of the anxiety of the month arose when the communists endorsed Kubitschek as president and João Goulart as vice-president. Although both men denied any entente with the communists their political opponents seized the chance to label them fellow-travellers and the charge was an incitement to the armed forces to intervene in the campaign. No conclusive proof either way was forthcoming although vice-presidential candidate Danton Coelho, who is a dissident laborite, produced something he said was proof and which served him well politically. He hurt Kubitschek and Goulart but most people think they are still leading.

7. It was reasonable for the communists to give their blessing to Goulart: he comes nearer to meeting their needs than any other candidate. One result has been minor splits in both the Labour and the Communist parties. The businessmen's wing of the former, led by Danton Coelho, has gone over to Adhemar de Barros. Some of the communists still think Kubitschek a capitalist and face expulsion from the party because of it.

#### Diplomatic:

8. When Portugal closed its legation in New Delhi, Brazil took charge of her affairs in India.

The Japanese Minister of Agriculture paid an official visit to survey immigration facilities.

The new Italian Ambassador, Marques Blasco Lanza D'Ajeta, formerly Counsellor of Embassy in London and Ambassador to Japan, presented his credentials to the President.

The United States former Consul General in Montreal, Richard P. Butrick, who has rank of Minister, took over as Consul General in Sao Paulo.

#### General:

9. The month began with a cold wave which damaged many crops and ended with so serious a drought that Rio and Sao Paulo had severe shortages of water and power. In Sao Paulo, water was sold from door to door and in Rio the Brazilian Traction power company planned to ration electricity.

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10. VARIG, one of the two Brazilian airlines with the right to fly to the United States, inaugurated its weekly service to New York. Its competitor, REAL, flies only as far north as Miami.

#### Commercial and Economic:

##### Trade Relations:

11. A new Trade and Payments Agreement initialled by Holland and Brazil provides for trade based on a partially convertible guilder which may be used also for trade with Germany and the United Kingdom. It follows closely the July agreement between Germany and Brazil.

12. An exchange of notes revised the agreement on Brazilian commercial arrears with the United Kingdom eliminating the escalator clause by which Brazil was obliged under certain conditions to pay more than the minimum £6 million sterling annually.

##### Coffee:

13. Coffee exports were 1,064,797 bags of which 634,714 went to the United States. July exports were 953,549 bags of which 437,868 went to the United States.

14. Exporters held off until the last week of the month in anticipation of an exchange reform. When they saw the exchange reform was not imminent and that coffee would not be affected by the reform, exports picked up and the last week of the month accounted for 30% of the total month's sales.

15. The Minister of Finance of Colombia and Finance Minister Whitaker met early in the month. They announced that the frosts in northern Parana and southern Sao Paulo had eliminated the problem of coffee surpluses. They announced that there was now no need for export quotas.

##### Exchange Rates:

16. The cruzeiro strengthened about 5% in the free exchange market at the end of July to close at Cr\$71 per dollar. It weakened slightly in mid-August but ended the month 3% stronger.

17. In the currency auctions the cruzeiro weakened in all categories except the fourth which strengthened 20%. The change in the first category was 1.8%; in the second, third and fifth categories 7, 10 and 11%.

18. The new agreements with England, Germany and Holland provided for the conduct of trade on the basis of a pooled currency. At the first two auctions in August, the new pooled currency was higher than the U.S. dollar. However the trend was downward and the differential may soon disappear.

##### Currency:

19. After small reductions in two months in the paper money in circulation, Brazil again found it necessary to issue new currency to finance the coffee crop. The increase, practically 1.4 billion cruzeiros, is about a 2% increase.

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Balance of Trade:

20. Results for the first six months of the year showed an unfavourable balance of about \$48.9 million.

(Sgd.) S. D. PIERCE

AMBASSADOR

DEPARTMENT OF EXTERNAL AFFAIRS, CANADA.

NUMBERED LETTER

TO: THE UNDER-SECRETARY OF STATE FOR  
EXTERNAL AFFAIRS, OTTAWA, CANADA.

FROM: THE CANADIAN EMBASSY,  
RIO DE JANEIRO, BRAZIL.

Reference: Nil.

Subject: Second Congress against Soviet Intervention  
in Latin America.

Security: Restricted

No: 72

Date: August 31, 1955.

Enclosures:

Air or Surface Mail: Air

Post File No:

Ottawa File No.

5000-45	
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References

For the record, the Second Congress against Soviet Intervention in Latin America was held here in Rio last week August 22 - 25. You may remember that the first congress of this type was held in the last week of May 1954 in Mexico City.

2. This last meeting was under the sponsorship of the Brazilian Anti-Communist Crusade, an organization presided by Vice-Admiral Carlos Penna Botto, Chief of Brazil's High Sea Forces, a sort of hysterical Don Quixote, a pale Brazilian replica of United States Senator Joseph McCarthy. Suffice it to say that the circular pamphlet announcing the Rio conference claimed blandly that the first congress in Mexico was so successful that, already a month later, Guatemala rid itself of its Red Government.

3. The meeting of last week was generally played down in the press although it was often reported that the proceedings were disorganized and at times hysterical. A couple of resolutions were adopted calling for the establishment of a united Juvenile Anti-Communist Front and for the breaking of all economic and diplomatic relations with the U.S.S.R.

*James P. [Signature]*

EMBASSY.

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to Posts

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DEPARTMENT OF EXTERNAL AFFAIRS, CANADA.

NUMBERED LETTER

TO: **THE UNDER-SECRETARY OF STATE FOR  
EXTERNAL AFFAIRS, OTTAWA, CANADA.**

FROM: **THE CANADIAN EMBASSY,  
RIO DE JANEIRO, BRAZIL.**

Reference: **Nil.**

Subject: **Relations between Brazilian and Uruguayan  
Communist Parties.**

Security:....**CONFIDENTIAL**.....

No:.....**124**.....

Date:.....**March 9th, 1955**.....

Enclosures:.....

Air or Surface Mail:.....

Post File No:.....

Ottawa File No.

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References

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The Brazilian Communist party has enjoyed some pre-eminence amongst other South-american parties, due to a good extent to Luis Carlos Prestes' seniority in the international Communist hierarchy. An interesting indication of this seems to be the systematic study undertaken some months ago by the Central committee of the Communist party of Uruguay (but now only acknowledged by the Brazilians) of the programme, the statutes and the general experiences of the Brazilian party. On that occasion, Prestes sent Uruguayan leader Eugenio Gomes a somewhat fatherly message approving of the latter's initiative and stressing his happiness at this display of a true "spirit of proletarian internationalism".

2. We cannot offer any explanation why it is only today that Rio's "Imprensa Popular" gloated over this initiative of the Uruguayan comrades, nor why it did it under a first page banner to the effect that the ties between South-american communists were becoming "stronger". Whether this announces a joint move in some direction or another, we will probably not know for some time.

MAR 25 1955

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*[Signature]*  
**EMBASSY.**

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D.L.(2)/J.B. Seaborn/LS

50066-140  
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May 24, 1955.

**Relations Between Canadian Communists and  
the Communist Parties of Latin America**

The Labour Progressive Party of Canada has for years professed its interest in the Communist Parties of Latin America as an expression of Communist solidarity in the Western Hemisphere. Within the last year, approximately, it appears that this interest has been intensified. It has even been suggested, though the evidence is not yet sufficient to draw a firm conclusion, that the Canadian Party has been allotted a place of leadership among the hemisphere's Parties, presumably replacing the American Party which has been so badly broken by anti-Communist legislation, investigations, and court actions.

The following are indications of Canadian-Latin American CP relations:

- (a) Two delegates from Latin America attended the 5th National Convention of the Labor-Progressive Party in Toronto held during the latter part of March 1954 and took part in the proceedings. They were identified as Maria Silva JONAMA of the Secretariat of the Party in Guatemala and Manuel TERRAZAS of the Central Committee of the Party in Mexico. The Guatemalan pointedly called upon the people of Latin America in Canada to strengthen their ties "in the face of the common enemy, U.S. Imperialism".
- (b) On July 7, 1954, Gui CARON and William KASHTAN, both leading officials of the Labor-Progressive Party flew to Mexico and reportedly attended a conference of Party leaders from North and South America, to discuss ways and means of forming a United front against the United States. They were also to discuss Guatemala and form a committee for action. Significantly, the Cominform journal of July 17, 1954 reported that the C.T.A.L. (Latin-American Federation of Labour) had urged a world wide campaign in support of the demand for an end to the terror in Guatemala. It was assumed that these men would also be the Canadian representatives at the C.T.A.L. meeting, but they left Mexico on the date this meeting was to convene. Apart from the fact that CARON and KASHTAN were in Mexico allegedly to attend a meeting of Party leaders, we have not received information concerning it or on their other activities while in that country.
- (c) Leslie MORRIS, Organizer of the Labor-Progressive Party arrived in Mexico City on September 18, 1954 and reported

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addressed the 12th Congress of the Mexican Communist Party. He is quoted as having declared "the peoples of the Western Hemisphere are being brought closely together by the threat of U.S. Imperialism".

- (d) Gregory OKULEVICH, a most important functionary in the Federation of Russian Canadians who also serves on the National Executive of the Canadian Slav Committee, left Montreal on February 4, 1955 for an extended visit in Montevideo, Uruguay, Buenos Aires, Argentina, and Rio de Janeiro, Brazil. One of the purposes of this visit was to establish closer relations between the Canadian Slav Committee and similar bodies in these South American countries and in addition reports were received that OKULEVICH had invited delegates from the South American countries to attend the 2nd Canadian Slav Congress which is scheduled to be held in Toronto from July 1st to 3rd, 1955. From South America OKULEVICH travelled on an open dated ticket to London, England, and on March 23rd left London for Moscow, no doubt to report his findings and to receive instructions for future activities to be put into effect on his return to Canada. When OKULEVICH reported to the Canadian Embassy in Moscow he indicated that he expected to return to Canada about the middle of May. We have not as yet received details concerning his reported arrest at Sao Paulo and there is no clear indication of participation in any international Party organization.
- (e) Jack COWAN, his wife Anne, his brother Norman and his wife visited Mexico during the month of February 1955 in company with Robert BROWN of Chicago. Cowan is an important Party Member in Toronto who directs the World Trading Corporation and is associated with Overseas Travel Agency. All these individuals have come to attention previously in connection with Communist activity. On his return to Canada Cowan spent the evening of March 2, 1955 in Vancouver en route to Toronto. He had a discussion while there with a prominent Party member which was reported to us by a source of established reliability. Cowan said he had made some contacts in Mexico and had told them what the Party was doing in Canada in connection with East West Trade and had suggested it would be a very good thing if the Party here could establish some contacts with Mexico. He had also pointed out that because business between Mexico and Canada had been increasing that the Party should be in on it and if his Mexican contacts had anything that warranted importing into Canada to see what they could do and let him know. Cowan also said that the only point Nigel (Nigel MORGAN the L.P.P. Provincial Leader in B.C.) had discussed with him

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when he passed through Vancouver on his way to Mexico was the Trading Company.

- (f) In the National Affairs Monthly for May 1955 (an L.P.P. publication) there appeared an article entitled "Canada and Latin America - Allies Against U.S. Imperialism", prepared by the Party Commission on Latin American-Canadian Co-operation. This confirms information from another source that such a Commission had been established within the L.P.P. The article "is designed to provide background material for a continuing study of the question of building unity among the democratic forces of the Western Hemisphere."
- (g) The Canadian Tribune of May 16, 1955, reports that Tim Buck has sent a letter of protest to the Venezuelan Ambassador in Canada concerning the continued imprisonment of Jesus FARIA, General Secretary of the Partido Comunista de Venezuela (Red Communist Party), member of the Venezuelan Oil Workers Union and Vice-President of the C.T.A.L., who was arrested May 8, 1950, for leading a strike of oil workers and who has been held without trial ever since (Venezuela has recently announced its intention of withdrawing from the I.L.O. because of protests in that organization concerning the imprisonment of labour leaders). The same issue of the Tribune reported a protest by John Boyd (alias John Boychuk) Executive Secretary of the Canadian-Slav Committee, to the President of Paraguay concerning the persecution of Slavs in Paraguay for "reading newspapers and books and carrying on cultural activities in their own language." In the same issue, also, there was a long article on the Brazilian Communist Party.

The call for solidarity with Latin American Communists in the article mentioned in (f) above is based on the well-worn theme that Canada, like Latin America, is suffering from United States domination, which prevents the development of a "national democratic policy", both economic and political. As Tim Buck said at the 5th National Convention of the L.P.P., "our battle for the independence of Canada will be victorious only as and to the extent that we make a part of the struggle to win freedom for the whole of the Americas from domination of the United States." In exploiting nationalist and anti-American sympathies in Latin America, the C.P.'s in that area are currently calling for a united front not only of workers and peasants but even of "national bourgeoisie", i.e., the bourgeoisie who are untainted by their association with foreign, and particularly American, business and industrial undertakings.

OTTAWA FILE

No. 000000

Letter No.....

Date... **January 3, 1955.**.....

**SECURITY CLASSIFICATION**

**SECRET**

FROM: THE CANADIAN EMBASSY, LIMA, PERU.

TO: THE UNDER-SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

Reference.....Circular Document No. A. 125/53

Subject: Communism in Peru.

The attached articles were written by a United Press correspondent in Lima but were never released because they would not have been able to get by the censor. The head of the United Press Bureau here is a Canadian and some months ago he told Mr. Dougan, the former Second Secretary here, that he would give him the five articles. The articles were ~~mis~~laid and the head of the United Press finally brought them over to us about a week ago.

2. Much of the information given in the articles is now dated but it may be of interest to you in that it will fit in with the information you already have in your files from other sources. The police force here is very efficient and we would think that there are in Peru today few subversive forces who are unknown to the Peruvian police.

Copies Referred  
To.....

No. of Enclosures 1

A. 3(1)

Post File

No. ....

**Embassy.**

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Ottawa.  
Jan 26/55.

Embassy.

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The Dongan says that the information in these articles is almost certainly based on a report of the Peruvian secret police. He warns, however, of the tendency on the part of the present Government to treat the Aprista forces as part of the international communist movement, this for obvious political reasons.

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Note: In five articles, the correspondent of the United Press in Lima, Agustin Torres, offers an exclusive story of Communism in Peru, with information obtained from fully reliable sources.

ARTICLE I

Lima, Peru - (United Press) - No less than 80,000 Communists, of whom 40,000 are duly organized militants, have been driven to the outermost fringe of society, or have been reduced to impotence, after an efficient and persistent campaign carried out by the authorities in charge of opposing them, in accordance with exclusive information obtained by the United Press from responsible sources.

Since the Peruvian Communist Party and the Party of the People, or Peruvian Aprista Party, were declared illegal on November 1, 1948, and deprived of their political status and the exercise of every political function, the authorities have maintained a continuous and determined action against their leaders and militants, disrupting their organizations for the purpose of eliminating them as elements dangerous to the public peace and the stability of the Government.

After five years of the anti-Communist campaign the authorities consider that Communism is fully controlled. The Communist machinery has been dismantled, their nerve centers destroyed and their propaganda system disorganized. However, the authorities do not underestimate their danger, as the Communists still constitute a very active, disciplined and fanatic minority which makes use of every

means to attain its objectives. At present, the Communists can only act, if they act at all, in a surreptitious way. Perhaps there are some elements in trade-union management, but they lack authority and influence in them. Some conflicts and strikes which, the authorities say, have been provoked by communist elements, have failed completely.

According to the documents seized by the authorities, before Communists were declared illegal the Peruvian Communist Party had some 31,330 affiliates distributed in the following Committees: Departmental Committee of Cuzco - 20,000; Departmental Committee of Lima - 4,641; Departmental Committee of Junin - 1,585; Departmental Committee of Arequipa - 2,000; Departmental Committee of Apurimac - 2,000; Departmental Committee of Piura - 1,000 and Communist leaders of Puno - 104.

The figure of 31,330 Communist affiliates gives some idea of Communist influence in Peru until the end of 1948. The authorities possess no precise information concerning the number of Communist affiliates in the other departments of Peru, which are 23 in total, but a moderate estimate of total number of affiliates would increase the figure to no less than 40,000. There is no information, either, on the number of unorganized Communists, but taking into consideration that there was an Indian nucleus as well, formed in large part by ignorant and illiterate elements, it is believed that they might make up another 40,000. Consequently, the most realistic figure of the number of Communists in this country, including militants and non-militants, is 80,000, equivalent to 1.14 per cent of the Peruvian population, considering that Peru then had 7,500,000 inhabitants (1948).

The Peruvian Communist Party had the following publications for the dissemination of its doctrine: "Hoz y Martillo", "Labor", "La Hora del Hombre", "Estrella", "Juventud", "Revolución" and "Voz Proletaria". All these publications have disappeared. However, the authorities know that some communist publications are being secretly circulated now. One of these is "Tactica", of which eight numbers were edited in 1953, and some bulletins of "Juventud Pro-Paz".

In addition to the publications which were published in Lima and in other places of the country, the Communists received a large amount of propaganda from the Central Committee in Mexico, and, from Montevideo and Moscow, as well as "Soviet Culture Magazines", "Soviet Literature", "Soviet Union" and the "Bulletin of the U.S.S.R.". This large volume of propaganda has been cut by the authorities, but it is understood that Communists had several ways of introducing it from abroad. There was also the Peruvian-Soviet Cultural Institute, founded in July, 1945, which was directed by professionals, including doctors and lawyers. Its Secretary-General was Dr. Roberto Antoncich.

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## ARTICLE II

Lima, Peru - (United Press) - The Peruvian authorities have reported that the efficiency of their anti-Communist campaign is quite evident owing to the fact that all the strikes which the Communists have tried to inspire or direct have failed. These strikes have been immediately declared illegal and their leaders "unmasked".

According to the documents seized by the authorities, until the party was declared illegal in November, 1948, the Peruvian Communist Party followed in its activities the line of conduct outlined by the Departmental Committee of Lima at the III National Congress held by the Party in 1940, when the party received its theoretical instructions from abroad. The P.C.P. Central Committee was formed at that time by the following members:

Secretary-General, Manuel Ugarte Saldaña, alias "David"; Secretary of Organization, Jorge del Prado Chaix, alias "Augusto", who was replaced by José Marcos Godiño, alias "Solis"; Secretary of Economy, Sergio Caller Zavaleta, former deputy for Cuzco, who was replaced by Carlos Arbulú Miranda; Secretary of Press and Propaganda, José Macero Mendoza, at present deputy for Puno, who was replaced by César Lévano Cáceres, Angel Flores de Paz, José Regglo Gutiérrez, Nemesio Loayza Córdova and others; Secretary of Trade-Union, Eliseo Farcía Lazo, who was replaced by Juan or José López, and afterwards by Angel Flores de Paz.

After the P.C.P. was declared illegal, a Political Commission was appointed formed by the following members: Secretary-General, Manuel Ugarte Saldaña; Secretary of Organization, Jorge del Prado Chaix; Secretary of Trade-Unions, Juan José López and Secretary of Economy, Carlos Arbulú Miranda.

The P.C.P. maintained connections between the Central Committee in Lima and the main cities of Peru, i.e., with Cuzco, through Alfredo Somocurcio Rodríguez, Secretary-General of the Workers' Syndicate of Cuzco, and Marco Antonio Castro Montoya, who was sent as deleg<sup>000114</sup> the P.C.P. to East Berlin to attend the sessions of the

C.T.A.L. and the World Syndicate Federation; with Arequipa, through Isidro Gamarra Ramírez; with Huancayo, through José Asunción Suarez Terrones, and with the North of the Republic, through Carlos Arbulú Miranda.

The P.C.P. had an organization called "Responsible Political Commission of the Peruvian Communist Youth", formed by Víctor Caro Durán, Nemesio López, alias "Córdova", and César Lévano La Rosa.

At the III National Congress of the P.C.P. a National Commission of Control was appointed, as an autonomous disciplinary organization, to judge and discipline militant members of the Party. This Commission was formed by Carlos Arbulú Miranda, Manuel Cabrera Briones and José Marcos Godiño.

As verified by the Peruvian authorities, the P.C.P. was in touch with the following labor syndicates in Lima: Textile Syndicate "Inca Cotton Mill", Labor Syndicate "La Bellota", Textile Syndicate "Cía. Industrial Textil S.A.", Employees Syndicate "Cía Nacional de Tranvías" and "Sindicato de Trabajadores en Construcción Civil de Lima y Balnearios".

In July 1953, the members of the Trotskyite Communist organization of the Revolutionary Labor Party of the Peruvian Section of the IV International were arrested by the authorities for carrying out secret activities in the following syndicates: Textile Workers Syndicate of "Fábrica Peruana", Chauffeurs Syndicate of the 23 Committee, Arequipa Graphic Union, Workers Syndicate of La Oroya, Casapalca and Cerro de Pasco, Arequipa Workers Syndical Union and San Marcos University Syndicate.

All the leaders of the Central Committee of the Revolutionary Labor Party of San Marcos University have

been seized; some of them are in prison, others exiled and others are under surveillance and their arrest is pending.

The Central Committee of the Revolutionary Labor Party was formed as follows: Secretary-General, Juan Palacios León, alias "Quispe"; Secretary of Politics, Hernando Augusto Aguirre Gavino, alias "Alonso", who has been banished to Chile on May 1953; Secretary of Correspondence, Ismael Frías Torrico, alias "Jaime", banished to Mexico on May 31, 1953; Secretary of Syndicates, Sócrates García Alvarez, alias "Tránsito", and Secretary of Economy, Arturo Alburquerque Saavedra, alias "Palomeque". Among the militants of the Revolutionary Labor Party who have been banished are: Carlos Howes Beas, sent to Argentina on July 22, 1953; and Luis Hugo Dupeyret Carrillo, sent to Chile on April 23 of the same year.

Members of the R.L.P. whose arrest is pending are: Francisco Abril de Vivero Lostaunau, alias "Allain", Juan Palacios León, alias "Quispe", Oscar Milla Miranda, alias "Demil", and Apolinario Rojas Obispo, alias "Lorín".

In the hands of Trotzkyite the police found the publication "Voz Proletaria" and a large number of Communist documents.

Some students exiled are: José Buenaventura Acosta Rodríguez and Angel Vargas Vela, to La Paz, on June 21 and July 29, 1953, respectively; Galo Enrique Soto León Velarde, to Buenos Aires, on May 15; Nadeira Lucila Barahona Ruiz, on July 2, José Luis Calvo Cerdeña, on July 29, Luis Alberto Peláez Pérez, on July 29, Víctor Alfredo Rivera Núñez, on July 29, José Reynaldo Zavala Aguirre, on July 29, Jorge 000116



Fajardo Astete, on July 29, and Jesús Guillermo Mercado León, on July 29; Luis Felipe de la Puente Uceda, to Mexico, on June 2, and Francisco Constantino Bendezú Prieto, to Chile, on July 27.

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### ARTICLE III

Lima - (United Press) - Owing to its geographic location, Lima is a central point for air and land communication lines, as well as of sea routes, by reason of its vicinity to the port of Callao. Therefore, it is constantly visited by political elements, including Communists. Owing to its vicinity to several countries, it is also a convenient station for political exiles. However, the police authorities have made Lima a difficult road intersection. Communists are closely watched by the police, who, even before the Communists land know of the activities in which they are engaged.

#### Connections of the P.C.P. with Leaders of International Communism

The police authorities, for example, consider as a Communist the Ecuadorian exile Carlos Guevara Moreno, former Minister of Government. They know that he belonged to the Ecuadorian Communist Party, which was affiliated with the III Bolshevik International, until 1943. Afterward, he joined the French Communist Party, and was with the International Brigade that fought in Spain. When he arrived in Lima, banished from his country, Guevara Moreno had an interview with the Ecuadorian Communist leader Pedro Saad. He entered Peruvian territory on

Pedro Saad. He entered Peruvian territory on January 14, 1953, accompanied by his countrymen Pablo Estrada Valle, Miguel Masías Hurtado, Michel H. Iza and José A. Hanna Musso, who were also banished from Ecuador.

According to the Peruvian authorities, the Ecuadorian Senator Pedro Saad had been in touch with the local Communists, holding meetings with them in "El Recreo Villa del Mar". The Ecuadorian Deputy Enrique Gilbert had also been in touch with Communist elements in Lima. He invited Manuel Ugarte Saldaña, the Secretary-General of the P.C.P., to a Congress of Ecuadorian Communists. Villar Luriber, a Brazilian, held interviews in this Capital with Víctor Caro Durán, leader of the P.C.P. Juana Olga Mora de Cáceres and her husband, Guillermo Cáceres Márquez, Chileans, who resided in Arica, induced the Peruvian Communist leader Nemesio Loayza Córdova, Secretary General of the Peruvian Communist Youth, to organize committees of the Pro-Peace Youth. N. Pedemonte, a Chilean, came to Peru in 1950, where he held interviews with Communist leaders Alfredo Matheus Eguren and Carlos Arbulú Miranda, suggesting them that they send a leader to Chile to become expert in the Communist doctrine. Enrique Gastón, a Chilean, got in touch with Ugarte Saldaña. They decided to establish connections, to which end he would write to him under the name of María Luisa de la Torre. José Celestino Díaz Iturrieta, a Chilean, former Secretary General of the Mining Federation of Chile, held interviews with Communist leaders of Lima and Cuzco. Guillermo Cáceres, a Chilean Doctor, who was banished owing to his Communist activities. Luis Sayllan, Secretary of the World's Federation, with its headquarters in Vienna,

Austria, and Vicente Lombardo Toledano, President of the Workers' Federation of Latin America, a Communist organization with its headquarters in Mexico.

The local police have been able to verify the fact that some immigrants have been carrying out Communist activities, violating the hospitality of this country and showing their lack of respect for Peruvian law. Thus, Munich Giácomo, an Italian, who had interviews with Communists Luis Fernando Díaz Olivo and Santiago Gutiérrez Vallejo.

On August 23, 1953, Maximo Nuczynsky Godard, a Rumanian Doctor, was discovered engaging in Communist activities.

On August 25, 1953, Jean Philippe Joseph Bourg, a Frenchman, imported Communist propaganda on the S. S. "Americo Vespuccio", taking advantage of his position as French instructor at the "Instituto de Linguistica y Filología" of San Marcos University and at the "Alianza Francesa", in connection with Chilean Communist Pablo Neruda. On March 19, 1953, Mexican Communist leader Vicente Lombardo Toledano, accompanied by L. Costa, A. García and J. Rodríguez, was in transit to Santiago de Chile, from Mexico. He held an interview at Corpac with Genero Carnero Checa, Director of the Magazine "1953", who is now exiled in Guatemala. While in transit through the Peruvian territory Toledano was at all times under the strict vigilance of agents of the secret police. On November 2 the Brazilian Antonio de Balhoses Carvalho, who is considered as a Communist, passed through Lima.

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#### ARTICLE IV

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Manuel Ugarte Saldaña is from Lima and is 39 years old. The police state that Ugarte Saldaña joined the P.C.P. in 1932.

Genaro Carnero Checa is an old Communist militant and founder of the youth Branch of this Party in 1931. According to the police, Carnero Checa was arrested in 1932 and banished to Central America. He came back to this country, was arrested again in 1937, and banished to Mexico, where he joined the Communist Party of the country. He returned to Peru in 1947.

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American States to dictate the necessary measures to prevent the action of international Communism and other totalitarian régimes in their respective territories."

In accordance with the Constitution, and in fulfilment of the Resolution of Bogota, on November 1, 1948, the Government declared "Illegal" the Peruvian Communist Party and the Aprista Party, and does not permit them to exercise of any political functions.

On the other hand, as an Instrument directed to check political and social delinquency, the Military Board of Government presided over by General Manuel A. Odría, issued, on July 1, 1949, the law of Domestic Security of the Republic which is now in force. This law includes the penalty of death for the authors of the following crimes: a) ..... b) ..... and c) ..... "and for the leaders of the crimes of rebellion, sedition and mutiny, whether soldiers or civilians".

Since the issuing of this law the death penalty has not been applied. On different occasions the Government has stated that it has not been necessary to use the law of Domestic Security of the Republic and, that, consequently, it is unnecessary to repeal it.

The Ministry of Government and Police is in charge of the anti-Communist campaign, co-operating with the Department of Public Security and Social Order, a dependency of the Directorate General of the Investigation and Identification Corps, with its headquarters in Lima. There are Sections of Public Security and Social Order in Capitals of Departments.

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Ext. 180rD

Letter

~~180rD~~ No. ....

Date..... December 13, 1954.....

OTTAWA FILE

No. .... 20066.40.....

SECURITY CLASSIFICATION

CONFIDENTIAL

FROM: THE CANADIAN EMBASSY, RIO DE JANEIRO, BRAZIL.

TO: THE <sup>Under</sup>SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

Reference..... Nil.....

Subject:..... 4th Congress of the Brazilian Communist Party.....

In particular despatches and monthly reports we have from time to time informed you of the activities of the Brazilian communist party. We were hoping to take benefit of the recent 4th congress of that party to give you a general outlook of the party's present stand and status but our staff shortages prevented us from doing so.

2. Our United Kingdom embassy friends, aware of our plight, were good enough to let one of our officers have a copy of their despatch No. 262 S of December 8th to the Foreign Office in London in which a clear outline of the party's history in the course of the last year is given. It is attached herewith in duplicate together with a copy of the summary of the report presented by Luiz Carlos Prestes, the communist leader, at the congress. The local importance of the Brazilian communist party would hardly justify such a detailed report but you might like to know in some detail what Brazilian communists are saying and doing since they have now embarked on a revision of their tactics and constitution in apparent response to dictates from the Soviet Union.

3. The United Kingdom embassy have asked us to treat this document as "strictly confidential to this embassy".

C. HARDY

EMBASSY.

Copies Referred

To.....

No. of Enclosures

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Post File

No.....

COPY

British Embassy,  
Rio de Janeiro.

No. 262 S

(2192/30/54G)

December 8, 1954.

CONFIDENTIAL

Sir,

In his despatch No. 16 S of the 21st of January last, Mr. Carey Foster reported the publication by the Brazilian communist party of a New Year manifesto, which represented a major change in communist party policy, repudiated the party's previous policy and called for a popular front including the middle classes and the peasants, and for an all-out attack on the United States and their agents in Brazil.

2. The eleven months which have elapsed since that manifesto was issued have seen the end of the Vargas régime with the suicide of President Vargas himself, the accession to office of a new President and of a predominantly conservative government, and congressional elections which strengthened the moderate centre party at the expense of the extreme right and left. The communist party have been at pains to adapt their policy to the changing political situation, but they have adhered to the basic programme set out in the New Year manifesto and they have now taken stock and confirmed the new policy at a full party congress, the fourth in the party's thirty-two years of existence.

3. At the end of May, the communists openly launched a number of candidates for the October elections, who were subsequently given as much publicity as possible in the communist press. Subsequently the party, which is still officially illegal although it carries on its activities without much interference, did run into some difficulty with the authorities and at the beginning of July a member of the party's central committee was arrested by the police. The communists had supported President Vargas's action in doubling the minimum wage at the beginning of May but also demanded (unsuccessfully) a freezing of prices.

4. In August, the party issued an election manifesto. This, however, did not contain anything new or startling but merely applied the policy of the New Year manifesto to the specific problem of the elections. The main points made were the catastrophic economic situation of Brazil and the miserable life of the population "due to the subjection of the Brazilian Government to the United States magnates", the breaking of all President Vargas's promises to the people, the "national betrayal" of the Vargas Government and its "servile submission to the dictates of the United States Government" as demonstrated in the "ignominious" Military Aid Agreement, and the growing unpopularity of "Vargas and his camarilla". Practically all the best known Brazilian politicians were denounced as reactionaries and tools of the United States and the manifesto said that every vote must be a vote "against the high cost of living and starvation, against

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The Right Honourable  
Sir Anthony Eden, K.G., P.C., M.C., M.P.,  
etc., etc., etc.,  
Foreign Office,  
LONDON, S.W.1.



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the colonisation of the country by the United States and for peace and national emancipation". A few days later, by a coincidence, the legal proceedings against the party's leader Luiz Carlos Prestes (in absentia) and against seventeen other communist leaders were annulled in the courts, but they have since been reinstituted.

5. Throughout the month of August, Brazil was in the throes of the crisis which led to the suicide of President Vargas on the 24th of August and the end of his régime. Immediately after President Vargas's death, in fact on the very day of his suicide, the communists at once ceased their attacks on him and began attacking the new President and government with extraordinary ferocity as tools of Washington and Wall Street. Efforts made to organise disruptive strikes throughout the country, and a general strike in São Paulo, were however notably unsuccessful. A further manifesto issued by the party at the beginning of September followed much the same lines as previous policy declarations and the only new point was a paragraph which said "we address ourselves particularly to the getulista workers, our brothers. The present moment demands that workers and communists join hands fraternally and fight together in defence of the social laws which have already been triumphantly established". The communists, after attacking President Vargas viciously throughout the last month of his life, found no difficulty at all in thus holding out the hand of friendship to his supporters immediately after his death, and they naturally took full advantage of the anti-foreign and anti-American parts of the alleged farewell letter which was found beside him after his death. The riots which followed the President's suicide in Rio de Janeiro, Porto Alegre and Belo Horizonte, were organised by the communists in conjunction with the getulista extremists and the emotion of Brazilian working people was exploited by them; and in the weeks that followed the party began seriously to attempt some form of working alliance with the late President's labour party, the P.T.B. They also began a campaign to win over the P.T.B.'s rank and file and exploit the party's internal differences. The proclaimed policies of both parties became almost indistinguishable and differed only in emphasis. The P.T.B. hoped to win a decisive victory in the October elections and did not, therefore, respond actively to the communist party's advances. But the relative failure of the P.T.B. in the October elections thereafter made an alliance with them seem less interesting to the communists, though the flirtation continues and P.T.B. leaders have called for the legalisation of the communist party. Just before the elections, an article, signed by Luiz Carlos Prestes, was carried in the communist press. It extended and developed the theme put forward in the New Year manifesto, but placed a great deal more emphasis on the necessity for union and joint action by communists and getulistas. A specific appeal was made in this article to the P.T.B. In the elections, communist candidates achieved almost no success. This was largely due to the energy of the election tribunals in disqualifying candidates put forward by other parties who were in fact communists, and the results must have been a considerable disappointment to the party.

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6. The fourth congress of the communist party took place in secret from the 7th to the 11th of November. It is twenty-five years since the party last held a congress and the main purpose of this year's meeting appears to have been to clarify and expound the policy first put forward in the New Year manifesto, to underline the profound change in strategy and tactics announced in that manifesto and to ensure that the work of the communists in Brazil would henceforth be directed along the lines laid down by the Cominform and the Soviet Communist Party.

7. Information about the congress is available only from the communist press. According to the party newspapers, the congress formally approved the party's programme as set out in the New Year manifesto, elected a new central committee, which in turn elected a presidium and secretariat and re-elected Luiz Carlos Prestes as Secretary-General of the party, approved the party's new statutes, and exchanged messages with other communist parties throughout the world. The inaugural speech was made by Astrojildo Pereira, a party veteran, and the names of Diógenes Arruda, João Amazonas, Carlos Marighella and Maurício Grabois are given as having been re-elected to the central committee. It was stated with some pride that the delegates had among them received 283 prison sentences. The party's Secretary-General, Luiz Carlos Prestes, had himself spent nine years, one month and fifteen days behind bars.

8. Messages were read out at the congress from other communist parties, including one from the central committee of the communist party of the Soviet Union which praised the struggle of the Brazilian communist party in "incessantly unmasking the aggressive plans of American imperialism". The party's own reply to this message, addressed to comrade N.S. Krushchev, is a servile document, in which the party states that the elaboration of the new programme was only made possible by the party's "loyalty to the international communist movement and to the glorious Communist Party of the Soviet Union". The party had benefitted from the Soviet Communist Party's "rich treasury of marxist-leninist knowledge" and thanked the Soviet Communist Party and its wise Central Committee "with emotion" for their instructions. The message adds that the new party statutes are moulded on leninist principles and in the light of the decisions of the nineteenth congress of the Communist Party of the Soviet Union and says, "we give our word of honour not to spare any efforts to bolshevise our party and to forge it in the image and semblance of the party of Lenin and Stalin". These remarkable admissions of the party's dependence on Moscow have passed unnoticed in Brazil.

9. The greater part of the work of the congress was taken up with the reading of a lengthy and detailed report by Luiz Carlos Prestes, which was presented to the congress on behalf of the central committee. It was described in party newspapers as a Marxist analysis of the situation of Brazil and the main points emphasised were, firstly, the necessity of concentrating the fire of communist attacks on American imperialism and, secondly, the importance of turning attention to the agricultural problem in Brazil.

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10. This report has been published in full in the communist press. It is extremely long and repetitive but is of great interest as explaining lucidly and in detail the attitude of the Brazilian communist party on all current problems and the exact tactical reasons why it is necessary for these policies to be followed by the party. I enclose an analysis of the report made by the Chancery.

11. The communist party will now presumably follow out the policy proclaimed by the central committee and approved by the congress, redouble its attacks on American influence in Brazil, and concentrate on trying to organise urban workers more effectively and to win over agricultural workers and peasants, and also as many as possible of the middle class. Its immediate objectives are the legalisation of the party, the re-establishment of diplomatic relations with the Soviet Union, the expansion of trade between Brazil and communist countries and the frustration of American policies in Brazil. Its long term objectives are proclaimed to be the overthrow of the present Brazilian government and its replacement by a "popular democratic" government, the eviction of all American missions, the repudiation of all loans to the United States or to American banks, the dispossession of the great landlords and of foreign enterprises in Brazil, and the conversion of Brazil into a communist state standing shoulder to shoulder with the Soviet Union and Communist China. The programme is, however, careful to state that those comrades who talk about the dictatorship of the proletariat or who have "leftist" notions are in error and that it is essential that the first stage of the revolution should be carried out with the help of the peasants, whose need for land of their own must be satisfied, and the middle classes of the towns. Only later can the proletariat afford to dispense with these allies.

12. I am sending copies of this despatch with enclosure to Washington, Moscow, Buenos Aires and Mexico City.

I have the honour to be,  
with the highest respect,  
Sir,  
Your most obedient humble Servant,

Sgd: G. H. THOMPSON, \*

Summary of the Report presented by  
Luiz Carlos Prestes on behalf of the Central  
Committee to the 4th Congress of the  
Brazilian Communist Party

November, 1954

General

The report begins by saying that the situation of Brazil has deteriorated and that it has become a country depending on American imperialism while the sufferings of the Brazilian people increase. Moreover, the treason of the minority of great landlords and capitalists, linked to the American imperialists who dominate the country, becomes every day more evident, as does their policy of preparation for war, hunger and police-state reaction.

International situation

The report goes on to analyse the present international situation, to describe communist successes in Korea, Geneva and Indo-China and the growing strength of the communist countries, and to describe the world as being divided into the camps of "peace, democracy and socialism" on one side and of "imperialism and war" on the other, directed by the government in Washington.

Latin America

Turning to Latin America the report represents American imperialists, defeated elsewhere in the world, as desiring, on this account, to reinforce their domination of Latin American countries, to exploit their natural resources, to control their finances and foreign trade and all other aspects of their economic life and to transform Latin America into an operational base for their policy of world hegemony and expansion and a fortress from which they can prosecute the war they are preparing against the Soviet Union, China and the popular democracies.

Brazil

Turning to Brazil, the report says that the American imperialists are penetrating through every pore the economic, political, social and cultural life of the country, aiming to reduce Brazil to the status of a colony of the United States and to enslave totally the Brazilian people. It is claimed that the Americans are forcing Brazil to spend money on warships and aircraft, that inflation is now out of hand and that this is primarily the fault of the great landlords and capitalists of Brazil who aim to sell the country to the United States, who in turn dominate the country and who want a new war in the hope of doing well out of it. The deposition of the Vargas Government and its replacement by a "dictatorship of the vilest lackeys of the war provocateurs of the United States", carried out on the direct orders of the American Embassy, has shown clearly the extent of American interference in Brazil. However, the Brazilian people have reacted and the first manifestation of this was the holding

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under communist auspices of the convention of national emancipation and the founding of the league of national emancipation. President Café Filho is described as a mere pawn in the hands of the generals, brigadiers and admirals. The present government, the report says, is much weaker than that of President Vargas and is confronted with the growing discontent of the overwhelming majority of the population because of the growing rate of the monetary inflation in the country, the ever increasing cost of living and the rise of unemployment. In face of this, the government is handing over Brazilian oil to Standard Oil and is allowing American monopolies to grab all the natural riches of the country. However, the present government, by nature a dictatorship of fascist generals, has no popular basis, is unstable and is struggling with evergrowing difficulties. The elections of the 3rd of October show how far they have already gone in tampering with electoral justice and with the constitution.

### Past history

The report then analyses Brazilian history and the present stage of the revolution. It is claimed that Brazil, in freeing herself from the Portuguese yoke in 1822, did not succeed in freeing herself from the remnants of feudalism and from the great landlords. Negro slavery was legal up until 1888 and the slave owners and the great capitalists are still in charge and have transformed Brazil into a semi-colonial country, depending on the great capitalist powers. Brazil, therefore, has suffered from a total depression, that of the imperialists and the remnants of feudalism. In the twentieth century, the urban bourgeoisie had appeared as a new social class but they were, to a considerable extent, linked to the great landlords and dependent on foreign banks.

### Necessity for concentration of fire on American imperialism

This part of the report states that all the party's efforts must be concentrated against American imperialism. The party demands the confiscation of all capital and enterprises owned by American monopolies, the cancellation of the external debt of Brazil to the United States Government and American banks and the expulsion from Brazil of all military, cultural, economic and technical American missions. This concentration of fire against the Americans is stated to be in line with Lenin's tactics of destroying enemies one by one.

### Agrarian problem

This is much emphasised in Prestes's report. It is claimed that it is not possible to free Brazil from the yoke of American imperialists without simultaneously liquidating the economic basis of the social forces which support them, i.e. without destroying the remnants of feudalism and the monopoly of land. Therefore, land belonging to the great landlords must be confiscated and handed over free to landless peasants or those with little land. In order that the Brazilian revolution may be successful, it is essential that the peasants should understand the necessity for the revolutionary destruction of the present regime of the great landlords and capitalists and it is for this reason that the party's programme does not put forward a demand for the nationalisation of land, taking into account the manifest wish of the mass of peasants

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in Brazil, who demand above everything the distribution of land in the form of private property. For this reason, the party's programme supports the peasants' claims and defends their interest, even those of the rich ones, since their properties must not be confused with those of the great landlords. In this way the mass of peasants can be gained on the side of the proletariat and should constitute their principal ally.

### National bourgeoisie

The party must understand properly the character of the Brazilian revolution in its first stage. It must grasp that the national bourgeoisie is not an enemy and that for a determined period it can support the revolutionary movement against imperialists and against the landlords and the remnants of feudalism. Only an insignificant minority of the bourgeoisie are linked to the great landlords or to foreign monopolies. The great majority can be won over to the communist side. It would be an error to confound the national bourgeoisie with the forces of the feudal imperialist camp and comrades must understand that it is now necessary for a great effort to be made in this direction.

### Politics

The party's immediate objective is the destruction of the present regime which is one of exploitation and oppression at the service of the American imperialists. It will be replaced by a new "popular democratic" regime. This, however, will not be a dictatorship of the proletariat but an alliance with the middle classes and will be a transitional regime. The proletariat must understand that it must also struggle for the progressive interests of the middle classes, supporting the claims of intellectuals, scientists, writers, artists, technicians, teachers, students, people in all the liberal professions, domestic servants, civil servants, artisans, soldiefs, sailors, officers of the armed services and many others. The indestructible base of the revolution is the alliance of the workers with the peasants. All vestiges of sectarianism must be entirely extirpated from the branches of the party. Sectarianism is the principal obstacle at present to the realisation of the party's immediate objective, i.e. the creation of a democratic front of national liberation. Heretics must be rooted out. Turning to the present government, it is described as one of fascist generals, as hated by the people and unable to raise any banner which could attract the masses. It is, therefore, claimed that they wish to destroy the constitution and the social achievements of the workers and that they can achieve this only by force. They are therefore obliged to achieve their aims by violence in consultation with the Americans. However, they will not succeed in doing this. The terror of the Dutra and Vargas regimes did not succeed and nor will they.

### August 24, 1954 (date of President Vargas's death)

The report says that the communist party was the driving force which led the people into action and which directed and planned the action of the masses. However, the party was not sufficiently prepared to lead the great patriotic mass of the people or to take advantage of the situation. The riots should, the report said, have been much more widespread and effective than they were. Popular discontent is widespread and the party should take advantage of it. The situation is now more favourable than it was under the Vargas government. The getulista masses can now be easily and rapidly won over for the party's struggle, as can the petty bourgeoisie, who

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formerly supported the U.D.N. The party must unmask urgently the reactionary, military and fascist character of the present American dictatorship of Café Filho. It must also see that the workers are not misled by demagogues like Jânio Quadros and Adhemar de Barros. The party must also see that it is better organised in the districts and in the factories so that it can quickly take advantage of any situation such as that on the 24th of August.

#### National emancipation

The League for National Emancipation must be supported by all communists and its work extended .

#### Peace and foreign affairs

The decisions imposed on Latin America by Foster Dulles at Caracas must be resisted. Solidarity should be shown with the people of Guatemala. The movement in favour of the re-establishment of relations with the Soviet Union is described as being of enormous significance. Commercial relations with the Soviet Union, China and other countries of the peace camp will open a vast market for Brazilian products threatened by the war economy of the United States. Lastly, the peace campaign in Brazil should be supported and extended.

#### Labour

Communists must struggle for the syndical organisation of all workers. They must endeavour to penetrate all unions and must put up with any amount of insults and attacks. The theory that communists should not participate in reactionary trade unions is absurd. Strikes such as have already taken place must be extended but it must be remembered that for strikes to be successful they must be efficiently organised. One of the major weaknesses of the party in the labour movement is not knowing in the majority of cases how to find the necessary link between the immediate claims of the workers and the political objectives of the labour movement. This must be remedied.

#### Organisation of the peasants

The party is sadly behindhand in organising the peasants and winning them over to the cause. The party is still weak in the interior of Brazil and it is quite wrong that the party's strength should be limited, as it is at present, to the large cities. Practically no support has been enlisted in the interior, especially in the country, and the party must now dedicate particular attention to remedying this weakness, beginning with the big agricultural properties and the larger and more important centres of rural population. There is no reason why this campaign should not show rapid success.

#### Further attention to work among women and youth

The necessity for greater efforts in these fields is emphasised.//

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### Internal Party Questions

These are dealt with in great detail and the history of the party is traced with great care. It is explained that the party has gained valuable experience from its defeats as well as from its victories. The communist insurrection of 1935 is discussed and the reasons for its failure, and the third national conference in 1943 is also referred to. It is claimed to have been a communist success that no Brazilian troops were sent to Korea. After listing the successes of the party, Prestes turns to the various heresies which are in turn denounced. Opportunism of the right and "leftist" influences within the party are both denounced and attributed to the influence of the petty bourgeoisie in the party's branches. The preponderant influence of intellectuals in party organisations is also described as a bad thing. The comrades are called upon to correct the errors of reformist socialism on the one side and of violent leftist policies on the other. The activities of trotskyite elements and of those who wish to place the working classes in opposition to all the rest of the country are castigated. It is stated that in spite of numerous setbacks, such as the arrest of practically all the party leaders in 1940, the party had by the end of the war increased its members to about 200,000. However, in 1947 and 1948, reformist heretics in the party who dominated it at that time succumbed to parliamentary illusions and thought that the aims of the party could be realised in a constitutional way. This led to further setbacks. After this, the party went to the other extreme and fell into leftist errors which were enshrined into the manifestos of January 1948 and August 1950. In this phase the party's policy was ultra-revolutionary and foolish. Moreover, there were one or two disloyal trotskyite personalities among the party's leadership such as Fernando Lacerda and José Maria Crispim who had had to be ejected. The moment has now come to liquidate the ideological, political and practical remnants of opportunism in the party's branches. Moreover, new party branches must be built up rapidly and systematically, particularly in the larger industrial establishments. Propaganda must be intensified and the party's press improved and extended. The comrades must get out of a habit of talking about their "Chief" or "leader" or "hero". Marxist and Lenin doctrine teaches that personalities are only important in so far as they express the interests of the advanced classes of society. Those who make history are the masses. The cult of an individual must not be developed. (Note: This is perhaps a demunciation by Moscow of the cult of hero Prestes as the great man of the communist revolution in Brazil and the hero of the great march of the twenties throughout the interior of the country and it is curious that Prestes has had to read it out in his own report.)

### Conclusion

The report closes with a purple passage calling for an intensified struggle for national liberation and peace. It is signed LUIZ CARLOS PRESTES.

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Nov. 17, 1954

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NOV 29 1954 COMMUNISTS PLAN LATIN AMERICAN CONQUEST

OAX4Z Lima (Official), Peruvian Home Service, Nov. 16, 1954, 0200 GMT--W

(Commentary on "The Communist Plan for Latin America," by Peruvian Writer and Commentator Carlos Videla")

(Text)

The Communist movement, in its diabolical plan to conquer the world, has set aside an important part of its program for Latin America. The agents of Red imperialism, who are carrying out the throttling plan on orders from Moscow, have for years and years been guilty of treachery, violence, disorders, and assassinations in carrying out their sinister mission.

Some of them do it openly and brutally. Others work more clandestinely, but with equal success, and operate in the shadows. We should fear less the pseudo-intellectuals who call themselves national revolutionists than those who unheedingly betray their own countries and are at the service of the "Third International," whose headquarters lie behind the Iron Curtain in Europe.

We should understand that the "Third International," a sinister group directed by the Communist conspiracy throughout the world, never ceased to exist, despite the lies of the man named Stalin. Prominent figures have operated within the "Third International," which changes its names like a chameleon changes colors, for example: Gottwald, the Czechoslovak traitor; Rakosi, the Hungarian traitor; Pieck, the German traitor, and the famous "La Pasionaria," who fled from the Spanish Civil War and later condemned thousands of her Russian compatriots to death.

Such is the organization which weaves its web of international Communism's intrigue. This is the organization which founded the false pro-peace congress; the so-called youth festivals; the pseudo-scientific and artistic congresses which are a part of the propaganda program of the Reds. This is the organization which takes the Reds of America to Russia to instruct them in special academies, in the technique of the lie as applied to propaganda.

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Nov. 17, 1954

These Reds are also instructed in the technique of street fighting against the police and the army; the technique of infiltrating schools, armed forces, labor unions, and even governments themselves, in order to carry out a coordinated campaign of preparing the ground for the Communists' hand-to-hand fight.

We should not let ourselves be fooled. Communist imperialism has its spies and agents planted throughout the world. Some of them have already taken the first step to create a colony in America as a springboard for the Russian battle.

This Russian battle is the true objective of the Communists. All their talk about the defense of workers' rights, and social justice is just so much nonsense. Actually the Communists care little about the interests of the worker, or social justice, and I can prove this fact.

In Bolshevik Russia, the worker has been enslaved. More class distinction has been created than existed in the time of the tsars, the great dukes and the grandees of the monarchy.

What the Russians have done in their country, they will also do here. Have no qualms about this. The program of international Communism is uniform everywhere in the world. They seek world domination for a band of unscrupulous turncoats who are ready at any moment to commit the most repugnant crimes and betrayals, as long as they can remain untouched.

The "Bogotazo" (Bogota riots--Ed.) of 1949 give a good idea of Communist action. If in Russia they razed the entire Ukraine, leaving a wake of thousands of persons murdered by gun and bayonet, and killed more than 7,000,000 men, women, and children through starvation, they will not be stopped by scruples in America.

Communism has no scruples, just as it has no moral principles or honor whatever. To make any pact with Communism is the same as inviting a band of hyenas to share our own homes. The result is the same.

Valentin Gonzales, known as "El Campesino," was one of the top Communist leaders during the Spanish Civil War. In Russia he learned the true meaning of Communism, and who were the Communists of the caliber of "La Pasionaria." He told the whole world about it in the press and radio. I pride myself on the fact that I personally, and for the first time, spoke over New York shortwave radio stations and in the press of the Communist infamies which Valentin witnessed.

## DESPATCH

RESTRICTED

TO: THE SECRETARY OF STATE FOR  
EXTERNAL AFFAIRS, OTTAWA, CANADA.

FROM: THE CANADIAN AMBASSADOR  
BUENOS AIRES ARGENTINA

Reference:.....

Subject:.....

OCTOBER 17 IN BUENOS AIRES

Security:.....

455

No:.....

October 21, 1954

Date:.....

Enclosures:.....

Air or Surface Mail:.....

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Post File No:.....

Ottawa File No.

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## References

The big Peronista holiday of October 17 which commemorates that day in 1945 when the then Colonel Peron was released from custody and became the "de facto" power in the Government, fell on a Sunday this year and the main event of the day, as has become the custom, was a mass rally of workers in the Plaza de Mayo, the historic and geographic centre of the city. There the workers and the country were addressed by the President of the Republic and the Secretary-General of the C.G.T. (Confederacion General del Trabajo) from an especially constructed stand in front of the "Casa Rosada" (Government House) in which were gathered members of the Cabinet, Government officials, the Peronista elite and high ranking members of the Armed Forces. The Vice-President of India, Dr. Sarvapalli Radakrishnan, and the Foreign Minister of Japan, Dr. Katzuo Okasaki, who were on official visits to the Argentine were given places of honour in the stand as special guests of President Peron.

2. Senor Vuletich, Secretary-General of the C.G.T. introduced the President in a rather brief speech which contained, however, two points of some interest; the first being an exhortation to the workers to combat any political or religious ideology which tried to infiltrate the trade unions -- again this appears to be a warning to the clergy to stay out of politics and trade union matters, (please see my despatch No. 454 of 19 October, 1954,) although there has been no indication that the clergy has interfered, rather they have been trying to save what they can of the Church's position in this country -- and the second, when apparently referring to Spain, he said that the Argentine workers repudiated those Governments who profited by "our generosity and used our wheat and our meat and have abused our confidence, paying thus for our kindness to satisfy their domestic policies" -- the Argentine holds a very substantial favourable trade balance with Spain and all attempts so far to negotiate a settlement have been abortive.

3. President Peron, in shirt-sleeves as were the other political and labour leaders for the occasion, and as was the Japanese Foreign Minister, Dr. Katzuo Okasaki, but evidently the Indian Vice President, Dr. Sarvapalli Radakrishnan, could not follow the leader because of the cut of his coat, made his usual speech to the assembled throng, which was estimated to be in the neighbourhood of one hundred thousand -- it was a clear sunny day -- and, after making an eulogy of the late Eva Peron and extolling the "sacrifices" she made on behalf of the common man, expressed his abiding gratitude for the faith and trust Argentine workingman had placed in him. He warned that

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forces of reaction were still active in opposition to his regime and that constant vigilance was necessary if the nation was to remain politically sovereign, economically free and socially just. The President said that there were three classes of adversaries with which he had to deal: political opponents, Communists, and those who claim to have no political affiliation. In so far as his political opponents were concerned, he said that he is fully determined to accord full political liberty providing his opponents employ legal methods and do not attempt to overthrow the established authority by subversive means. (This is a farce.) For the Communists the President pulled no punches and stated "In our country they (the Communists) have never been persecuted nor have they been bled; they have not been deprived of any of the liberties accorded other citizens. Yet they repay us by insidious manoeuvres against the Republic. They never fight under their own name, they are always disguised as something else, though certainly never as Communists." He added that liberty to act against liberty could not be granted to those who were always attempting to incite to disorder and subversion. The President then spoke of those who either petition in good faith, or try to spread rumours and upset public order because there are some Communists detained. To them he said: "I warn these gentlemen that as long as Communists try to infiltrate and destroy organizations of the people; as long as they do not have recourse to loyal means and methods they will remain prisoners. The tranquility of the people, the pacific work of the community and the security of the Republic are worth more than the detention of a few disturbers of the peace." Speaking of those who claim no political affiliation, the President called them hypocrites and enemies of the community. He also had a word to say of those who disguise themselves as Peronistas and were actually disloyal to the party and its doctrine. He said that these were being recognized little by little and expelled from the Movement.

4. In an appeal to the youth of the country, the President spoke in laudatory terms of the work done by the Fundacion Eva Peron in developing youth centres, and promised that these facilities would be increased in numbers as it was far more healthy and beneficial for the young people of the country to foregather together in community sports and other activities rather than frequent cafes and bars becoming subject to questionable activities.

5. As October 17 was a Sunday all business establishments and commercial houses were normally closed, but, in addition hotels and restaurants were also shut down. Also, as is now in the tradition, the transportation systems were made free to all who would come into the centre of the city. This assisted the officials of the trade unions in assembling their flocks. October 17 is the great C.G.T. day. Everything gives way to them on that anniversary. Following the practice he has established the President declared the following day, Monday, October 18, a full holiday throughout the country. This holiday on October 18 is now generally known as "San" Peron.

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6. President Peron, for the time being anyway, appears to have decided to clamp down on the Communists. In the past he was all too inclined to under-estimate the Communist threat and the extent to which Communists had infiltrated Argentine's labour and student ranks. The disturbances and violence which occurred in the course of the collective wage negotiations opened his eyes to how successful the Communists had been in securing for themselves key positions in the trade unions which they used to breed discontent and unrest and incite to violence. Communist activities among the students were known to the authorities for some time but it is only recently that the Government has resorted to strong measures to break the ever increasing tide the Communists were gaining in the student bodies (please see my despatch No.449 of October 14). The "guided" Argentine press has taken its lead from the Government, and for the past while has been featuring articles on, and giving editorial space to, the menace of international Communism and the subversive role it plays in organized society. There has yet not been raised all the question of outlawing the Communists in this country, but I do not discount it as a possibility as the Government's campaign gains momentum and the full details of Communist subversive activities in the Argentine come to light. However, Peron and the Peronista Party owe a great deal to the Communist trained labour leaders who first supported Evita Peron in her successful attempt to gain power for the then Colonel Peron as well as for herself. A number of the foremost supporters of Evita Peron have disappeared from the picture, the last, Raul A. Margueirat, who, with the rank of Ambassador was the Jefe Superior del Ceremonial del Estado (please see my despatch No.432 of September 30, 1954), (it is not said that he is a Communist but he clung to Evita's skirts from the beginning to the end and came up with her.) There can be no doubt that a denunciation of the Communists such as the President made will echo throughout the capitals of the other Latin-American Republics and in that sense should have a very wholesome effect and should greatly please Washington.

7. General Peron's remarks about the Communists was to me the first truly satisfying statement, per se, I have heard him make. What caused Peron to take such an open stand is not clear; there are known to be many Communists in the Peronista Party; many of the original stalwarts of the C.G.T. which brought Peron into power were Communists or very near it. He must know that there is dangerous Communist infiltration in this country. Again, he must expect that his speech will reassure many foreign capitalists.

L. R. LA FLECHE

L.R. LaFleche  
AMBASSADOR

DEPARTMENT OF STATE  
FOR THE PRESS

JUST 16, 1954

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TRANSLATION OF  
THE REMARKS OF  
THE NEWLY APPOINTED AMBASSADOR OF GUATEMALA  
LIEUTENANT COLONEL JOSE LUIS CRUZ SALAZAR  
UPON THE OCCASION OF THE PRESENTATION OF HIS  
LETTER OF CREDENCE

Mr. President:

In accepting the singular honor of representing my country before the people and the enlightened Government of the United States of America over which Your Excellency so worthily presides, I did so with great faith in the destiny of Guatemala and in the preservation of democratic institutions in the American Hemisphere.

In recognizing the enormous present value of your traditions, based on love of Freedom and Justice and on respect for the rights of nations, I wish to inform Your Excellency that the people and Government of Guatemala are inspired by the same love of Freedom, Justice and Right. Therefore, Mr. President, the similarity of ideals fills me with optimism and confidence. Optimism with respect to the future development of my country and the establishment of a policy of mutual understanding and respect between Your Excellency's people and enlightened Government and the people and Government of Guatemala. I also am confident that a system of effective collaboration will be established between the enlightened Government so worthily in Your Excellency's charge and the Government of Guatemala. This collaboration is necessary now, more than ever, on account of the constant threat to the Americas and to the world represented by International Communism.

Unquestionably, the liberation movement of the Republic of Guatemala is universally of great importance for what it represents as an effective struggle against a system of oppression based on plotting and deceit. I know that it is unnecessary to go into the history of the strategy and tactics used by International Communism in order to seize control of the government in Guatemala, and I say that it is unnecessary because public opinion in the American Hemisphere and in the entire world knows only too well the events which have caused the Guatemalan people so much sorrow.

Unfortunately, it must be admitted that the Communist organization is tremendously strong and remains dangerously cohesive wherever it succeeds in enthroning itself. This circumstance compels us to admit that while it is true that Guatemala has won the first battle against the Communist

system as a system and an ideology, it also is true that we must make united efforts to bring about its total eradication from Guatemalan soil.

The Government of the Junta headed by Lieutenant Colonel Carlos Castillo Armas is resolved, with the support of all Guatemalans, to fight indefatigably until the final extermination of the International Communism which operated in the Republic of Guatemala, and at the same time to lend its resolute cooperation and efforts to the end that such a system of oppression may be uprooted from the territory of the American Hemisphere.

The Communist Government which fortunately was overthrown in my country lost, for ideological reasons, the sense of unity of the Americas and, consequently, aimed at the disintegration of that unity, abandoning at times the regional organizations developed as constitutional organs of the Inter-American System, and at other times hampering the natural course of those Pan American meetings and conferences which sought the security of the New World. The present Government of my country has made it its purpose to re-enter the regional organizations which I have just mentioned and to offer its full cooperation for the effective development of the American system of security.

I think it necessary to refer on this occasion to the fact, well known to all, that the battle flag of International Communism in Latin America, as in other underdeveloped areas of the world, has been the ultranationalism which seeks only to capitalize on public opinion in order to seize power and then follow its own program of world threat; but it is also necessary to state that one of the most powerful weapons of such a system is that based on well-aimed propaganda which exploits the misery and ignorance of underdeveloped peoples. That is why the present Government of Guatemala has resolved to combat these ills in the Guatemalan social complex with a very broad plan of national recovery which includes agricultural programs, social security, low-cost housing, roads, and utilization of the natural resources in Guatemalan soil, at the same time as it begins a campaign against ignorance by multiplying the schools and correcting the lack of rural teachers and technicians in general.

It is natural to suppose that the extent of such plans of national recovery will prevent the Government of Guatemala from adequately carrying out its program, owing, in the first place, to the lack of sufficient financial means therefor, and to the lack of sufficient technical knowledge to accomplish these noble purposes.

Guatemala hopes to be able to attain its aforementioned goals as a logical, natural, and necessary means of driving



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Communism from its soil; therefore, it has a right to hope for the technical, material and economic aid of friendly countries in attaining its objectives of national recovery.

On the honorable and pleasant mission that my Government has entrusted to me, you may be assured that I shall devote all my efforts to establish and maintain friendly relations between our peoples and Governments. This will, no doubt, be facilitated by the similarity of ideals by which our peoples and Governments are inspired.

Mr. President, in placing in your hands the credentials accrediting me as Ambassador Extraordinary and Plenipotentiary of Guatemala to your enlightened Government, I beg you to convey to the noble people of the United States of America the fraternal message which my people send to them, and to accept my very sincere wishes for Your Excellency's personal happiness and the ever-increasing prosperity of your great Nation.

- - - - -  
THE PRESIDENT'S REPLY  
TO THE REMARKS OF THE  
NEWLY APPOINTED AMBASSADOR OF GUATEMALA  
LIEUTENANT COLONEL JOSE LUIZ CRUZ SALAZAR  
UPON THE OCCASION OF THE PRESENTATION OF HIS  
LETTER OF CREDENCE

Mr. Ambassador:

It gives me great pleasure to accept the Letter which accredits you as Ambassador Extraordinary and Plenipotentiary to the Government of the United States of America, and it is with deep gratification that I receive the warm and inspiring message which you carry from the people and Government of your country.

The free peoples of the world well know the deadly menace of international communism, which openly or subtly, but always aggressively, threatens to break down the barriers which they have thrown up against the destruction of human liberty and dignity. But the people of Guatemala know this menace as few sovereign people do, having endured the long anguish of a powerful and insidious penetration of alien influence which wrested from them their own destiny and tried to put it in the service of international communist despotism. More importantly, the people of Guatemala, in a magnificent effort, have liberated themselves from the shackles of international communist direction, and reclaimed their right of self-determination.

For

For the people of the United States and for myself, I pay tribute to the historic demonstration of devotion to the cause of freedom given by the people of Guatemala and their leaders. It constitutes living proof of the unity of ideals and aspirations which animate and join us together, and which form the basis for our profound faith in the future of our countries.

I recognize the validity of your cogent remarks on the continuing challenge of communist danger, even after winning the first battle. This evil can be overcome only by constant vigilance and by intelligent application of the fundamental precepts of democratic government. It is most gratifying to note your indications that this is the course which will be followed by the Guatemalan people and the distinguished President of the Junta of Government, His Excellency Lieutenant Colonel Carlos Castillo Armas, to whom I request you to convey my warmest greetings.

In the realm of mutual cooperation toward the goals envisioned by the people of our countries, I am sure there is no vestige of doubt that my country is disposed to render every assistance appropriate and within possibility. I look forward to the closest collaboration between our Governments in this as in all other respects.

I am gratified by Your Excellency's references to the Inter-American system, which by joint efforts through the years has been built into a bulwark of security for the New World; and I welcome the determination of Your Excellency's Government to lend its full cooperation to the efficacious development of this great concept.

I am confident that close and friendly relations between our two countries will be strengthened in the coming years, and I assure you, Mr. Ambassador, that you have come to the United States with our heartiest welcome and our sincere wishes for a successful and enjoyable stay.

\* \* \*

State--FD, Wash., D.C.

**JOHN FOSTER DULLES**  
**Secretary of State**



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**International Communism**  
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**Guatemala**



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**THE DEPARTMENT OF STATE**

**JOHN FOSTER DULLES**  
**SECRETARY OF STATE**

June 30, 1954

(Press Release No. 357)

Tonight I should like to talk with you about Guatemala. It is the scene of dramatic events. They expose the evil purpose of the Kremlin to destroy the inter-American system, and they test the ability of the American States to maintain the peaceful integrity of this hemisphere.

For several years international communism has been probing here and there for nesting places in the Americas. It finally chose Guatemala as a spot which it could turn into an official base from which to breed subversion which would extend to other American Republics.

This intrusion of Soviet despotism was, of course, a direct challenge to our Monroe Doctrine -- the first and most fundamental of our foreign policies.

It is interesting to recall that the menace which brought that Doctrine into being was itself a menace born in Russia. It was the Russian Czar Alexander and his despotic allies in Europe who, early in the last century, sought control of South America and the western part of North America. In 1823 President Monroe confronted this challenge with his declaration that the European despots could not "extend their political system to any portion of either continent without endangering our peace and happiness." We would not, he said, "behold such interposition in any form with indifference."

These sentiments were shared by the other American Republics, and they were molded into a foreign policy of us all. For 131 years that policy has well served the peace and security of this hemisphere. It serves us well today.

In Guatemala, international communism had an initial success. It began 10 years ago, when a revolution occurred in Guatemala. The revolution was not without justification. But the Communists seized on it, not as an opportunity for real reforms, but as a chance to gain political power.

Communist agitators devoted themselves to infiltrating the public and private organizations of Guatemala. They sent recruits to Russia and other Communist countries for revolutionary training and indoctrination in such institutions as the Lenin School at Moscow. Operating in the guise of "reformers" they organized the workers and peasants under Communist leadership. Having gained control of what they call "mass organizations", they moved on to take over the official press and radio of the Guatemalan Government. They dominated the social security organization and ran the agrarian reform program. Through the technique of the "popular front" they dictated to the Congress and the President.

The judiciary made one valiant attempt to protect its integrity and independence. But the Communists, using their control of the legislative body, caused the Supreme Court to be dissolved when it refused to give approval to a Communist-contrived law. Arbenz, who until this week was President of Guatemala, was openly manipulated by the leaders of communism.

Guatemala is a small country. But its power, standing alone, is not a measure of the threat. The master plan of international communism is to gain a solid political base in this hemisphere, a base that can be used to extend Communist penetration to the other peoples of the other American Governments. It was not the power of the Arbenz government that concerned us but the power behind it.

If world communism captures any American State, however small, a new and perilous front is established which will increase the danger to the entire free world and require even greater sacrifices from the American people. 000145

## The Declaration at Caracas

This situation in Guatemala had become so dangerous that the American States could not ignore it. At Caracas last March the American States held their Tenth Inter-American Conference. They then adopted a momentous statement. They declared that "the domination or control of the political institutions of any American State by the international Communist movement . . . would constitute a threat to the sovereignty and political independence of the American States, endangering the peace of America."

There was only one American State that voted against this declaration. That State was Guatemala.

This Caracas declaration precipitated a dramatic chain of events. From their European base the Communist leaders moved rapidly to build up the military power of their agents in Guatemala. In May a large shipment of arms moved from behind the Iron Curtain into Guatemala. The shipment was sought to be secreted by false manifests and false clearances. Its ostensible destination was changed three times while en route.

At the same time, the agents of international communism in Guatemala intensified efforts to penetrate and subvert the neighboring Central American States. They attempted political assassinations and political strikes. They used consular agents for political warfare.

Many Guatemalan people protested against their being used by Communist dictatorship to serve the Communists' lust for power. The response was mass arrests, the suppression of constitutional guaranties, the killing of opposition leaders, and other brutal tactics normally employed by communism to secure the consolidation of its power.

In the face of these events and in accordance with the spirit of the Caracas declaration, the nations of this hemisphere laid further plans to grapple with the danger. The Arbenz government responded with an effort to disrupt the inter-American system. Because it enjoyed the full support of Soviet Russia, which is on the Security Council, it tried to bring the matter before the Security Council. It did so without first referring the matter to the

American regional organization as is called for both by the United Nations Charter itself and by the treaty creating the American organization.

The Foreign Minister of Guatemala openly connived in this matter with the Foreign Minister of the Soviet Union. The two were in open correspondence and ill-concealed privity. The Security Council at first voted overwhelmingly to refer the Guatemala matter to the Organization of American States. The vote was 10 to 1. But that one negative vote was a Soviet veto.

Then the Guatemalan Government, with Soviet backing, redoubled its efforts to supplant the American States system by Security Council jurisdiction.

However, last Friday, the United Nations Security Council decided not to take up the Guatemalan matter but to leave it in the first instance to the American States themselves. That was a triumph for the system of balance between regional organization and world organization, which the American States had fought for when the Charter was drawn up at San Francisco.

The American States then moved promptly to deal with the situation. Their peace commission left yesterday for Guatemala. Earlier the Organization of American States had voted overwhelmingly to call a meeting of their Foreign Ministers to consider the penetration of international communism in Guatemala and the measures required to eliminate it. Never before has there been so clear a call uttered with such a sense of urgency and strong resolve.

#### Attempt To Obscure Issue

Throughout the period I have outlined, the Guatemalan Government and Communist agents throughout the world have persistently attempted to obscure the real issue--that of Communist imperialism--by claiming that the United States is only interested in protecting American business. We regret that there have been disputes between the Guatemalan Government and the United Fruit Company. We have urged repeatedly that these disputes be submitted for settlement to an international tribunal or to international

arbitration. That is the way to dispose of problems of this sort. But this issue is relatively unimportant. All who know the temper of the U.S. people and Government must realize that our overriding concern is that which, with others, we recorded at Caracas, namely the endangering by international communism of the peace and security of this hemisphere.

The people of Guatemala have now been heard from. Despite the armaments piled up by the Arbenz government, it was unable to enlist the spiritual cooperation of the people.

Led by Colonel Castillo Armas, patriots arose in Guatemala to challenge the Communist leadership--and to change it. Thus, the situation is being cured by the Guatemalans themselves.

Last Sunday, President Arbenz of Guatemala resigned and seeks asylum. Others are following his example.

Tonight, just as I speak, Colonel Castillo Armas is in conference in El Salvador with Colonel Monzon, the head of the Council which has taken over the power in Guatemala City. It was this power that the just wrath of the Guatemalan people wrested from President Arbenz, who then took flight.

Now the future of Guatemala lies at the disposal of the Guatemalan people themselves. It lies also at the disposal of leaders loyal to Guatemala who have not treasonably become the agents of an alien despotism which sought to use Guatemala for its own evil ends.

The events of recent months and days add a new and glorious chapter to the already great tradition of the American States.

Each one of the American States has cause for profound gratitude. We can all be grateful that we showed at Caracas an impressive solidarity in support of our American institutions. I may add that we are prepared to do so again at the conference called for Rio. Advance knowledge of that solidarity undoubtedly shook the Guatemalan Government.



We can be grateful that the Organization of American States showed that it could act quickly and vigorously in aid of peace. There was proof that our American organization is not just a paper organization, but that it has vigor and vitality to act.

We can be grateful to the United Nations Security Council, which recognized the right of regional organizations in the first instance to order their own affairs. Otherwise the Soviet Russians would have started a controversy which would have set regionalism against universality and gravely wounded both.

Above all, we can be grateful that there were loyal citizens of Guatemala who, in the face of terrorism and violence and against what seemed insuperable odds, had the courage and the will to eliminate the traitorous tools of foreign despots.

The need for vigilance is not past. Communism is still a menace everywhere. But the people of the United States and of the other American Republics can feel tonight that at least one grave danger has been averted. Also an example is set which promises increased security for the future. The ambitious and unscrupulous will be less prone to feel that communism is the wave of their future.

In conclusion, let me assure the people of Guatemala. As peace and freedom are restored to that sister Republic, the Government of the United States will continue to support the just aspirations of the Guatemalan people. A prosperous and progressive Guatemala is vital to a healthy hemisphere. The United States pledges itself not merely to political opposition to communism but to help to alleviate conditions in Guatemala and elsewhere which might afford communism an opportunity to spread its tentacles throughout the hemisphere. Thus we shall seek in positive ways to make our Americas an example which will inspire men everywhere.

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Date AUG 9 1954

Publication

## Much-needed Warning About Communism

IT would hardly seem necessary, at this late date and with the evidence of Communist conspiracy clear for anyone to read, for the United States to warn other American states about the conspiracy. Yet the record in Guatemala shows how naive some of them have been, how unalert to the dangers to themselves. They seem to have basked in the contentment of the view that it could happen to anybody else, but not to them.

The White Paper now issued is a fifty-six page study of Communist penetration of Guatemala during the Arbenz regime. It warns the American states about the aims and scope of "the great conspiracy to drain the strength and resources of our common civilization."

This is something the United States tried to do when it sponsored the Caracas Declaration of last March, the so-called Monroe Doctrine affecting Communism. That declaration said that international Communism is incompatible with the concept of American freedom, and that domination or control of any American state by the international Communist movement would constitute a threat to the sovereignty and political independence of the American states, endangering their peace and requiring counter-measures.

It was no surprise to anyone that Guatemala voted against the resolution, or that Mexico and Venezuela abstained. Communist infiltration of the Guatemalan government was already known, although its full extent may not have been realized. British Guiana had had Communist trouble but the Latin-American states show little concern about what happens there. These examples should have alerted them all, but they seem not to have been too much concerned, even after the Guatemala experience came to a head and the Communist regime was ousted.

This American White Paper was in preparation before the Guatemala revolt. That revolt and the clear evidence it provided of Communist control of the Arbenz regime should have brought the other American states to a realization of their danger. The United States now seems to think they are not yet fully awake. Hence the recapitulation of the facts and this comment on them:

"When brought together, with their implications and consequences analyzed, the facts constitute a

meaningful demonstration of the methods used by the international Communist movement, directed by the Kremlin, to subvert an American government. They also constitute a warning to all governments which maintain their independence."

It is the story of Europe all over again. We have been loath to believe until lately that the methods used to take over Poland and Czechoslovakia could be imported to this hemisphere. Guatemala shows not only that they can be, but that the men in the Kremlin intend to pursue this method everywhere, depending for their success on the tacit belief in this hemisphere that "it can't happen here." It is against the somnolence that this attitude induces that the United States now warns its friends.

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FILE referred to Santiago July 29/54).  
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## Actifs au Chili, les communistes n'y sont pas un danger imminent

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Une nouvelle, parue lundi dernier, en provenance de Washington et dénonçant "une certaine inquiétude dans les milieux responsables" de la capitale américaine, au sujet de manifestations étudiantes à Santiago du Chili, en faveur de l'ancien président du Guatemala, n'a pas manqué de produire des réactions dans les milieux diplomatiques canadiens — plus encore chez les sud-américains, en général, que chez les Chiliens eux-mêmes.

La nouvelle laissait entendre, en effet, qu'il existerait au Chili une "situation particulièrement dangereuse" dans le sens du communisme, lequel menacerait ni plus ni moins l'intégrité même du pays.

Aussi, afin de présenter une image aussi exacte que possible de la situation, avons-nous cherché à rencontrer et à connaître à ce sujet, l'opinion de différentes personnes — tant canadiennes qu'américaines et même qu'euro-péennes, — de différentes conditions qui aient vécu, ces dernières années, au Chili ou qui en arrivent, afin de trouver un dominateur commun de leur façon de juger ce qui s'y passe vraiment.

Ainsi, la manifestation qui a provoqué ces commentaires de Washington en était-elle, de toute évidence, une provoquée par les étudiants de l'université neutre de Santiago, en faveur de l'ancien président guatémaltèque soutenu par la gauche de son pays. Il s'agit maintenant de savoir si quelque 2,500 personnes, jusqu'à un certain point poussées dans le sens du nationalisme à des manifestations de rue, dans une ville d'un million et demi d'habitants, constituent la preuve de l'existence alarmante d'un fort mouvement communiste en ce pays?

Il est indéniable qu'au Chili, comme partout ailleurs, aujourd'hui, il existe un parti communiste, d'autant plus agissant qu'il travaille dans l'ombre, mais probablement moins puissant que celui des Etats-Unis, par exemple.

Et il est aussi parfaitement vrai, d'autre part, que la nation chilienne, dans son ensemble, est foncièrement anticommuniste, ce qui a permis il y a quelques années, la passation d'une loi qui enlève aux communistes leur droit de vote et les rend inéligibles, tant au Sénat qu'à la Chambre des députés.

Cette loi, promulguée par un ancien Président, a alors reçu non pas seulement l'approbation du pouvoir, mais aussi celle de l'opposition. Si bien que, les rôles politiques étant aujourd'hui renversés — l'opposition d'hier (gouvernement d'aujourd'hui) et le gouvernement d'aujourd'hui (opposition d'hier) — sont encore parfaitement unanimes pour réprouver une doctrine qui s'oppose nettement aux traditions et aux sentiments des Chiliens.

La meilleure idée que l'on puisse se faire de la carte politique de ce pays, serait vraisemblablement, de se représenter la France politique de la fin du XIXe siècle. Les partis y sont

aussi nombreux et à peu près les mêmes. Jaurès en moins, remplacé par les socialistes-chrétiens et les socialistes populistes qui sont, les uns et les autres, foncièrement anticommunistes. Les noms mêmes des vieux partis politiques français réapparaissent au Chili, tel celui du parti radical qui ressemble, comme un frère siamois, au parti radical français de 1900 (clubs, associations, fraternités), mais qui n'est, de ce fait même, pas le moins opposé de tous à l'infiltration du communisme.

Sans doute, les problèmes économiques et sociaux du Chili sont-ils les mêmes que ceux des trois Amériques. Mais, le fait que "tout le monde y soit plus ou moins d'opposition", constitue une bonne garantie d'esprit démocratique et rejette toute idée de dictature (surtout de gauche), dans une partie du monde où l'on est très susceptible à l'idée de toute domination par l'extérieur — quelle qu'elle soit!

Ainsi ce pays, dont la population est presque entièrement d'origine espagnole, subit-il beaucoup plus l'influence de la France que celle de l'Espagne en qui l'on voit encore, aujourd'hui, l'ancienne puissance dominatrice. Et sans vouloir, en quoi que ce soit, devenir une colonie économique des Etats-Unis, le peuple chilien n'en est pas moins un de ceux — sinon celui — qui nourrit le plus d'amitié et d'esprit de coopération à l'égard du grand voisin d'Amérique.

On est donc vraiment unanime, chez tous ceux qui connaissent le Chili, pour dire que s'il y a là, comme partout ailleurs dans le monde, des communistes actifs, leur nombre qui n'excéderait guère plus de 2 pour 100 de la population, constitue d'autant moins une menace pour la sécurité de l'Etat que règne partout un esprit réel de vigilance. Aussi estime-t-on qu'une nouvelle comme celle de lundi dernier, émanant de Washington, est beaucoup plus provocatrice qu'autrement.

# Mensaje del Partido Comunista del Canadá

Damo conocimiento de nuestros lectores, con cierto retraso, la respuesta del Partido Progresista del Trabajo de Canadá, al saludo que le enviara nuestro Partido en ocasión de la realización de la V Convención Nacional de este Partido hermano.

"Comité Central del Partido Comunista del Uruguay Montevideo - Uruguay.

Queridos camaradas:

Nuestra V Convención Nacional se sintió alentada por vuestro fraternal saludo. Los delegados salieron la lectura de vuestro mensaje con tempestuosos aplausos. Nuestra Convención significó un acontecimiento histórico en la vida del Partido. Fue aceptado por los delegados el nuevo programa; y entusiastamente discutido y también aprobado, un vigoroso plan de acción de incremento de las luchas por la unidad del pueblo para conquistar la independencia del Canadá, la paz, la democracia y el socialismo.

Los saludos de vuestro Partido intensificaron nuestro sentimiento de internacionalismo proletario y ayudaron a endurecer a los miembros de nuestro Partido para las luchas actuales y futuras.

Con caluroso agradecimiento y saludos comunistas, por el Comité Ejecutivo Nacional del Partido Progresista del Trabajo

Tim BUCK"

000152

tan de trabajo cumpliendo las resoluciones de lucha emanadas de la asamblea. Resolvióse asimismo, volcar los efectivos del Comité hacia ALOSA para que ese personal se organice a su vez en un fuerte Comité por Gómez al Senado.

Document disclosed under the Access to Information Act  
Document divulgué en vertu de la Loi sur l'accès à l'information  
PROSIGUEN CON EXIGIR LAS REFORMAS  
HANOI 10. — Se informa que los militares franceses y del Vietnam de las disposiciones respecto al cese del armisticio en Vietnam.  
INDONESIA A LA EL INGRESO  
JAKARTA, — Se informa que China y Japón para ingresar en el

## En la Construcción se forman COMITES POR ¡GOMEZ AL SENADO!

rán una reunión el lunes a mediodía para discutir la convocatoria a una gran asamblea de obreros de todas las tendencias políticas para dejar constituido un gran Comité por Gómez al Senado. El viernes, 40 ejemplares de JUSTICIA fueron colocados entre el personal.

### ● OBREROS DEL ANDAMIO DE PUNTA CARRETA

El lunes, en C. Berg y Obligado

Obreros de seis obras de Punta Carreta de las empresas Román Berro, Caviglia y Cosco, Pombo Lalanne, etc., que reúnen a más de 200 trabajadores, se reunirán mañana, a las 17 y 30, en Carlos Berg y Obligado para echar las bases de grandes Comités por Gómez al Senado de lucha por las reivindicaciones de cada empresa y del gremio.

000153

Pol-Cord. *file*  
OTTAWA FILE  
No. 57066-40

*Handwritten:* ~~File~~ *Done 9/29 Aug. 4*  
*Handwritten:* Dh<sup>2</sup>, Special Branch, *file 46*  
*Handwritten:* Mr. Brandy (on return) *B. 46 46*

Letter

DISPATCH No. 146

Date. July 28, 1954

SECURITY CLASSIFICATION

Unclassified.

*Handwritten:* AUG 1954  
*Handwritten:* Mr. Brandy

FROM: Embassy, Montevideo, Uruguay.

TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

Reference..... None.

Subject:..... Communistic relations - Canada-Uruguay.

Some people may not be aware that the labor-progressive party of Canada is another name for the communist party. Some may even confuse it with another Canadian political party, which has evidently nothing in common with the Reds, as, for instance, some immigration officers of the U.S.A. But if any doubt still remains in this respect, Tim Buck has dispelled them all in his recent message of greetings to the Communist party of Uruguay.

2. In the 11th of July issue of "Justicia", (original enclosed), the Communist party of Montevideo, appeared an article entitled: "Message from the Communist party of Canada". Text:

"We are publishing with a little delay the reply sent by the Labor-Progressive Party of Canada to the greetings sent by our Party on the occasion of the Fifth National Convention of this brother party:

'Central Committee of the Communist Party of Uruguay-Montevideo, Uruguay.

'Dear Comrades,

'Our fifth National Convention felt very deeply your brotherly greetings. The reading of your message was greeted by warm applause. Our convention is an historic event in the life of our Party. The new programme was endorsed by the delegates and, at the same time, a vigorous plan of action was discussed and approved in order to increase the fight to unite the people towards the conquest of the independence of Canada, peace, democracy and socialism.

'Your greetings will reinforce our sentiment of international proletariat and will encourage the members of our Party in their struggles present and future.

'With our deepest appreciation and our Communist salute, for the National Executive Committee of the Labor Progressive Party'."

(signed) Tim BUCK."

*Handwritten signature:* F. Charpentier  
000154

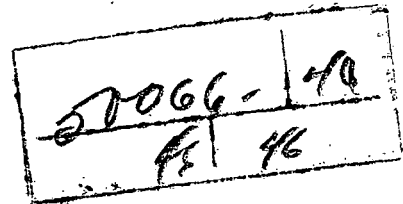
F. Charpentier,  
Chargé d'Affaires

Copies Referred To.....  
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Post File  
No.....

File 4.1.10  
46  
July 23, 1954



MEMORANDUM FOR THE MINISTER

You may have noticed an Associated Press report of July 18 (copy attached) which originated in Washington concerning a renewal of communism in Chile. This report was reproduced by Canadian newspapers and was given first-page treatment by LE DROIT. The fact that the NEW YORK TIMES, however, did not publish it may have some significance. This AP report resulted in a few editorials; I attach photostat copies of the more important ones.

2. This report was inspired by a demonstration of students in the streets of Santiago as a sign of sympathy for Arbenz and particularly as an expression of their fervent adherence to the principle of non-intervention in domestic affairs of the Latin-American republics.

3. There has been, no doubt, a slight increase of communist activities in Chile. The unfortunate economic situation in that country has caused serious domestic unrest and international communism could not let such a golden opportunity pass without making an effort to regain the strong position it held before President Gonzalez Videla ousted the party and deprived its members of civil liberties and civil rights. I doubt very much, however, if events in Chile justify such an alarmist note in Washington, which adds to the already dangerous hysteria and is far from being well taken in Latin America. Some Latin Americans are saying that the United States are using communism as an excuse for further interference in their internal affairs.

4. At all events, the Chilean Ambassador to Canada, General Ruiz, was much incensed at the Canadian Press giving echo to United States press agencies' reports on the subject. He said he understood that freedom of the press was "sacred" in Canada and that he did not intend to make any representations but that he was seeking means by which he could inconspicuously "debunk" these reports.

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It was suggested to him that he could arrange to meet some Canadian newspaper correspondent willing to place the Chilean picture in its proper perspective. Mr. Pierre Chaloult of LE DROIT accordingly called upon the Ambassador and decided to write one or two "fact-finding" reports after having consulted with Father Sanschagrin, O.M.I., Provincial of the Oblates, who spent many years doing social and missionary work among labourers in Chile and who has a good, first-hand grasp of the problem of communism in Chile, especially in the saltpetre and copper mining areas.

R. A. M.

— P.S. You will doubtless have noticed the attached editorial in the CITIZEN of July 20 which related the Chilean Ambassador and was, I believe, the result of a conversation he had with Charles Woodsworth of the CITIZEN.



THE MONTREAL "GAZETTE", July 19, 1954

### CHILE REDS STRONGER, WASHINGTON WORRIED

Washington, July 18--(AP)--Concern was expressed in responsible quarters today over reports that Communists are gaining power in Chile.

The situation is regarded here as particularly dangerous because Chile, which stretches narrowly between the Andes Mountains and the Pacific for about 2,700 miles along western South America, is in a period of acute economic difficulty.

Unlike Guatemala's Leftist President Jacobo Arbenz, who was ousted from power recently with his Communist friends, Chile's President Carlos Ibanez is an avowed anti-Communist.

However, his administration has no control in the Chilean Congress, and his cabinets, drawn from numerous political parties, sometimes have been found fighting among themselves.

Dr. Francis O. Wilcox, staff director of the U.S. Senate, foreign relations committee, told a reporter that "recent events in Chile are a matter of serious concern.

#### Bomb Exploded

Only last week a time bomb was exploded at the Chilean-North American Cultural Institute. Normally, this would have been virtually ignored by outside observers except for one thing: it came as the Chilean Chamber of Deputies was ending debate on an anti-Communist speech made July 6 by U.S. Ambassador Willard Beaulac.

Also, it was in Chile that some of the most violent anti-United States demonstrations occurred when left-wing elements in Latin America were denouncing Washington and blaming it for the overthrow of the Arbenz government in Guatemala.

In Santiago, the capital of Chile, 2,500 leftists paraded through the streets recently, shouting criticisms and insults at the United States, and "Viva Arbenz".

Earlier, the Chilean Chamber of Deputies had voted 34 to 15 to express its sympathy with the pro-Communist Arbenz government.

#### Red Agitators

Observers here said, however, that the mathematics of that vote was much more important than the language of the resolution. There were 49 deputies who voted for or against the resolution, but 147 others, or three times that number, who abstained or were absent.

To the North American mind, this could mean only that Communism had gained such a foothold in Chile that the anti-Communists were reluctant to stand up and be counted.

Observers here said a rash of strikes, many of them illegal, street disturbances, and other controversies in Chile bear many of the marks of Communist agitators.

Chile's two major exports for years have been nitrate and copper, and lately both industries have been in trouble, due to world market conditions.

And meanwhile, its agricultural production has declined on such basic items as wheat while the cost of living has been going up between 60 and 80 per cent a year, for several years.

## DEPARTMENT OF EXTERNAL AFFAIRS

Subject Communism - Chile

Date JUL 20 1954

Publication OTTAWA CITIZEN

### "Anti-Americanism" In Latin America

"Responsible quarters" in Washington are said to be expressing concern at reports that "Communists are gaining power in Chile," where the situation is regarded as "particularly dangerous" because of "a period of acute economic difficulty." The difficulties are real enough—a rising cost of living, a currency that has been losing value, a shrinkage in the markets for Chilean nitrates and copper. Communists have no doubt been exploiting them. But before Washington's pathological fears lead to diplomatic interferences of the kind that preceded the fall of the Arbenz government in Guatemala, the United States would do well to take stock of the reasons why anti-American feeling grows stronger in Latin America.

The Guatemalan affair is in the immediate background of incidents in Chile that are worrying some Americans. When the Arbenz government was overthrown by forces that had Washington's blessing, anti-American demonstrations took place in Chile and several other Latin American countries. The Chilean chamber of deputies voted 34 to 15 to express sympathy with President Arbenz, while 147 deputies abstained or were absent. These events, together with a series of strikes, seem to convince "responsible" officials in Washington that Communism is powerful in Chile.

Yet Communism is not the real issue anywhere in this hemisphere. The real

issues concern national independence, economic development, and social reform. In Guatemala, the Arbenz government, whatever its failings, had been legally elected in the country's greatest advance toward political democracy. Though influenced by Communists, its reforms were not distinctively Communist in inspiration or nature. They were reforms that many other Latin Americans want in their own countries.

Chile is one of the strongest, most highly civilized of the countries of Latin America, and it has one of the oldest and best traditions of political democracy. It will not readily submit to any undue pressure from outside upon its internal affairs. Anti-Americanism in Chile, or elsewhere in Latin America, is not to be equated with pro-Communism. It expresses resentment at U.S. efforts to dragoon the Organization of American States politically, while withholding adequate economic assistance in trade, loans, and investment. The resentment has been heightened by U.S. encouragement of the overthrow of a properly constituted government, accompanied by U.S. stalling of United Nations action. If Latin American criticisms are exaggerated, Washington could allay them by co-operative policies, instead of playing into the hands of the Communists and other extremist minorities.

DEPARTMENT OF EXTERNAL AFFAIRS

Subject *Commun - Chile*

Date *JUL 20 1954*

Publication *N. Y. HERALD TRIBUNE*

**Restlessness in Chile**

Recent reports of growing Communist strength in Chile are an unpleasant reminder that Communist ambitions in the Western Hemisphere are not restricted to Guatemala. At the beginning of the year it was apparent that unless the Chilean government succeeded in checking economic deterioration and the discontent stemming from it, it might find the Communists a serious political problem.

Much of the economic distress that has fostered this unrest in Chile is due to the decline in copper prices. Copper has accounted for more than half of Chile's exports in recent years; when the world price was stabilized last year at nearly six cents a pound less than Chile had been receiving, the blow to her economy was severe. Now that the United States has agreed to purchase 100,000 tons of her surplus copper for stockpiling at the world price, however, that particular source of distress shows some sign of improvement.

Another difficulty is Chile's shortage of agricultural production. Too many people live in the cities (one-fourth of the whole population in Santiago), not enough on the farms, and Chile has become an importer of foods which once she sold abroad. Among the results have been a budgetary deficit in 1953, inflation, rising prices and growing dissatisfaction.

The question of the moment is how successfully the government can cope with this troubled situation. Last month several ministers resigned, and President Ibanez has now set up his seventh Cabinet. He has also asked for new powers to resist obstructionist tactics in Parliament, to deal with the Communists and to maintain order and national security. The well-being of Chile is a matter of concern to all the nations of the Western Hemisphere, and her successful surmounting of present difficulties will be eagerly awaited.

DEPARTMENT OF EXTERNAL AFFAIRS

Subject *Communism - Chile*

Date JUL 19 1954

Publication

N. Y. HERALD TRIBUNE

## Chile Reds' Gains Stir Washington

WASHINGTON, July 18 (A.—) Concern was expressed in responsible quarters today at reports that Communists are gaining power in Chile.

The situation is regarded here as particularly dangerous because Chile, which stretches narrowly between the Andes Mountains and the Pacific for 2,700 miles along western South America, is in a period of acute economic difficulty.

Unlike Guatemala's Leftist President Jacobo Arbenz, who was ousted from power recently with his Communist friends, Chile's President, Carlos Ibanez, is an avowed anti-Communist. However, his administration has no control in the Chilean Congress, and his cabinets, drawn from many political parties, sometimes have been found fighting among themselves.

### Guatemala Different

In Guatemala, President Arbenz had firm control over both congress and the government until anti-Communist forces drove him out of office June 27. In addition, the country was prosperous from sales of coffee, bananas and other products.

Dr. Francis O. Wilcox, staff director of the Senate Foreign Relations Committee, told a reporter: "Recent events in Chile are a matter of very serious concern. Coinciding as they have with occurrences in Guatemala, it is natural that signs of Communist infiltration and penetration should cause alarm."

Only this week a time bomb was exploded at the Chilean-North American Cultural Institute. Normally, this would have been virtually ignored by outside observers except that it came as the Chilean Chamber of Deputies was ending debate on an anti-Communist speech July 6 by United States Ambassador Willard Beaulac.

### Anti-U. S. Marches

Also, it was in Chile that some of the most violent anti-United States demonstrations occurred when Left-Wing elements in Latin America were denouncing Washington and blaming it for the overthrow of the Arbenz government in Guatemala.

In Santiago, the capital, 2,500 Leftists paraded through the streets recently, shouting criticisms and insulted at the United States, and "Viva Arbenz."

Earlier, the Chilean Chamber had voted 34-15 to express its sympathy with the Leftist Arbenz government. This was a direct thrust at the United States, and came about the time university students in Chile were photographed burning a United States flag.

See Red Gains

Observers here said, however, that the mathematics of the vote was much more important than the language of the resolution. There were forty-nine deputies who voted for or against the resolution, but 147 others, or three times that number, who abstained or were absent.

To the North American mind, this could only mean that communism had gained such a foothold in Chile that the anti-Communists were reluctant to stand up and be counted.

Although President Ibanez has often criticized communism bluntly, Chile's traditional semi-parliamentary system of government or, perhaps political expediency, have produced cabinets which until recently had one or more pro-Communist ministers. One of them headed the Chilean sector of a Communist-inspired peace movement.

## DEPARTMENT OF EXTERNAL AFFAIRS

Subject *Communism - Chile*

Date **JUL 19 1954**

Publication

**TORONTO GLOBE AND MAIL**

# Chilean Reds Gaining, U.S. Diplomats Believe

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However, his administration lacks control of the Chilean Congress, and his cabinets, drawn from numerous political parties, sometimes have been found fighting among themselves.

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Chile's two major exports for years have been nitrates and copper, and lately both industries have been in trouble owing to world market conditions.

Its agricultural production has declined on such basic items as wheat while the cost of living has been going up between 60 and 80 per cent a year for several years.

Subject Communism - Latin America

Date JUN 17 1954

Publication

OTTAWA JOURNAL

# 200,000 Hard Core Communists In Latin American Countries

By WARREN BENNETT  
of the Associated Press.

Stepped-up military aid from the United States to southern neighbors of Red-dominated Guatemala brings into dramatic focus the inroads made by international communism in Latin America during the last few years. Guatemala has been called a Red beachhead, less than 1,000 miles from the Panama Canal.

A shipload of weapons, including tanks, is now being assembled at New Orleans for delivery next month to Honduras and Nicaragua. This is in addition to the airlifting of weapons to those countries last month when it was learned Guatemala had received a secret shipment of arms from behind the Iron Curtain.

A Defence Department spokesman said the U.S. shipment is designed to cut down any tactical advantage the Guatemalan army obtained from its 10 million dollar order of Czech munitions delivered by a Polish freighter. The department spokesman said other U. S. shipments would follow in keeping with military aid agreements signed recently with the two countries.

The Senate Foreign Relations subcommittee on security places the number of Communists in Central and South America at around 200,000 "select" members, despite the fact that 13 of the 20 Latin American republics have banned the Communist party.

This is some 130,000 less than right after World War II but, says Senator Alexander Wiley, subcommittee chairman, there is a fallacy in relying solely on numbers as a gauge of Communist strength. In many cases, Communists prefer to keep their party organization a small, tight "elite" group.

## Legal in Guatemala.

In Guatemala, for instance, where the Labor (Communist) party is legal, it has a membership of only 2,000 and holds only 4 of 56 seats in Congress. Yet through its control of labor unions and infiltration into administrative posts of the government, the Communists are influential in virtually every phase of Guatemalan political and economic life.

A current report of the subcommittee says that direct participation in national politics by Communists is significant

only in Guatemala.

In April, 1953, the powerful People's Progressive (Communist) party won 18 of 24 elective seats in British Guiana's House of Assembly and control of the executive council but six months later it was expelled by the British government.

The report says little improvement can be expected in Guatemala so long as the administration of President Jacobo Arbenz refuses to take seriously the international character of the Communist movement and the danger in continued collaboration with Communists.

The accompanying map shows Red strengths in the various Latin American countries in a 1954 survey by the subcommittee.

The Communist movement in Latin America, says the subcommittee, has as its immediate goal the location of political power in the hands of those hostile to the United States. Its strategy is to join "national liberation fronts" with slogans barely distinguishable from those of non-Communist liberal parties.

Communists therefore support national independence, social justice, economic democracy and labor unity. In Communist propaganda, however, these are made wholly dependent upon peace, elimination of imperialist (United States) exploitation, and alleged efforts of the United States to drag Latin American countries into another war.

The subcommittee says Communists have been able to penetrate Latin American educational systems, intellectual circles and labor unions. The report says:

"At the present time, the Communist propaganda offensive is directed primarily against the military assistance agreement and participation of U.S. capital in development of Latin American raw material resources. Their aim is to weaken Latin America's economic and military contribution to the West while spreading abroad a sinister picture of the United States as an exploiting, warmongering, imperialist power."

## The Score.

Here are some of the country-by-country breakdowns of Communist strength as re-

ported by the subcommittee:

**ARGENTINA**—The orthodox Communist party, though legal, is under close police surveillance. Since early 1953, it has declared its opposition to the government, abandoning a previous line of selective support of Peron programs. Communists have infiltrated organized labor and the press and could probably cause serious trouble in a political crisis.

**BRAZIL**—Communist party banned in 1948 but economic crisis and mounting inflation since 1950 have permitted Communists to recoup their former membership. Recent Red efforts have been to infiltrate government administration, bar foreign (U.S.) capital in industrial development of Brazilian resources, and to exploit nationalism and isolationism.

**CHILE**—The Communist party, outlawed in 1948, has maintained important influence in labor unions, student and intellectual groups. Communists have been very active in promoting extremist solutions for national problems and have in some degree compensated for their loss of legal status.

**COSTA RICA**—The Popular Vanguard (Communist party, banned in 1948, has nevertheless continued activity. Certain exiled Red leaders have returned to resume operations. In early 1953, Communists organized a labor confederation to take the place of one dissolved by the government.

**CUBA**—The Batista government, which came into power in March, 1952, has clamped down hard on Communist activity, including the rupture of diplomatic relations with Moscow. Red influence is strongest in youth and women's organizations, and in sugar, tobacco and maritime unions.

**ECUADOR**—Communists share control of a large sector of organized labor with Socialists. The Socialist party, far larger and stronger, has co-operated with Communists. Reds wield influence among school teachers, student and youth groups in the larger cities.

**HONDURAS**—There is no Communist party but pro-Communists have been increasingly active, with aid apparently coming across the

border from Guatemala.

**MEXICO**—Communist party, with less than 5,000 members, lacks strength for electoral registration but over a long period of time Communists and pro-Communists infiltrated into leading positions in government and labor. This trend was reversed under the Aleman administration but the Communist-line Popular Party, headed by Lombardo Toledano, chief of the Latin-American Communist labor front, retains the backing of segments of the oil, mining and metallurgical unions.

**PERU**—Communist party, outlawed in 1948, has broken into dissident groups but various factions still exert influence among transit, mining and dock workers.

**URUGUAY**—Communist strength is in organized labor, local Slavic groups and intellectual circles.

**VENEZUELA**—Communist party outlawed in 1950, many leaders were arrested, exiled or driven into hiding.

## DEPARTMENT OF EXTERNAL AFFAIRS

2

Subject.....

Date JUN 17 1954

Publication OTTAWA JOURNAL



OTTAWA, Tuesday, July 20, 1954

*Citizen*

## **"Anti-Americanism" In Latin America**

"Responsible quarters" in Washington are said to be expressing concern at reports that "Communists are gaining power in Chile," where the situation is regarded as "particularly dangerous" because of "a period of acute economic difficulty." The difficulties are real enough—a rising cost of living, a currency that has been losing value, a shrinkage in the markets for Chilean nitrates and copper. Communists have no doubt been exploiting them. But before Washington's pathological fears lead to diplomatic interferences of the kind that preceded the fall of the Arbenz government in Guatemala, the United States would do well to take stock of the reasons why anti-American feeling grows stronger in Latin America.

The Guatemalan affair is in the immediate background of incidents in Chile that are worrying some Americans. When the Arbenz government was overthrown by forces that had Washington's blessing, anti-American demonstrations took place in Chile and several other Latin American countries. The Chilean chamber of deputies voted 34 to 15 to express sympathy with President Arbenz, while 147 deputies abstained or were absent. These events, together with a series of strikes, seem to convince "responsible" officials in Washington that Communism is powerful in Chile.

Yet Communism is not the real issue anywhere in this hemisphere. The real

issues concern national independence, economic development, and social reform. In Guatemala, the Arbenz government, whatever its failings, had been legally elected in the country's greatest advance toward political democracy. Though influenced by Communists, its reforms were not distinctively Communist in inspiration or nature. They were reforms that many other Latin Americans want in their own countries.

Chile is one of the strongest, most highly civilized of the countries of Latin America, and it has one of the oldest and best traditions of political democracy. It will not readily submit to any undue pressure from outside upon its internal affairs. Anti-Americanism in Chile, or elsewhere in Latin America, is not to be equated with pro-Communism. It expresses resentment at U.S. efforts to dragoon the Organization of American States politically, while withholding adequate economic assistance in trade, loans, and investment. The resentment has been heightened by U.S. encouragement of the overthrow of a properly constituted government, accompanied by U.S. stalling of United Nations action. If Latin American criticisms are exaggerated, Washington could allay them by co-operative policies, instead of playing into the hands of the Communists and other extremist minorities.



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July 6, 1954

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CONFIDENTIAL

Orig. on 5710-A-40

THE CANADIAN AMBASSADOR, BUENOS AIRES.

## Iron Curtain Diplomatic Representation in Argentina.

I have been informed from a reliable source that the Argentine Foreign Office has recently been concerned about a request from the Embassy of the U.S.S.R. to increase the number of its foreign personnel by 200 persons. This would not mean an increase in diplomatic officers but it would almost entirely consist of persons who would enter on official passports.

2. The private secretary of the Chief of Ceremonial in Argentina recently informed a member of my staff, that the government here was already concerned about the large number of persons employed by Iron Curtain embassies. He said that 754 diplomatic and official carnets had been issued to members of Iron Curtain embassies. This new request is, undoubtedly, an embarrassing one, since it is well understood that these embassy employees are in fact, agents of the Soviet Government. The request would appear to be particularly worrisome at the present moment when the Argentine Government is attacking the local Communist Party as trouble-maker in the recent strike disorders.

All Latin  
American  
Posts.  
Moscow  
Washington  
London

3. Another activity which the government has recently discovered is the substitution of different persons on passports of diplomatic couriers. Several hundred Soviet and Satellite couriers (who arrive in pairs) have remained in the country and other agents have left the country on the courier's passports; apparently, this has been going on for some time and the government has now established, I am told, that this is the method by which the Soviet Government keeps its secret service agents up to date and under control. My source informs me that stringent measures are now being taken to prevent this occurrence in the future, following orders coming directly from President Perón. Soviet Embassy personnel have been observed attempting to obtain classified material from Ministries and the Argentine Atomic Energy Mission. One U.S.S.R. employee, registered as a "chauffeur" was seized by the police in the act of attempting to force entrance to one of the government buildings. He was taken into custody and the following day the Embassy of the U.S.S.R. was called by the Foreign Minister and requested to pick him up as he had been found rather "seriously hurt". I understand that the order to beat him up came directly from the Foreign Minister, Dr. Remorino, who is one of the more ruthless members of President Perón's cabinet.

- 2 -

4. Also on good authority, but not governmental, I learn that Señor Leopoldo Bravo, at present in Moscow as Argentine Ambassador is a Communist. One of the persons who gave me this information knew Bravo several years ago when he first entered politics and was elected to the Chamber of Deputies as a Socialist. Since then he has turned Red, according to my informant. Before Señor Bravo left for the U.S.S.R., I heard that he was on excellent terms with the Soviet Ambassador here in Buenos Aires. Despatch No.327 of May 6, 1954 from the Canadian Ambassador in Moscow is interesting in this connexion.

LR LaFleche

L.R. LaFleche  
Ambassador

Document disclosed under the Access to Information Act / Document divulgué en vertu de la Loi sur l'accès à l'information

Mr. [Signature] Mr. [Signature]

INCOMING MESSAGE

ORIGINAL

FROM: THE CHARGE D'AFFAIRES, CANADIAN EMBASSY,  
MONTEVIDEO, URUGUAY

Copy on 1474-5 10

TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

Security Classification	
SECRET	
File No.	
50066-5	
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JUN 28 1954 JUN 26 1954			
Priority	System CYPHER-AUTO	No. 8	Date June 23, 1954.
Departmental Circulation  MINISTER UNDER/SEC D/UNDER/SEC A/UNDER/SEC'S  POL/CO-ORD'N SECTION	<p>Reference:</p> <p>Subject:</p> <p>The chances of holding a Conference of Ministers of Foreign Affairs of South America in Montevideo on July 1, are diminishing every hour. A Resolution adopted by the Chamber of Representatives yesterday by a vote of 32 to 28, pledged the support of Uruguay in favour of Guatemala against outside aggression and expressed its solidarity with this brother state. <u>Violent anti-United States manifestations have taken place in the streets and students of the University of Montevideo, led by known Communists have declared a 24 hour strike. Avenida 18 de Julio, the Capital's main artery has been blocked to traffic for two nights in succession. Last night, Tuesday June 22, in an anti-United States demonstration attacks were made against El Dia, El Pais and the Hotel Victoria Plaza, where incidentally the Canadian Embassy is still located. This hotel was apparently chosen as a target for being symbol of United States presence in Uruguay. Stones were thrown against the front panes of glass and the police are guarding the hotel. No further trouble is expected for the moment but public opinion is becoming strongly influenced by the Communist campaign of abuse against the United States.</u></p> <p>-----</p>		
References	<p>Returned to IR unseen</p> <p>-----</p> <p>file</p>		

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COMMUNICATIONS  
EXTERNAL AFFAIRS

1954 JUN 13 PM 12:16

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83rd CONGRESS  
2d Session

HOUSE

REPRESENTATIVES

REPORT  
No. 1946

## EXPRESSING THE SENSE OF CONGRESS ON INTERFERENCE IN WESTERN HEMISPHERE AFFAIRS BY THE SOVIET COMMUNISTS

JUNE 29, 1954.—Referred to the House Calendar and ordered to be printed

Mr. JACKSON, from the Committee on Foreign Affairs, submitted the following

### REPORT

[To accompany S. Con. Res. 91]

The Committee on Foreign Affairs, to whom was referred the concurrent resolution (S. Con. Res. 91) to express the sense of Congress on interference in Western Hemisphere affairs by the Soviet Communists, having considered the same, report favorably and unanimously thereon without amendment and recommend that the resolution do pass.

In its consideration of Senate Concurrent Resolution 91 the Committee on Foreign Affairs has recognized that the Congress and the people of the United States are confronted with certain facts which have grave implications to the national security.

First, the regime which has been in power in Guatemala has given consistent evidence of a sympathy and a willingness to cooperate with the program of international communism which has far outweighed its concern for the opinion and combined efforts of the other American Republics and their peoples.

Second, the Government of Guatemala has recently received secretly substantial shipments of arms and military equipment which originated in that part of the world which is under the domination of the Soviet Union.

Third, on June 25, 1954, the Government of the Union of Soviet Socialist Republics by the exercise of its veto in the United Nations Security Council prevented action to refer the recent outbreak of hostilities in Guatemala to the Organization of American States.

Fourth, the United States is committed to join with the other American Republics in a common defense against aggression. This obligation was amplified and reaffirmed at the Caracas Conference March 1-28, 1954, when the United States joined with an over-

## 2 INTERFERENCE IN WESTERN HEMISPHERE AFFAIRS BY COMMUNISM

whelming majority of the American Republics in expressing the determination of the American States to take the necessary measures to protect their political independence against the intervention of international communism, acting in the interests of an alien despotism."

The committee believes that in the face of the present threat to our security and in recognition of our obligations to the neighboring peoples of this hemisphere the reaffirmation set forth in this concurrent resolution should receive the immediate approval of the Congress.

○

## COMMUNIST BEACHHEAD IN GUATEMALA CREATES PERIL TO WESTERN HEMISPHERE—MUST BE DEALT WITH PROMPTLY AND FIRMLY

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Texas [Mr. FISHER] is recognized for 20 minutes.

Mr. FISHER. Mr. Speaker, the bold Communist intervention in Latin America is a threat to the security of the Americas and cannot be tolerated. It calls for firm and positive action—action by the United States and concerted action by the Inter-American states.

Today I want to discuss the history and some of the background of Soviet plotting and plans—plans which bear fruit in the Latin American Republic of Guatemala today. The Kremlin is leaving no stone unturned in advancing its insidious cause on this continent. We, of course, know of the vast scope of Communist activities here in the United States. But let us trace some of their scheming south of the border—from the Rio Grande to the Panama Canal.

### COMMUNIST OCTOPUS SPREADS

The important thing to remember is that what has happened in Guatemala has not been an accidental occurrence. It is a significant outcropping of years of intrigue, infiltration, plotting, and planning by a Moscow-directed scheme to shut out civil rights and gain a substantial foothold in the Western Hemisphere.

It is well known that Soviet Russia has been attempting since as far back as 1934 to establish a base of operations in this part of the world. For a long time those efforts to the south centered in Cuba. But the Communists received a set-back there when on March 10, 1952, General Batista seized power. The Reds have not been able to function with any visible evidence of success under the Batista regime.

And the international conspiracy has striven hard for a foothold in Mexico, but with very limited success. The Mexican people love freedom. They are essentially a religious people, and the rank and file are strongly anti-Communist. Most of the Soviet power there is reported to be centered in the labor leader, Vicente Lombardo Toledano. It is reliably reported that the Soviet Embassy in Mexico City, along with those of her captive satellites there, acts as a headquarters for Communist fifth-column activity throughout Mexico, Central America, and the Caribbean Islands, with a sort of subheadquarters in Guatemala. Further to the south, the Kremlin is said to use the Czech Legation in Buenos Aires as the seat of South American operations.

### COMMUNIST ACTIVITIES

Through this network arrangement some results are noted. It is well to remember, in an appraisal of these developments, that the Marxist, regardless of where he may be, regards himself as belonging first to the Soviet universal state and not to his own country.

Evidences of these activities have been cropping up for some time. The Communist hand was shown last April, for example, in the attempt to assassinate the vehement anti-Communist President Anastasio Somoza of Nicaragua. That government reported that the Reds had a hand in that plot. At about the same time Nicaraguan agents discovered Soviet-marked guns, believed to have been smuggled in by submarines.

Nicaragua and the Hondurases form a buffer between Communist-dominated Guatemala and the Panama Canal. We know that in Honduras a strike of north-coast banana workers paralyzed that Nation's economy. There is strong evidence that, while it may have had some local economic basis, it was masterminded by foreign agents, probably operating from Guatemala.

Communist labor leaders seem quite able to close the big copper mines in Chile, another evidence of their growing strength. And it is well known that communism is strong among certain miners of Bolivia, our only large source of tin in the Western Hemisphere.

in nearby Venezuela it is known that Communists are influential among oil workers and that they have established themselves in mining, transportation, and port unions there.

These Soviet-directed activities are well dispersed. The uprising in British Guiana last October is another example. The press reported that Moscow's Guatemalan agents aided the left-wing People's United Party to win 8 or 9 seats in the British Honduras Legislature not long ago. And the same crowd tried to spark a strike on the vast banana plantations there.

The Soviet stooges have also shown their hand in Jamaica and in Trinidad, in the Caribbean. They reportedly hold most of the important offices in two of the French islands in the Caribbean, Martinique and Guadeloupe.

These farflung activities are but symptoms of the Kremlin's plotting. There are many economic ills in the area and the Reds always seek to capitalize upon those in poverty-stricken or unfortunate circumstances.

### RED AGENTS TRAVEL TO RUSSIA

As the Kremlin's conspiracy has been stepped up, there has been a noticeable increase in travel by the Red agents from various Central American countries to Moscow. It is reported that these local adherents of the Soviet universal state are now traveling to the land of the Iron Curtain at the rate of about 1,000 per year, about twice as many as were making pilgrimage in 1952. Even in Cuba, where the climate has not been to the liking of the Communists, the party members are permitted to travel to Russia and the satellites.

Guatemalan Communist leaders, including Jose Manuel Fortuny, Victor Manuel Guierrez, Carlos Manuel Pellecer, Mario Silva Jonama, and Jose Alberto Cardoza, are known to have visited Moscow, some of them several times. This travel is sponsored by Partido Guatemalteco Del Trabajo, the chief Soviet agency in that country which controls all labor unions and dominates the Government. At least 6 of the 11 committee members of that outfit are known to have visited Russia during the past year.

### COMMUNIST LINE FOLLOWED

The teaching obtained on such missions is reflected in the line that is followed. Following Moscow orders, the local Communist leaders return to their respective countries to play upon the prejudices of the people, focusing their attention upon the illiterate and the unfortunate. They do not want to help those people. They seek to use them in promoting their diabolical plots against freedom of those whom they pretend to want to help.

That some indoctrination and training is reflected again in vicious attacks upon the United States. Uncle Sam is pictured by the Kremlin agents as a monster, interested only in protecting investments of Wall Street monopolies that have gobbled up the richest Latin American resources. They preach that kind of buncombe through local Communist papers and they scream the line at union meetings and at rallies sponsored by the familiar Communist peace committees. On such occasions they blame all their economic ills on the United States. They refer to our foreign aid to Europe and Asia but bemoan the fact that but limited assistance is received locally.

### SOVIET PLAN

From the Soviet viewpoint, there is an objective for every move that is made. Their primary purpose is to promote international communism, dished out from Moscow. In concentrating so much attention to Central America at this time they would like to divert the attention of the United States to our own backdoor and away from the Reds' more important current operation in southeast Asia. With strength established in Latin America, the Soviets dream of submarine bases and of their ability to shut off vital materials from being imported into this country by means of strikes and sabotage of mines, refineries and ports.

Document disclosed under the Access to Information Act  
Document divulgué en vertu de la Loi sur l'accès à l'information

And it must be remembered that the Panama Canal is only 2 hours' flying time from Guatemala. If the Soviets should force a global war to ignite, they are most anxious to use their puppets in that area of this continent as bases for sabotage and attack.

### LATIN AMERICANS ANTI-COMMUNIST

But the Moscow conspirators know the going is not easy among the 160 million religious-minded, freedom-loving peoples of Central America. They know that 13 of the 20 Latin American Republics have outlawed the Communist Party. They know that the Communist Party in that area is actually smaller in numbers than it was right after World War II. But they are using their familiar

techniques of deceit and fraud in trying to fool the people into complacency and non-resistance to their well-placed and Moscow-trained agents and coconspirators.

### COMMUNISTS CONTROL GUATEMALA

We now know, Mr. Speaker, that the real Communist beachhead in this hemisphere has been established in Guatemala. It began to take form with the election in 1950 of Col. Jacobo Arbenz. Right after that the Communists came out into the open. They were encouraged. The Partido Guatemalteco Del Trabajo—PGT—the chief Soviet agency, has Government support. It is given free use of public buildings, automobiles, and subsidized Government advertising. It is reported that a daily Communist newspaper, Tribuna Popular, began publication on a press provided free by the Government. Government-approved student and youth organizations are under complete Communist domination.

Russia even maintains a propaganda vehicle in the National Peace Committee. The Reds control the radio, publicity, social security, and they completely dominate the labor unions. Alfonso Solorzano, a well-known Communist who was formerly associated with Mexico's Toledano, has been in charge of Guatemala's social-security system for some time. And the Agrarian Reform Bureau, which parcels out land under expropriation powers, is under Communist direction. The department's Secretary General has been Senora Marie de Fortuny, wife of Manuel Fortuny, one of the top Communist moguls in Guatemala. There is a reliable report that associates the President's wife with the active Red network down there.

### PEOPLE LIKE FREEDOM

But there is yet hope for Guatemala in the fact that the rank and file of the people love liberty. They are actually not many card carriers. Time magazine set the number of party members in that country at 536, and the National Planning Association, after a careful survey, estimated party members and fellow travelers to be no more than 2,000 to 3,000. But, as I have pointed out, the party leaders have been able to worm their way into strategic spots, thereby arrogating to themselves influence and power far out of proportion to their numerical strength.

There is hope when the people there learn—as indeed reports indicate they are learning—that they have been sold down the river by agents of a foreign power acting through the present government. All is not going well for the Communists in Guatemala. The Government's traditional strong fiscal position has been replaced by a sizable public debt. Private capital has been driven from the country, taking with it jobs and opportunities. The tourist trade, the source of much revenue, has declined and some agricultural production has suffered. In the name of agrarian reform the Communist-controlled Agrarian Bureau has expropriated some 450,000 acres of land, half of which was owned by the American-owned United Fruit Co. A figure of \$2 per acre was assessed for this land, actually valued by the company at \$16 million. But

only a few of the 86 percent of Guatemalan citizens who are landless have benefited from this grab. It is understandable that reports persist of a probable outburst of resistance against the Sovietized actions of the present regime.

#### SOVIETS ARM GUATEMALA

In a bold and calculated move, Soviet Russia has recently sent a vast shipment of guns and ammunition to their outpost in Guatemala. Obviously not intended for any normal needs of its small 6,000-man army, the cargo of rifles, automatic arms, mortars, and light artillery, with large quantities of ammunition, all valued at \$10 million, was received a fortnight ago at Guatemala's Caribbean port of Puerto Barrios. Listed on the ship's manifest as "steel rods, optical glass, and laboratory supplies," in 15,000 cases, the Swedish freighter *Alphem* eased its cargo into the port after zig-zagging from the port of origin, Stettin, Poland.

Thus, in one fell swoop, Guatemala, with but 3 million people, became the major military power in Central America. The first recorded shipment of Iron Curtain guns reached the Western Hemisphere. With this vast quantity of war materials, Guatemala became several times as strong as any other country in Central America.

#### WHAT USE THIS WAR MATERIAL?

What is behind this buildup of war materials? What will it be used for? There are, of course, many possibilities. First, the Guatemalan Army will be armed and become a serious threat to the peace of the area. At the same time it may well be used to create a police state, Communist style, to perpetuate a Communist-dominated government in power—regardless of the will of the people. It is expected that a part of it will be smuggled into subversive hands inside neighboring countries.

It is significant that this vast storehouse of war material was received only 3 weeks preceding the dictatorial suspension of all constitutional rights of the people—a move associated with police-state tactics.

#### WHAT CAN BE DONE?

Now, Mr. Speaker, what can be done about all this? Already the State Department has cut off technical and other aid to this southern neighbor. We know many of the Latin American countries are gravely concerned and are becoming fully aware of their peril. There is, however, evidence of some complacency on the part of some of the Central American governments where a wait and see policy seems preferred. But we know that a policy of delay and procrastination in dealing with the situation is dangerous.

As I see it, possible actions include:

First. A concerted drive, spearheaded through diplomatic channels, to expose the real intentions of the Kremlin and to identify developments in Guatemala with Communist orders issued in Moscow.

Second. Action could, of course, be taken by the Organization of American States. It will be recalled that the Rio Pact of 1947 provides for effective reciprocal assistance in the event of foreign aggression against any American

state, including aggression which is not an armed attack. Such action would conform with the anti-Communist declaration adopted 4 months ago at the Tenth Inter-American Conference at Caracas.

The press reports that Secretary of State Dulles favors such a meeting, and that it will probably be held at Montevideo, Uruguay, by a conference of foreign ministers, on July 1. It is encouraging to note that Mexico is agreeable to such a meeting. There possible courses of united action against Guatemala would be considered.

Third. The fullest possible cooperation, in the form of encouraging private investments, loans, technical assistance, trade arrangements with friendly Central American countries. Our Government has been pursuing that policy for a long time, but the opportunities should be reexamined in the light of recent developments in Guatemala.

Fourth. The application of economic sanctions, entailing a possible boycott of the commodities produced by the Soviet's most recent outpost, Guatemala, and a boycott against the shipment of goods into that country. This course could, of course, be tremendously effective. It is assumed this alternative will be considered at Montevideo.

Fifth. The invocation of the Monroe Doctrine. Since 1823 this country, under that doctrine, has made it clear that it will protect this hemisphere against foreign intervention. Now, for the first time in a hundred years, such an intervention by a foreign power has taken place. We must face up to it. The job will be made much easier by the united cooperation of other American states, all of whom have a common interest to be served by recognizing that intervention for what it is and then taking immediate steps to do something about it.

#### GUATEMALAN FOREIGN TRADE

In considering the application of economic sanctions, it is of interest to review the foreign trade situation in Guatemala. During 1953 imports into that country were valued at \$79,539,000, and exports were valued at \$88,922,000. The United States accounted for \$63,163,000 of the exports and \$44,280,000 of the goods sold to Guatemala came from this country. Thus a major portion of that trade was with the United States. Our markets and our exportable commodities constitute the mainstay of the economic existence of Guatemala today. If need be, and as an effective means of invoking the Monroe Doctrine, in order to defeat the Soviet invasion of Guatemala, our trade with that country should be brought to a complete halt—and that boycott should be firmly enforced.

Economic sanctions, applied to any nation is a drastic move. But drastic action is called for in coping with this grave threat to the peace and security of this entire hemisphere. This Nation cannot afford to permit international communism to intervene, take over, and operate a government in the Western

Hemisphere, imperil our peace and security, and jeopardize the freedom and self-respect of millions of people.

Mr. WINSTEAD. Mr. Speaker, will the gentleman yield?

Mr. FISHER. I yield.

Mr. WINSTEAD. I wish to compliment the gentleman from Texas, who is one of the ablest men in the House of Representatives and one of the best informed members of the Committee on Armed Services, on the fine presentation that he has made, and I wish to associate myself with his views.

Mr. FISHER. I appreciate the gentleman's statement and I am pleased to note his interest, which I know has existed for a long time, in the seriousness of the problem growing out of what is happening in Central America today.



## The Situation in Guatemala

### EXTENSION OF REMARKS

OF

HON. JOHN MARSHALL BUTLER

OF MARYLAND

IN THE SENATE OF THE UNITED STATES

Tuesday, June 15, 1954

Mr. BUTLER of Maryland. Mr. President, today we behold a world divided not merely by geographical boundaries, but also by antagonistic philosophies. One is based upon man's dignity as a human being; the other, upon atheistic communism. Atheistic communism by its very nature and modus operandi, as inspired by the Kremlin, is dedicated to the suppression and subjugation of the entire free world.

Regrettable as it may be, the international Communist conspiracy, through odious and devious means, has made progress; and in the light of these repugnant successes and their effect on the entire free world, the present tension in regard to the situation in Guatemala must be viewed.

I therefore ask unanimous consent to have printed in the Appendix of the Record a copy of a newsletter which I sent to my constituents, together with two editorials dealing with the situation in Guatemala.

There being no objection, the newsletter and editorials were ordered to be printed in the Record, as follows:

CONGRESSIONAL VIEWPOINT—A WEEKLY NEWSLETTER BY SENATOR JOHN MARSHALL BUTLER, OF MARYLAND

WASHINGTON, June 1, 1954.—Developments of the past 10 days in Guatemala would seem to signal greater activity in the Western Hemisphere by the partisans of atheistic communism. Undoubtedly, Communist infiltration of Central and South America, in conjunction with continued and devious subversion in our country, is but part of a planned program for the complete subjugation of the United States and of all freedom-loving people everywhere. There is much expert testimony to substantiate this point.

Thus, the repugnant pattern of world domination, created by the Bolshevik terrorists immediately following World War I and since, surreptitiously, and often openly, motivated by the Kremlin, moves closer to ultimate attainment, unless the free world, with alacrity and vigor, rather than apathy and indolence, awakens to the true nature and eventual goal of the Red menace.

Let it not be forgotten that international communism has but one, and only one, objective—world domination and subversion—the accomplishment of which has followed a definite plan of several specific phases:

First, the overthrow of the Czarist regime in Russia after World War I for the purpose of obtaining a national base for international operations. Second, in the years prior to World War II, the consolidation of Russia under Communist control. Third, a program of periphery expansion to enable contiguous defense from satellite nations. Fourth, the mastery of Asia by either direct or indirect means; the latter having proved most effective. Fifth, the mastery of Africa with its vast storehouse of natural resources. Sixth, the mastery of Latin America as a prelude to the economic strangulation of the United States. Each phase requires no direct military intervention by Russia; on the contrary, results are obtained through the typical Kremlin-inspired tactics of subversion, infiltration, and propaganda. Only recently, the scope of these tactics has been broadened to include a campaign of negotiated economic ties with the Communist orbit.

The present tenseness in the Guatemalan situation might well be viewed in the light of results thus far achieved through this phased plan of international conspiracy, particularly since World War II: Establishment of Red China, occupation of Tibet by "a people's army of liberation," invasion and division of Korea, support of Ho Chi Minh in Indochina, attempts to aid the insurrectionist Hukbalahaps in the Philippines, support of independence for Indonesia, infiltration of Burma, a program to communize Thailand and Malaya, creation of an Iron-Curtain defense through a consolidation of satellite nations, disruption of most Middle East governments, except for Greece and Turkey.

With the knowledge of such a global conspiracy, and the inroads which have already been made in the community of free nations, the extensive reaction of lethargy to situations such as now exist in Guatemala is indeed incredible. If freedom, as a basic dignity and cherished heritage, is to be preserved, this latest threat to the Western Hemisphere must be challenged, perhaps, through a return to the principles of the Monroe Doctrine.

[From the Baltimore News-Post of May 31, 1954]

#### THESE DAYS

(By George E. Sokolsky)

#### THE MONROE DOCTRINE

The nullification of the Monroe Doctrine was a response to the demand of Latin American countries which resented the umbrage of a United States protectorate over them. In its stead appeared a series of multilateral agreements which effectively bar protection of the interests of the United States without the two-thirds consent of the Latin American countries.

The Monroe Doctrine formally came into existence in President Monroe's annual message of December 2, 1823, but its origin goes back to Washington's Farewell Address. Its basic principles were fundamental American policy from George Washington to Franklin D. Roosevelt. It is not fundamental American policy today and therefore the State Department and the President are

unable to act soundly in the Guatemala affair.

#### Top point's

The primary matters discussed in the Monroe Doctrine are:

1. The American continents are not subject to colonization by any European power;
2. The United States would consider any attempt of the Allied Powers, to extend their system to any part of "this hemisphere as dangerous to our peace and safety."

By "Allied Powers" in 1823 were meant Austria, France, Russia, and Prussia, and by "system" was meant the post-Napoleonic reaction of the Holy Alliance.

3. Existing European colonies were excluded from these provisions.

4. With regard to the Spanish colonies which had declared their independence, the United States "could not view any interposition for the purpose of oppressing them or of controlling in any other manner their destiny, by any European power, in any other light than as the manifestation of an unfriendly disposition toward the United States."

#### Some apply

I desire to quote a few sentences from the Monroe Doctrine which are applicable to the Guatemalan situation:

"The political system of the allied powers is essentially different in this respect from that of America. This difference proceeds from that which exists in their respective governments; and to the defense of our own, which has been achieved by the loss of so much blood and treasure, and matured by the wisdom of their most enlightened citizens, and under which we have enjoyed unexampled felicity, this whole Nation is devoted.

"We owe it, therefore, to candor and to the amicable relations existing between the United States and those powers to declare that we should consider any attempt on their part to extend their system to any portion of this hemisphere as dangerous to our peace and safety."

Were the Monroe Doctrine in effect today, the difference in system between the Marxism-Leninism of the Soviet universal state and the United States would be sufficient cause for the United States to intervene in Guatemala. The physical peril is the destruction of the Panama Canal; the spiritual peril is the spread of the Marxist system.

[From the Wall Street Journal of June 1, 1954]

REPEATING HISTORY: SOVIET ARMS AID TO GUATEMALA DEFIES MONROE DOCTRINE—PROCLAIMED TO THWART 19TH CENTURY RUSSIAN AIMS

(By William Henry Chamberlin)

The heavy shipment of arms from the Soviet bloc to Communist-infiltrated Guatemala is the most serious challenge to the Monroe Doctrine in the present century. And, if one looks up the record, one finds that the Monroe Doctrine was conceived very largely as a challenge and a warning to another Russian Government—that of Tsar Alexander I.

There were two causes of concern about Russian designs in the United States at the time when President Monroe set forth his famous doctrine, in his message to Congress of December 2, 1823. First, Tsar Alexander had proclaimed an iron curtain along the northwestern coast of America, forbidding navigation or fishing within 100 miles of the coast as far south as the 51st parallel (somewhat to the north of the present boundary between the United States and Canada).

At that time all boundary claims in what was then an unsettled wilderness were vague and there was a Russian settlement at Fort Ross, north of San Francisco.

Second, the Russian Government had addressed two notes to the United States, re-

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failing to recognize the independence of the newly established republics in South America and announcing that the policy of the Holy Alliance, in which Tsar Alexander was a moving spirit, was "to crush all revolutionary movements." There was here at least a hint of possible Russian participation in some European intervention in South America.

#### Basic principles

The Monroe Doctrine, one of the oldest and most universally accepted commitments in American foreign policy, laid down two main principles. The American continents were not to be considered subjects for future colonization by European powers. And any European intervention against independent American states was declared "the manifestation of an unfriendly disposition toward the United States."

There have been occasional diplomatic crises over the application of the Monroe Doctrine. Most serious was the French intervention which placed an Emperor, Maximilian, on the Mexican throne. This coincided with the American Civil War. After the end of the Civil War the firm attitude of the United States was sufficient to insure the withdrawal of the French troops and the fall of Maximilian.

A boundary dispute between British Guiana and Venezuela in 1895-97 and financial claims of Great Britain, Germany, and Italy against Venezuela in 1902-4 produced flurries of excitement; but both these incidents were settled peacefully.

In recent decades the Monroe Doctrine, in line with the nationalist susceptibilities of our neighbors south of the Rio Grande, has been modified and broadened. From a unilateral declaration of purpose by the United States it has become a multilateral obligation of all American states to act together in the event of a threat to the security of the hemisphere.

For the last 10 years Guatemala has been a trouble spot in inter-American relations. A tight old-fashioned Central American personal dictatorship was overthrown and the Communists succeeded in moving in on the somewhat woolly minded reform government which was set up. Since that time, and with growing intensity in recent years, the Guatemalan Government has been harassing American economic interests, such as the United Fruit Co., and refusing to go along with hemispheric measures designed to check Communist subversion.

#### Military ascendancy

The receipt of arms valued at \$10 million from behind the Iron Curtain puts a more serious aspect on what had been regarded in the past as a minor diplomatic headache. Any such export from such a source may be considered strictly political in design. The Central American Republics are poor and economically retarded, and Guatemala has acquired a position of temporary military ascendancy.

The grave view which Washington takes of this development has been reflected in comments of the President, and the Secretary of State and in the hasty rushing of much smaller quantities of arms to two of Guatemala's neighbors, Honduras and Nicaragua.

A stockpile of arms from Communist sources in an American country located a few hundred miles from the Panama Canal may be an alarm bell even to Americans who feel that Indochina is a long way from home. The immediate danger is probably not a direct attack by Guatemala on its neighbors. This would be a clear challenge to hemispheric peace and security and could be dealt with, in all probability, by joint action, averting the stigma that would always be attached to single-handed United States action, regardless of the provocation, against a smaller and weaker nation.

The danger is rather that Guatemala might become a kind of Typhoid Mary,

spreading germs of communism and anti-Americanism accompanied by arms in the Central American area. This danger may be averted or minimized by close consultation between the United States, Nicaragua, Honduras, and other States which may be affected.

The diversionary design of this shipment of arms, at a time when the issue of extended war or peace in Indochina is becoming acute, is clear. Just how the arms were paid for is not clear. But Moscow may well count on buying more than \$10 million worth of trouble for the United States in its own backyard.

#### Continual undermining

The arms shipment to Guatemala was revealed shortly after Mr. Dulles delivered a speech at Williamsburg in which he expressed his opinion that the struggle between freedom and Communist despotism "cannot be resolved by any agreed partition of humanity between freedom and despotism." The arms shipment seemed to confirm this opinion. For it is only one of many devices by which Communist undermining might be expected to go on even if some kind of division of the world into spheres of interest were formally agreed on.

*in copy to file*

DEPARTMENT OF EXTERNAL AFFAIRS

*472*

Subject *Latin America*

Date *JUN 12 1954*

Publication

N. Y. TIMES

*50060-12*  
*461*

IN LATIN AMERICA

The situation in Guatemala, which is likely soon to come before a consultative meeting of the hemisphere Foreign Ministers, should not obscure other developments in Latin America.

The Confederation of Mexican Workers has called a general strike of 2,000,000 members for July 12. In Colombia fifteen deaths have been reported in clashes between army units and university students. In Argentina there have been nearly forty arrests in an "anti-Communist" drive. In Brazil there has been a move to impeach President Getulio Vargas.

In Mexico the immediate problem is inflation. Labor wants a 24 per cent raise to meet higher prices growing out of the devaluation of the peso in April. In Colombia the situation is fundamentally political. For years trouble there has stemmed from the historic cleavage between the Conservative and Liberal parties, both of which are "vertical" groups—i. e., include members of all social classes. In the latest instance the Government of Gen. Gustavo Rojas Pinilla blames "Communists and political extremists." Actually, General Rojas appears to have had more trouble with the recalcitrant Conservatives than with the Liberals, who are not represented in the Cabinet.

In Argentina, where President Perón has played along with Communists in the past, he is once more doing two things at a time. He is making a show of anti-communism—and he is managing to round up students who oppose him not because they are Reds but because they are not *peronistas*. In Brazil, the move against President Vargas reflects a variety of discontent, in the last analysis economic.

The important thing for a *norte-americano* seeking to evaluate such developments in the face of a demonstrable Communist problem in Guatemala is not to draw any broad conclusions. He should always remember that there are twenty-one individual Good Neighbor republics, including this one; and that their geographical, social and political characteristics are distinct. A certain amount of ferment is bound to exist here and there throughout the vast area at any time. In a given case it may or may not be unhealthy.

*It seems that the communists have become the scapegoat for getting rid of political opponents in many LA countries*

*P. H.*

PRESS CLIPPING SERVICE

*P. H.*

*JUN 16 1954*

*True*

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N.Y. TIMES, June 11, 1954.

## COLOMBIA SEIZES TOP COMMUNISTS

200 Extremists are arrested after clashes  
outlawing of Party expected.

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46 | ✓

Bogota, Colombia, June 10.- More than 200 extremists, including top Communist party leaders, were seized today and charged with having incited Army-student clashes in which fifteen persons were killed and more than forty wounded.

Authoritative sources said the Government would issue an executive decree within twenty-four hours outlawing the Communist party in Colombia.

Leading Communists arrested were Gilberto Vieira, secretary-general of the party, and Gerardo Molina, former rector of Nationalist University. Antonio Garcia, head of the Socialist party, also was seized.

Bogota returned to normalcy today after virtually suspension of all activities in the wake of two straight days of disorders. The death toll was expected to mount since at least five of the wounded were in critical condition.

Educational institutions were shut as the Government ordered mid-year vacations to start today, instead of July 20, the usual date.

The national committees of the two traditional political parties, Conservatives and Liberals, reaffirmed their support of President Gustavo Rojas Pinilla, and warned against the "action of agitators interested in preventing a return to normalcy".

Gen. Alfredo Duarte Blum, Army Chief of Staff, blamed Communists and Conservative extremist followers of Dr. Laureano Gomez, deposed President, for the outbreaks.

"We did not seek these incidents", he said. "This is a manoeuver by the Reds and followers of Laureano Gomez, who were plotting a revolt for June 13."

That date is the first anniversary of the Army coup that overthrew the Gomez dictatorship.

PRESS CLIPPING SERVICE

DEPARTMENT OF STATE

JUN 22 1954

also referred to Buenos Aires

DEPARTMENT OF EXTERNAL AFFAIRS

Subject *Commun - Argentina*

Date JUN 10 1954

Publication

N. Y. TIMES

## ARGENTINE DRIVE ON REDS GOES ON

20 Arrested as Communists  
as Press Sees Moscow's  
Hand in Labor Unrest

By EDWARD A. MORROW  
Special to The New York Times.

BUENOS AIRES, June 9—The police arrested today at least twenty persons labeled as Communists as members of the Metal Workers Union returned to work and re-established some tranquility on the nation's labor front.

Meanwhile, newspapers launched a full-scale attack against Communist infiltration and, for the first time, called the World Federation of Trade Unions a Moscow weapon designed to stir world unrest. For years President Juan Perón has dismissed the importance of Communists and their front organizations in this country. The broadside tonight by the Perónist press was evidence that the President had changed his mind.

Critica published a chart purporting to show how the World Federation of Trade Unions transmitted orders through Ruben Iscaro, Argentine delegate who is reported to be in Moscow, to such organizations as the local Movement for Syndicalist Democracy and Independence. All papers published a detailed memorandum attributed to the movement on action to be taken on the local labor front after the collective wage arguments expired last Feb. 28.

The memorandum said:

"The metal workers agreement is passable and satisfies the workers. Therefore, it is necessary to press the people to seek Assembly meetings, at these meetings display with all force the syndicalist line of the movement for syndicalist democracy and independence, ask for a minimum increase of 50 per cent, oppose all two-year contracts. We must prepare ourselves for the strike for fights must start. The undercover commissions must go into operation."

Critica said the over-all objectives of Communism in Latin America included creation of an anti-imperialist, anti-colonial and anti-Catholic climate, the development of a feeling that the worker is ill-treated in the nation's economy and the provocation of violent incidents. The newspaper said the authorities had identified almost all members of this movement.

Some doubt was cast on assertions by the police that they were arresting only Communists. The student organization of School of Engineering said that none of its members had been arrested had been Communists but had been known for their strong anti-Communist struggle in university organizations.

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PRESS CLIPPING SERVICE

DEPARTMENT OF EXTERNAL AFFAIRS

JUN 16 1954

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Subject *Commun. Argentina**This may bring  
Argentina to accept  
N. Y. TIMES*Date **JUN 9** 1954

Publication

*invitation to attend***ARGENTINES LAY  
VIOLENCE TO REDS****Union Says Reds Stir Strike  
Riots That Imperil Economy  
—2 Communists Seized**

By EDWARD A. MORROW

Special to The New York Times.

BUENOS AIRES, June 8—Argentina's General Confederation of Labor accused the Communists today of having fomented the labor difficulties that are beginning to threaten the nation's economy.

Management and labor have been attempting to reach new collective wage agreements to cover the nation's estimated 6,000,000 workers ever since contracts expired Feb. 28, 1954.

The federal police today arrested several persons, including two Communists, on charges of attempting to continue the violence that has marked the labor scene here in the last week. This afternoon, two members of the Metallurgical Union were shot and three others injured today during a scuffle in a suburb.

At least six persons have been killed and scores injured in violence during the past week-end as a result of a strike by the metallurgical workers. The strike has hit one of the nation's key industries and its effects are being felt by other branches of the industry.

Although a majority of the workers appear to be satisfied with the wage increases that have been granted, a dissident group has made it impossible for many of these to return to work.

The personnel managers of many concerns confirmed that they had been visited by police officials who had informed them that the metallurgical strike was over and that they should report any worker who did not show up for work tomorrow.

Today was the first time the Peronist press has paid attention to the events of recent weeks which, in itself, is a confession of the serious labor situation. Tonight newspapers featured the Labor Confederation's call to the metal workers union "to establish its position clearly against the disturbances and anarchy which elements at the service of communism are trying to create."

The newspapers carried pictures of eight Communists who, they said had infiltrated the metal workers union. This is the first acknowledgment of such infiltration in this country in years. President Juan D. Peron has always decried the influence of the Communist party, which although small, showed a strong rate of increase during the April elections.

At several meetings of dissident unionists, ringleaders openly distributed pamphlets bearing the Communist insignia. The excellent organization of the demonstrations even exceeded that usually attributed to the Peronist party.

Even though the metal workers may return to work tomorrow the Labor Confederation faces a new problem in another key industry. Approximately 4,000 of

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of Frege members  
at Montero deo.  
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PRESS CLIPPING SERVICE

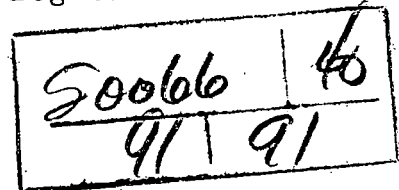
DEPARTMENT OF EXTERNAL AFFAIRS

JUN 28 1954

JUN 30 1954

the nation's estimated 15,000 heavy chemical workers have gone on strike. Key producers of sulphuric acid, oxygen and calcium carbide are involved in this strike. If continued, the walk out can erase the gains made by the Government in getting the metal workers back to work, for without these chemicals the plants will not be able to operate.

Copy for file  
"Communism in Latin-  
America"  
also referred to:  
Defence Liaison Div. (2)  
Bogota



Subject - Colombia

Date - June 5, 1954.

Publication - N.Y. Times

COLOMBIA WARNS REDS

WAR MINISTER LAYS EXISTING LAWLESSNESS TO PARTY

BOGOTA, Colombia, June 4 -

Brig. Gen. Gustavo Berrio Munoz, War Minister, told the nation in a broadcast last night that the armed forces administration, set up last June, had eliminated 99 per cent of the violence in the country.

Saying that the existing lawlessness was Communist-inspired, he warned that Colombia was well aware of the Reds' tactics and would outlaw the Communist party if necessary.

He said the Colombian Army was as good as any in South America and the Navy among the best qualitatively. The Minister paid tribute to United States service missing here.

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*F. L. B.*  
*90-6*

American Division/G. V. Beaudry/nk

June 7, 1954

NOTE FOR FILES: ~~POLITICAL SITUATION IN GUATEMALA~~  
COMMUNISM IN LATIN AMERICA ←

In "U.S. News and World Report" of June 4, 1954,  
on pages 30 to 32 is an article "Red Plan for War in  
Americas".

DESPATCH

TO: THE SECRETARY OF STATE FOR  
EXTERNAL AFFAIRS, OTTAWA, CANADA.  
FROM: Canadian Ambassador, Bogota, Colombia

Reference: The Colombian Foreign Minister on  
Subject: Communist infiltration in Guatemala

Security:.....  
No:...../58  
Date: June 4, 1954.  
Enclosures:.....  
Air or Surface Mail:.....  
10-13  
Post File No:.....

Ottawa File No.	
500 66-40	
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Original in 6397-40

References

In the course of a review of his department's policy over Radiodifusora Nacional on the evening of May 31, the Minister of External Relations, Dr Evaristo Sourdis, made some interesting statements. His talk was one of a series given on successive nights by the different cabinet ministers giving an account of their administration and policies as the first anniversary of the coup of June 13, 1953, approached.

2. Outstanding in Dr Sourdis' radio talk was his reference to the problem now facing the Americas because of communist infiltration in Guatemala. Dr Sourdis developed the argument that Communist parties everywhere are a tool of Soviet Russia and that the predominance of communistic elements in any American country constitutes "an unacceptable intervention in the internal affairs" of that country "affecting the security and political independence of all the states of the continent."

3. Colombia's stand in front of that peril, says Dr Sourdis, was made known at the Tenth Inter-American Conference of Caracas, when the Conference, with the negative vote of Guatemala and the abstention of Mexico, adopted the anticommunist resolution of the United States as amended by Colombia. As finally worded and adopted, this resolution, thinks Dr Sourdis, does not run "the slightest risk of being used by any government to condemn legitimate efforts tending to elevate the standard of living of peoples, to instal systems of social justice, to put an end to monopolies incompatible with collective interest, or to parcel out unexploited latifundias by means of adequate juridical process."

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Internal  
Circulation

Distribution  
to Posts



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4. Having thus obviously referred to Guatemala without mentioning it by name, Dr Sourdis goes on to say that communist aggression calls for a process of collective defense, and he adds that "in this instance, Colombia thinks that the consultative organ provided for in the Multilateral Treaty of Rio de Janeiro and in the Charter of the Organization of American States should be invoked" because the process of mutual consultation "is the most admirable conquest of our regional system, the clearest negation of intervention, the most adequate safeguard of weak countries against the powerful."

5. Dr Sourdis explains that collective action, in contrast with intervention, is essentially juridical in character since it rests on previous acceptance by the countries constituting the American community and is subject to the procedure established by public treaties. The Chancellor, always with the case of Guatemala obviously in mind, then goes on to develop the following theses on national sovereignty and limitations thereto:

"Sovereignty is a consequence of life relations among states and is determined by factors of reciprocal influence. In accordance with this and for the convenience of all countries, an international law put above the particular interests of each state is accepted and agreed upon ("se acepta y se pacta un derecho internacional que esta por encima del interés particular de cada Estado"). It could be said that sovereignty is the faculty of each nation to do anything that is not prohibited by public treaties which have been entered into by an act of sovereign will."

6. Having thus defined his views on the limitations to national sovereignty, Dr Sourdis goes on to say that collective action as provided for in the consultative organ of the Organization of American States "is the best safeguard of the independence and sovereignty of the states" because the member states who determine the collective action to be taken are all equally interested in the preservation of their internal freedom: "In contrast with the Security Council of the United Nations, there is no right of veto in the Consultative Organ and the juridical equality of states is such that the vote of a small country is worth exactly as much as that of the world's greatest power. Furthermore, one must not forget that all decisions have to be reached by a two-thirds vote, and it is unreasonable to think that fourteen American states would commit an injustice and work against principles and interests that are common to all. On joining an international organization, countries contract obligations which they have the duty to respect and which they cannot transgress without incurring the sanctions freely accepted by them. No state with international self-respect ("que se respete internacionalmente") can reject lightly the calling of the Consultative Organ, for this would imply lack of confidence in its own conduct and in the honesty of others."

7. Chancellor Sourdis thinks that never in recent times has the world situation been so threatening and he says that Western nations cannot face the situation successfully unless they work closely together in Geneva, in Indochina, in America, in international conferences or on fields of battle. From this, says he, arises the unquestioned desirability ("innegable conveniencia") "to invoke the Caracas anticommunist resolution and call the Consultative Organ together to examine in a cool spirit of equity the situation in the Caribbean in order to avoid a surprise move of irreparable consequences." And Dr Sourdis closed with these words:

"Never in any period of history has civilization run such a danger. The time has come to demonstrate with deeds the solidarity of the American nations, which is the sole guarantee of their liberty and independence. Colombia is ready to meet the

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obligations contracted under the Treaty of Mutual Assistance,  
the Charter of the Organization of American States and at the  
Conference of Caracas. Freedom has to be conquered and deserved."

*Edmond Tuncat*



AMBASSADOR.

Ext 180 C

DUPLICATE

OTTAWA FILE

No.

SECURITY CLASSIFICATION

CONFIDENTIAL

Despatch No..D-170.....

Date.....June .3,.1954.....

FROM: The Canadian Ambassador, Havana, Cuba

TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

Reference.....

Subject:..Cuban reaction to Guatemalan arms purchase.....

During the past few days, following the announcement that Guatemala had received a shipment of arms from Poland, I have been endeavouring to obtain the views of my Cuban friends and diplomatic colleagues. Although it would perhaps have been preferable to wait another week or ten days before commenting on this subject, it occurred to me that you would like to have an account by the May diplomatic bag rather than to wait for another month.

2. Very little editorial comment appeared in the Cuban press during the first three or four days following the announcement of the receipt of arms in Guatemala. One notable exception was a long editorial which appeared on May 20 in "Alerta" written by the editor, Ramón Vasconcelos, who came out strongly against monopolistic enterprises such as the United Fruit Company and generally adopted the Guatemalan point of view. Ramón Vasconcelos is a former supporter of Carlos Prío Socarras, the ex-President of Cuba, who has now made his peace with Batista and supports government policy, although he continues to maintain a more independent point of view than is generally to be found in the local press. His article probably proved to be a source of embarrassment to him, as it was highly praised in Guatemala and he actually received a letter of congratulation from the Guatemalan Ambassador. Vasconcelos' article was strongly anti-American and accused the United States of raising the communist issue as a smoke screen to cover their true interests. In my opinion, which has been confirmed in a number of recent conversations with Cubans at various levels, Vasconcelos was expressing openly the feeling which is latent in a good many Cubans. You will recall that in my despatch No. D-124 of April 8, 1954 I mentioned the surprisingly strong anti-American feeling expressed by the head of the Economic Division of the Ministry of State. The Cubans know that, of necessity, they must depend upon the United States and this fact alone is sufficient to give rise to a certain feeling of resentment and mistrust of United States policies even though, as I have often stated, it may not be as strong here as

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in other Latin-American countries.

3. In his speech of May 20, delivered at the official diplomatic reception which I attended, General Batista spoke in broad terms of the need for defence against communism. Although it was timely, I do not think his speech had been written with the Guatemala arms shipment in mind, but rather that it was intended to be a general warning against the dangers of communism throughout Latin America, in accord with the attitude adopted by Cuba at the Caracas conference. In an interview on May 23, Batista, as reported in the "New York Times" of May 25, announced that, in his opinion, it was imperative to act quickly. He said that he was calling into consultation the Ministers of Labour, Interior, State, Defence, Justice and Education to prepare legislation aimed at tightening restrictions on communist activity in Cuba. The "New York Times" report did not include Batista's statement to the effect that, although he found it strange that a country the size of Guatemala would need \$10 million worth of arms, he believed that, "all independent nations have, in the exercise of their sovereignty, the right to buy the arms they need to defend ~~themselves~~ against enemies, national or foreign". He added that he thought the quantity of arms mentioned in the Guatemala transaction must have been exaggerated and also from what he had been told, that the method of acquiring the arms was "erroneous". This line was taken up editorially by the press. It seems significant that General Batista in the middle of a statement expressing alarm at the evidence of communist infiltration into this hemisphere, should mention the point brought out so strongly by the Guatemalans regarding their right to purchase arms wherever they wished following the refusal of the United States to sell them any. It may also be significant that at no point in his remarks did Batista directly accuse or condemn the Guatemalans.

4. On May 24, we received a bulletin from the Guatemalan Embassy which presented their point of view on this question. These views are sufficiently well-known to do away with the need to summarize the bulletin here, except to say that it followed the line of public statements emphasizing the role of the United Fruit Company in the affair, charging intervention on the part of the United States. The question of communist infiltration in Guatemala was not discussed. On May 27, I ascertained that the Captain of the S. S. "Alfhem", on instructions from the owners, was proceeding to Key West instead of to a port in Cuba where the ship was to have loaded sugar. This was later confirmed in the press. The purpose of this change of plan, I understand, was to permit the United States authorities to interview the Captain and crew before they had touched at any other port or spoken to officials of another country. In this respect I should also mention that the Cuban authorities were prepared to keep the ship's crew under surveillance while in Cuba, although public reports gave no indication that any enquiries would be made, similar to those being carried out at Key West.

5. At the same time that I received the foregoing information I was told, and the press later confirmed, that the Cuban cabinet was preparing legislation which would prevent known communists from participating in the elections or from

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holding office in trade unions. Another section of this legislation is aimed at tightening the issuance of passports to known communists. With regard to the latter point, it is known that at least one local communist, who tried to leave Cuba about a week ago, was prevented from doing so. This is a change of attitude on the part of the Cuban authorities who have not previously interfered with the travel of communists. You will recall that in my report of events in Cuba during March (my despatch No. D-125 of April 9, 1954) I reported that no difficulties were placed in the way of the departure for Moscow of a local communist leader, Lazaro Peña. It is also proposed to make it an offence to transmit communist literature via the Cuban mails. Although this new legislation is aimed ostensibly at the communists, there is also a possibility that it could be used, in certain instances, to take action against government opponents which ~~heretofor~~ would have been taken under the "Public Order Law", which was discarded earlier in the month.

6. Among my diplomatic colleagues, the general impression seems to be that the United States has made too big an issue of the Guatemalan affair, resulting in the unification of the Guatemalans along nationalistic lines. This reasoning is followed in a report from Guatemala by Sydney Gruson, which appeared in the "New York Times" of May 24. Some doubt has been expressed here about the likelihood of the OAS countries agreeing to collective action against Guatemala. Local observers are not optimistic about the chance of any beneficial result from such a meeting and it could very well again result in the United States being told that to prevent the spread of communism in Latin America, more economic aid and greater tariff concessions should be forthcoming. Of course, should the United States fail to obtain support for action against Guatemala under the Rio Pact, it would be a source of considerable comfort to communist elements in this area. There also seems to be a feeling among the Cubans that Latin America came out badly at Caracas; that the United States' position in this part of the world was not improved nor was the action of Mr. Dulles in successfully pushing through his anti-communist measure the unqualified success it was reported to have been.

7. It may be relevant to mention at this point that today's newspapers refer to the possibility of a meeting of Central American countries being held to discuss the Guatemalan threat. There has been no time to make enquiries concerning this new development but it would seem that such a meeting would be in contravention of the OAS charter. It is also noted that Guatemala has made an offer of a bilateral non-aggression pact with Honduras. The local press reaction to this proposal is summarized in the "El Mundo" of May 29 which points out that the offer is a contravention of the OAS agreement and asks why such a pact cannot be reached through the organization already established.

8. On May 28, the new Panamanian Ambassador to Cuba, Mr. Rogelio Preciado, made a formal call on me and we had a long discussion about the Guatemalan situation. Mr. Preciado expressed some concern about developments. He thinks that there is a serious threat to the Americas and that the communists have now established a beach-head in this hemisphere. He shares the views of others with whom I have talked that there is little likelihood of the OAS taking any action against Guatemala, since

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he is not convinced that others agree with him about the danger of communism in this part of the world. He pointed out that, in the opinion of many Latins, there was no such thing as communism in Latin America; that the Latin is too independent. In addition, the countries of this hemisphere are disunited. Argentina is striving to become the United States of South America and is strongly resentful of American influence within what she regards as her orbit.

9. The Panamanian Ambassador also felt that the United States was making too much of the incident in trying to work up a case for OAS intervention. If a meeting were to be held, it could very well lead to the exposure of Latin American resentment and suspicion of United States policies. He pointed out that the United States often seems ready to lay charges of communist influence or infiltration when things go against her and that this issue was only raised in Guatemala after the troubles over the United Fruit Company had reached a difficult stage. In common with many others in this area, he shares the view that the Latin American countries, having done their share in supporting the United States during the war years, have now been forgotten. One could have suggested at this point that the Latin American republics had profited considerably from such support.

10. I think that the Panamanian Ambassador's comments summarize very well the fears which are prevalent in Latin America and reflected in this country. There seems to be a strong undercurrent of resentment against United States post-war economic policies, coupled with an equally strong nationalistic spirit. Although it is admitted that the shipment of arms from Poland to Guatemala indicates a close liaison between the latter country and the Soviet Union, they are not willing to admit that communism is in control of Guatemala or that it could develop in other parts of this hemisphere. In any case they follow the line that economic aid from the United States is the answer to most threats of this kind.

11. It will be interesting to see what emerges, in the course of the next few weeks, out of United States efforts to line up the active support of the other Latin American republics against the Guatemalan threat to the peace of this hemisphere.

Harry A. Scott  
Ambassador

Ext. 180 C

DUPLICATE

*Original in 1499-40*

OTTAWA FILE No. <i>50066-40</i>
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*91/46*

SECURITY CLASSIFICATION

CONFIDENTIAL.

Letter

~~XXXXX~~ No. *96*

Date. *June 3, 1954*

FROM: Embassy, Montevideo, Uruguay.

TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

Reference. *None.*

Subject: *Communism in General, and in Uruguay.*

In the fight against communism there is a constant conflict in the interpretation of the words used and the democracies find it hard to protect themselves, timorous that they are to transgress the principles of individual freedom. For instance they do not prevent, at least in Canada as in Uruguay, a Red or a fellow-traveller from attending a peace congress held on the other side of the Iron Curtain. As this is an excellent bait for the party worker who gets a free ride to Europe, and also a perfect medium of propaganda, world congresses held under the banner of peace and freedom have become a regular practice.

2. These fronts are well known and, in Uruguay, they are: El Consejo Nacional de Paz-(the World Peace Committee); la Union General de los Trabajadores (UGT) -(The World Workers' Union); la Federación Juvenil Comunista-(The Communist Youth Federation); la Federación Juvenil Israelita - (The Jewish Youth Federation); la Union Feminina del Uruguay - (The Women's Union of Uruguay); la Union Esclava del Uruguay - (The Slavs' Union of Uruguay); and the Instituto Cultural Uruguayo-Sovietico - (the Cultural Institute Uruguay-USSR). There is no law in Uruguay against the existence of a communist party and the approximate membership is reported to be, by the police, at 15,000, but they do not carry any political weight yet and they seem to be in regression.

3. It has been found interesting to check on all their movements to and from the country, and since they do not have to hide, this compilation work did not present many difficulties. A serious periodical of Montevideo, *El Pais*, has published in its issue of May 28th a list of the trips undertaken by known communists of Uruguay to attend communist gatherings outside of the country with funds provided by Moscow. A copy of the said article is sent to you enclosed. It includes a number of names of persons, associations and dates, and no attempt was made to translate it, since I do not have the time or personnel to do so.

4. The author, who received his information from good sources, stresses the fact that there is an increasing number of disguised fronts employed by the Soviets in Uruguay and usually described, by themselves, as "progressive and without party". Their aims follow, nevertheless, the party line and they are: 1) no progressive country will fight, even to defend itself, in case of an armed conflict with Russia; 2) to campaign, in the political and commercial fields, against the United States of America and other imperialist and capitalist states; 3) to promote a pre-peace

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DEPARTMENT OF EXTERNAL AFFAIRS

Subject

Date

May 28, 1954

Publication

El País

## COMO MANIOBRA EL SOVIETISMO INTERNACIONAL

Informaciones y Datos de Viva Actualidad.- Numerosos Ciudadanos Uruguayos van y Vienen a Reuniones y Congresos Soviéticos

Una personalidad intimamente relacionada con la técnica soviética, no ha vacilado en proporcionarnos estos datos, ahora que la amenaza se cierne sobre el continente.

En la lucha contra el totalitarismo soviético existe una confusión de términos que restringe la acción defensiva de las Democracias, temerosas de violar sus permanentes principios de libertad.

Esta confusión de términos surge de la propia organización internacional del comunismo, que se desarrolla en dos líneas, no siempre tendidas hacia los mismos propósitos inmediatos.

Para mimetizarse en la Democracia, el totalitarismo soviético se cubre con banderas de paz y libertad, reclamando "la vanguardia de las fuerzas progresistas del mundo".

Para su doble juego, ha montado una doble organización internacional. Por un lado, los partidos comunistas actuando bajo la apariencia de fuerzas nacionales, pero en verdad respondiendo a las directivas del Cominform, organismo donde los representantes del Partido Comunista de la Unión Soviética, ejercen absoluto control. Por otro, la ramificada organización de movimientos universales, tales como el Consejo Mundial de la Paz, la Federación Sindical Mundial, la Federación Internacional de Mujeres Democráticas o la Federación Mundial de la Juventud Democrática, entre otras muchas, a través de las cuales la Unión Soviética coloca al servicio de sus intereses de gran potencia, a los comunistas y "compañeros de camino" de todo el mundo.

### EL DOBLE FRENTE COMUNISTA

Abundan los ejemplos sobre el doble frente comunista, y para referirse a los más cercanos y accesibles a la pública comprobación, pueden citarse los casos de Argentina y Chile.

En Argentina, bajo el denominador común del Movimiento de la Paz, se mueve el comunismo oficial, con Víctor Codovilla, Rodolfo Ghioldi, Arnaldo Alvares, etc., y el Grupo de "Argentina de Hoy", bajo el liderazgo de los comunistas peronizados Rodolfo Puigross, Juan Unamuno, Joaquín Coca e Isaac Libenson.

En Chile conjugan su acción antidemocrática las fuerzas del Partido Comunista capitaneadas por Galo González, Pablo Neruda, Volodia Toitelboim, con el Movimiento de la Resistencia Anti-imperialista impulsado por elementos alejados de la dirección general del comunismo. Ambos pugnando por demostrar que son —más que el otro— fieles servidores de la Unión Soviética y del leninismo-stalinismo-menekovismo.

Así se tiene, en definitiva, a los comunistas oficiales y a los progresistas "sin partido", actuando en organismos que no llevan el sello de la Internacional de Bucarest, pero que sin, sin duda alguna, los más peligrosos enemigos de la Democracia, porque pretenden actuar —y lo hacen— dentro de sus propias filas.

A ellos nos referiremos.

### LA ORGANIZACION DE LOS "SIN PARTIDO"

Las fuerzas democráticas —por lo menos en nuestro país—, no experimentan inquietud alguna por la existencia del Partido Comunista legalmente constituido, cuando éste se ajusta a las normas y leyes de la Nación.

Pero su respeto a los principios inalterables de libertad, las hace un tanto despreocupadas ante la real existencia de fuerzas que actúan única y fundamentalmente, en función de los intereses de la Unión Soviética como potencia mundial.

Este es el problema de la lucha democrática contra el totalitarismo soviético.

Por intermedio de las mencionadas organizaciones universales, la Unión Soviética procura en la hora actual, tres objetivos fundamentales: 1) Crear conciencia de que los comunistas y las fuerzas "progresistas" de cada país se nieguen a defender su Patria en caso de conflicto armado con la URSS; 2) Campaña política y comercial contra los Estados Unidos de América del Norte y demás potencias democráticas, bajo la acusación de imperialismo, belicismo y colonización; y 3) Campaña Pro-Paz en apoyo político y comercial a la Unión Soviética y los países de las llamadas Democracias Populares.

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Una incompleta lista de los movimientos universales organizados, desarrollados y sostenidos por la Unión Soviética, incluye los siguientes: Consejo Mundial de Paz, Federación Sindical Mundial, Federación Mundial de la Juventud Democrática, Unión Internacional de Estudiantes, Asociación Internacional de Abogados Democráticos, Asociación Mundial de Médicos Democráticos, Organización Internacional de Periodistas, Federación Democrática Internacional de Mujeres y Federación Mundial de Obreros Científicos, además de la organización de los Esclavos y del VOKS con sus institutos culturales.

En el Uruguay funcionan varias filiales de estos movimientos: el Consejo Nacional de Paz, la Unión General de Trabajadores, la Federación Juvenil Comunista, la Federación Juvenil Israelita, la Unión Femenina del Uruguay, la Unión Eslava del Uruguay y el Instituto Cultural Uruguayo-Soviético.

Estos organismos que actúan en nuestro país, destacan frecuentemente al exterior nutridas delegaciones para asistir y participar en reuniones y congresos de carácter internacional.

Nos proponemos ofrecer una ligera relación de estos movimientos viajeros para poner en evidencia los recursos financieros que movilizan estas fuerzas semi ocultas del comunismo soviético.

### LOS VIAJEROS

Comenzando por el Movimiento de la Paz, cuyo Buró Mundial funciona en Viena, tenemos como miembro al presidente del Consejo Nacional de los Partidarios de la Paz del Uruguay, ingeniero José Luis Massera, cuyos frecuentes viajes a Europa para asistir a las reuniones del Buró Mundial de la Paz, tomaron en cierto periodo de 1953 el ritmo de un viaje cada 60 días. Pero, además, nutridas delegaciones uruguayas han asistido, por ejemplo, al Congreso Mundial de los Pueblos por la Paz realizado en Viena en noviembre de 1953.

Otras delegaciones uruguayas han estado presentes en Bucarest en julio del año último, para asistir al III Congreso Mundial de la Juventud, como lo hicieron anteriormente en Berlín en 1952, y como presumiblemente estarán presentes en octubre de 1954 en Guatemala o Santiago de Chile, donde para esa fecha se programan congresos juveniles continentales.

También "hemos" estado representados en numerosas reuniones de los citados movimientos pro soviéticos en diversas capitales de Europa y América, entre ellas, en el III Congreso Sindical Mundial de Viena (octubre de 1953), donde el secretario general de la UGT del Uruguay, señor Enrique Pastorino, fué designado para un cargo de vicepresidente del Buró Mundial, y en el Congreso Mundial de Mujeres realizado en Copenhague en junio de 1953; y lo "estaremos", a fines del mes en curso en Moscú, con la presencia en la capital soviética, de Rosario Pietrarroia, como delegado de la UGT ante el XI Congreso de los Sindicatos Soviéticos.

### RELACION DE VIAJES

Consideramos que la fría mención de los datos presentarán con total precisión el panorama que pretendemos exponer con esta nota acerca de la importancia que, aun en nuestro país, tiene la organización universal de los "sin partido" en pro de la potencia denominada Unión Soviética.

A ello vamos.

Han viajado por el Partido Comunista, el señor Rodney ARISMENDI, que asistió como delegado del P.C. del Uruguay al XIX Congreso del Partido Comunista de la URSS realizado en Moscú en octubre de 1952.

Este Congreso tuvo una importancia fundamental para el movimiento comunista internacional, pues señaló un punto de partida para nuevas normas, tácticas y aplicación de doctrinas por parte de todos los partidos comunistas del mundo.

Por la Unión General de Trabajadores, han sido muchos los viajeros: Enrique PASTORINO asistió en marzo de 1953 a la Conferencia Internacional de Seguridad Social, convocada por la Federación Sindical Mundial en Viena, y en octubre del mismo año volvió a viajar a Europa para asistir a las sesiones del III Congreso Sindical Mundial realizado también en la capital de Austria. Luego visitó, especialmente invitado, la Unión Soviética.

Félix DIAZ, dirigente portuario de la UGT, viajó a Chile en marzo de 1953, integrando una delegación de 10 miembros, designada por la central obrera que controlan los comunistas en el Uruguay, para asistir al IV Congreso Continental de la Confederación de Trabajadores de América Latina (CTAL), realizado en Santiago en la fecha indicada. Anteriormente, Félix Díaz formó parte en una delegación de cinco miembros del Instituto Cultural Uruguayo-Soviético que visitó la URSS a fines de 1951.

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(Continuación de la pág. 5)

ses en la URSS a fines de 1951, publicando a su regreso un libro editado por la editorial comunista Pueblos Unidos, con experiencias de viaje. El doctor Juan Francisco PAZOS, el escultor Armando GONZALEZ, el doctor Osvaldo LUZARDO, Alfredo GRAVINA, Ariel BADANO, el doctor Guillermo GARCIA MOYANO, las señoritas Lydia CHASSALE SCAFFO y María Luisa SANTAMARINA, así como el dirigente sindical ugetista Angel BRUZZONE, viajaron a la Unión Soviética en noviembre de 1953.

Por la Unión Femenina del Uruguay, otro de los organismos colaterales del comunismo, filial de la Federación Internacional de Mujeres Democráticas, una delegación que integraron, entre otras, la profesora Celia MIERES de CENTRON y la obstétrica Grecia CAMPISTRUS, participó en junio de 1953 en el III Congreso Mundial de Mujeres, convocado por la Federación Internacional de Mujeres Democráticas realizado en Copenhague (Dinamarca) en la fecha indicada. Finalizado el Congreso, la señora Mieres de Centron se trasladó, especialmente invitada, a la Unión Soviética.

### SIGUEN LOS VIAJES

Todo esto con posterioridad a los reiterados viajes de la ex senadora comunista Julia AREVALO DE ROCHE y de la propia profesora Celia Mieres de Centron, a Roma, París y Méjico, llevando representaciones de la Unión Femenina del Uruguay.

Cualquier persona que conozca el desenvolvimiento precario de la Unión Femenina del Uruguay —un sello y cuatro dirigentes comunistas—, se extrañará sin duda del reflejo internacional de esta unidad a través de sus viajes y delegaciones.

Pero sigamos con los viajeros. Por el Movimiento de los Partidarios de la Paz, en diciembre de 1952, una delegación de dicho organismo —filial del Movimiento Mundial de Paz— asistió al Congreso Mundial de los Pueblos por la Paz celebrado en Viena (Austria). La delegación viajó integrada por el periodista Sarandy CABRERA, la doctora Rebeca CUYAS (que también participó en Viena del Congreso Mundial de Seguridad Social convocado por la F.S.M. en marzo de 1953), y el máximo viajero comunista del Uruguay: ingeniero José Luis Massera, cuya última visita a Europa se realizó para asistir, entre los días 28 y 30 de marzo de 1954, a las sesiones del Buró Mundial del Consejo de Paz realizadas en Viena.

Volviendo al señor Sarandy Cabrera, puede señalarse que también viajó a Chile en enero de 1954, para asistir a una concentración realizada en Santiago, de intelectuales pro soviéticos de América Latina, que ofrecieron un homenaje a Pablo Neruda y Baltasar Castro por "sus relevantes méritos en la lucha por la paz mundial". Como se sabe, Pablo Neruda es uno de los Premios Stalin por la Paz (25.000 dólares y medalla de oro) y Baltasar Castro, presidente de la Cámara de Diputados de Chile, regresó recientemente de un largo viaje por la Unión Soviética.

Por otra parte, las organizaciones juveniles pro soviéticas también han enviado sus delegaciones a Europa, estando representadas en el Festival Mundial de la Juventud en Berlín en 1952 en el III Congreso Mundial de la Juventud y IV Festival Mundial de la Juventud Estudiantil en Bucarest en julio de 1953, y recientemente la Federación Juvenil Comunista envió a sus miembros Ruben Dario ASCONEGUI y Juan José ORMAECHEA, al XII Congreso del Kom-somolsk (Juventud Soviética), realizado en Moscú en marzo de 1954.

Casa de España, que también ha estado representada en los congresos internacionales pro soviéticos y diversos grupos de intelectuales amigos de la URSS han estado presentes en reuniones de esta naturaleza como, por ejemplo, en el I Congreso de Intelectuales de América Latina, celebrado en Brasil en marzo de 1954.

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Sabemos que no hemos dicho nada más que una parte —y no muy considerable por cierto— de la importancia que han cobrado las ramificaciones de los movimientos universales de "progresistas y sin partido", sobre los cuales monta su poderío el gobierno del Kremlin.

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Mario Esteban FERNANDEZ, León J. MARQUEZ PONDE y Omar BARONA ROVIRA, viajaron, en octubre de 1953, a Viena (Austria), para asistir, juntos con Enrique Pastorino, a las sesiones del III Congreso Sindical Mundial convocado por la Federación Sindical Mundial.

Héctor O. CERRUTI, Celmar H. BALBI, Javier A. LAROCCA y Alfredo MERCADAL, viajaron en Marzo de 1953 a Viena, donde asistieron en representación de la Unión General de Trabajadores del Uruguay al I Congreso de Seguridad Social a que ya hemos hecho referencia.

Teodoro MEDINA, Amalia VILLALBA MARTIRENA, Juliana MERDEROS de PALACIOS, Jorge R. CABRERA, Omar OLDMAN CAROL, Jaime GERSCHUNI PEREZ, Luis BISCRONS y Raúl CARGANO, integraron, junto con Félix Díaz y Mario Acosta, la delegación de la UGT al IV Congreso Continental de la CTAL en Santiago de Chile (Marzo de 1953), en cuya oportunidad Enrique Pastorino fué designado miembro del Secretariado Continental de la CTAL, y José Caballero (dirigente ugetista de la lana) suplente del mismo organismo.

#### MAS VIAJEROS

Miguel FALERO viajó en febrero de 1953 a Méjico, para asistir a la capital azteca a la Conferencia Interamericana de Trabajadores de la Industria Metalúrgica y Mecánica, convocada por la CTAL.

Y Ahora, en mayo de 1954, la Unión General de Trabajadores, envía a la Unión Soviética al dirigente metalúrgico Rosario PIERARRROIA, como delegado al XI Congreso de los Sindicatos Soviéticos que se inaugurará en Moscú el 25 de mayo.

Como se ve, la UGT, que no ha logrado sacar más de 4.000 obreros a la calle en las demostraciones del 1º de Mayo, se permite el lujo de enviar decenas de representantes en costosos viajes de actividades internacionales pro soviéticas.

Pero, seguiremos con los viajeros. Por la Unión Esclava del Uruguay: Lorenzo EMILIANENKO, Pedro TOPUZOFF y Miguel ROSLIK, asistieron a las reuniones del Comité Esclavo de la URSS en Moscú, visitando diversas partes de la Unión Soviética, de Checoslovaquia y Rumania como delegados de la Unión Esclava del Uruguay, en octubre de 1952.

Por el Instituto Cultural Uruguayo-Soviético: dos delegados del ICUS han visitado la Unión Soviética en los últimos tiempos (hay visitas anteriores que no las tomamos en cuenta), invitadas por el V.O. K.S. y el Comité Soviético de Defensa de la Paz.

Alejandro LAUREIRO, ingeniero José Luis MASSERA, Félix DIAZ, Jesualdo SOSA y Atahualpa DEL CIOPOPO, recibieron varios me-

(Continúa en la pág 3 - 7ª col.)

gresos internacionales prosoviéticos. En el Uruguay, los amigos de la URSS han estado presentes en reuniones de esta naturaleza como, por ejemplo, en el I Congreso de Intelectuales de América Latina, celebrado en Brasil en marzo de 1954.

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CONGRESSIONAL RECORD — SENATE

May 28 1954

50066

Only last fall, the sixth, the Secretary-General of Guatemala, Jose Manuel Fortuny, went to Moscow, along with Dionisio Encina, the Secretary-General of the Communist Party of Mexico. They went to Moscow on November 5, 1953, and they returned, well armed with propaganda and instructions, on January 12, 1954. A seventh, Virgilio Guerra, is reported as scheduled to leave very soon for Moscow, to receive instructions in labor organization. During last year—1953—some 50 or 60 persons from Guatemala visited Russia for the same reason.

The pattern of Soviet Communist penetration in Guatemala becomes clear from an analysis of labor and political groups. I think it fair to say that there is a clear and unmistakable link with the Soviet in all these groups.

The Guatemalan General Confederation of Workers is affiliated with the World Federation of Trade Unions, an international Communist-dominated organization, with headquarters in the Communist sector of Vienna; and the Secretary-General is the same Gutierrez I mentioned a moment ago, who has received his indoctrination, training, and directions from Moscow. In this Guatemalan labor group are trained Communists, and six of them have been indoctrinated in Russia.

The National Peasant Confederation of Guatemala has a similar Communist affiliation; and its secretary general, Leonardo Castillo, was in Russia, receiving instruction, in 1953.

The Alliance of Democratic Youth of Guatemala is affiliated with the World Federation of Democratic Youth, the international Communist youth organization with headquarters at Bucharest, in Communist Rumania; and the secretary general, Adelberto Torres, went to Moscow for indoctrination and training in 1953.

The Alliance of Guatemala Women is affiliated with the International Federation of Democratic Women, the Communist organization with headquarters in the Soviet sector of Berlin.

The secretary general of the Alliance of Guatemala Women, Dora Franco, not only visited Communist Russia in 1952, but also visited Communist headquarters in Red China.

The University Democratic Front, an organization at Guatemala's national university, is an affiliate with the Communist International Student Union, with headquarters at Prague, in Communist Czechoslovakia. Its secretary general, Ricardo Ramirez, visited Russia in 1953.

The National Peace Committee of Guatemala is a branch of the international Communist organization, the World Peace Council, whose headquarters is at Prague. Its secretary general, Mario Silva, was in the Soviet in 1952.

So, Mr. President, we see that the agrarian, the rural, the educational patterns of life in Guatemala have been carefully and strategically infiltrated by the Communists. Leaders in the major population groups have been called to Moscow, carefully trained, and sent back home with missions of subversion, mis-

COMMUNIST INFLUENCES IN  
GUATEMALA

Mr. SMATHERS. Mr. President, we have heard much recently about the mysterious shipment of arms from behind the Iron Curtain to the Government of Guatemala.

No. 99—8

In the belief that what actually took place will be of interest to the Senate, I wish to trace this shipment according to information gathered by me and my staff.

A cargo ship left the port of Stettin, Poland, April 17, 1954, headed for Dakar. According to reports, it was loaded with optical equipment, laboratory equipment, and miscellaneous farm machinery—1,900 tons of it, or enough to provide about two pairs of spectacles for every Guatemalan, and to provide each of them with a laboratory.

But this ship never arrived at Dakar. It was diverted to Curaçao, but before it approached Curaçao it was diverted to Puerto Cortez, and finally to Puerto Barrios, Guatemala, where it arrived May 15.

At this Guatemalan port, it docked at night. There to meet it was the Government's Minister of Defense. There also was a sizable contingent of armed soldiers, and a large number of soldier-workmen with cargo vehicles. Under cover of darkness and under protection of the armed guards who kept the curious away, the ship was unloaded.

But there was sufficient evidence for our Government, and other apprehensive Latin American governments, to establish the fact that the shipment was arms and ammunition, some \$10 million worth, obtained under some arrangement other than a straight purchase, although the movement was sufficiently guarded to prevent the curious from knowing where the arms were taken that night.

It now has been established and admitted that the shipment was of arms—upsetting the military balance in all of Central America and posing a threat, if not indeed exhibiting a plot, against freedom in this hemisphere.

Mr. President, this devious and surreptitious handling of the arms shipment into Guatemala has a significance which is perhaps beyond the mere setting of a powder key in Latin America. It reveals to us a Russian intervention in Latin America and emphasizes a challenge this Nation has no choice but to meet.

This pattern of intervention is identical with that employed in first steps taken by Russian agents which led to the drawing of Soviet Russia's now satellites behind the Iron Curtain. It is a pattern of intervention adjusted to Western Hemisphere ways, for only until recently did the Communists come out into the open, having chosen in the past to remain behind the scenes. They have conspired and operated to silence their critics—as in the case of the anti-Communist radio station in Guatemala which was recently forced off the air.

That pattern of intervention was followed when Guatemala sent three consuls into northern Honduras, where, before the Honduran Government discovered their mission and declared them to be persona non grata, they had organized the workers and set in motion and directed a major strike. This strike, according to our information, has been conducted in the Communist manner, with workers thoroughly disciplined and

carrying out precise orders completely uncharacteristic of these natives of Guatemala and Honduras.

The United States nonintervention policy among the Americas is traditional and clear. It is that there shall be no intervention in the internal affairs of any one nation by another nation of our hemisphere.

The United States has another policy which has been the doctrine of the Western Hemisphere nations for more than one and a quarter centuries—the Monroe Doctrine—which has kept the rest of the world on notice that the Western Hemisphere will brook no outside interference from the Old World, or from nations in any other area of the globe.

This policy has been reaffirmed in the Rio treaty, in the Bogatá Conference, and in the Caracas resolutions subscribed to just this year.

So, Mr. President, are we not in honor bound to recognize what is happening for what it is—intervention in the internal affairs of the nations of this hemisphere by nations from the Old World? And are we not solemnly pledged to prevent and to frustrate such intervention?

Mr. President, we all recognize the Communist pattern, and we all admit how diabolically clever it is. We are familiar with the Communist argument that what is taking place is "internal social reforms" which are no concern to outsiders.

What is actually happening, however, is that with the movement of arms into Central America, the now familiar Communist technique, propaganda plus arms—is now taking place. We will now hear, in growing crescendo, denunciations of the United States for being protectors of "oppressive, capitalistic exploiters."

Mr. President, as I understand, our policy is clear on the question of expropriation, which is a problem in Guatemala, and which has been a problem in other countries. That policy is a demand for "prompt, adequate, and effective compensation." As a nation, we will not use our force and prestige to keep the United Fruit Co., or any other private company, within the borders of a Latin American nation which does not want it. Our policy is and has been to aid and assist our Latin American friends in the development of their countries, the improvement of working conditions, and the raising of standards of living. And while we have not, in my judgment, gone far enough in this regard, nevertheless our aid, affection, and attention has been constant. Therefore, I do not believe our neighbors to the south will be fooled by the Communist propaganda.

The free world will soon know and understand that the Politburo of Guatemala is reporting directly to Moscow and is taking orders from Moscow. Of the 11 members of the Guatemalan Communist Politburo, 6 have visited Moscow and 5 have been to that Soviet Capital for indoctrination and instruction within the past 2 years. The latter are: Jose Alberto Cardoza, Victor Manuel Gutierrez, Carlos Manuel Pellecer, Jose Louis Ramos, and Mario Silva.

sions which direct them to destroy good will for the United States wherever and whenever they can.

Moscow has selected a handful of leaders to do the Communist dirty work, and has shrewdly kept them under cover, and their design has been kept secret, until now, when they think the time has come to make their move.

We should never have taken any comfort in the fact that out of a population of nearly 3 million, there were approximately 3,000 Communists in Guatemala. We all know that the Communists who seized control of the countries now behind the Iron Curtain in Europe and Asia have been pitiful in number, but powerful in shrewd ruthlessness and strategic power. Mr. President, that is how Russia herself went Communist and became the headquarters for the world Communist conspiracy.

So, Mr. President, we face the ugly and infuriating fact that we now find Russian intervention in this hemisphere on an alarming scale and in violation of the Monroe Doctrine. The diabolical scheme of the enemy has become apparent and challenges the resourcefulness not only of the United States, but also of all other members of the great Organization of American States as well.

I am confident, Mr. President, that the people of the United States stand ready to meet this challenge. I am convinced that they have no intention of scrapping the Monroe Doctrine. I have faith that the peoples of Latin America are also ready to stand firm in resisting Communist intervention in our hemisphere.

It seems to me that our course is clear under the circumstances. Through the Organization of American States, we in the Western Hemisphere have agreed upon a pattern of conduct in such circumstances. We can be proud that through that Organization we have already agreed to meet a common threat with a united front and with joint action. My information is that conferences looking toward necessary action are about to be called and that joint action will be shortly forthcoming.

The masses of the people of Guatemala cherish their freedom. They are looking to us and their other neighbors in the Organization of American States for timely and decisive action to save their freedom from Communist imperialism.

We face this crisis today, Mr. President. Let us meet it coolly, calmly, and together with our Latin American allies.

But let us look beyond this crisis. What were the circumstances that encouraged the growth of communism in Latin America? What is the cause of this threat to our cherished Pan-American unity?

Does not this prove the warnings which we have heard from many sources—and which the junior Senator from Florida has for some time been repeating—namely, that in our preoccupation elsewhere, we have left undone in the Americas those things that we should have done?

I hope and I urge that the Government handle the current crisis promptly and firmly, and in a manner to strengthen

the nations of the Western Hemisphere and the Western Hemisphere alliance. Simultaneously, I hope and I urge that we waste not a moment in getting about the task of selling democracy in Guatemala and in the other countries of Latin America where democracy is not at the moment a desirable commodity. We must help the people of those countries to understand our brand of democracy and to realize that it works. We must help them achieve a brand of democracy that will work and that will give freedom to all of them.

The fine people of Latin America, Mr. President, are freedom loving. Liberty should be a part of their life, as the inclination thereto is a part of their nature and character. They will, I know, embrace democracy and will spurn Communist slavery, if we will assist them in making the choice.

Mr. President, I yield the floor.

Subject Communism - Latin America

Date MAY 28 1954

Publication

N. Y. HERALD TRIBUNE

# Communism in Latin America

## The United States Is Respected, Not Loved by Its Neighbors; Reds Capitalize on "Anti-Yankeeism"

(This is the last in a series of five articles.)

By A. T. Steele

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When the republics of the Americas adopted an anti-Communist resolution at Caracas they threw a glaring spotlight on the Communist problem in this hemisphere.

They also, in effect, warned Latin America's Reds that if they transgress beyond a certain point (that is, to seize government control in any of their respective countries) they run the risk of intervention by the governments of this hemisphere.

But the resolution didn't really solve anything. The Communists are as busy as ever, though perhaps a bit more careful.

Meanwhile, Guatemala, which cast the one negative vote against the resolution (with Mexico and Argentina abstaining) is publicizing the divided vote as a moral victory for itself. A huge poster hung recently over the front of a Guatemala City building pictured Uncle Sam having his shins kicked by a little muchacho labeled Guatemala, while the other Latin American boys of the neighborhood stand around smiling.

### Uncle Sam Not Loved

The picture, regrettably, is not as far fetched as it seems. Uncle Sam commands respect in Latin America for his strength, his achievements and his buying power. But that does not mean he is loved. One of our toughest jobs in Latin America is to neutralize the anti-Yankee poisons which the Communists are so assiduously spreading in their efforts to isolate this country from its southern friends.

The Caracas resolution may prove useful but only as a last resort.

It involves invoking the Rio Pact, which in turn involves the possibility of intervention in the affairs of an American state—an issue on which Latin American governments are both sensitive and reluctant. At best it is a matter that has to be approached with the greatest caution, if it is not to provoke more trouble than it settles.

Meanwhile, there are other means of combating Communism in this hemisphere. One of them is to seek the causes and the cures for anti-American feeling in Latin American countries. Not all of this feeling is Communist-inspired.

Our trade policies, for example, are a prolific source of misunderstanding, especially our

import restrictions and the natural reluctance of the United States government to guarantee stable prices for raw materials bought in Latin American countries.

There is annoyance, too, over the conviction that Latin America has received less than a fair share of the United States government's loans and spendings abroad.

We are criticized also for our race problem and for our Joseph R. McCarthy despite the fact that on the race issue, at least, the Latins are on very unsteady ground.

### Cite Dictators

The Communists make the most of all this to stir up ill-feeling. They hammer hard on the "economic imperialism" theme. They discount United States warnings about the Communist danger as "Yankee propaganda" and ask pointedly why we are not equally disturbed about Latin America's military dictatorships. They blow up to fantastic proportions the "dangers" of United States intervention.

However, while it is fashionable in parts of Latin America to be conversationally anti-Yankee, the feeling is seldom deep-seated. During eight months of travel in Latin America, this correspondent heard much criticism of the United States but encountered very little hostility. Certainly the sentiment does not run as deep or as acid as in some other parts of the world.

Deep down, most Latin Americans recognize the United States as a friend, an indispensable customer and a useful ally. Nevertheless, anti-Yankeeism is a problem, and it is growing.

### More Upheavals?

Another need is keeping abreast of revolutionary developments so that we don't find ourselves stuck—as has happened in the past—with elements that no longer command popular support. It is pretty safe to predict that there will be other upheavals in Latin America similar to those in Guatemala, Bolivia and, still earlier, in Mexico.

Violent changes of government have been so common in Latin America that the average American tends to shrug each one off as "just another revolution." This complacency, however, is old-fashioned. Nowadays Latin American revolts are likely to be more than just a reshuf-

fling of familiar personalities. They sometimes involve forces that in the past played no part in politics.

One of the interesting developments is the rising political importance of the Indians who in some countries, especially in Central America and along the west side of South America, represent a very sizable part of the population.

### Mostly Farmers

Formerly these folk were exploited solely for their labor. Now in some countries they are courted for their votes. They have figured prominently in agrarian reform movements, since most of them are farmers, and the Communists have played up to them whenever and wherever possible.

No country in Latin America is wholly secure against the Communist danger. Even Argentina has a continuing Communist problem, as the last election showed. According to reports from Buenos Aires, the Reds polled 51,000 votes.

In Argentina, as elsewhere, the main strength of the Communists lies in their tight organization, their preparedness for any emergency or opportunity. If anything were to happen to Peron, it is quite possible that the Reds would be able to gain some advantage from the political vacuum so created.

Of more immediate concern is the situation in adjacent Chile where political and economic instability and Communist intrigue have contributed to a confused and unhealthy situation.

### Led Rioting

Latin American Communists have shown themselves capable on occasion of staging bloody revolts. The rioting at Bogota, in 1948, was a sample. Indeed there may still be a few Communist-led guerillas in the Colombian backcountry, though their numbers would be negligible.

There have been reports, too, of well-trained guerilla bands operating in the deep interior of Brazil, but these stories are heavily discounted by government authorities in Rio de Janeiro.

In certain other countries (Guatemala and Bolivia for example) numbers of weapons have fallen into the hands of workers and farmers, many of whom are Communist sympathizers.

But up to now, Communism in Latin America has been primarily a political rather than a military problem.

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## The Guatemalan Crisis

EXTENDED OF REMARKS  
OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Tuesday, May 25, 1954

Mr. WILEY. Mr. President, events are breaking fast, arising from the Communist beachhead in Guatemala.

I expect in the not-too-distant future to comment in some detail regarding the grave implications of that beachhead.

For the present, I should like to send to the desk 3 newspaper clippings on 2 different phases of the problem. One is an editorial from the Thursday, May 20, issue of the New York Journal-American concerning the massive shipment of arms which Guatemala had received from the Iron Curtain.

The second is an editorial from one of the distinguished newspapers of my own State, the Sheboygan Press, edited by one of the leading citizens of Wisconsin, Mr. A. Matt Werner. This editorial is on the same vital theme of the danger of the Red arms shipment.

The third concerns the labor phase of communism in this hemisphere. It is an article by the noted columnist, Victor Riesel, as carried in newspapers throughout the country on Wednesday, May 19.

I ask unanimous consent that these items be printed in the Appendix of the CONGRESSIONAL RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

[From the New York Journal-American of May 20, 1954]

### RED ARMS

The huge shipment of Communist arms and munitions that was unloaded a few days ago in Guatemala creates, in the restrained words of President Eisenhower, a disturbing situation. The President added it would be a terrible thing if a Communist dictatorship were established on this continent. It would, indeed.

Our State Department views the shipment as "a development of gravity" and Senator WILEY, chairman of the Foreign Relations Committee, calls it an ominous aspect of "Communist intervention."

Certainly the shipment is all of these things—disturbing, grave, and ominous.

Just as certainly it merits scrutiny under the terms of the Treaty of Rio de Janeiro

dealing with the security of the Americas, and under the anti-Communist resolution recently adopted at the Inter-American Conference at Caracas.

For the arms shipment, particularly to Communist-conditioned Guatemala, in its implications ties in with the grand Communist design to establish bases in Latin America. These would be a constant threat to the Panama Canal and a constant threat to the United States. Equally endangered would be our anti-Communist hemisphere neighbors.

The Organization of American States, comprising 21 Hemisphere Republics, including the United States, should take immediate action to determine if this shipment comes under the Caracas Declaration as "the intervention of international communism, acting in the interests of alien despotism."

[From the Sheboygan Press of May 20, 1954]

### DANGER IN GUATEMALA

President Eisenhower's statement that the establishment of a Communist dictatorship in Guatemala would be a terrible thing highlights the value of Senator WILEY's proposal that all American Republics confer quickly on the Red arms shipment to Guatemala.

Wisconsin's senior Senator believes that Communist Poland's shipment is proof that the Red conspiracy is "intervening directly in the affairs of this hemisphere."

Declaring that the shipment was massive and tremendous, the Senator pointed out: "This is not a United States concern nor a United States interpretation alone. It is a hemispheric consultation."

American Republics should confer over the Guatemalan situation because the Caracas Conference of the Americas earlier this year called for consultation on appropriate action in the event of Communist domination of the affairs of any one of the Republics.

"You can be absolutely certain," the Senator stated, "that no ship is loaded behind the Iron Curtain with 1 ton or 1,000 or 2,000 tons of arms unless that shipment is a part of the master plan of world communism. That plan is aimed at one principal objective—the domination of the world."

There is no shadow of a doubt that the Guatemalan Government is extremely leftist. The arms shipment from Communist Poland to a revolutionary regime already Red-tinged is alarming and dangerous.

As Senator WILEY says, the time is already here for consultation by all American Republics over the Red threat in Guatemala. Communism already has secured a foothold in Guatemala. Only fast, strong, and united action by all Western Hemisphere Republics, from the United States down, can prevent this Red foothold from growing into a stronghold.

[From the Dallas Morning News of May 19, 1954]

### INSIDE LABOR

(By Victor Riesel)

The Soviets may soon be 63 airports closer to the Panama Canal.

If we talk in these terms, perhaps we can take the Caribbean and its little nations out of the "banana republic" and musical comedy images in our minds. That romantic sea is now laden with guided missile bases, rocket launching sites, radar screens—and hungry, shoeless natives ready to follow the skilled Soviet agents into anti-United States adventure.

We lost the support of the Jamaican workers around the vital rocket depot there because we wouldn't give the anti-Communist labor groups enough money to maintain payments on their only jeep. We lost the British Guiana populace because no one would heed the warnings here.

We lost Guatemala because people snickered when it was pointed out that the Soviet global labor network was about to seize that nation. Now we are losing Honduras to the Soviets.

And Honduras will put the Russian agents 63 airports closer to the canal.

As I write, there is a general strike—which is the deadliest, although not the bloodiest, form of biggest cities and ports, La Ceiba. You probably know as little of that city as you knew of Pusan or Seoul. But it is just as important.

There, where there is no union, 15,000 banana workers are on the company gates. They control the police. They monitor the cases going into the local hospital. They guard the airport. They distribute the dairy products.

In other cities they have sent flying terror squads into the streets. They have military columns up to 2,000 moving across the country. Yet there seem to be no leaders. Just a "committee for workers unity" which refuses to accept wage increases and improved working conditions—but holds out for power over company management.

In all, there are 40,000 strikers who have been efficiently organized in several cities since April 30. Yet this most difficult of all stoppages is being run without a single union headquarters.

It is, of course, organized and directed by Soviet agents operating out of nearby Guatemala. They operate on schedule and on a pattern which must now be obvious even to us.

As Senator ALEXANDER WILEY, head of the Senate Foreign Relations Committee, soon will point out on the basis of on-the-spot investigations by his aides in the Caribbean, the central source of this power and strategy is the Soviet's World Federation of Trade Unions.

As a result of his aides' searchings, the Senator now believes that this World Federation of Trade Unions is Moscow's single most important conduit of Communist literature, manpower, money and false-name bank deposits in the world.

It is the WFTU which first searches out the under-developed areas in which the natives have piled up grievances and debts over the last ten generations. A decade ago the Soviets selected Guatemala. They moved into the labor field. They captured the workers' imagination, built them a "General Confederation of Labor," tied to it the "peasants" and had themselves another Yenan.

Then they moved in on the South American Continent. They deposited money in British Guiana banks for the use of the Communist group in that bauxite-laden country. Finally, it took the Royal Navy and Marines to dislodge the Soviet's Peoples Party. In every area the Soviets need one base—here in Latin America they had two. It was now time to radiate. They next picked Honduras. They built an underground labor house. And they called a strike.

And on May 25, there will arrive in Moscow a Guatemalan labor chief by the name of Firgilio Guerra. He will report on the Honduras "victory" to the Council of Soviet Labor Unions. He will be briefed. Soon Guatemala will radiate again, always in the direction of the Panama Canal.

Senator WILEY believes we must find a formula with which to win the labor base in each nation. He believes that responsible unions must be built by anti-Communists in these underdeveloped lands—and that we must train and help these people to raise their standards of living.

Or we will face being slashed from the canal and South America—or being put in the ugly position of landing Marines again.

Why do we always get positioned?

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DEPARTMENT OF EXTERNAL AFFAIRS

Subject *Communism - Central America*

Date **MAY 17 1954**

Publication

**MONTREAL GAZETTE**

# U.S. Charged with Inaction In South American Scene

By JULIA EDWARDS

United Nations, New York, May 16—(WPS)—Can the Communists take over Central America and break the link between North and South America?

There is some dispute about that at the United Nations. But there is one point on which all concerned agree:

Weakened by economic unrest and political instability, the chain of Central American states needs repair.

The United Nations Technical Assistance board hopes to spend some \$700,000 on the job this year. But nobody thinks that is enough.

UN delegates from Central America seem to agree that the United States has exaggerated the present threat of Communism and failed to do enough about the potential threat.

Disappointed at the failure of the United States to offer more economic assistance at the Caracas Conference of the Organization of American States, the delegates are confronting the problems of their own regional organization in an atmosphere of frustration.

The Organization of Central American States, which postponed a scheduled meeting until after the Caracas Conference, now has decided against holding a meeting this month. The stated reason is that a convenient date could not be found. One Foreign Minister, for instance, was going to be busy vacationing in the United States. Apparently there is just not much to talk about, besides Guatemala, and not much to be done about that.

The Organization has been seriously weakened by the withdrawal last year of the Communist-supported Government of Guatemala, which has the largest population of any Central American state.

Reports that Guatemala has sent Communist agents to interfere in the recent elections in British Honduras and to foment strikes in the Republic of Honduras have raised a serious question as to whether the Organization may have to reverse one of its main objectives.

Established to reduce barriers between the states, the Organization may find itself figuring out how to raise barriers against Communist infiltration from Guatemala, Honduras, El Salvador, Costa Rica and Nicaragua—the four remaining members of the Organization—have agreed to fight Communism, but they have been reluctant to do anything which would antagonize Guatemala.

Dr. Miguel Rafael Urquiza, El Salvador's representative to the UN, says that political cooperation with Guatemala is impossible. But he hopes for continued economic cooperation through the UN.

Britain's UN delegation is seriously concerned about Communist infiltration from Guatemala into British Honduras. This helped the Communist-supported United People's Party win the election for the Legislative Council.

"But what can we do about it?" a British spokesman asked.

There is no way to stop the traffic of propaganda and intelligence across the jungle borders. The Communists, however, cannot take over British Honduras so long as the British retain control.

of the Government.

The Central American neighbors of Guatemala and British Honduras, all opposed to colonialism in general, significantly decline comment on British colonialism in Central America. There is little doubt that for neighbors they prefer the British to the Communists.

Dr. Tiburcio Carias, Jr., UN delegate from the Republic of Honduras, believes the strike of 25,000 United Fruit Company workers should have one salutary effect. It may stop people from confusing the British colony, with its 70,000 inhabitants, and the Republic, with 1,600,000 inhabitants.

There is no Communist movement of any importance in the Republic, he says. While pointing out that he is far from the scene, Dr. Carias is more inclined to blame the strike on non-Communist politics than on infiltrators from Guatemala.

The burning issue in Honduras, he reports, is not Communism, but the campaign of Liberal and Reformist Parties to unseat the Nationalist Party in elections scheduled next fall.

What worries observers is that the situation can change overnight, as it did in Guatemala and as it has done before in states so prone to revolution. Both El Salvador and Costa Rica experienced revolutions in 1948. Unrest in Nicaragua has resulted several times in U.S. intervention.

Both Dr. Carias and Dr. Urquiza agree that in the long run political stability will depend on the economic development of their countries. Misery and poverty open ears for extremist agitators.

Each of the Central American states, including Guatemala and Panama, will contribute more to the UN economic projects in their countries than they will get from the UN Technical Assistance program.

The Technical Assistance Board still does not know whether it will have the money to carry out all the projects it has planned this year. However, it has tentatively budgeted sums ranging from \$79,975 for Nicaragua to \$144,775 for Guatemala.

Twelve UN experts are slated to go to Guatemala to help with a general economic survey, a social security program, an education-for-productivity project and other activities.

As for the idea that economic cooperation with Guatemala would aid communism, advocates of cooperation say this is the only way to stop communism, short of revolution. Diplomats refer to the Guatemalan Government as "Communist supported" rather than "Communist dominated." Whether or not this is a technicality, there is hope among anti-Communists

at the UN that Guatemala can be weaned away from Communism. At least, it is argued, the free world must keep its foot in the door.

A practical reason for this viewpoint is that trade with Guatemala is important to its neighbors.

The best way to stop Communism in Guatemala, in the opinion of these sources, is to convince it that its best interest lies with the West. And the best way to do this, as well as to forestall Communism in other Central American states, their leaders believe, is to bolster their economies.

The United States is paying more than half the bill for UN Technical Assistance, but nobody believes it is enough to solve the problems.

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DEPARTMENT OF EXTERNAL AFFAIRS

MAY 21 1954



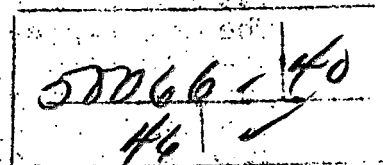
# DEPARTMENT OF STATE

MAY 14, 1954

FOR THE PRESS

NO. 251

CAUTION - FUTURE RELEASE



ADDRESS BY THE HONORABLE JOHN C. DREIER, U.S. REPRESENTATIVE  
ON THE COUNCIL OF THE ORGANIZATION OF AMERICAN  
STATES, AT EARLHAM COLLEGE, RICHMOND, INDIANA  
MAY 15, 1954

## Organizing Security in the Americas

To an increasing extent since the close of World War II, the U.S. has, in addition to participation in and support of the United Nations, depended upon the creation of regional security arrangements for the strengthening of its own national security. Of these regional arrangements, which include the North Atlantic Treaty and the Security Treaty between Australia, New Zealand and the United States, the oldest is that among the American States.

Having its roots in the history of inter-American relations as far back as a century and a quarter ago, the Collective Security System of the American Republics was already in virtually final form when the United Nations was established. In fact, the determination of the members of the Inter-American System to protect the ability of their regional organization to maintain peace and security, was largely responsible for the inclusion in the United Nations Charter of articles which recognize the right of collective self-defense, and of provisions regarding regional arrangements for peace and security.

The Inter-American Treaty of Reciprocal Assistance, commonly known as the Treaty of Rio de Janeiro, which was signed in 1947, confirmed the Inter-American collective security arrangements in treaty form. This treaty, moreover, served as an important precedent for the North Atlantic Treaty which followed soon thereafter, as well as for other regional security arrangements either concluded or proposed by the U.S.

Thus is illustrated an important and interesting feature of inter-American relations -- the fact that on more than one occasion the U.S. has developed in its relations with the other American republics basic policies and ideas which subsequently have been extended to the larger arena of world affairs.

There

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There is one respect, however, in which the inter-American collective security system differs importantly from the others which have been modeled upon it. All of these regional security arrangements are defense agreements having as their purpose the common defense of the member states against attacks by other states not included in those arrangements. The inter-American system, however, now formalized in the Organization of American States, has a second important purpose, namely, the maintenance of peace and security among the members of the system as well. The Treaty of Rio de Janeiro is an important instrument of continental defense. But it is also significant for its applicability to an attack or threat which any American state might make upon another.

Let us first take a brief look at how the inter-American system of collective security is developed.

From the viewpoint of the U.S., the springboard from which the move for the development of a continental defense system derived its impetus was the Monroe Doctrine. This basic foundation of American foreign policy has come through a number of mutations and interpretations during the 125 years since it was first enunciated. It may be well, therefore, to recall its true original character.

In 1823 the U.S., a young and relatively weak republic, felt itself threatened by the reactionary forces of the Holy Alliance. Most of the Latin American states had at that time won their independence. It appeared that the European powers grouped in the Holy Alliance contemplated helping Spain to recover her former colonies, and some even considered the possibility of establishing new colonies on the American continent. These ideas had their inspiration in a desire not only to regain the material benefits of empire, but also to check the growth of republican institutions in the western world. This ulterior political motive gave added color to the apprehension of the U.S. at the plans of the Holy Alliance.

President Monroe's message of December 2, 1823, expressed the special interest of the U.S. in the affairs of this hemisphere as contrasted with those of Europe. He declared that the U.S. would consider it dangerous to our peace and safety for the allied powers to attempt to extend their "essentially different" political system to any portion of this hemisphere. This country would, moreover, view any attempt to subject the independent Latin American states once more to colonization as the manifestation of an unfriendly disposition toward the United States.

The



The Monroe Doctrine was, of course, entirely a unilateral declaration by the U.S. Its enunciation involved us in no commitment to other countries. It was essentially a warning to non-American powers that they would court danger from the U.S. if they attempted either of the two acts which the Doctrine declared to be against our interests. During the ensuing century the U.S. on some occasions took vigorous action in support of the Monroe Doctrine, and at other times, by action or inaction, disregarded it.

At approximately the same time there was planted in Latin America itself the germ of a somewhat different idea of continental defense, namely, a plan of alliance and mutual defense among the independent Latin American nations. This was an important feature of the proposals made by Simon Bolivar to the Conference of Panama held in 1826. Bolivar's idea envisaged a federation of Latin American countries, with which the U.S. would be associated in defensive alliance. Rejected by the Latin American countries themselves, -- as was Bolivar by the lands he freed -- the idea remained a dream for more than a century. It constituted, however, an important precedent influencing the development of the Pan American movement which has brought forth the Treaty of Rio de Janeiro and the Charter of the Organization of American States.

While the ideas of Bolivar remained germinating in the soil of Latin American juridical discussion, the U.S. proceeded with the assumption of its unilateral responsibility for the defense of the continent. It assumed also a responsibility for the maintenance of peace in the Americas in so far as this latter purpose was necessary to the achievement of the former. In the early part of the 20th century the strong arm of the U.S. made itself felt with increasing vigor in the Caribbean and Central American areas.

President Theodore Roosevelt formulated the so-called Roosevelt corollary to the Monroe Doctrine. The theory of his policy was that if the U.S. wished to keep European nations out of American affairs, it was necessary for the U.S. to maintain sufficient order and stability in the Americas so that the European powers would have no justification to intervene. In practice this meant that the U.S. would intervene in order to prevent intervention by others.

We need not go into the history of U.S. intervention in the Caribbean and Central American countries and in Mexico for the purpose of enforcing what we believed to be orderly government. Suffice it to say that these measures, taken in full recognition of the fact that under international law, intervention was

recognized

recognized as a justifiable recourse when orderly systems of law had proved inadequate, promoted in Latin America a violent reaction. The Latin American republics focused their attention not upon the dangers of European intervention, but upon violation of their national sovereignty and territorial integrity by the United States. The paramount issue, therefore, in the development of an inter-American security system, from the Latin American standpoint, grew to be the development of guarantees against the intervention of the United States in Latin American affairs.

By the late 1920's the U.S., in recognition of this demand from Latin America, and seeing the advantages of a more cooperative relationship with the Latin American countries, began to alter its approach. The Roosevelt corollary to the Monroe Doctrine was abandoned. Gradually the U.S. ceased its intervention in the affairs of its southern neighbors. By 1936 the non-intervention policy was formally accepted by the U.S. in a treaty ratified with the approval of the Senate.

So strong, however, was the sentiment in favor of non-intervention among the Latin American countries that its acceptance by the U.S. in treaty form by no means terminated the constant insistence of Latin American states upon this theme. The fear of U.S. intervention, despite now some 20 years of faithful observance of the non-intervention doctrine, is still not fully laid. It was a major feature of the debate at the Tenth Inter-American Conference, held last March in Caracas, over the newest development in the continental security policy: namely, the resolution on Communism. Of this we shall speak more fully later on.

Concurrently with the development of the non-intervention principle, however, another concept was in process of formation that would place the whole continental security in a new light. This was the development of collective responsibility for the maintenance of continental peace and security.

The U.S. had given up its right to intervene in the protection of its national interest at a time when the world enjoyed an apparently peaceful era. As the rise of Hitler developed fresh tensions in the world, it became clear that renewed attention should be given to problems of hemisphere defense. Would the United States,

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under these conditions, revert to its policy of unilateral responsibility, and take into its own hands the protection of the hemisphere by whatever measures it considered desirable? Such a step would have marked a reversal in the trend of U.S.-Latin American policy. It was more in keeping with the attitude of mutual respect which underlay the Good Neighbor Policy for the U.S. to seek to share with the other American Republics the responsibility for making decisions on this matter of general interest.

The first step in the development of the collective security system in the new world brought forth the procedure of consultation. First discussed at the Inter-American Conference for the Maintenance of Peace, held at the initiative of the U.S. in Buenos Aires, in 1936, the consultative procedure was developed at the Eighth Inter-American Conference in Lima, Peru, two years later. At that meeting it was agreed that the Ministers of Foreign Affairs of the American Republics would meet if the peace and security of the continent were threatened. Within a year, following the outbreak of World War II, this procedure was set in motion with the holding of the First Meeting of Ministers of Foreign Affairs at Panama.

The war crystallized thinking in regard to collective responsibility for continental defense. At the Second Meeting of Foreign Ministers, held in Habana in 1940, it was agreed that any attack by a non-American state against an American state would be considered as an attack on all. The resolution incorporating this principle went on to say that in the event of such an attack American states would consult together in order to decide upon the measures which should be taken. This resolution was the basis on which, after the attack on Pearl Harbor, the U.S. called upon the other American Republics to participate in a wide variety of political, economic and military activities considered necessary for the defense of the continent.

The cooperation of the American Republics during World War II was of vital importance. Its contributions, first, to the military defense of the continent, and even more, to the economic mobilization of the hemisphere's resources, were of tremendous significance to the successful outcome of the war. Moreover, one of its most important results was the legacy it gave to the future in the form of an even more complete and effective system of collective security.

During the last year of the war, with victory and the establishment of peace already in sight, the American Republics met in Mexico City. Here, looking forward to the creation of a world organization on the basis of the Dumbarton Oaks proposals, the American Republics agreed upon the main

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lines of their permanent regional security system. In the Act of Chapultepec the principle which had been adopted in Habana five years earlier was broadened to include any kind of an attack against an American state, from whatever source. Any attack against an American state -- either by a non-American state or by one American nation against another -- would henceforth be considered as an act of aggression against all. This principle, it was agreed, would be written into a treaty to be drawn up at a subsequent conference.

Two years later the Inter-American Treaty of Reciprocal Assistance was approved at the Conference in Rio de Janeiro.

Without going into detailed analysis of this security arrangement, let us note the following points which stand out as of particular significance:

1. An armed attack by any state against an American state is to be considered as an armed attack against all, and calls for immediate assistance to the victim of the attack.

2. The parties to the treaty are obligated to consult together in order to agree upon appropriate measures in the event of (a) an armed attack as mentioned above, or (b) in case the political independence or territorial integrity of any American state is threatened by any act of aggression or any other act or situation threatening the peace of the hemisphere.

3. In such consultations the member states may agree upon various sanctions, including breaking of relations, economic sanctions and the use of armed force. Except for the use of armed force, the decisions made regarding these sanctions are binding upon all parties to the treaty if approved by a majority of two-thirds.

4. The various provisions of the treaty are so drafted as to make them conform to the United Nations Charter.

This then is the legal basis for the collective security system of the Organization of American States. I should like to offer some observations regarding the application of this collective security system in regard to three main problems, all of which have some current pertinence. These are: first, the military defense of the continent; second, the maintenance of peace among the American states; and third, the problem of aggression by means of subversive activities.

First,

First, in regard to military defense of the continent, it is obvious that, under present world conditions, Latin America occupies a different position in our defense system from that which it held at the beginning of World War II. In 1940 we were concerned over the possibility of attacks upon the U.S. via the southern continent. Hemisphere defense and national defense were concepts so closely related as to be virtually indistinguishable.

Today the situation has been greatly changed by the nature of modern warfare. If the U.S. is to be attacked, the most probable course will be via the northern part of the hemisphere rather than the southern. Moreover, the nature of the threat which the U.S. faces in the world today has made it necessary for us to extend our strategic defense lines far beyond the shores of this continent into Europe on the one hand and Asia on the other. Thus Latin America can hardly be considered as one of the most likely combat areas.

Nevertheless the necessity for arrangements to insure the military security of the western hemisphere remains. This fact was recognized at the Fourth Meeting of American Foreign Ministers, held in Washington in 1951 shortly after the active entrance of Communist China into the Korean war. Considering the military problems of the hemisphere, the Fourth Meeting of Foreign Ministers recommended that the American nations reorient their military policies so as to contribute to their best ability to the collective defense of the continent. The Inter-American Defense Board, an organization on which all the American republics are represented, was directed to carry forward its military plans for continental defense. On the basis of these plans the U.S. has entered into bilateral military agreements with nine of the other American republics. These agreements provided for certain military assistance from the U.S. in developing armed forces that will be useful in carrying out the plans for hemisphere defense in accordance with the recommendations of the Inter-American Defense Board.

The work of the Inter-American Defense Board, and the policies pursued by the U.S. in military cooperation with the other American republics, have thus established at least the beginnings of an effective military defense program based upon the political and legal commitments of the Treaty of Rio de Janeiro.

Turning now to the problem of maintaining peace among the American republics, we find some special and noteworthy developments. The Treaty of Rio de Janeiro deals essentially with enforcement measures to prevent or repel armed conflict. Its authority is backed up

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in the last analysis by the possibility of using armed force. The Latin American countries have, however, traditionally disliked the prospect of using armed force against any one of their number. The whole emphasis in the development of inter-American peaceful relations has been upon the proscription of the use of force and insistence upon the settlement of international disputes by legal and orderly methods.

A great deal of effort has been expended during the past century among the American Republics in attempting to devise a practical system of agreements for the settlement of inter-American disputes by such recognized methods as mediation, conciliation, arbitration and adjudication. Over a period of years numerous treaties involving these procedures have been drawn up, and elaborate systems for the appointment of commissions of investigation, or panels of arbitrators, have been devised. The most recent of these efforts was an attempt made in Bogotá in 1948 to consolidate all methods of peaceful solution in one instrument known as the Inter-American Treaty of Pacific Settlement, or the Pact of Bogotá.

Like most of its predecessors, the Pact of Bogotá suffered from an excess of perfectionism. Technically and legally, it has much to commend it. But from the standpoint of political realism, its drawbacks are indicated by the fact that now, six years after its signature, only eight of the 21 American states have ratified it. The possibility of revising it was briefly considered at the recent Caracas Conference, and it is now undergoing further study in the Council of the Organization of American States in Washington.

Nevertheless the importance of the peaceful solution of international disputes among the American states should not be in any sense depreciated. The excellent record which the Inter-American Peace Committee has made in helping states resolve their controversies peacefully merits attention and approval. Moreover, the very fact that the Treaty of Rio de Janeiro makes it possible to bring force to bear upon an aggressor nation in the Americas, may be considered to have strengthened the likelihood of reaching peaceful settlements.

This fact was illustrated in the two cases in which the Treaty of Rio de Janeiro has been invoked to date. In 1948-49 a dispute between Costa Rica and Nicaragua, involving the crossing of the border by armed men, brought swift action under the Rio Treaty. Acting provisionally as Organ of Consultation under the Rio Treaty, the Council of the OAS dispatched an investigating committee to ascertain the facts, and called upon both states to desist from any acts that would aggravate the situation.

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As a result of this prompt demonstration of effective interest, both governments composed their difficulties and signed a special agreement pledging themselves to settle any future controversy which might arise between them in accordance with the above-mentioned Pact of Bogota.

The following year a dispute arose between the Governments of the Dominican Republic on the one side and Haiti, Cuba and Guatemala on the other. Here again prompt action by the Council of the OAS, under the Treaty of Rio de Janeiro, resulted in measures by the various governments to eliminate causes of serious grievances and restore a peaceful climate. In neither case was it necessary to invoke the enforcement provisions of the Treaty of Rio de Janeiro.

During the period since World War II, there have been several instances of sharp controversies between republics of this hemisphere, sometimes involving momentary armed conflict. Yet all of these controversies have been restored to the channels of orderly peaceful solution, and the vast majority of cases have been so resolved. This happy contrast with events in other parts of the world is, of course, due to a number of factors. Not least among them, however, is the existence of the regional collective security system which has been developed in the Americas. This, in turn, has depended for its success upon 100 years or more of effort on the part of the American republics to create an international system of morality which does not countenance a resort to force, and places respect for law high among the basic responsibilities of each state.

Finally, let us turn for a few moments to the problem which may well be uppermost in the minds of most people today when they consider the problem of collective security in the Americas. I refer to the problem of subversive activities, the method pursued by international Communism in its striving for domination of independent states.

During World War II the American republics had their first large scale experience with subversive activities. German communities in many of the Latin American countries actively promoted the Nazi cause, and encouraged a favorable attitude toward national socialism. A widespread propaganda machine supported these efforts which were in large measure financed by the profits of local German-owned businesses.

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The problem of Nazi-inspired subversive activity, however, differed from the Communist activity of today in one very important respect. For the most part it was carried out by aliens -- that is Germans -- even though those aliens might be residents of an American Republic and deeply involved in the local business and social community. The Communist problem, on the other hand, relates primarily to nationals of American Republics who have become agents of the international Communist movement. Attempts to deal with the problem created by the activities of these persons may, therefore, involve the relationships between a government and its own citizens.

Thus proposals to deal with Communist activity have run up against the problem of non-intervention. Communist agents display great ability at infiltrating into all kind of popular national organizations and causes, and making use of them for their international ends. It is often difficult to unmask the agents of the international Communist movement and to distinguish them from genuine national leaders of social and economic reform.

This difficulty was reflected in the debate at the Caracas Conference of the subject entitled "Intervention of International Communism in the American Republics". The U.S. maintained that any successful intervention by the international Communist movement would in effect subject an American state to the political control of a non-American force. Not only would this conflict with the Monroe Doctrine; it would come well within the provisions of the Treaty of Rio de Janeiro which calls for consultation in the event the political independence of an American state is affected by any fact or situation that might endanger the peace of America.

At the same time, the seizure of power in an American state by the international Communist movement would constitute the extension to this hemisphere of an alien political system and thus violate another major provision of the Monroe Doctrine.

At Caracas, the Government of Guatemala, not without reason, felt itself particularly concerned over this debate, even though the situation in that -- or any other country -- was not a subject of discussion. Frequent statements by public and private persons in the U.S. and elsewhere, listing specific examples of important Communist influence in Guatemala, had gone unanswered except by evasive generalities. The tactics of Guatemala at Caracas was to raise the old bogie of Yankee intervention because the U.S. proposed that the Conference agree to apply the consultative procedure of the Treaty of Rio de Janeiro to any case in which an American state should fall under the domination of the international Communist movement.

Delegates

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Delegates of other countries placed the problem in its correct context when they pointed out that the application of the consultative procedure to the problem of Communist subversion was the best insurance against intervention. The United States at Caracas posed the problem of what to do in the event an American state should be subverted and dominated by the most powerful hostile force ever to threaten the independence of the New World. The proposal made by the U.S. was again -- as it had been during the 1930's -- to invite the other American Republics to share, through the consultative procedure in the responsibility for determining how this problem should be met.

What is the alternative to such a proposal? History has demonstrated that the normal course has been for great powers to intervene by force in smaller states in pursuit of their vital national interests. Only in this hemisphere has a great power formally forsworn intervention in favor of consultation and the assumption of joint responsibility with its smaller neighbors for the maintenance of continental peace and security. The success of this inter-American policy requires, of course, that both principles are made to function.

We may state it to be an axiom of inter-American relations that non-intervention can only be a reality so long as an adequate collective system of security is available to all states.

The problem of how to cope effectively with aggression by subversion in the Americas is one which has been foreseen since the Treaty of Rio was adopted. We cannot foresee at this date the exact steps through which a system of collective security can best be applied to such a problem. An important step was made at Caracas when the Conference declared that the domination of the political institutions of an American state by the international Communist movement would constitute grounds for invoking the consultative procedure under the Rio Treaty. The Organization of American States thus squarely confronts the problem. We may be confident that the regional security system of the Americas will demonstrate its vitality and effectiveness by acting swiftly and decisively to protect this hemisphere in any case of aggression by subversion should the need arise.

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Despatch No. 337

Date... May 5, 1954

FROM: The Chargé d'Affaires a. i., Canadian Legation, Prague

TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

Reference... My despatch No. 299 of April 28, 1954

Subject: Visits to other diplomatic missions in Prague  
(No. 19 Uruguayan Legation)

On Thursday April 29 I called on Mr. Fleurquin, Uruguayan Chargé d'Affaires.

2. Mr. Fleurquin has a very spacious flat, but no other offices and I gathered no staff. His premises were the only ones that I have seen in Prague which might be said to be less suitable for a Legation than the Canadian Chancery. His flat is pleasant, but is situated in a dirty building with garbage cans at the entrance providing an aroma which is stronger and more unpleasant than that which pervades our own entrance.

3. Mr. Fleurquin's principal work here is consular. Uruguayan consular fees are high and I was surprised to hear that with a trade with Czechoslovakia of about 700,000 U. S. dollars a year he collects some \$2,500 a month in consular fees. He explained that the trade of his country is mainly with England, United States and Germany, in that order and that on large shipments to these countries the fees are relatively unimportant. Fees are undoubtedly proportionately high for the small Czechoslovakian trade. Mr. Fleurquin said that Czechoslovakia was exporting to his country amongst other things pencils, which were of good quality, and sewing machines. These latter were of poor quality and sold at the low price of \$32. In referring to the shoddiness of Czechoslovakia commodities in the export trade he compared the Czechoslovakian trade with the Japanese export trade.

4. Uruguay has a trade agreement with Czechoslovakia which Mr. Fleurquin considered extremely favorable for Uruguay. Czechoslovakia may sell what it wishes through ordinary trade channels in Uruguay, but they do not receive any cash payment; a credit is established and Czechoslovakia may then buy from Uruguay commodities required within the limits of this credit.

5. Mr. Fleurquin informed me that he was leaving Czechoslovakia on posting to Yugoslavia within the next fortnight and that after two years here he was not sorry to go. He said that he was the only Uruguayan representative behind the Iron Curtain and he felt quite sure that when he closed down his office flat in the next few days that his Government would close the mission and that it would not be re-opened; that he had so recommended and he expected that the recommendation would be accepted.

6. Mr. Fleurquin went on to refer to the history of his mission in Prague. It seems that a mission was opened after the war with a Chargé who had found quite good quarters. In 1951 it was decided to close down the mission and the Chargé moved into the Alcron Hotel. The office quarters were taken over by the East German Democratic Republic. When the Chargé was packed and ready to depart he received a telegram to re-open the mission and await his successor. It seems that the Czech Government had brought pressure to bear on the Uruguayan Government who agreed to re-open. When Mr. Fleurquin arrived seven months later the man whom he was to replace was still in the

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Alcron nearly in a state of nervous collapse and seeing spies everywhere. He showed Mr. Fleurquin the microphone which he had found in his room. Mr. Fleurquin took the microphone and delivered an abusive speech to the Communists and said that as they knew what he thought of them that they should not bother him any more. Mr. Fleurquin then remained another nine months in the Alcron and finally after being offered other very poor accommodations moved in to his present rather unsatisfactory quarters.

7. In referring to the question of obtaining accommodation from the Office of Services Mr. Fleurquin pointed out that as the Czechoslovak Government had pressed to have the mission kept open here one would normally have expected them to be helpful in finding quarters. He explained their failure to do so by the complete inefficiency of this Office and the absence of any appropriate liaison between the Office of Services and the persons in the Foreign Ministry concerned with political matters. This is probably correct. The Office of Services is notoriously inefficient and unhelpful and probably found no reason to treat the Uruguayan Chargé d'Affaires different from anyone else. Although I did not mention it I wondered whether Mr. Fleurquin's speech in the microphone, referred to above, might also have had something to do with his difficulties with the Office of Services. There is good reason to think that the liaison between the Office of Services and the Security Police is quite effective.

8. Mr. Fleurquin spoke of the Czech interest in maintaining relations with his country. They have in Montevideo a very large mission indeed. I am not sure whether he mentioned a figure of 17 or 27 persons. He said that the Soviet Mission in Montevideo has about 50 persons. He explained these large missions as being directly related to a Communist interest in infiltration in South America. In his country the Communist Party is not illegal and his country is geographically situated in a position which would make it quite useful as a point for infiltration of other South American countries and for contact with other Communist parties.

  
Chargé d'Affaires a. i.

NUMBERED LETTER

TO: THE UNDER-SECRETARY OF STATE FOR  
EXTERNAL AFFAIRS, OTTAWA, CANADA.

FROM: THE CANADIAN DELEGATION TO THE  
NORTH ATLANTIC COUNCIL AND OEEC, PARIS

Reference:

Subject: Political Discussions in the  
Council - The Caracas Conference

Security:.....

TOP SECRET

No:.....

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Date:.....

May 4, 1954

Enclosures:.....

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References

I attach the text of a statement on  
this conference made at the restricted meeting  
of the Council on April 28 by the United States  
Alternate Representative.

2. The United States Representative, on  
the same occasion, also made a statement on  
Guatemala to which your attention is  
particularly drawn.

(Sgd.) L.D. Wilgress

THE DELEGATION

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NATO TOP SECRET

STATEMENT ON GUATEMALA MADE AT THE RESTRICTED MEETING  
OF THE COUNCIL ON APRIL 28TH BY MR. EDWIN M. MARTIN,  
UNITED STATES ALTERNATE REPRESENTATIVE

We understand that frantic efforts are being made by Guatemalan emissaries to procure arms, ammunition or implements of war, including aircraft, half tracks and artillery from Western Europe. Reports we have received on the storage of arms by political groups or communist cells indicate that the arms are intended to counterbalance anti-communist elements in the Guatemalan armed forces or for use against other countries. In fact, the current tension in Central America arising from the attempted assassination of the President of Nicaragua may present the communists with an opportunity to suppress anti-communist Guatemalan forces or to attempt by infiltration to overthrow the anti-Communist Central American Governments. My Government is therefore increasingly concerned over the possibility that Guatemala may be able to evade the strict U.S. embargo on the export of arms through procurement from European sources. Accordingly, my Government hopes that the other NATO Governments will take measures (such as alerting port authorities) to tighten arms export and transit controls in order to eliminate the possibility of clandestine or concealed shipments to Guatemala.

CONFIDENTIAL

STATEMENT ON THE CARACAS CONFERENCE MADE AT THE NAC  
RESTRICTED MEETING ON APRIL 28 BY MR. EDWIN M. MARTIN,  
UNITED STATES ALTERNATE REPRESENTATIVE

I should like to inform the Council of some of the highlights of the Tenth Inter-American Conference held in Caracas, Venezuela, from March 1 to March 28. The Conference dealt with an agenda of 28 items covering the whole range of inter-American relations -- juridical-political, economic, social, cultural and organizational matters. 117 resolutions and 3 conventions were adopted.

One of the principal objectives of the United States Delegation was to achieve maximum agreement among the American Republics on a clear-cut and unmistakable policy determination against the intervention of international communism in the Western Hemisphere. The distinguishing feature of the resolution adopted by the Conference on this question was this declaration:

"That the domination or control of the political institutions of any American State by the International communist movement, extending to this hemisphere the political system of an extracontinental power, would constitute a threat to the sovereignty and political independence of the American States, endangering the peace of America, and would call for a meeting of consultation to consider the adoption of appropriate action in accordance with existing treaties."

Seventeen of the American Republics voted in favor of the resolution, with Mexico and Argentina abstaining, and only Guatemala voted against it.

Some delegations felt that the application of this resolution might in some way infringe upon the principles of self-determination and non-intervention. In order to remove any doubt on this score, the United States proposed the inclusion of a clear statement that the action taken is designed to protect and not impair the inalienable right of each state to choose its own form of government and economic system.

Three resolutions relating to the subject of "Colonies and Occupied Territories in America" were presented and adopted. Two of these, submitted by Argentina and Brazil respectively, dealt with the general subject of colonialism in the Western Hemisphere and the areas which are the subject of dispute between American and non-American States. These two general resolutions for the most part repeated views previously expressed, namely, that colonialism in the Americas should be promptly brought to an end and that just claims of American States to territories in dispute should be supported. In line with its previous position on these issues, the United States abstained in the vote on the ground that it could not agree with action on matters involving so clearly the interest and responsibilities of friendly governments not represented. The United States voted against the third resolution proposed by Ecuador which deals with the American Committee on Dependent Territories. This resolution contemplated the continuation of the Committee, its convocation being left up to the Council of the Organization of the American States "whenever circumstances make this desirable."

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It was evident from the beginning of the Conference that the Latin American Delegates considered economic issues of major importance, particularly those relating to public financing of economic development; raw material prices in terms of trade; stability of, access to, export markets; and technical cooperation. In many of the proposals introduced by Latin American Delegations it was clear that the United States was expected to provide assurances and make commitments which it was thought would provide solutions to these problems. We were not able to accept certain of these owing to the incompleteness and lack of clarity in the terminology, their one-sided provisions, or the fact that U.S. policy had not been firmly established in some fields.

One of the principal achievements in the economic field was the frankness with which the delegations presented their positions on various problems and the understanding arrived at concerning their respective viewpoints. In order to examine further the possibility of reaching fuller agreement on practical measures for solving some of these problems, it was agreed to hold a meeting of the Ministers of Finance or Economy during the last quarter of 1954 in Rio de Janeiro.

In the field of social matters six broad topics were dealt with covering social aspects of economic development, human rights, housing, cooperatives, rural exodus and social welfare. A number of resolutions were adopted which reflected a widespread interest in housing and in cooperatives as a means for raising economic and social standards.

The Conference agreed that greater efforts should be made in the educational, scientific and cultural fields. It was also agreed that the Council of the Organization of American States which sits in permanent session in Washington should be strengthened by specifically assigning to it several important functions.

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Despatch No. .... 216  
Date..... May 4th, 1954.

FROM: THE AMBASSADOR, CANADIAN EMBASSY, RIO DE JANEIRO, BRAZIL.

TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

Reference..... Your despatch No. X-9 of January 5th, and my despatch No. 16 of January 7th. 9534  
Subject..... Communism in Brazil. 1179U.J.

The Minister of War, General Zenóbia da Costa, denied that there was any foundation to the article on communist agitation in Brazil in the Saturday Evening Post of April 24 by Dan James. "There is no communistic danger in Brazil," he said. "The Red movement has not acquired such proportions as to be alarming or capable of provoking a dangerous situation in the country. The Army, in which there is very little subversive influence supporting the communist cause, is always ready to deal with the situation."

2. The more conservative of Rio's newspapers tended to disagree with him. Some supported their position by a reference to a report submitted this year to the Minister of Justice by the police department on communist infiltration in Rio labour unions. They quote the report as showing that of the 150 recognized labour unions in the federal district, 32 have directors known to be communists. They give the principal unions with communist influence: Construction - 25,000 members of which 8% are alleged to be communists; Metallurgical - 6,000 and 17%; Carpenters - 4,000 and 20%; Naval Workers - 2,500 and 20%; Bank Clerks - 5,000 and 15%; Street-cars - 4,000 and 20%; Telephones - 3,000 and 8%; Textiles - 2,000 and 20%; Railways - 4,000 and 9%; Theaters - 2,500 and 10%; Brewerys - 5,000 and 12%; Waiters - 5,000 and 12%; Printers - 4,500 and 13%. Of the 400 labour unions in the state of São Paulo, the report alleges 150 are controlled by communists and the average communist membership is put at 30%. The report claims that in Pernambuco the influence is even stronger but gives no statistics.

3. The best opinion that I have consulted holds that the article was not well founded. The officer of the U.S. Embassy who took the author around on his visits said that in his opinion James was not justified in writing as he did from what he learned in Brazil. Nor are the newspapers on sure ground for I gather that the police report on which the newspapers relied was not based on the experience of the police themselves. Moreover, the newspapers tend these days when critical elections lie ahead to attack the Vargas government without weighing too carefully the merits of the issues.

4. Men, whose judgment I consider good, do not believe there is a serious communist infiltration in Brazil and by serious they generally mean purposeful. They feel that Brazil is a difficult field for communism in the sense that, while orators and writers are available, dependable workers for the cause are scarce, and as a result party organization and administration is difficult. They think the communists will be satisfied for a while if the Brazilian communists can create disturbances and impede the work of others.

5. Specifically in reply to your despatch No. X-9 of January 5th, we have not been able to learn of any special activity amongst the automobile workers. You will notice that they are not included in the principal unions with communist influence.

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Consulate,....  
São Paulo.....

No. of Enclosures  
..... None .....

Post File  
No... 3009.....

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DEPARTMENT OF EXTERNAL AFFAIRS, CANADA.

(DUPLICATE)

DESPATCH

TO: THE SECRETARY OF STATE FOR  
EXTERNAL AFFAIRS, OTTAWA, CANADA.

FROM: THE CANADIAN AMBASSADOR, HAVANA,.....  
CUBA.....

Reference:.....

Subject: Current Events in Cuba for the month  
of April, 1954.....

Security: CONFIDENTIAL.....

No: D-150.....

Date: May 4, 1954.....

Enclosures:.....

Air or Surface Mail:.....

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References

I. POLITICAL

As April progressed it became evident that Batista and his government were seriously concerned about the downward economic trend and that they may be prepared to take limited political risks in order to avert the consequences of drops in the price of sugar and diminishing sales. The extent of the difficulties being encountered in the sale of sugar is illustrated by figures recently released by sugar brokers to the effect that prior to April 30 this year Cuba sold 580,000 tons of sugar in the world market (excluding the United States) whereas sales for the same period in 1953 were 1,391,000 tons, approximately 2½ times as much. The government has taken a number of steps to avoid the economic consequences through measures designed to improve tax collection procedures; to expand the public works programme; to encourage the investment of foreign capital and to foster projects aimed at the diversification of the Cuban economy. In these efforts it has been forced to attack the strongly entrenched positions held by labour with the accompanying risk of an adverse result in the elections, promised for November.

Internal  
Circulation

2. During the month President Batista continued his tours throughout the countryside opening new hospitals, schools and public works projects. It was announced that \$50,000,000 would be used for highways and other public works and that the government had comprehensive plans in this field extending over the next 4 years. An additional \$5,000,000 is said to have been set aside for new schools and hospitals. Many of the new projects are designed to take up the slack during the dead season, which begins in May and extends until the beginning of the new harvest season toward the end of the year.

Distribution  
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Washington  
All Latin  
American  
Posts

3. There were recurrent rumours throughout the month of Cabinet crises and impending changes in the personnel of that body. The rumours were confirmed on April 28 when the government announced that Dr. Marin Lopez Blanco had been appointed as Minister of Transport in succession to Dr. Rafael Diaz Balart. Lopez Blanco resigned last year as Minister of the Treasury, which portfolio he held without any great distinction. As Minister of the Treasury his general attitude had been prejudicial to foreign interests. Dr. Balart has been appointed a special Ambassador-at-large by the President. It may be that the

-3-

light services". The president of the student union (FEU) resigned his post during the month in protest against the activities of certain students. As a result of these and other incidents, and perhaps under some pressure from the government, the university authorities have undertaken a study of the University regulations with a view to accomplishing "certain basic reforms". There is some possibility that this could result in abrogation of the University's traditional freedom from political interference.

9. The trial of ex-President Carlos Prío Socarras was postponed twice during the month and is now to be held on May 10. In conversation with a member of the United States Embassy staff we were informed again that the State Department has warned Prío against trafficking in arms prior to his arrest last December. The State Department was anxious to avoid the embarrassment of having an ex-President of a friendly neighbouring country stand trial. However, Prío chose to disregard this warning and was subsequently arrested. The United States State Department has had nothing to do with the repeated postponements of the trial we were informed but presumably Prío himself would be anxious to postpone this, if possible until after the elections, because a conviction would deliver a powerful political weapon into Batista's hands.

10. The government announced on April 11 that no parades would be permitted on May 1. All public meetings in Havana were to be suspended in favour of one monster rally at the Workers' Palace. Only essential services were to be maintained during the day and all buses to be taken off the streets between 10 A.M. and 3 P.M. in order to allow the operators to attend the rally. Although it was apparent that the government would not permit any demonstrations it allowed meetings to be held which would act as safety valves. The workers, for their part, insisted on their right to put forward claims to the government. The major ones expected to be presented were connected with the unions' opposition to indemnified dismissal (despedido compensado) (see Labour); problems related to the production of molasses and retirement benefits.

11. It was announced on April 30 the Government had decided to dissolve the Ministry of Information. This is in line with Batista's announced policy of creating an increasingly democratic government. The question of re-establishing this Ministry, if one is considered necessary, is to be decided by Congress when it meets next February following the election. At the same Cabinet meeting, on April 30, the draft law on the revision of the foreign service received approval. This probably will come into effect during May following publication in the Official Gazette.

## II. COMMUNISM

12. Although communism is officially outlawed in Cuba the movement has by no means died out here entirely. This was emphasized on April 7, when the United States Information Service reported that there were now less than 30,000 members of the communist party in Cuba. The announcement was followed almost immediately by a statement from the Ministry of Information which reaffirmed the government's official attitude against communism. It is also significant that the Minister of the Interior was quoted as saying that May 1 parades had been banned because of communist infiltration into workers' movements.

13. There was also some evidence of communist influence in the protests made by various "peace" committees to the United Kingdom Embassy here against the germ warfare tests being carried out in the Bahamas, (see International). 000214

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### Guatemala

29. During the month a total of six persons went to Guatemala as political refugees. Two of these were customs inspectors who had been charged with complicity in the illegal import of arms and who had been given asylum prior to their departure in the Panamanian Embassy. Four others went from the Guatemalan Embassy, namely: Elio Pardo, Antonio Platas, Julio Penichet and Miguel Cabanas.

### Canada

30. The Toronto 'Maple Leaf' Ball Club competed against the Cuban 'Sugar Kings' in the opening game of the International League held in Havana on April 20. I participated in the opening ceremonies by pitching the first ball to catcher Colonel Fernandez Miranda, Cuban Director of Sports. The pitch was umpired by United States Ambassador Arthur Gardner and the President of the International League, Mr. Frank Shaughnessy, was at bat. The game, as reported in my letter No. L-142 of April 28, 1954, was a huge success, resulting in more favourable publicity for Canada than any other single event since my arrival at this post.

The 'Sugar Kings' won, 7-2.

(Sgd.) Harry A. Scott,  
Ambassador.

DEPARTMENT OF EXTERNAL AFFAIRS, CANADA.

(DUPLICATE)

NUMBERED LETTER

CONFIDENTIAL

TO: THE UNDER-SECRETARY OF STATE FOR  
EXTERNAL AFFAIRS, OTTAWA, CANADA.

FROM: THE CANADIAN EMBASSY, WASHINGTON, D.C.

Security:.....

No: 737.....

April 27, 1954.

Date:.....

Enclosures:.....

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Air or Surface Mail:.....

Post File No:.....

Ottawa File No.

50066-40

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Reference:.....

Caracas Conference.

Subject:.....

original 21  
2206.15

References

An officer of the Embassy called on Mr. H. F. Holland, the recently appointed Assistant Secretary for Inter-American Affairs. Holland is a lawyer from Houston, Texas, and was for three years during the war a Foreign Service Officer at the United States Embassy in Mexico. He has taken the place of John M. Cabot, who, as you know, was appointed Ambassador to Sweden. Holland impressed us as essentially a sensible person and more ready to talk frankly than his predecessor.

2. In view of the full descriptions of the Caracas conference that appeared in the press, we confined our questions largely to problems of the implementation of the main decisions of the conference. Holland was quick to suggest that the resolution on Communism would be worse than useless if there were not a genuine intention to carry it into effect. In general, he thought that this meant supporting anti-Communist groups in Latin America; supplying information and arranging exchanges which might help the wavering; and a readiness to name any individual state as controlled by Communists before a meeting of the Foreign Ministers of the Organization of American States.

3. Little was said in our conversation about the first two groups, namely, the convinced and the wavering. In dealing with Communist minorities, or in answering whether or not a government was dominated by Communists, Holland agreed that there was a real difficulty in establishing intimate relations between the security services of the United States and the other governments of the O.A.S. He did feel, however, that means could be found by which a case could be made (and he thought that it must be a good case) against a state dominated by Communism. In response to a question, he thought that the abstention of Argentina and Mexico on this resolution was not primarily influenced by Communist sympathies in those two countries but rather by a traditional unreadiness to agree too frequently with the United States. He felt that if a proposal were made for calling the Foreign Ministers to examine whether a government was controlled by Communists it would not be opposed by the Latin American Republics.

4. We then asked Holland for his views on the economic conference to be held in Rio de Janeiro in November of this year. He regards it as of prime importance that the way

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should be prepared by frank discussions in the interval of the views of the various governments, and said that these discussions would take place through regular diplomatic channels. He pointed out, for example, that at Caracas the Latin American Republics had taken the view that the United States should agree to reduce its own tariffs and agree that the tariffs of the other states should be raised. This was the kind of misconception which should be cleared away before the meeting at Rio. He said that while the passage of the legislation arising out of the report of the Randall Commission would enable the United States Government to make the most favourable offers possible, it would have to be understood that the solution to the problem of increasing trade would not be found by a general reduction of United States tariffs.

5. In general, Holland appeared to have a friendly but unemotional and unsentimental attitude towards Latin America. He suggested that some observers had made too much of the existence of conflicting views as they had appeared at Caracas. In general, we felt that he had a straightforward and business-like approach to a subject which has too often been wrapped up in romantic and meaningless formulas.

(signed) G. de T. Glazebrook

The Embassy.

## TIME FOR ACTION IN THE AMERICAS

(Mr. LANTAFF asked and was given permission to address the House for 1 minute.)

Mr. LANTAFF. Mr. Speaker, if Paul Revere were living today he would view the landing of Red arms in Guatemala as a signal to ride and warn the people of the Americas of the present acute danger of Communist infiltration of Latin America.

Paul Revere's historical ride of 179 years ago last month brought about action after words had failed. Much had been said about the danger to the freedom of the colonists in those days and many words had been spoken about the measures that would be taken to protect that freedom; however, words are meaningless unless backed by a concrete promise of action to give them meaning. Revere's ride brought out the minute men and sparked the action that preserved the freedom and liberty of the pioneer Americans. Today's situation is somewhat parallel. The American States are well aware of the threat of international communism. These States have on numerous occasions adopted resolutions calling for a cooperative effort on the part of the Americas to repel aggression and subversive infiltration. There is the Rio Treaty of 1947 and the resolution adopted in Bogota in 1948. There is the fourth meeting of the hemispheric ministers in 1951 in Washington and the anti-Communist resolution adopted in Caracas in 1954. Words in opposition to communism and subversive infiltration have been expressed by the American States but the action to implement these words is lacking.

Tensions are growing between Guatemala and neighboring Honduras and Nicaragua. A Soviet-inspired attack on these countries by Guatemala is quite conceivable in order for the Reds to gain ports in the Caribbean Sea for use of their submarine fleet and to obtain bases for an attack on the Panama Canal in the event of world war III. Furthermore, control of Guatemala on the Pacific and of Honduras on the Atlantic side would furnish the Communists with a land avenue between the two oceans which would be of immense value to the Soviets in a global war.

The 1947 Rio Treaty is comparable to Paul Revere's ride for it is the vehicle that provides the American States with the opportunity to employ action. The sixth article of this treaty provides:

If the inviolability or the integrity of the territory or the sovereign or political independence of American States should be effected by an aggression which is not an armed attack or by an extracontinental or intracontinental conflict, or by any other fact or situation that might endanger the peace of America, the Organ of Consultation shall meet immediately in order to agree on the measures which must be taken in case of aggression to assist the victim of the aggression or, in any case, the measures which should be taken for the common defense and for the maintenance of the peace and security of the continent.

In Guatemala, today, a challenge has been made on the freedom pacts between the American States. Nicaragua has severed diplomatic relations with Communist-infiltrated Guatemala. The United States has signed military-assistance pacts with Nicaragua and Honduras. This, however, falls far short of the necessary action that should be taken in this grave situation. It is imperative that the hemispheric foreign ministers be summoned to a fifth meeting so that

the truth about the landing of Soviet arms in Guatemala can be revealed and so that proper steps can be taken to cope with the challenge to Western Hemisphere security. Such a meeting is required by considerations of hemispheric security, for the political future of the Americas and the prestige of their political institutions, as well as our own security, demand such action at once. The 1947 Rio Treaty, like Paul Revere's ride, is a motivating force that calls together today's minutemen of the Americas for action to preserve the freedom of the Western Hemisphere. Let us hope that we rise to the occasion as the Colonists did 179 years ago.

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Unclassified

EXTRACTS FROM "SUMMARY OF WORLD BROADCAST"

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## CHILE

COMMUNIST SABOTAGE -- Police circles say that the sabotage discovered at Laguna del Maule was part of an organized plan which is attributed to the Communists. The Talca Carabinero Prefecture has informed the Ministry of the Interior that dynamite had been placed on the wall of the dam with intent to explode it and thus weaken the National Power Company's hydroelectric plant. (CELL90 Valparaiso, Radio Cooperativa Vitalicia, Apr. 16, 1954, 0200 GMT-W).

DEPARTMENT OF EXTERNAL AFFAIRS

Subject

*Communism - Latin America - press*

MONTREAL GAZETTE

Date

APR 26 1954

Publication

# Moscow Lavishes Money To Strengthen Ties -U.S. Agency

(New York Times Service)

Washington, April 25—The United States Information Agency reported today a "mounting tempo" of Communist activity in Latin-America lavishly financed by Moscow.

The report said that despite a one-third decline in membership in Latin America since the Second World War, the Communist Party has strengthened its ties with the Kremlin and satellite countries.

U.S.I.A. sent the data, from material recently gathered by United States intelligence agents, to its overseas posts. It operates the Voice of America, the International Press Service and other foreign outlets for news about the United States.

U.S.I.A. said that increased Communist activity south of the border takes the form of "national liberation fronts," deeper infiltration of strategic labor unions and other organizations, and increased attendance at Communist-sponsored gatherings in Europe and Asia.

This greater Red activity is in spite of the fact that most Latin-American governments are making efforts to curtail the Communist Party and 13 of the American republics have outlawed it.

U.S.I.A.'s report gave as an example of Soviet support the fact that in 1953 1,000 Latin Americans visited Communist capitals and attended Communist front meetings in Europe, compared with about 500 in 1952 and 100 in 1950.

"Although the Communist Party in Latin America has little or no direct parliamentary representation outside of Guatemala," U.S.I.A. said, "it has been able to build front organizations into instruments of pressure on governments, especially in alliance with non-Communists."

The report gave this data on the Communist Party in several Latin-American countries:

Argentina: The Communist Party membership of less than 40,000 is under close police surveillance, but Communists and sympathizers have infiltrated organized labor and other groups.

Bolivia: Communist strategy is directed toward infiltrating the national revolutionary movement and its supporting organization, but Government leaders are aware of the Communist intent to pervert their liberal national movement. The Communist Party of Bolivia is illegal—estimated membership less than 2,000.

Brazil: The Communist Party, though illegal, has an estimated membership of 60,000, and has been successful on local levels in electing Communists to government office as candidates of legal parties.

Chile: The illegal Communist Party, with about 40,000 members, joined with a Socialist segment in a "people's front" which polled about five per cent of the total vote in the September 1952 elections.

Cuba: The illegal Communist Party, estimated membership under 30,000, is influential in youth and women's organizations and in sugar, tobacco, and maritime unions.

Guatemala: Communist Party members, about 2,000, and Communist sympathizers control organized labor and have attained influential positions in the administration parties and in the Government.

Uruguay: Despite political losses, the Communist Party, estimated membership 15,000, still maintains a foothold in labor unions.

Venezuela: The Revolutionary Proletarian Party (Communist) has had some following among oil workers as well as union affiliates in the Caracas area. The principal Communist Party, estimated membership 20,000, was outlawed in 1950.

Mexico: The anti-Communist Popular Front plans to hold a congress next month to combat Communist activities and has invited all Latin-American countries to participate. Communist Party membership in Mexico is less than 5,000.

~~DUPLICATE~~

PRESS CLIPPING SERVICE  
DEPARTMENT OF EXTERNAL AFFAIRS

MAY 5 1954

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461



NUMBERED LETTER

TO: THE CANADIAN EMBASSY, BUENOS AIRES, ARGENTINA....

Security: Unclassified.....

No:..... 1/32

FROM: THE UNDER-SECRETARY OF STATE FOR  
EXTERNAL AFFAIRS, OTTAWA, CANADA.

Date:.... April 9, 1954.....

Enclosures:.. none.....

Reference:.....

Air or Surface Mail:.. Air.....

Subject:.. Visit of Argentine Technical.....

Post File No:.....

..... Delegation to U.S.S.R.....

Ottawa File No.	
50066-40	
46	46

References

The official U.S.S.R. daily newspaper PRAVDA published notes on the visit of the Argentine Technical Mission which I quote hereunder as they will certainly be of interest to you and to the Commercial Counsellor at your Embassy and will serve to complete whatever information you already possess on the subject.

"RECEPTIONS, DINNER FOR ARGENTINE EMBASSY.

On 2 February 1954, L. Bravo, Argentine Ambassador Extraordinary and Plenipotentiary to the USSR, gave a reception for an Argentine technical delegation, headed by Juan K. Dardalla, deputy director of International Trade and Trade Agreements Division of the Argentine Ministry of Foreign Trade.

The following persons were present at the reception: A.I. Mikoyan, Deputy Chairman of the Council of Ministers and Minister of Trade USSR, I.G. Kabanov, Minister of Foreign Trade USSR; S.A. Borisov and P.N. Kurykin, deputy ministers of Foreign Trade; V.V. Kuznetsov Deputy Minister of Foreign Affairs USSR; N.G. Pal'gunov, director of Tass; and representatives of the Ministry of Foreign Trade USSR, the Ministry of Foreign Affairs USSR, the Ministry of Culture USSR, Soviet cultural circles, and the Soviet press.

Among other guests were officials of the diplomatic corps in Moscow.

On 3 February 1954, A.I. Mikoyan, Deputy Chairman of the Council of Ministers USSR received the Argentine technical delegation at the Kremlin. The delegation was headed by Juan K. Dardalla.

The following were present at the reception: L. Bravo, Argentine Ambassador Extraordinary and Plenipotentiary to the USSR; I.G. Kabanov, Minister of Foreign Trade USSR; N.I. Cheklin, Chief of Administration of Trade with Western Countries, Ministry of Foreign Trade USSR; and S.S. Malov, Director of the First Export Administration of the Ministry of Foreign Trade USSR.

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On 3 February 1954, I.C. Kabanov, Minister of Foreign Trade USSR, gave a dinner in honor of the Argentine technical delegation. Among the guests were L. Bravo, Argentine Ambassador Extraordinary and Plenipotentiary of the USSR; Juan K. Dardalla, chief of the Argentine delegation and deputy director of International Trade and Trade Agreements Division of the Argentine Ministry of Foreign Trade; and other members of the delegation.

Also present at the dinner were A.I. Mikoyan, Deputy Chairman of the Council of Ministers; S.A. Borisov, and P.N. Kumenin, deputy ministers of Foreign Trade; V.V. Kuznetsov, Deputy Minister of Foreign Affairs USSR; and representatives of the Ministry of Foreign Trade USSR, Ministry of Foreign Affairs USSR, and Soviet cultural circles.

On 4 February 1954, the Argentine technical delegation held a press conference at the Argentine Embassy in Moscow.

Juan K. Dardalla, Deputy Director of International Trade and Trade Agreements Division of the Argentine Ministry of Foreign Trade, and head of the delegation, issued the following statement:

" The Argentine technical delegation has come to USSR to look into the matter of obtaining petroleum and coal-mining machinery and equipment, as well as equipment for power engineering, transport, and mechanization, as provided by the trade and payments agreement signed by the Soviet Union and Argentina on 5 August 1953.

" During its visit, the delegation has received wide cooperation from Soviet authorities. A preliminary exchange of technical information enabled the Argentine industrial requirements to be crystallized and coordinated. The delegation also visited important industrial enterprises in Moscow and vicinity, and in Leningrad, Rostov, Khar'kov, Zaporzh'ye, Stalino, Krasnodar, Kalinin, Gorlovka, Uglich, and Stalingrad, where the delegates saw the production of machinery and equipment which the Argentine Republic is interested in importing.

" Purchases made from the Soviet Union will contribute to the further development of Argentine fuel extractive industries, electric power production, transport, and mechanization of agriculture, as provided by the Argentine Second Five-Year Plan.

" In addition, the Soviet market in the future can absorb a large amount of Argentine commodity exports; thus, the prospect for future exchange of commodities between the USSR and Argentina is very favorable." --- "

GUY V. BEAUDRY

*for* Acting Under-Secretary of State  
for External Affairs.

*Circulate to: Mr. [unclear], Mr. [unclear]*  
*Refer to: D1(2) Far Eastern, Commonwealth, European, Pol. Cond (2)*  
*ccost(s), RCHP (Sp. Br.), London,*  
*Washington, Done*  
*1628*  
*file 46*  
*J. G. Riddell*

OTTAWA FILE
No. 50066-46
91/46
SECURITY CLASSIFICATION
Confidential

Despatch No. ....

Date. March 29th, 1954

APR 15 1954

*M. Riddell*

FROM: THE CANADIAN AMBASSADOR, MEXICO.

TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

Reference: .....

Subject: Chinese Communists in Mexico .....

The Second Secretary of the British Embassy here, who acts as security officer, asked us recently if we could find a casual opportunity to put three or four questions to our Chinese colleagues here. He felt that he could not approach them himself since the United Kingdom recognizes the other régime in China. The opportunity arose and the questions were asked. I give them with the replies for your information.

- 1) How many Chinese are there in Mexico?  
A) To the best of our belief about ten thousand in the whole of Mexico. (Note: according to the recent Mexican census there were 6,200 Chinese-born persons in Mexico.)
- 2) How many of them belong to: a) The Mexican Communist Party? b) The Chinese Communist Party?  
A) Very, very few, if any. There may be one or two or three people who have communist connections, but practically all the Chinese now living in Mexico have been here for a considerable number of years and are definitely not communist in sympathy.
- 3) How much Chinese Communist Party propaganda comes into Mexico? From where, how, and to whom? Any specimens?  
A) There are probably occasional bits of propaganda coming in from San Francisco. There is a printing establishment here called 'Libreria Democratica' which is believed to be used for distribution. (Note: we might follow this question up a little later to get the correct name and address of this establishment.)
- 4) Is there proof of any communication between such Chinese communists as may be in Mexico with the Chinese Communist Party cells known to exist in Jamaica, Trinidad and British Guiana?  
A) The negative reply to question No. 2 above practically wipes out this question. No such communication is known to exist.

Copies Referred To.....

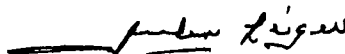
No. of Enclosures .....

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5) What trade, if any, exists between Mexico and China?  
Is there any indication that strategic materials  
(especially copper, zinc, tungsten, mercury) are  
shipped?  
Do the Chinese here inform the Americans if any  
strategic shipments are made?  
Could they also inform you?

A) Trade is small and there has been no indication of  
any shipments of strategic materials.  
We could certainly be informed if there were any  
such shipments.

2. Our informant was Mr. Johnson Pao, first sec-  
retary of the Embassy of China, who has been in Mexico  
for several years. His wife is Canadian, a Vancouver-  
born Chinese, and they are on friendly terms with us.  
Mr. Pao said that he would be happy to answer or attempt  
to answer any other questions that might be put to him.



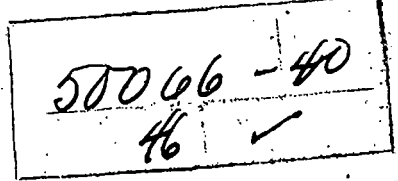
Ambassador.

Excerpt from: THE ECONOMIST

March 20, 1954.

**Guatemala's Communists**

FROM A CORRESPONDENT



**T**HE situation in Guatemala is a complex one. The country is still in the throes of a social revolution not unlike those that have swept Mexico and Bolivia. But here, unlike Mexico and Bolivia, the Communist party has increasingly influenced the development of the revolution; and it may yet succeed in establishing the western hemisphere's first fully Communist regime.

Guatemala still remains essentially divided into two nations. The Indians make up the overwhelming majority. Few of them speak Spanish; most are, in varying degrees, still basically pagan; and their meagre economy is one of subsistence agriculture. The other Guatemala is that of the *Ladino*, the Spanish-speaking townsman, generally descended at least in part from the conqueror of the Indian. The *Ladino* has hitherto owned most of the land, has created the towns, and has had the chief interest in the country's principal crops—first cochineal, and more recently coffee. The revolution is in part an attempt to integrate these two Guatemalas. It has introduced universal suffrage, modern labour legislation, the beginnings of education for the Indian and, during the past eighteen months, a land reform whose aim is to transform the Indian tenant into a landholding peasant.

The Communists did not father any of these reforms, but they are busy taking credit for them. Having a great deal of audacity, and, unlike all the other political elements, knowing exactly what they want, they have taken the lead away from the three other coalition parties—which have no distinguishable principles, and exist largely because they receive sizeable government subsidies. The Communists have been able to place their members or friends in key government posts. They are generally believed to control the social security institute, the national radio, and much of the agrarian department; the last is particularly important because it is carrying out the land reform, and the Communists can thus claim credit with the peasants for the distribution of land.

The core of the Communists' strength is the trade union organisation that has grown up since the overthrow of the Ubico dictatorship in 1944. Several non-Communist labour groups existed until 1951, when Colonel Arbenz Guzman succeeded Dr Juan José Arevalo as president; but the Arbenz administration has thrown its full weight in favour of the completely Communist-controlled General Confederation of Workers, to which virtually all the labour organisations are now affiliated.

President Arbenz himself is, in fact, the Communists' most important ally. They allied themselves with him several years before he came to power, and have apparently convinced him that they are the only true supporters of the revolution. Foreign observers estimate that the Communists gained more during the first six months of his administration than during the full six-year term of Dr Arevalo. However, the army officers as a whole still represent a considerable stumbling block on the Communists' road to full power. The party may also have difficulty in the future with the peasants, who will resist any attempt to replace the smallholdings they have just received by "co-operative farms"—the local version of collectives.

It is still too early to tell whether army and peasant resistance will check, or even slow, the Communist drive. No matter how the issue is resolved, the result may well be the shipwreck of the Guatemalan revolution. In terms of global chess, this country of only 3½ million people is a mere pawn; a pawn that might be sacrificed to assist the onward march of the Red King and Queen. The Guatemalan Communists may be expected by their masters in Moscow to serve as bridgehead for further revolutions in Latin America; or they may be considered to have done their duty if they merely arouse Latin American feeling against United States "interventionism."

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OTTAWA FILE

No. 50066-40

91/91

Despatch No. 91

Date. March 19, 1954

SECURITY CLASSIFICATION

SECRET

FROM: THE AMBASSADOR, CARACAS, VENEZUELA.

TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

Reference. Item 5 of the agenda of the Tenth Inter-American Conference

Subject. Intervention of International Communism in the American Republics

The U.S. State Department was very interested in the adoption of the resolution which it had proposed. This is evidenced by the fact that the Secretary of State, Mr. Dulles, kept postponing his departure from Caracas until the resolution had been voted upon. I am attaching a copy of the resolution presented by the U.S. delegation and for ease in reference, I have inserted the nine words ("a meeting of consultation to consider the adoption of") which comprised the amendment put forward by Colombia and which was accepted by the United States. These words are underlined, and they appear in the "declaration".

2. Even before the Conference it was generally realized that while the resolution was aimed at Guatemala, other countries might well be suspicious of it as a possible future method of attacking them. There is, as you know, a tendency in some Latin American countries of branding the political opposition as being communistic. The fear, undoubtedly, exists that this tendency could be carried over into inter-american affairs.

3. As you are aware, Guatemala does not recognize the present Venezuelan Government, and there was some speculation that she might refuse to attend the Conference on this ground. Had she done so, it is not certain whether any of the other Latin American countries would have provided the strong leadership given by Guatemala in fighting against the U.S. resolution.

4. The fight between Guatemala and the United States was joined in the plenary session when, on March 4 at the second plenary session, Mr. Dulles spoke and devoted about one third of his speech to the threat of International Communism to the American States. He brought out no new points but in stressing the ever-present threat of communism, certainly played to the limit on the possible sinister efficiency of the agents of international communism.

5. The Foreign Minister of Guatemala, Guillermo Toriello Garrido, replied to Dulles at the third plenary session which was held on March 5. His whole speech, in effect, was a reply to the United States implied attacks and to attacking the United States resolution.

6. His speech was impassioned and was delivered with an oratical fervor which was lacking in Dulles' speech. He made the most of stressing the contrast between the size and power of the two adversaries. He struck the note which subsequent debates of the first committee proved to be that which appealed to most of the other delegations. This was:

"We feel this proposal was merely a pretext for intervening in our internal affairs. By

. . . 2

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- 2 -

accepting this proposal, Pan Americanism would become an instrument exclusively in the service of monopolistic interests and a weapon of coercion to strangle any attempt at political and economic liberation of the oppressed peoples of Latin America. They wanted to find a ready expedient to maintain the economic dependence of the American Republics and suppress the legitimate desires of their peoples, cataloguing as "Communism" every manifestation of nationalism or economic independence, any desire for social progress, any intellectual curiosity, and any interest in progressive or liberal reforms. What is most serious is that they claim to seek the collective support of America to violate with impunity the principle of non-intervention, but we refuse to believe that they want to return to the old and outworn practices of the past, when great monopolies had a predominant influence over the politics of certain countries, through fear of the "big stick" and the dismal "dollar diplomacy" and when the landing of United States Marines in Latin American ports was a common occurrence or custom-houses were seized "to guarantee investments" or to punish political acts that did not coincide with those interests." (No. 95 of March 5, page 7).

*politics*

7. The committee No. 1 ~~which~~ (legal-political subjects) was formed on March 4 with the Foreign Minister of Nicaragua acting as President. This committee, like the others, did not get underway, however, until Monday, the 8th of March. When it did, it was quickly apparent that it was the only committee attracting attention from either the delegates or from the public. Conference room No. D where its meetings were held was always crowded to overflowing, and on a number of occasions the doors had to be closed and admission refused to latecomers. Other committees seldom attracted the public or members of other delegations and, in fact, at times they suspended the meetings in order to follow the proceedings of committee No. 1.

8. The speeches delivered at the meetings of the First Committee underlined the fact that there was little genuine support for the United States resolution. There seemed to be no agreement that international communism did in fact present an imminent threat to the political independence of the Americans. Communism, being a Bad Thing was generally condemned. There seemed to be agreement, however, that the dangers of intervention in the political affairs of any country were greater under the United States resolution than under the ~~status quo~~. Dallas, in his speech on March 8, recognized the fears of some of the Latin-American countries by pointing out:

"The slogan of 'non-intervention' can plausibly be invoked and twisted to give humanity to what is in fact flagrant intervention".

He pointed out that the threat to liberty can be made in many ways and that the present one from agents of international communism, taking as it does an unaccustomed form, is a greater peril than any of those known in the past. He reassured the delegates that the United States was presenting its resolution not to solve all problems following from the threat of communism but to identify the peril, to develop the will to meet it unitedly should that be necessary, and to give strong moral support to those governments presently in danger. Amendments were presented by Mexico, Argentina,

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Uruguay and Colombia. As the week progressed, it was apparent that the United States could count on little more than a bare majority, possibly resulting as few as eleven or twelve out of twenty votes. It was doubtful whether the remaining countries would vote against the resolution or abstain.

9. As you know, the resolution was finally adopted on Saturday, March 13, with 17 countries voting in favour, 2 (Argentina and Mexico) abstaining and 1 (Guatemala) voting against. We have seen reports from the U.S. press hailing this as a diplomatic triumph for Mr. Dulles. To obtain whatever triumph it was, he agreed with the Colombian amendment which, as you will see from the attachment, calls for a meeting of consultation of foreign ministers to decide as to what steps can be taken in the face of any threat. In addition, he himself introduced a concluding paragraph of reassurance which was incorporated in the resolution as adopted.

10. We unfortunately have been unable to obtain the official English version of this final paragraph but the office translation of the Spanish translation reads:

"This declaration on foreign policy made by the American Republics in relation to the dangers originating extra-continentially is aimed at protecting and not at impairing the inalienable right of each American State to freely choose its own form of government and economic system and to live its own social and cultural life".

11. The first of these concessions makes certain that any action which may be taken as a result of the resolution must be taken after all foreign ministers have met together and considered the situation. I believe that they are precluded from recommending any action unless a two-thirds majority favours it. If this majority were not obtained, I wonder whether the United States would desist from taking, say, economic reprisals against a country it accused of being dominated by communists. The fear of unilateral action being taken by the United States is considerable. I am not certain what effective and practical action the member states could take. In fact, in my opinion, I am surprised that the United States met so much resistance in having such an innocuous resolution adopted. The member states are generally with one notable exception, anti-communist and the lack of enthusiasm they showed for the resolution shows a lack of confidence in their sister republics and a distrust for the United States.

12. I am at a loss to explain what assurances the second concession gives which were not already provided for in the main resolution, which lead to general acceptance.

13. From a very reliable source I have learned that as late as Thursday morning, there were at least five countries in addition to Argentina and Mexico who had intended to abstain when the resolution came to a vote. At noon on that day, Mr. Dulles in the hearing of the heads of most delegations stated clearly that those countries which supported the resolution were the friends of the United States. He added nothing to this and my informant tells me that the inference was obvious and his

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words were taken as a threat by those who overheard. It was unsuccessful in influencing Argentina or Mexico but the other countries decided that the loss of possible economic aid was not worth abstaining on a resolution as a result of which in fact it is doubtful whether action can ever be taken. I know that the head of the Ecuadorian delegation spent one hour on the telephone talking to the Ecuadorian President before he managed to receive permission to change his country's vote from one of abstention to one of support.

14. I notice this is hailed as a diplomatic triumph, but I feel that the United States has not gained any more friendly feeling among the member states of the Organization of American States as a result of its forcing action and I also wonder what the result will be if it becomes necessary to implement the provisions of the resolution.

H. G. NORMAN  
*H. G. Norman*  
AMBASSADOR

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DECLARATION OF SOLIDARITY FOR THE PRESERVATION  
OF THE POLITICAL INTEGRITY OF THE AMERICAN STATES  
AGAINST INTERNATIONAL COMMUNIST INTERVENTION

Draft declaration presented by the delegation of the United  
States of America (Chapter I, topic 5 of the Agenda)

WHEREAS:

The American republics at the Ninth International Conference of American States declared that international communism, by its anti-democratic nature and its interventionist tendency, is incompatible with the concept of American freedom, and resolved to adopt within their respective territories the measures necessary to eradicate and prevent subversive activities;

The Fourth Meeting of Consultation of Ministers of Foreign Affairs recognized that, in addition to adequate internal measures in each state, a high degree of international cooperation is required to eradicate the danger which the subversive activities of international communism pose for the American States; and

The aggressive character of the international communist movement continues to constitute, in the context of world affairs, a special and immediate threat to the national institutions and the peace and security of the American States, and to the right of each State to develop its cultural, political, and economic life freely and naturally without intervention in its internal or external affairs by other States,

THE TENTH INTER-AMERICAN CONFERENCE

I

CONDEMNS:

The activities of the international communist movement as constituting intervention in American affairs;

EXPRESSES:

The determination of the American States to take the necessary measures to protect their political independence against the intervention of international communism, acting in the interests of an alien despotism;

REITERATES:

The faith of the peoples of America in the effective exercise<sup>000230</sup> of representative democracy as the best means to promote their social and political progress; and

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DECLARES:

That the domination or control of the political institutions of any American State by the international communist movement, extending to this hemisphere the political system of an extra-continental power, would constitute a threat to the sovereignty and political independence of the American States, endangering the peace of America, and would call for a meeting of consultation to consider the adoption of appropriate action in accordance with existing treaties.

II

RECOMMENDS:

That without prejudice to such other measures as they may consider desirable, special attention be given by each of the American governments to the following steps for the purpose of counteracting the subversive activities of the international communist movement within their respective jurisdictions:

1. Measures to require disclosure of the identity, activities, and sources of funds, of those who are spreading propaganda of the international communist movement or who travel in the interests of that movement, and of those who act as its agents or in its behalf; and
2. The exchange of information among governments to assist in fulfilling the purpose of the resolutions adopted by the Inter-American Conferences and Meetings of Ministers of Foreign Affairs regarding international communism.

DEPARTMENT OF EXTERNAL AFFAIRS

Subject Communism - Cuba

File on 50066-HC  
PPR  
a1 9/91

Date MAR 12 1954

Publication

N. Y. TIMES

PRESS CLIPPING SERVICE  
DEPARTMENT OF EXTERNAL AFFAIRS

MAR 12 1954

**PRIO BRANDS BATISTA  
IN DENYING RED LINK**

Dr. Carlos Prío Socarrás, former President of Cuba, phoned a statement from Miami yesterday seeking to refute an assertion by President Fulgencio Batista on Wednesday that Dr. Prío had "protected" Communist elements during his regime. General Batista overthrew Dr. Prío two years ago this week.

Dr. Prío charged that General Batista had supported a Communist-front coalition in 1944, had been elected Senator with Communist help in 1948 and again had allied himself with the Reds in municipal elections.

In 1951, according to Dr. Prío, General Batista blocked efforts to send Cuban troops to join the United Nations forces in Korea.

"In contrast with his tortuous and opportunist record," Dr. Prío declared, "I have during the whole of my political life been unwaveringly and outspokenly anti-Communist."

"During my whole term of office as President, I continuously and successfully fought the Communists, reducing them to an insignificant and impotent core of hard-boiled party trustees."

DEPARTMENT OF EXTERNAL AFFAIRS

Subject Communism - Cuba

File on 50066-4

N. Y. TIMES

Date MAR 11 1954

Publication

## BATISTA SAYS CUBA CLEANED OUT REDS

On Anniversary of Coup, He  
Pledges Fall Election and  
Lists Achievements

Special to THE NEW YORK TIMES.

HAVANA, March 10—Communism has been eradicated from Cuba, peace has been restored among the nations of the Caribbean and preparations have been made for holding general elections in Cuba next November, President Fulgencio Batista said today. He spoke as his military forces celebrated the second anniversary of the coup that placed him in the presidency.

Addressing troops at Camp Columbia, Cuba's military headquarters, and the nation over a radio hook-up, the President declared: "We remain firm in our aim to preserve order and to solve the political problem of Cuba by electoral means."

"The Communists no longer take advantage of our confusion and problems to carry out their secret activities or open campaigns against our mode of life," General Batista said.

He accused the Administration of former President Carlos Prío Socarras of having protected Communist elements and declared that the majority of these had been deported soon after the Batista Government came to power. President Batista mentioned specifically one "common deportee from Cuba" who was among the group of Puerto Rican Nationalists who fired on the United States House of Representatives recently. The President was referring to Rafael Miranda, one of four accused Puerto Ricans, who was deported from Cuba in 1952.

### Batista Cites Works Program

President Batista declared that Cuba was at peace with her neighbors, adding:

"No longer are conspiracies formed in Cuba against any foreign government."

The President reviewed the accomplishments of his Government and emphasized a public works program now under way. Two hours before his speech, he cut eleven ribbons in a ceremony at Camp Columbia symbolizing the start of 404 public works projects.

Insisting that elections would be held as scheduled next November, General Batista said 70 per cent of the voters had registered, adding: "Never before, not even in the most normal times, have so many voters registered." He called on the Opposition to participate in the elections, and asserted the Government had recently changed the electoral law to permit small parties to organize.

Beginning at 2:45 o'clock this morning, the Cuban armed forces celebrated the anniversary of the coup with ceremonies, fiestas and dinners. Government offices and schools were closed. Commerce and industry continued to operate.

The only incident to mar Gen-

eral Batista's celebration in the capital was a demonstration of Havana University students. They started a protest meeting on the steps of the university. The police and soldiers surrounded the university. After a brief period of firing into the air by the police, the students withdrew into the university.

Gene Carrier, a photographer from the United States, was detained briefly by the police when he attempted to take pictures of the demonstration. His films were destroyed.

The greatest accomplishment of General Batista in his current Administration has been to convince hundreds of thousands of his countrymen that he really will hold the elections in November. There are still many who remain skeptical, but tension has eased with the disappearance of rumors of invasions and revolutions. Some attribute this to the arrest of former President Prío Socarras in the United States on charges of buying arms for a revolution in Cuba.

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DEPARTMENT OF EXTERNAL AFFAIRS



se convencieron de que el miedo había unido a la oposición. Durante cinco años To-

gliatti ha trabajado para eliminar ese miedo, y la crisis registrada en Italia este mes ha

sido fruto de su trabajo. Ahora Malenkov favorece "El Camino Italiano" de Togliatti

2.500.000. Numéricamente los resultados no son impresionantes, pero las tácticas de Togliatti han quebrado el frente anticomunista al eliminar el miedo que se les tenía a los comunistas. Es por eso que Italia se encuentra en crisis.

Y esta es la razón por la que Malenkov ha adoptado "El Camino Italiano" internacionalmente.

Togliatti ha convencido al Kremlin que la planeada desintegración del mundo capitalista, tal como lo anunciaron Marx, Lenin y Stalin, se ha retardado por el miedo a un ataque armado ruso. El Kremlin tratará ahora de convencer al mundo de que ese peligro ya no existe.

**Aún poderoso:** Por lo menos al presente, Togliatti tendrá poca participación en la modelación de la nueva fachada comunista. Pese a que la influencia personal de Togliatti se mantendrá fuerte en algunos países latinoamericanos, especialmente en aquellos con gran población de origen italiano, Malenkov dependerá principalmente en el hemisferio de los consejos de Vittorio Vidali, el jefe actual de los rojos de Trieste. Vidali estaba en México cuando Trotsky fué asesinado. Tomó parte en la guerra civil española. Su esposa es mexicana. Vidali habla español, alemán, ruso, francés, inglés, serbio, esloveno y croata, además del italiano, su lengua materna. Es un hombre muy grande para desperdiciarlo en Trieste.

No hay que perder de vista a Togliatti; no llegó su crepúsculo aún.

# CONSPIRACION ROJA

*La "guatemalización" de América Latina es el objetivo*

¿Habrà otro "bogotazo" en Caracas? Sin duda el gobierno venezolano está prevenido. Los métodos de protección más efectivos velarán por el orden.

Sin embargo, en vísperas de la Décima Conferencia Interamericana, es natural que esa interrogación arroje su sombra de angustia.

¿Provocaràn los comunistas motines semejantes a los que estallaron en Bogotá, al morir Jorge Eliécer Gaitán?

En estos momentos, la línea política que se ha trazado el comunismo internacional en la América Latina no favorece tales actos. Desde luego, salvo cualquier táctica oportunista.

A partir del Congreso de Moscú de octubre, 1952, la consigna ha sido "llevar el comunismo a la América Latina a través del camino guatemalteco." Es decir, la tarea estratégica consistirá en "guatemalizar" el mayor número de países al sur del Río Grande.

Esta es la llamada "Operación Latinoamericana." También "El Camino Italiano." Su piedra de toque es la presencia comunista en movimientos antiyanquis.

No se trata ahora de constituir grandes partidos comunistas, que sólo sirven para atraer la represión, como en el caso de Chile, ni de provocar huelgas in-

surreccionales. La obra básica es la de formar un vasto "frente nacional," o "frente democrático y social," como el que detenta el poder en Guatemala.

En este empeño están unidos, algo nuevo en la actividad comunista latinoamericana, stalinistas y trotskistas.

Su primer objetivo: exaltar al poder grupos políticos hostiles a EE.UU.

Su objetivo definitivo: crear la Unión Suramericana, según la Carta Constitutiva suscrita por el comunista argentino, Victorio Codovila.

El comunismo en la América Latina, según el estudio que presenta Visión, es un peligro que no debe subestimarse.

**Ataque:** Abruptamente en estos días apareció en la primera plana del diario comunista de Río de Janeiro, "Imprensa Popular," un manifiesto del Partido Comunista brasileño. Encabezado por un exordio de Luis Carlos Prestes, el documento era una incitación ardiente a la revolución nacional; un llamamiento para derrocar el régimen de Vargas. Pedía, además, la "abrogación de todos los acuerdos y tratados con Estados Unidos" por estimarlos detrimentales al Brasil; y "la confiscación de empresas y capitales pertenecientes a monopolios de EE.UU."

Esta alocución tuvo hondos repercu-

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siones. No tanto en las esferas oficiales del gobierno, alertas siempre ante la amenaza de una conspiración comunista, sino en los propios cuadros del partido. ¿Acaso significaba esto un viraje en la estrategia actual comunista? No; sólo de una bifurcación. La línea que Moscú había dictaminado para su "Operación Latinoamérica" continuaba vigente. El cambio únicamente atañía al Brasil.

Antecedentes ya existían para el caso. Los veteranos del comunismo bien podían recordar cómo años antes el Kremlin dictó, para la América Latina, la política doble de colaboración en "frentes populares," y levantamiento en el Brasil. A cargo de la sedición estaba Luis Carlos Prestes, quien hoy, desde su escondite en Bolivia, dirige nuevamente la línea revolucionaria en su país. Vale notar, en este sentido, que en el Brasil la propaganda comunista se concentra de modo intenso en los planteles militares, y dentro de las fuerzas armadas.

Pero es el plan curtido y probado en Guatemala el que sirve de pauta a las tácticas comunistas de hoy en la América Hispana. Con un partido que no llega a 500 miembros y carente de apoyo popular, allí el comunismo ha conseguido minar el gobierno e imponer su criterio en los más altos puestos administrativos.

**Influencia:** Sería un error grave interpretar la fuerza del comunismo por el número de militares en cada país. El país en donde el comunismo tiene, relativamente, mayor fuerza, es en Uruguay. Pero los quince o dieciocho mil comunistas uruguayos no sólo están más lejos del poder que el resto de sus colegas del mundo entero, sino que su influencia es insignificante. En las elecciones del 1950 perdieron tres bancas en la cámara de Diputados. Ahora sólo cuentan con dos, sin perspectiva de mejorar. Además, un conflicto interno, ignorado por el público, socava al partido. El diputado Rodney Arismendi, un intelectual sin respaldo de masa, lucha a brazo partido con Eugenio Gómez Chiribao por la dirección comunista.

En Bolivia sucede todo lo contrario. Un núcleo comunista que no llega quizás a dos mil, ha penetrado profundamente el Movimiento Nacionalista Revolucionario de Paz Estenssoro y Siles Suazo, y ha colocado a un gobierno triunfante al pie del muro. Los cuarenta mil comunistas argentinos carecen de la fuerza e influencia que sí tienen los quince mil comunistas del Perú o los veinte mil de Venezuela. Y, para citar otro caso, en la Guayana Inglesa no hay partido comunista. Sin embargo, bastó un grupo de obediencia comunista para convulsionar la región y crear un serio problema político.

Sin duda, numéricamente, el comu-

nismo está en descenso. Lejos está de su época de auge en la América Latina—durante la guerra de resistencia contra el nazifascismo—cuando contaba con medio millón de militantes. Hoy esta cifra apenas alcanza a 200.000. Además, en ningún país constituye un factor electoral importante.

Sin embargo, esta decadencia es sólo aparente y formal. Numerosos comunistas—intelectuales sobre todo—han sido segregados de los partidos para ser destacados como nacionalistas, progresistas o neutralistas en movimientos y organizaciones en los cuales se infiltra el comunismo. Puestos claves en organizaciones gubernamentales de asistencia social, en los ministerios del Trabajo, en los centros docentes, en la dirección de partidos y sindicatos, están hoy en manos de antiguos comunistas que son mantenidos con o sin voluntad, bajo órdenes de Moscú. Así han logrado influir en la política nacional de Guatemala, Bolivia y, en menos grado, en México.

**En México:** Porque sería ingenuo concluir que el comunismo en México, no obstante sus 30.000 militantes, no posee encumbradas posiciones y muy poderosos adherentes. La misión comunista que trabaja en estrecho contacto con Vicente Lombardo Toledano, con el comando de su Partido Popular y con el núcleo selecto de refugiados españoles, controla grupos influyentes en el Instituto Nacional de Bellas Artes, y en numerosas dependencias del Gobierno Federal y de los Estados; dirigen movimientos antiyanquis muy amplios y enérgicos en la Unidad Nacional, en el Instituto Politécnico y sobre todo en el magisterio. Son millares los maestros mexicanos, quizás no comunistas, obedientes a Dionisio Encina y a Manuel Terrazas, que hacen ardiente labor de proselitismo comunista.

Fué en Bolivia en donde primeramente se registró la hermandad política de stalinistas y trotskistas. Esta tendencia se acrecentó después de la muerte de Stalin, y aún más con la ejecución de Beria. Pero en la política boliviana estas fuerzas antagónicas comenzaron a coligarse desde 1951. Entonces los stalinistas, representados por el Partido de Izquierda Revolucionaria, y el trotskismo, abanderado en el Partido Obrero Revolucionario de Juan Lechín, sellaron un pacto electoral apoyando la candidatura de Paz Estenssoro-Siles Suazo. Este acto fué ampliamente difundido.

La ascendencia comunista en Guatemala ha sido desde hace tiempo motivo de extrema preocupación en Washington. Ha sido primordialmente esta situación lo que ha impedido al Departamento de Estado norteamericano a proponer en el temario de la Décima Con-

ferencia Interamericana la cuestión del comunismo en la América Latina. Preocúpale especialmente que la penetración "a través del camino de Guatemala" llegue a proliferar en las otras repúblicas de la América Central.

Mientras se esperan las decisiones que han de tomarse en Caracas, Washington ha estado considerando varias medidas decisivas para contrarrestar el avance comunista en Guatemala. Visión sabe de buena fuente que se han estudiado sanciones económicas, pero el temor de que éstas sirvan de estímulo a la propaganda comunista le ha detenido. Pero de todas maneras el gobierno norteamericano, por razones puramente de defensa hemisférica, está dispuesto a impedir en 1954 el desborde del comunismo fuera de las fronteras guatemaltecas. No ha dejado de pasar desapercibido en estos tiempos la concurrencia de importantes figuras del comunismo internacional de Guatemala.

La inminencia de esta conjura ha puesto en guardia al resto de las naciones centroamericanas. No hace mucho, en ocasión del quinto aniversario del actual régimen salvadoreño, el Presidente Oscar Osorio hizo gala de un gran despliegue militar. Diez mil tropas, armadas con el material más moderno de Estados Unidos, desfilaron ante el cuerpo diplomático y otros funcionarios. Era manifiesto que tal alarde de fuerza no podía considerarse sino como una clara advertencia a los conspiradores comunistas de Guatemala.

El caudal del Partido Comunista chileno, el primero en hacer triunfar la tesis del "frente popular" en América, no puede ser apreciado con exactitud hoy. Declarado ilegal, se ha visto sometido últimamente a las consecuencias de la Ley de Defensa de la Democracia. Las cifras ahora se ocultan y sus elementos niegan su filiación. Pero no hay que olvidar que Chile, por la importancia de su comunismo, ha ocupado el tercer lugar en el mundo. Como es notorio que en la política chilena no existen palabras irreparables, ni compromisos sagrados, no sería extraño que en circunstancias favorables el comunismo emergiera nuevamente como un factor decisivo. Se debe tener en cuenta, además, que son las fuerzas gremiales las que están decidiendo en la actualidad los problemas vitales del Estado. Y al comunismo chileno se le puede asignar una influencia desde un 30 al 45% sobre las masas trabajadoras.

**En la ilegalidad:** En doce de las veinte repúblicas, el Partido Comunista ha sido declarado ilegal. Pero en la mayoría de los casos esto es cuestión de forma. En el Perú, por ejemplo, el Partido ha estado proscrito desde 1948. Sin

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propaganda en la cual los comunistas han aprendido a oficiar de acólitos.

Al propio tiempo que culpan a Estados Unidos de todos los males que afligen al mundo, los comunistas exaltan el remedio que puede venir de Rusia. Las relaciones ruso-argentinas distan mucho del nivel que tan pomposamente anuncia Moscú, puesto que está lejana la cifra de cuatrocientos millones de dólares anuales. Pero el hecho está sirviendo a los comunistas para ofrecer soluciones no sólo a los nacionalistas intransigentes, sino a grandes sectores de elementos neutros en política. En Chile se hace propaganda intensiva para convencer a los chilenos del inmenso bien que significaría la posibilidad de vender a Rusia cobre por valor de doscientos millones de dólares al año. Análoga propaganda se desarrolla en Bolivia respecto al estaño. En Brasil, los comunistas han estado promoviendo una discusión sobre la posibilidad de reanudar el intercambio ruso-brasileño. La delegación brasileña oficiosa que concurrió a la Conferencia Económica de Moscú y que elevó un informe al Gobierno, ha dado motivo para que, bajo la acción de la propaganda comunista, varias firmas del Brasil planteen la necesidad de instaurar un intercambio ruso-brasileño para contrarrestar el convenio ruso-argentino.

A continuación publicamos un cuadro esquemático, por países, donde mayor es la fuerza de los Partidos Comunistas en la América Latina:

**Argentina:** El Partido Comunista, ortodoxo, cuenta con unos 40.000 miembros. Carece de representación parlamentaria. A pesar de que no está prohibido, sus actividades son vigiladas estrechamente. Favorece o se opone a las medidas gubernamentales de acuerdo con los objetivos comunistas del momento. Sin embargo, existe un grupo de disidentes que le han brindado su apoyo continuo al gobierno. Su lealtad a Moscú jamás ha sido discutida, pero están en pugna con el Partido Comunista argentino ortodoxo.

**Bolivia:** El Partido Comunista boliviano es ilegal, y cuenta con menos de 2.000 socios. Pero el comunismo internacional ya había ganado una entrada en el país en 1940 mediante el Partido de Izquierda Revolucionario (marxista) y el Partido Obrero Revolucionario (trotskista), los cuales tenían su fuerza entre los mineros. El Partido Comunista boliviano surgió de un sector del P.I.R. a principios del 1950 y estaba compuesto principalmente de la juventud estudiantil. Era francamente stalinista. La estrategia comunista en Bolivia tiene como base obtener la colaboración de ciertos elementos ultranacionalistas y elementos de izquierda unidos al partido gubernamental, Movimiento Nacional Revolucionario.

**Brasil:** Durante la etapa de su existencia legal (1945-47), el Partido Comunista conquistó magníficas posiciones dentro de las organizaciones obreras, considerable fuerza

política en los distritos industriales y un número bastante crecido entre círculos campesinos, grupos juveniles y esferas intelectuales. A principios de 1948 se cancelaron los escaños parlamentarios ganados por los comunistas y los líderes del partido se ocultaron. En la ilegalidad el Partido perdió terreno. Recientemente los esfuerzos comunistas han estado dirigidos a la penetración de puestos claves en el gobierno con el propósito de evitar la participación de capital foráneo en el fomento de los recursos del país, así como la cooperación del Brasil con el Occidente. Se calcula en 60.000 el número de socios, aunque los comunistas dicen que cuentan con 130.000.

**Chile:** La Ley de la Defensa de la Democracia, promulgada en diciembre 1948, virtualmente proscribió al Partido Comunista chileno, al afectar a 28.000 miembros del partido. Sin embargo, quedaron fuera del alcance de la Ley mujeres de la misma afiliación y la juventud comunista. Miembros del partido han podido colarse en otras organizaciones políticas. No obstante haberse prohibido actividades comunistas dentro de los gremios obreros, los comunistas mantienen una influencia importante dentro de las mismas. Constituyen también una fuerza respetable entre el estudiantado y los intelectuales. En las elecciones presidenciales de septiembre del 1952, los comunistas se unieron con un segmento socialista formando un Frente Popular. Obtuvieron un 5% del voto total, lo que le reportó 10 escaños en el parlamento.

**Cuba:** Durante una década, comenzando en 1930, el Partido Comunista cubano dominó el movimiento obrero del país. Pero cuando en 1947 entró en el poder la administración del Partido Auténtico, los comunistas, bajo presión del nuevo gobierno, comenzaron a perder el control de los sindicatos. La influencia del Partido continúa fuerte entre los grupos juveniles, en las organizaciones de mujeres y en los gremios de trabajadores de azúcar, tabaco y del puerto. La pérdida de su ascendencia dentro del movimiento obrero se tradujo en mermas de ingresos y esto creó disensiones en el partido. Pero la vieja guardia aún se mantiene firme en el control del Partido. En 30.000 se calcula el número de socios.

**Ecuador:** Los comunistas han encontrado su mayor fuerza entre los círculos de estudiantes e intelectuales y en el movimiento obrero. Líderes obreros comunistas comparten con el Partido Socialista la dirección de un gran sector de la masa trabajadora. Los socialistas, un partido más fuerte y numeroso que el comunista, han optado últimamente por una colaboración más cerrada con los comunistas. En las ciudades más populosas de las regiones costeras, el comunismo ha logrado captar las simpatías de ciertos grupos estudiantiles y del profesorado. Menos de 5.000 son los militantes del partido y ocupa un sólo escaño en el Parlamento.

**Guatemala:** En este país los comunistas, que no llegan a más de 500, y sus simpatizantes han podido ganar el control del movimiento obrero y conquistar posiciones claves dentro de los partidos del gobierno y en el propio gobierno. Los comunistas ocupan 4 de los 56 escaños del Congreso.

En 1951, líderes comunistas obreros organizaron una federación obrera nacional con la cual han incrementado su influencia en las esferas políticas. Su peso fué decisivo en la aprobación de la Ley de Reforma Agraria de 1952. Mediante su apoyo al Gobierno en complementar ciertas medidas de dicha ley y su infiltración en la maquinaria administrativa del Departamento Agrario Nacional, lograron extender su influencia en las regiones rurales.

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embargo, en el actual parlamento peruano, designado en 1950, campea un senador ex-comunista, el miembro del Comité Central, Juan P. Luna, y una media docena de diputados que ofician de progresistas. El hecho es un tanto más significativo si se considera que Luna es senador por el departamento de Lima, la circunscripción que mayor número de votos requiere para lograr tal posición legislativa. Reuniendo a los 15.000 comunistas peruanos en Lima, Luna no habría sido electo. El hecho es aún más sorprendente si se sabe que el Partido Comunista del Perú, actuando legalmente en 1945 bajo la amplia y abierta protección del entonces candidato a la Presidencia José Luis Bustamante, no pudo obtener un senador y sólo alcanzó enviar a la Cámara cuatro diputados venidos de las regiones campesinas más atrasadas del país. De aquí hay que deducir que la prohibición legal resultó provechosa para el comunismo peruano. Análogas condiciones prevalecen en varios parlamentos latinoamericanos.

**Tácticas:** El Kremlin ha querido atestiguar públicamente su preocupación por América Latina, otorgando algunos de los contados "Premios Stalin" a latinoamericanos como el general mexicano Heriberto Jara y el poeta chileno Pablo Neruda. La prensa soviética, además, está dedicando gran espacio a temas relacionados con estos pueblos.

Estos hechos indican que la América Latina está pasando a ocupar en la atención rusa el puesto que ocupara China en la década del 30.

La propaganda y actividad comunistas en la América Latina no se basan en fundamento racional o doctrinario. Se trata de una lucha sin principios que explota todo género de motivos emocionales. Explotación exacerbada del descontento popular; exaltación malévola de las duras condiciones de existencia; de la ausencia de democracia elemental en muchos países; del retraso técnico y de la miseria consecuente. De todos estos males, el comunismo y sus clientes culpan a EE.UU. Se les acusa de estorbar la industrialización para evitar la competencia; de no prestar auxilio a las regiones atrasadas; de imponer tarifas aduaneras para comprar barato y vender caro; de amparar política, financiera y moralmente, a los gobiernos de fuerza y hasta de provocar el alza del dólar para depreciar las monedas nacionales. Muchas veces estos argumentos encuentran una vasta audiencia, condiciones favorables y cómplices dispuestos. Sobre todo si se considera que esta propaganda aparece, en la generalidad de los casos, como la expresión del pensamiento de grupos nacionalistas, y de sectores solamente progresistas y no comunistas;



**CONSEJERO:** Vittorio Vidali, dirigente de los comunistas en Trieste, es el asesor de Malenkov en problemas de América Latina. Vidali habla español y su esposa es mexicana

## NOTICIAS MUNDIALES

propaganda en la cual los comunistas han aprendido a oficiar de acólitos.

Al propio tiempo que culpan a Estados Unidos de todos los males que afligen al mundo, los comunistas exaltan el remedio que puede venir de Rusia. Las relaciones ruso-argentinas distan mucho del nivel que tan pomposamente anuncia Moscú, puesto que está lejana la cifra de cuatrocientos millones de dólares anuales. Pero el hecho está sirviendo a los comunistas para ofrecer soluciones no sólo a los nacionalistas intransigentes, sino a grandes sectores de elementos neutros en política. En Chile se hace propaganda intensiva para convencer a los chilenos del inmenso bien que significaría la posibilidad de vender a Rusia cobre por valor de doscientos millones de dólares al año. Análoga propaganda se desarrolla en Bolivia respecto al estaño. En Brasil, los comunistas han estado promoviendo una discusión sobre la posibilidad de reanudar el intercambio ruso-brasileño. La delegación brasileña oficiosa que concurrió a la Conferencia Económica de Moscú y que elevó un informe al Gobierno, ha dado motivo para que, bajo la acción de la propaganda comunista, varias firmas del Brasil planteen la necesidad de instaurar un intercambio ruso-brasileño para contrarrestar el convenio ruso-argentino.

A continuación publicamos un cuadro esquemático, por países, donde mayor es la fuerza de los Partidos Comunistas en la América Latina:

**Argentina:** El Partido Comunista, ortodoxo, cuenta con unos 40.000 miembros. Carece de representación parlamentaria. A pesar de que no está prohibido, sus actividades son vigiladas estrechamente. Favorece o se opone a las medidas gubernamentales de acuerdo con los objetivos comunistas del momento. Sin embargo, existe un grupo de disidentes que le han brindado su apoyo continuo al gobierno. Su lealtad a Moscú jamás ha sido discutida, pero están en pugna con el Partido Comunista argentino ortodoxo.

**Bolivia:** El Partido Comunista boliviano es ilegal, y cuenta con menos de 2.000 socios. Pero el comunismo internacional ya había ganado una entrada en el país en 1940 mediante el Partido de Izquierda Revolucionario (marxista) y el Partido Obrero Revolucionario (trotskista), los cuales tenían su fuerza entre los mineros. El Partido Comunista boliviano surgió de un sector del P.I.R. a principios del 1950 y estaba compuesto principalmente de la juventud estudiantil. Era francamente stalinista. La estrategia comunista en Bolivia tiene como base obtener la colaboración de ciertos elementos ultranacionalistas y elementos de izquierda unidos al partido gubernamental, Movimiento Nacional Revolucionario.

**Brasil:** Durante la etapa de su existencia legal (1945-47), el Partido Comunista conquistó magníficas posiciones dentro de las organizaciones obreras, considerable fuerza

política en los distritos industriales y un número bastante crecido entre círculos campesinos, grupos juveniles y esferas intelectuales. A principios de 1948 se cancelaron los escaños parlamentarios ganados por los comunistas y los líderes del partido se ocultaron. En la ilegalidad el Partido perdió terreno. Recientemente los esfuerzos comunistas han estado dirigidos a la penetración de puestos claves en el gobierno con el propósito de evitar la participación de capital foráneo en el fomento de los recursos del país, así como la cooperación del Brasil con el Occidente. Se calcula en 60.000 el número de socios, aunque los comunistas dicen que cuentan con 130.000.

**Chile:** La Ley de la Defensa de la Democracia, promulgada en diciembre 1948, virtualmente proscribió al Partido Comunista chileno, al afectar a 28.000 miembros del partido. Sin embargo, quedaron fuera del alcance de la Ley mujeres de la misma afiliación y la juventud comunista. Miembros del partido han podido colarse en otras organizaciones políticas. No obstante haberse prohibido actividades comunistas dentro de los gremios obreros, los comunistas mantienen una influencia importante dentro de las mismas. Constituyen también una fuerza respetable entre el estudiantado y los intelectuales. En las elecciones presidenciales de septiembre del 1952, los comunistas se unieron con un segmento socialista formando un Frente Popular. Obtuvieron un 5% del voto total, lo que le reportó 10 escaños en el parlamento.

**Cuba:** Durante una década, comenzando en 1930, el Partido Comunista cubano dominó el movimiento obrero del país. Pero cuando en 1947 entró en el poder la administración del Partido Auténtico, los comunistas, bajo presión del nuevo gobierno, comenzaron a perder el control de los sindicatos. La influencia del Partido continúa fuerte entre los grupos juveniles, en las organizaciones de mujeres y en los gremios de trabajadores de azúcar, tabaco y del puerto. La pérdida de su ascendencia dentro del movimiento obrero se tradujo en mermas de ingresos y esto creó disensiones en el partido. Pero la vieja guardia aún se mantiene firme en el control del Partido. En 30.000 se calcula el número de socios.

**Ecuador:** Los comunistas han encontrado su mayor fuerza entre los círculos de estudiantes e intelectuales y en el movimiento obrero. Líderes obreros comunistas comparten con el Partido Socialista la dirección de un gran sector de la masa trabajadora. Los socialistas, un partido más fuerte y numeroso que el comunista, han optado últimamente por una colaboración más cerrada con los comunistas. En las ciudades más populosas de las regiones costeras, el comunismo ha logrado captar las simpatías de ciertos grupos estudiantiles y del profesorado. Menos de 5.000 son los militantes del partido y ocupa un sólo escaño en el Parlamento.

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Government wants to assert itself, it is taken to task by the State Department on behalf of the United Fruit. This is further complicated by the fact that the United Fruit Company will not agree to any reasonable compromise put forward by the Government of Guatemala because they are afraid that the whole empire they built in other Central American republics would crumble were they to give satisfaction to the Arbenz administration.

5. During his stay in Guatemala City Senator Rodriguez got to know the President of Guatemala fairly well. In his view, the United States authorities and the United Fruit Company are making a serious mistake in treating him as if he were a "native". Col. Arbenz is of Swiss descent; his father immigrated to Guatemala several years ago. Col. Arbenz spent his youth, and studied, in Switzerland. He is a thorough and stubborn individual who has little of the Latin flexibility. According to Senator Rodriguez, the more the United Fruit resists the present agrarian legislation, the more stubborn the President of Guatemala will get.

6. I am not in a position to pass judgment on the comments made to me by Senator Rodriguez. I may say, however, that he has the ear of the President and, as Chairman of the Permanent Committee of Congress, is also in good position to influence his colleagues.

(Sgd.) Jules Léger

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Ambassador.

DEPARTMENT OF EXTERNAL AFFAIRS, CANADA.

DESPATCH

(DUPLICATE)  
46

TO: THE SECRETARY OF STATE FOR  
EXTERNAL AFFAIRS, OTTAWA, CANADA.

FROM: THE CANADIAN AMBASSADOR;.....  
.....MEXICO:.....

Reference: My Letter No. D-556 of Dec:.....  
10th, 1953.  
Subject: Guatemala.....  
.....  
.....

Security: CONFIDENTIAL.....

No:.....126.....

Date:.....March 9th, 1954.....

Enclosures:.....

Air or Surface Mail:.....

Post File No:.....

Ottawa File No.

References

The question of communist penetration in Guatemala has come to the fore again as a result of the Conference now being held in Caracas. Comments in the press are most cautious but some conversations with Mexican political leaders are more revealing and possibly closer to the line which the Mexican Government may follow if the United States submit too strongly worded a resolution.

2. In order to try and get a better appreciation of the situation as seen from Mexico, I had a conversation with Senator Jose Rodriguez, former Ambassador of Mexico to Canada and Guatemala, and one of the most influential members of the PRI. Senator Rodriguez is known for his rather leftist tendencies, having acquired them, possibly, when he was Chief of Cabinet of General Lazaro Cardenas.

3. In the Senator's view, there are no more than fifty Communists in Guatemala and none of them are in the Government. There is no communist infiltration nor, for that matter, could there be. Guatemala is basically an Indian country having lived for years under severe dictatorship. When this dictatorship was replaced by a more democratic régime in 1944, there was no question of communist influence, nor have the Communists been able to make any headway since with the local population. As for the political leaders, Senator Rodriguez remarked that, when they co-operate with the United Fruit Company, there is no question of communist infiltration; the moment they take a line which does not satisfy those interests, then, they are branded as communists. This difficulty is further aggravated by what the Senator termed "calumnious reporting" of United States newspapermen.

4. Senator Rodriguez told me that in his view, and after a stay of over two years in Guatemala during which time he met most of the present political leaders, the main trouble is that the State Department is espousing too closely and too permanently the interests of the United Fruit Company. Under earlier dictatorial régimes the Government of Guatemala was but the lackey of the United Fruit; now that the

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000240

FILE 50068-40

46

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DEPARTMENT OF STATE  
FOR THE PRESS

MARCH 8, 1954

NO. 121

STATEMENT BY  
THE HONORABLE JOHN FOSTER DULLES,  
SECRETARY OF STATE AND HEAD OF THE  
U. S. DELEGATION, BEFORE THE POLITICAL-  
JURIDICAL COMMITTEE OF THE TENTH  
INTER-AMERICAN CONFERENCE, CARACAS

VENEZUELA

MARCH 8, 1954

INTERVENTION OF INTERNATIONAL COMMUNISM IN  
THE AMERICAN REPUBLICS

The United States has introduced a resolution under the agenda item "Intervention of International Communism in the American Republics". Our proposal is before you.

Its preamble first recalls the prior resolutions finding international communism to be a threat and then records our judgment that this threat still persists.

The first operative portion declares that if the international communist movement should come to dominate the political institutions of any American state, that would be a threat to the sovereignty and political independence of us all, endangering the peace of America, and calling for appropriate action.

In accordance with existing treaties, the second operative portion calls for disclosures and exchanges of information, which would expose and weaken the communist conspiracy.

What is international communism? In the course of the general debate, one of the Foreign Ministers (the Minister of Guatemala) asked, "What is international communism"? I thought that by now every Foreign Minister of the world knew what international communism is. It is disturbing if the foreign affairs of one of our American Republics are conducted by one so innocent that he has to ask that question.

But since the question has been asked, it shall be answered. International communism is that far-flung clandestine political organization which is operated by the leaders of the Communist Party of the Soviet Union. Since 1939, it has brought fifteen once independent nations into a state of abject servitude. It has a hard core of agents in practically every country of the world. The total constitutes not a theory, not a doctrine, but an aggressive, tough, political force, backed by great resources, and serving the most ruthless empire of modern times.

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Most of the leaders of the Soviet Communist Party appear before the eyes of the world as responsible officials of the Soviet Government. In this capacity they conduct relations with the other Governments through the traditional institutions of diplomacy. But at the same time they operate and control this world-wide clandestine political organization to which I have referred.

Until the Second World War, Moscow's control over this organization was exercised openly through the central headquarters of the Communist International, the so-called "Comintern". That was a political association to which all of the communist parties belonged and it had its seat in Moscow. During the war the Comintern was officially abolished. Since that time the control over the foreign communist parties has been exercised by the Moscow leaders secretly and informally, but for the most part no less effectively than before.

As proof of this fact one does not need to search for the precise channels through which this control proceeds, although some of them in fact are known. If one compares Soviet propaganda with the political positions taken by individual communist officials and agents around the world, both from the standpoint of substance and timing, it becomes clear, beyond possibility of doubt, that there is this highly disciplined hierarchical organization which commands the unquestioned obedience of its individual members.

The disciplinary requirements include a firm insistence that loyalty to the movement -- which means in effect loyalty to the leaders of the Communist Party of the Soviet Union -- shall take precedence over every other obligation including love of country, obligation to family and the honor of one's own personal conduct.

These conclusions are not speculation; they are established facts, well known to all who have seriously studied the communist apparatus.

The fact that this organization exists does not mean that all members of all communist parties everywhere are conscious of its existence and of their relationship to it. Only a small proportion of communist party members are initiated into complete awareness of the nature of the movement to which they belong and the real sources of its authority. Most national communist parties masquerade as normal patriotic political parties, purporting to reflect indigenous political impulses and to be led by indigenous elements.

Actually, every one of these parties represents a conspiracy within a conspiracy, the rank-and-file members while serving the purpose of duping others, are to a considerable extent duped by their own leaders. The leaders do not reveal fully to the rank and file either the nature of their own

a. . . . . glance or the sources of their own authority and funds.

The overall purpose for which this organization is maintained and operated is to act as an instrument for the advancement of the world-wide political aims of the dominant group of Moscow leaders.

This then, is the answer to "What is international communism?"

### International Communism in the Americas

It may next be asked whether this international communist apparatus actually seeks to bring this hemisphere, or parts of it, into the Soviet orbit. The answer must be in the affirmative.

I shall not here accuse any government or any individuals of being either plotters, or the dupes of plotters. We are not sitting here as a court to try governments or individuals. We sit rather as legislators. As such, we need to know what will enable us to take appropriate action of a general character in the common interest. Therefore, I shall confine myself to presenting well-established facts of that character.

When the Comintern was operating openly, it trained at Moscow, largely in the Lenin School, numerous persons from the Americas. Some of them are still active.

There was a special Comintern headquarters, and there were secret field offices which controlled and supported communist activities in Latin America. The Comintern also developed a series of international front organizations designed to enable its agents to get popular backing from special groups such as labor, youth, women, students, farmers, et cetera. These front organizations also served as cover for the Soviet intelligence services.

When the Soviet Communist Party went through the form of abolishing the Comintern, these same "front" organizations were carried on in a different form, with headquarters shifted from Moscow usually to satellite capitals. The Communist International of Youth emerged as the World Federation of Democratic Youth, with headquarters in Budapest, and as the International Students Union, with headquarters in Prague. There is the Women's International Juridical Association. There is the World Peace Council, located in Prague. There is the World Committee Against War and Fascism. Most powerful of all is the World Federation of Trade Unions, seated under Soviet auspices in Vienna. There is the All Union Society for Cultural Relations Abroad which channels propaganda through its local outlets, the various Soviet friendship societies.

These front organizations carry on important activities in many of the American States. Their members in this hemisphere go back and forth to the Soviet bloc countries, using funds which are supplied by the Soviet Communist Party.

The basic facts I outline are well known. They could be supplemented by masses of detail, but that is unnecessary for our present purposes. It is enough to know that international communism operates strongly in this hemisphere to accomplish the political purposes of its leaders who are at the same time the leaders of the Soviet Communist Party and of the Soviet Union.

International communism is not liberating but enslaving. It has been suggested that even though the international communist movement operates in this hemisphere, it may serve a liberating purpose, compatible with principles of our American States. Few, I believe, would argue for that openly. The thesis is advanced rather by innuendo and insinuation.

Such suggestions lose all plausibility when we recall what this communist movement has done to the nations and the peoples it has come to dominate. Let us think first in terms of nations.

Many of us knew at the United Nations Jan Masaryk, the son of the great author of Czechoslovak freedom. He was a Foreign Minister who believed, until almost the end, that the Communist movement in his country was something different; that it could be reconciled with the national freedom to which his father and he were so passionately dedicated. But in the end his broken corpse was offered to the world as mute evidence of the fact that international communism is never "different" and that there can be no genuine reconciliation between it and national freedom.

Czechoslovakia was stripped of every vestige of sovereignty, as we in the Americas understand that term. It was added to the list of victims, which already in Europe included Latvia, Estonia, Lithuania, Poland, East Germany, Albania, Hungary, Rumania and Bulgaria. These ten European nations, once proud and honorable examples of national freedom, have become Soviet serfdoms or worse.

Within all the vast area, now embracing one-third of the world's people, where the military power of the Soviet Union is dominant, no official can be found who would dare to stand up and openly attack the government of the Soviet Union. But in this hemisphere, it takes no courage for the representative of one of the smallest American countries openly to attack the government of the most powerful.



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I rejoice that that kind of freedom exists in the Americas, even if it may be at times abused. But the essential is that there be a relationship of sovereign equality. We of the United States want to keep it that way. We seek no satellites, but only friendly equals. We never want to see at the Pan American table those who speak as the tools of non-American powers. We want to preserve and defend an American society, in which even the weak may speak boldly, because they represent national personalities which, as long as they are free, are equal.

It is the purpose of our resolution to assure that there will always be in this hemisphere such national personalities and dignity.

If now we turn to see what international communism has done to the individual human beings, we find that it has stripped them, too, of their sense of dignity and worth. The professional propagandists for communism talk glibly of lofty aims and high ideals. That is part of the routine--and fraudulent--appeal of the international communist movement. It is one of the principal means by which the dissatisfied are led to follow false leaders. But once international communism has gained its end and subjected the people to the so-called "dictatorship of the proletariat", then the welfare of the people ceases to be a matter of practical concern.

Communism, in its initial theoretical stage, was designed primarily to serve the workers and to provide them, not with spiritual values--for communism is atheistic--but at least with a material wellbeing. It is worthwhile to observe what has actually happened to this favored group in countries subjugated by communist power.

In these countries the workers have become virtual slaves, and millions of them are literally slaves. Instructive facts are to be found in the United Nations Report on Forced Labor, which was presented to the United Nations Assembly at its last session. The authors of this report were three eminent and independent personalities from India, Norway and Peru. The report finds that the Soviet Union and its satellites use forced labor on a vast scale. Prior evidence presented to the United Nations indicates that approximately fifteen million persons habitually fill the Soviet labor camps.

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The Forced Labor Report calls the Soviet method of training and allocating manpower "A system of forced or compulsory labor". The Soviet workers are the most underpaid, over-worked persons in any modern industrial state. They are the most managed, checked-on, spied-on and unrepresented workers in the world today. There is no freedom of movement, for the Russian worker is not allowed to leave his job and shift to another job. He is bound to his job by his labor book. Except for the relative few who have class privileges, wages provide only a pitiful existence. Now, thirty-seven years after the October revolution, unrest and discontent have so mounted in Soviet Russia that the rulers are forced publicly to notice them and to promise relief.

Conditions in the Soviet satellite countries are even worse than in Russia. The captive peoples have been subjected to sharply decreased living standards, since they lost their freedom, and to greater exploitation than prevails in Russia. The workers outbreak in East Germany of last June showed in one revealing flash how desperate the people have become. Young boys armed only with stones dared to face up to Soviet tanks.

When I was in the East Sector of Berlin last month, the Soviet Foreign Minister referred to that outbreak, and he said that steps had been taken to be sure that it did not happen again. I saw those steps. They consisted of thousands upon thousands of heavily armed soldiers, with machine guns and tanks.

Traditions of liberty have been established in this hemisphere under the leadership of many great patriots. They fought for individual human rights and dignity. They lighted the guiding beacons along freedom's road, which have burned brightly in the healthy air of patriotic fervor. These beacons must not be stifled by the poisonous air of despotism now being fanned toward our shores from Moscow, Prague and Budapest.

These places may seem far away. But let us not forget that in the early part of the last century the first danger to the liberties and independence which Bolivar, San Martin and their heroic associates had won for the new republics stemmed precisely from the despotic alliance forged by the Czar of Russia.

Sometimes.

Sometimes, it seems, we recall that threat only in terms of colonialism. Actually, the threat that was deemed most grave was the desire of Czarist Russia and its allies to extend their despotic political system to this hemisphere.

I recall that President Monroe, in his message to Congress of December 2, 1823, addressed himself particularly to that phase of the problem. He spoke of ending future colonization by any European power, but he spoke with greater emphasis and at greater length of the danger which would come if "the Allied Powers should extend their political system to any portion of either continent" of this hemisphere.

What he said was being said in similar terms by other great American patriots and defenders of human liberty. Those sentiments have long since ceased to be merely unilateral. They have become an accepted principle of this hemisphere. That is why, it seems to us, we would be false to our past unless we again proclaimed that the extension to this hemisphere of alien despotism would be a danger to us all, which we unitedly oppose.

### The Price of Freedom

My Government is well aware of the fact that there are few problems more difficult, few tasks more odious, than that of effectively exposing and thwarting the danger of international communism.

As we have pointed out, that danger cloaks itself behind fine-sounding words; it uses the cover of many well-intentioned persons, and it so weaves itself into the fabric of community life that great courage and skill are required to sever the evil from the good. The slogan of "non-intervention" can plausibly be invoked and twisted to give immunity to what is, in fact, flagrant intervention.

The fact, however, that the defense of freedom is difficult, and calls for courage, is no adequate excuse for shutting our eyes to the fact that freedom is in fact endangered.

Freedom is never preserved for long except by vigilance and with dedicated effort. Those who do not have the will to defend liberty, soon lose it.

Danger to liberty constantly recurs in ever-changing form. To meet that danger requires flexibility and imagination. Each of our nations has in the past had to take some difficult and dangerous decisions, of one kind or another, on behalf of the independence and integrity of this hemisphere. During the 19th century, more than one American nation, including my own, risked the hazard of war against great military powers, rather than permit the intrusion into this hemisphere of the aggressive forces of European imperialism. During this twentieth century, when evil forces of militarism and fascism twice sought world domination, the United States paid a great price in blood and treasure which served us all. Each of our American Republics has contributed to what has now become a glorious tradition.

Today we face a new peril that is in many respects greater than any of the perils of the past. It takes an unaccustomed form. It is backed by resources greater than have ever been accumulated under a single despotic will. However, we need not fear, because we too have greater assets. We have greater solidarity and greater trust born out of our past fraternal association. But just as the danger assumes an unconventional form, so our response may also need to be different in its form.

We need not, however, solve all these matters here. What we do need to do is to identify the peril; to develop the will to meet it unitedly, if ever united action should be required, and meanwhile to give strong moral support to those governments which have the responsibility of exposing and eradicating within their borders the danger which is represented by alien intrigue and treachery.

Of course, words alone will not suffice. But words can be meaningful. They can help to forge a greater determination to assure our collective independence, so that each of our nations will, in whatever way that is truly its own, be the master of its destiny. Thus, we will have served our common cause against its enemies.

It is in that spirit and in that hope that the United States presents its resolution.

\* \* \*

State--PB, Wash., D.C.

Please file  
on 50066-111  
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Le Droit,  
le 24 dec. 1953

OK

PRESS CLIPPING SERVICE

DEPARTMENT OF EXTERNAL AFFAIRS

RL

MAR 2 1954

## Signature à Panama d'une loi contre le communisme

PANAMA (A.F.P. — Le président de la République de Panama, M. Jose Antonio Remon, a annoncé mercredi au cours d'une conférence de presse qu'il avait signé la loi mettant le communisme hors la loi au Panama et interdisant aux communistes et aux sympathisants communistes d'occuper des fonctions publiques.

La signature de cette loi par le président Remon suit de quelques heures son adoption par l'Assemblée nationale.

La loi avait été proposée par le gouvernement pour tenter d'enrayer la croissance du communisme au Panama. Elle interdit en général "les activités totalitaires" mais cite particulièrement le communisme. Elle déclare que ces activités "troublent le fonctionnement normal et ordonne des institutions démocratiques du pays".

Le préambule de la loi indique que des groupes totalitaires s'étaient infiltrés dans des institutions telles que l'enseignement. La loi cite aussi les clauses de la constitution déclarant hors la loi les partis politiques qui visent "à détruire la forme démocratique de gouvernement".

DEPARTMENT OF EXTERNAL AFFAIRS

Subject Communism - Guatemala

Date FEB 21 1954

Publication

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# Communism in Guatemala: A Case

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PRESS CLIPPING SERVICE  
DEPT. OF EXTERNAL AFFAIRS

**There were no drumrolls heralding the advance of the Communists. They worked quietly and they worked hard. Now their challenge is serious.**

By FLORA LEWIS

MEXICO CITY.

**G**UATEMALA CITY is a tranquil town. Its low stucco buildings, made squat for earthquake protection, and its neatly laid streets mark it clearly as a place for gentle snoozing in the sun. Nothing roars and nothing rushes. It doesn't look or sound like the one place in the Americas where devoted, angry-tongued Communists have deeply entrenched themselves. Nevertheless, it is.

There were no drumrolls or flourishes to herald the Communists' challenge in Guatemala. They have operated so quietly, so plausibly, that the United States only recently decided it would have to take them seriously.

When the American republics hold their tenth meeting in Caracas, Venezuela, next month, the United States hopes that the rest of the hemisphere will take Guatemala's Communists seriously, too. Whether they will is an open question because, to the idle glance, Guatemala looks calm and green, tinged perhaps with a rosy glow of change, but not red, not blood-and-barricade red.

That is one of the main reasons why the United States is now so anxious that the other American republics take notice. The scene can be deceptive. The shifting and maneuvering that went on behind the transparencies in Guatemala give a lesson for the hemisphere to learn, all the more so since it is a subtle lesson and a difficult one, with stage directions whispered and no warning notes in the program.

The setting for the drama is a sprawling, mountainous country, its highlands dotted with volcanic cones that puff and steam and its coastal lowlands carpeted with jungle. Guatemala does not have quite the largest area of the five Central American republics (Nicaragua has that honor), but its population (2,887,000, by 1951 estimate) is the biggest of Central America. Its people are Mayas, survivors of the great Indian empire that wasted away long before the Spaniards came. In the capital and in the smaller towns, there are some Europeans and some mestizos, but most Guatemalans are pure Indian, primitive, illiterate, still part pagan.

**S**INCE the war, Guatemala has been a wealthy country in terms of the national bank account. Its shady highland slopes grow some of the best coffee in the world, and the Guatemalan owners have raised a lot of it during the years

of higher and higher prices. In the wet jungle clearings, bananas grow. About 12,000 Guatemalans work on the banana plantations of the United Fruit Company and produce a good cash crop.

Almost as though its flow were dammed by the choppy topography, the money has always coagulated in a few rich pools. Good times or bad, things were always much the same for the Indians. They worked on the rambling *fincas* or landed estates of 2 per cent of the people (who owned 70 per cent of the land) and they scratched little holes on the mountainsides to coax up beans and scraggly corn. They paid no attention to the talk and the politics of the city.

Neither did their masters. Politics was reserved for students and the small group of city people neither terribly rich nor terribly poor; that is to say, primarily the army.

On the whole, though, there was not much politics. Until 1944, Gen. Jorge Ubico Castañeda did his best to reserve that field for himself. An absolute dictator who thought of himself as a kindly father to his children, so long as they behaved, Ubico forbade labor unions, an opposition or any restive attempts to talk back. There is a story that his rule was so firm, and so personal, that he forbade two women to play bridge again after they messed up an easy slam hand at his table.

Ubico was the law until June, 1944. At that point, to his profound astonishment, the students of the National University of San Carlos managed to bring off a demonstration of their lively interest in having some say in the Government. A group of younger army officers who felt the same way joined the students. They took to the streets against Ubico. When he realized that the army, the keystone of power in any Latin-American country, was no longer behind him, he gave way and went to New Orleans, where he died, Guatemalans say, of a broken heart.

A successor, head of a provisional regime, lasted only four months. With the floodgates of political energy opened at last, the students and these same army officers, who have been Guatemala's leaders ever since, drove him out.

**T**HAT is the prologue to the story of communism in Guatemala. There is no reason to think it holds some secret, special clue for what comes after. There is no reason to suppose that after hours of study in the Kremlin map room, some cold-eyed commissar

waved away the rest of the hemisphere and pointed to Guatemala, saying, "Ah, that is the place to start." It so happened that in Guatemala the Communists—though numerically a minor part of the population—were successful in capturing the slogans and machinery of political power. They prepared carefully, and they followed their tactics with consummate skill.

The first period was one of underground germination, of grouping and gathering forces.

When Ubico's successor was ousted, a three-man junta including Jacobo Arbenz (now President of Guatemala) was formed to organize elections. Juan José Arévalo was chosen President. He was a professor, with vague theories of socialism, who had returned from exile in Argentina after Ubico fell. He quickly snipped the skeins of political repression. The Communists took the opportunity to found a Marxist indoctrination school, *Escuela Claridad* (School of Clarity), early in 1945. It functioned for a year, training young men—who suddenly had a prospect for political activity but no tradition to rely upon—to look to communism for their model, their ideal and their method.

**I**N January, 1946, President Arévalo closed the school on the grounds that the Constitution forbade "political organizations of a foreign or international character." In 1947 he expelled several Communist leaders from the country. But then he changed his mind and allowed the exiles to return. More and more during his six-year term he came to accept the Communist answer to perplexing problems. The Communists were energetic, sure, determined and cooperative. Their slogans sounded like Arévalo's ideas. They made no play for power on their own, but were content to work in and with the zealously patriotic groups which had burgeoned from the revolution against dictatorship. The President felt that he could trust them.

Arévalo and his co-revolutionaries were determined to push through long-overdue reforms. Labor unions had been sup-

pressed and workers were badly underpaid. Only the feudal elements opposed the idea of reform. Thus the Congress passed, in 1946, Guatemala's first social security law, and the next spring it passed a labor code.

The next step by the Communists, still a timid one, since

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# DEPARTMENT OF EXTERNAL AFFAIRS

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PL Y. TIERRE

its meaning was kept secret, but a vital one, came in September, 1947. They founded their own machine. It was no more than a cell—called Vanguardia Democrática—within the Partido Acción Revolucionaria, the leading Government party, but it was their group exclusively. Their leader, José Manuel Fortuny, later claimed that this was the first successful organization of a Communist party in Guatemala.

**T**HIS mild success did not go to Fortuny's head. He cherished and nourished it with caution. For the next two years, the Communists made no further move into the open. They concentrated on infiltrating other parties, forming youth and women's organizations which turned their faces to the Government in support but, like puppets, remained under the control of hidden strings. They strengthened their grip on the social security organization, using its official wealth and prestige to boost their influence on urban workers.

It was on the night of July 18, 1949, on a deserted mountain road that the next period opened. One of the original members of the 1944 junta, Col. Francisco Xavier Arana, was stopped as he drove to his finca, shot and dragged from his car to die on the road. It was a cold-blooded assassination, and a successful one. The Communists have never been accused of it. But they gained by it.

For Arévalo's term was coming to an end. There were two candidates to succeed him. One was Arana and the other Colonel Arbenz. Arana was the tougher of the two. He did not share Arévalo's trust of the Communists, and he said so, although he was a man of the Left. Arbenz, whether he knew it or not, was the Communists' man, and with Arana dead, there was no longer much choice.

**T**WO months later, Vanguardia Democrática held its first party congress. Fortuny and others resigned from the P. A. R. They did not give the real explanation. They did not tell how, in a low, rambling frame house just outside downtown Guatemala City, they had given their one-time faction a new name. It was the Communist party of Guatemala.

They were still stepping slowly. Then, after Arbenz, duly elected, took office in March, 1951, the Communists began the phase of open operation on the Guatemalan scene. There were relatively few of them. No one knows exactly how many card-carrying Com-

munist there are in Guatemala. About 1,200 have publicly identified themselves as party members at one time or another, and there are a few thousand persons, nominally in other parties, who habitually sound, speak and act like Communists. But numbers do not tell the story. The Communists penetrated deeply.

They made land reform, the great issue under Arbenz, their own. Arbenz knew as well as anyone else that the ordinary parties of Guatemala are filled with opportunists, hard-playing sometimes but not so hard-working. He faced violent opposition from the small wealthy class in putting through his land reform. He needed support—firm, energetic, enterprising—and the Communists offered it.

The Communists moved in on the Congressional committees dealing with the reform, on the administration of land distribution. They got at least twenty of the top posts of the National Agrarian Department. And Communists took the arduous job of going out into the country to see to the needs of the forgotten peasants, the silent Indians, who lived more often than not in peonage.

**N**OW, the Communist appeal among the peasants is strong. The Indians, suddenly winning earth's greatest treasure—land—feel that the Communist land agent who turned this miracle deserves their reverence, attention, respect and, without question, their vote.

The Communists have been urging the Indians, awakened to their hunger for land, to go ahead and seize whatever is at hand, cultivated or not, despite the fact that the land reform law provides only for expropriation of uncultivated acreage. The Communist party now is claiming the title of staunch champion of the excited peasants, to be relied upon, they say, if distant authority should seek to halt the Indians' wondrous feast before their appetite for land is sated. There are enough landless peasants to form a formidable army of support for the Communists if a clash should come.

**A**LL through this, Arbenz seems undisturbed. He is no Communist. Yet he stands by.

A brooding, humorless man of 41, Arbenz is indeed an enigma to diplomatic observers in Guatemala. Each time there has been a cry of Red danger, he seems to have warmed to the Communists all the more. He seems to feel that they are his only de-

pendable allies. The more they are criticized, the more he sees their side.

When there was a controversy over the Communists' registration as a legal party, with a straightforward right to the ballot, he made a point of commenting on it in his State of the Union message to Congress:

"We have respected completely democratic principles which include adequate guarantees to all beliefs, opinions and forms of organization for all, absolutely all sectors and social classes."

Supporters of the Arbenz Government see nothing wrong in tight alliances with the Communists, since the aims they proclaim are identical—land reform, "liberation of the country from the United Fruit Company," and improved working conditions.

"The accusation that we 'foment communism' is false," Arbenz said recently. It is used, he charged, "as an instrument to condition international opinion so that, blinded by deceit, it will not raise its voice against those who attempt to intervene openly and insolently in the internal life of Guatemala and to impose on us the dictates of their policy and the concession of new and more greedy privileges."

**A**R BENZ has effectively suppressed domestic opposition—which by now means both those opposed to the Government and those opposed to the Communists.

From time to time, these groups have organized demonstrations to give vent to their distress, but the Government has followed with arrests and exile, which seem to be enough to rout its enemies and to turn them into quarreling, ineffectual grumblers.

In many handsome homes in Guatemala City people sit late into the night complaining, brooding and occasionally trying to decide what might be done about it all. But thus far, they have never been able to agree. They are not apathetic. They care, but they care with folded hands, closed purses and idle minds.

The only organized and powerful group in Guatemala outside of the Communists and their governmental friends is the army. And the army, friendly to Colonel Arbenz, has remained neutral about the Communists, posing no obstacle, but offering no encouragement to them.

Surprisingly, Guatemala is not the same color inside and out. Inside Guatemala the Government radio station, which is directed by avowed

Communists, rattles away the Kremlin line on such issues as Korea, germ warfare, "the struggle for peace." The Government's newspapers, run by unabashedly pro-Communist editors, echo Moscow's tirades against American imperialism and warmongering. Guatemala insists that all American newspaper men are paid agents of the United Fruit Company and that the American Government is no more than a tool of "vicious monopolies."

**T**HE Government's charge that United Fruit has been bleeding Guatemala for its own exorbitant profit wins a hearing among the people, who can see that they are poor and do not know for certain who is to blame. It is natural that they distrust the huge foreign concern which was once a power in their country and which still is so essential to Guatemala's economic life that the Government dare not throw it out until other jobs can be found for the peasant workers.

Outside the country, in the United Nations, Guatemala does not vote with Russia on clear-cut East-West issues. Often its representatives abstain. Why? No one knows for sure, but again it is probably because Arbenz feels he needs the Communists within Guatemala to carry out his program, and he is willing to let them sing while they work. Where world problems distant from his immediate concerns are debated, the voice of Guatemala does not need their resonance.

There are some signs that Guatemala's Communists may now be almost ready for the next stage—open assumption by them of the reins of government. The United States is trying to find a way to prevent this stage from ever being reached. At the same time the United States is studying now, and would like Latin Americans to study, how Western Hemisphere Communists ever got this far.

Partly, of course, they got this far because anti-Communists never bothered to do much about them, until after they were well entrenched. But from the case history, the more important reason seems to be that there were things to be done which other people were too foolish, too fuzzy-minded, too slack, to set to work at.

**T**AKEN step by step, nothing the Communists have done in Guatemala has been 000251 ional or extraordinary. They have merely organized strictly and closely with other people

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N. Y. TIMES

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organize loosely, worked devotedly for their group's interest where other people work for their personal ones, done the dreary, menial under-jobs to fuel their invasion of the over-jobs.

United States Ambassador John Puerifoy was quoted recently as saying in Guatemala that "public opinion in the United States might force us to take some measures to prevent Guatemala from falling into the lap of international communism." He described exactly what is happening. The problem is what is to be done.



DEPARTMENT OF EXTERNAL AFFAIRS

MEMORANDUM

File  
G&R.

TO: .....Mr. J. A. Chappelaine.....

Security CONFIDENTIAL.....

Date ..February. 19,..1954.

FROM: ....American Division/G.G. Biddell/cg...

File No.

57066-40

REFERENCE: Letter no. 288 of Feb. 12/54

.....from Washington.....

SUBJECT: ...Documents for Cabinet.....

Attached for suggested use as a Cabinet Document is letter No. 288 of February 28, 1954 from Washington in which the Embassy reports the State Department's views on recent political developments in Guatemala with particular reference to Communist penetration in that country.

Also attached is a brief summary of the letter.

I should be grateful to learn whether you wish to use the attached letter as a Cabinet Document.

*White*

AMERICAN DIVISION

CONFIDENTIAL

February 19, 1954.

(5)

COMMUNISM IN GUATEMALA

The Canadian Embassy in Washington reports the State Department's concern at recent indications of the growth of Communist influence in the Guatemalan Government. It is not regarded as a coincidence that, shortly after the return from Moscow of two influential Guatemalan trade union leaders, the Government of Guatemala expelled two United States newspapermen and accused the United States Government of planning an armed invasion of Guatemalan territory. (Document No. )

*Letter 288 of Feb. 12 from  
Washington*

For file 5006640  
Excerpt from: Salvador Annual Review for 1952Salvador  
19th February, 1953  
Section 1

## Communism

3. The Communist Party is illegal in El Salvador and Communists and fellow travellers, when identified, are refused entry to the country. The Government never misses an opportunity to proclaim aloud strong democratic sentiments and abhorrence of extremist doctrines, and finds faithful echo in the press. It is impossible, however, to assess the real strength of communism in El Salvador. The mass of the people are illiterate, ignorant and on the whole stupid. They have lived for centuries in conditions of abject misery and poverty, exploited by the few wealthy families, but, until they were told, they did not know they were unhappy. Now they have been told, by the Government on the one hand, whose efforts to raise the standard of living and improve the lot of the masses are no doubt honest and well intentioned, and on the other by the Communist agitators and propagandists who have penetrated the country. The soil is certainly far more favourable for the seeds of communism than for any other kind, and much will depend on the extent to which the Government will be able to fulfil its programme while at the same time checking the dissemination and growth of Communist ideas. One great danger may well be that the reforms the Government is seeking to impose are far too advanced for a people in a state of ignorance such as that of the average Salvadorean of to-day. The campaign against illiteracy is making some progress, but, as regards the adult, it only succeeds in imparting some idea of the arts of reading and writing, which is very far from educating the mass to be a fit recipient of the benefits intended.

Despatch No.....

Date.....February 18, 1954.....

FROM: THE AMBASSADOR, CANADIAN EMBASSY, RIO DE JANEIRO, BRAZIL.

TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

Reference.....My despatch No. 16 of January 7, 1954.....

Subject:.....Prestes' Manifesto.....

In April 1953 Luiz Carlos Prestes, chief-in-hiding of the Brazilian Communist Party, addressed a major policy statement to the National Central Committee. This year on January 1st he issued a manifesto elaborating the new programme of the party, a translation in duplicate is attached. It is divided into four parts: I, Calling for a complete break with American policy and a strengthening of relations with the Soviet bloc; II, Calling for the adoption of a "Democratic and popular" government; III, containing a programme for a "Democratic Government of National Liberation"; and IV, a call to overthrow the Vargas government.

2. The first section sets out that Brazil is by nature an abundantly rich country where the people are dying from hunger, an anomaly attributable to the monopolistic control of wealth, public utilities, transportation and industry by American imperialists who dominate the Brazilian government, the public services and the armed forces. It advises Brazil to sever relations with the United States and establish close relations with the Soviet Union.

3. The manifesto, in the second section, further develops the theme that the present Brazilian government is a slave of the American imperialists, its foreign policy openly dictated by the United States State Department. Hence, Prestes argues, Brazil needs another government, one which would defend the interests of the majority of its people and would rescue the country from American enslavement; and so, if Brazil is to prosper, the Vargas government must be overthrown and replaced with a "democratic and popular" government which will free Brazil from United States domination.

4. The third section lays out a programme for a "Democratic Government of National Liberation". The communist party will demand of that government, among other things, annulment of all treaties with the United States; the confiscation of American capital and cancellation of the debt owed to the United States; the expulsion from Brazil of all American military, cultural, economic and technical missions; the right to vote for all citizens of 18 years of age and over; inviolability of person and domicile; freedom of thought, speech,

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association, press, religion, movement; equal rights for women; guaranteed freedom of enterprise for industry and internal trade; confiscation and nationalization of firms and capital of these large capitalists who betray Brazil to the United States imperialists.

5. The fourth section contains the call to action, urging all workers and peasants, intellectuals, small businessmen and small industrialists, white-collar workers, patriotic priests, members of the armed forces elements and even the tycoons of industry, provided they, too, are suffering from American economic pressure, to join forces in a united front to overthrow the present government.

6. Luiz Carlos Prestes signed the document in the name of the central committee, not as the secretary-general of the Brazilian communist party.

7. On his birthday, January 3rd, Prestes published an analysis of his January 1st manifesto in the communist newspapers. It held nothing new.

8. This manifesto contains the most comprehensive platform and programme the Brazilian communists have yet issued. It is generally believed that the party does not have enough good men to implement their programmes. The appeal to nationalistic instincts may draw some to the party, but I fancy most political parties will fly the Brazilian flag with equal vigor, although the wind may blow from another direction.



Ambassador.

(TRANSLATION - CANADIAN EMBASSY, RIO DE JANEIRO, BRAZIL - FEBRUARY 1954).

PROGRAM OF THE COMMUNIST PARTY OF BRAZIL :

THE GLORIOUS PARTY OF PRESTES PRESENTS TO THE PEOPLE ITS DRAFT PROGRAM - ROAD OF SALVATION AND PROMISE OF THE NATION - BRAZIL IS FALLING UNDER THE GROWING YOKE OF THE AMERICAN IMPERIALISTS - THE PRESENT GOVERNMENT IS AN INSTRUMENT OF THE YANKEE COLONISTS - THE AGRARIAN AND ANTI-IMPERIALIST REVOLUTION OF THE REPLACEMENT OF THIS GOVERNMENT BY DEMOCRATIC GOVERNMENT OF NATIONAL LIBERATION ARE INEVITABLE - SOLID FRONT OF ALL SECTORS OF THE PEOPLE WHO WISH TO FREE BRAZIL FROM THE WORLD OF AMERICAN IMPERIALISM AND OF THE LARGE LAND OWNERS.

BRAZIL UNDER THE GROWING YOKE OF THE AMERICAN IMPERIALISTS.

1. Brazil is an immense country gifted with great natural riches. In its sub-soil there are rich deposits of iron, petroleum, coal, manganese, gold and other minerals; it has extremely fertile lands and a climate favorable to the cultivation of the most varied agricultural products; its extensive valleys and plateaus make possible the raising of all types of cattle. Our country possesses vast forests and great hydraulic resources which could be used for the well-being of the people, for the construction of irrigation systems against drought and for the electrification of the national economy.

In spite of these immense possibilities, the situation of Brazilian people is daily more painful and unbearable. Brazilians are dying of hunger on the roads of the northeast and even in the great industrial centers of the country. Tuberculosis and other diseases kill or incapacitate millions of people. Without schools or hospitals the people live in ignorance and die in neglect. Living in so rich a country, the Brazilian people vegetate in misery, in consequence of the policy of rapine of the American monopolies and of the dominance of Brazilian big land lords and capitalists.

Our greatest mineral resources are already in the power of the American monopolies. United States Steel and Bethlehem Steel have obtained control of manganese production. Standard Oil is fighting openly for the possession of our petroleum deposits. American bankers control the production of iron ore and the steel production of Volta Redonda. In the hands of the Light and of Bond and Share are concentrated approximately 90 percent of the country's entire production of electric power. A large part of Brazil's industry is already under the control of American capital.

Brazil's foreign trade is under the control of the American imperialists, who fix prices according to their interests, assume the position of middlemen in the sale of some of our products and impede Brazil from maintaining trade relations with all countries. The American monopolies oblige us to export our products at the lowest prices and to pay excessive prices for articles which we import. Monopolistic American firms control the major portion of coffee exports and dominate trade, processing, and exportation of cotton.

American capital predominates in air transportation, controls the railroads and threatens the national merchant marine with annihilation. Rockefeller is organizing in this country great agricultural enterprises designed to control important production centers, and American packing houses buy up lands and organize large plantations and ranches for stock raising.

- 2 -

The American monopolies obtain special and privileged exchange for remitting their profits abroad without any limitation and in violation of the laws of the country. Simultaneously, capital employed in Brazil by the American monopolists rapidly increases with accumulated profits, which requires an ever growing remittance of profits abroad. Investments of American capital in Brazil are powerful suction pumps which absorb a great portion of the national income and take a considerable share of the gold value of the national exports.

The entire Brazilian economy thus is being transformed into a mere appendage of the war economy of the United States.

The American imperialists interfere directly in the entire administrative life of the country, they use the apparatus of the Brazilian State to exploit and oppress our people without let or hindrance, they sack the material resources of the country and squeeze out maximum profits.

Our country is rapidly losing its characteristics as a sovereign nation and is being invaded by the agents of American monopolies. Brazil's representatives abroad are becoming servile instruments of the American Department of State. Our armed forces are placed under the command of yankee officers and sergeants and the rulers of this country are obviously sinking to the category of employees of the Government of the United States. By means of the press, radio, motion pictures, literature and art, used as instruments of colonization, the American agents are trying to liquidate the national culture and the dearest traditions of our people.

The American imperialists thus penetrate into every pore of the economic, political, social and cultural life of the country, humiliate our people, and liquidate the independence and sovereignty of the nation, which they are trying to reduce to the status of a colony of the United States.

This situation threatens the Brazilian people with total enslavement and endangers the nation's future.

2. This domination is becoming even heavier owing to the intensive militarization of Brazil. Public spending increases, monetary inflation grows, taxes rise and internal prices soar, creating a situation which weighs heavily on all sectors of the population.

The millions of Brazilian workers are suffering harsh privations with the decline in real wages, with new forms of exploitation, and with unemployment, which is tending to spread. A system of fines based on the pretext of combating absenteeism from work is established. Workers' rights and social gains are cancelled one by one. Strikes are repressed with violence. The present Government intervenes in the trade unions and in trade union elections, it places police spies and agents of American imperialists in trade union directorates. The workers are undernourished, they live in miserable hovels, they sicken and die for lack of necessary medical aid. Occupational diseases and tuberculosis are rampant among them. The workers' children are not assured of professional instruction and are rarely able to attend primary school.

The peasant population, made up of millions of half-share croppers, hangers-on, renters, squatters, small holders, settlers, paid agricultural workers, herdsmen, peons, etc. who represent 70 percent of

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the Brazilian population, for the most part own no land and are brutally exploited, deprived of all rights, and submitted to the arbitrary treatment of the owners of large landholdings, whether farms, cattle ranches, sugar plantations and mills. Abandoned to illiteracy, victims of endemic diseases, shoeless and half-naked, living in hovels, and with only hoes as agricultural equipment, millions of peasants live in misery. This situation is continually worsened due to the continued increase in the prices of tools, fertilizers and insecticides; with the growing speculation of middlemen who are protected by the Government and provided with easy credit by the Bank of Brazil; with the rise of taxes and railroad rates, and with arbitrary and unilateral price fixing of agricultural products. Paid agricultural workers earn starvation wages. Small and medium-sized proprietors, despoiled by large ranchers and usurers, have no guarantee of the possession of their land, which is constantly threatened by large landlords and by Government authorities. Small and medium-sized tenant farmers are victims of savage contracts; they cannot dispose of their own production, which is practically confiscated by their landlords, and they are frequently driven off the land. The droughts in the Northeast and the floods in various parts of the country are true calamities to the poor population, which finds itself forced to emigrate to other regions, in the greatest misery and without the least assistance from the Government, only to die by thousands on the roads or finally to fall into the clutches of other exploiters. The peasants' struggle for the possession of land and against arbitrary treatment and exploitation by landlords is violently smashed and drowned in blood by the Government.

The middle classes of the cities are suffering great hardships. Wages and salaries of public servants, of commercial and office workers, of bank employees and military personnel are daily less sufficient, in the face of the rising cost of living. Brazilian intellectuals, library employees, professors, scientists, technicians, writers, artists, motion picture stars and teachers who do not lend themselves to the role of lackeys and who defend the national culture are persecuted. They suffer increasing privations and are faced with growing obstacles to the development of their creative and professional activities.

The situation of artisans, small industrialists and small merchants is no better. They suffer the consequences of inflation, of a business decline, of lack of credit and high interest rates, or extortionate taxes. They struggle with growing difficulties in order to develop production and business and they feel insecure and desperate.

Brazilian industrialists and merchants cannot develop their business because of the low buying power of the working masses and the competition of merchandise imported from the United States. American monopolies control entire sectors of Brazilian production. They suffocate and hold back in every way the development of national industry. They impede with every means at their command the creation of basic industries which are indispensable for Brazil's liberation from economic dependence. Control of bank credits of means of transportation, of the distribution of raw material, and of import and export licenses is used by American imperialists against Brazilian industrialists and merchants. The importation of necessary equipment for industrial development becomes daily more difficult and restrictions on the importation of indispensable raw materials for the national industry increase.



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Even some groups of farmers and stock raisers struggle with growing difficulties caused by the monopolistic position of American firms in Brazil's foreign trade. The American Government fixes ceiling prices on our export products and impedes the advantageous exportation of our agricultural products to other countries like the Soviet Union and China, which are enormous markets.

The consequences for Brazil of growing American imperialist dominance are fatal. The militarization of Brazil and of its economy affects the immense majority of the country's population.

3. The American imperialists, aside from the pillage of the national wealth and the unchecked exploitation of our people, wish to drag Brazil into the war of aggression which they are preparing; they do not hide their intention to use the Brazilian people as cannon fodder.

The propaganda of the American imperialists and their Brazilian lackeys tries to inculcate in our people the idea of the necessity of Brazilian participation in the war at the side of the United States. But the war which the American imperialists are preparing is a war of aggression and conquest with the objective of dominating the world and enslaving its peoples in order to obtain maximum profits. Not being able to accomplish this sinister task alone, the American imperialists are trying to make war with foreign hands, at the cost of the blood of other peoples. As Brazil is a great country, it possesses a large population and immense resources. The American imperialists are trying to drag our people to war, as a supplier of soldiers and of strategic products, and they wish to use our soil as an armed base for assuring their complete colonial domination of Brazil and of all Latin America.

By following this road the Brazilian people would be reduced to the role of a mercenary of the imperialist armies and would be dragged to the most ignominious of defeats. History teaches that the war prepared by the United States against the Soviet Union, China and the Peoples' Democracies is an adventure condemned in advance to complete failure. The defeat of the American aggressors in Korea is evident proof that the new candidates for world domination will be smashed should they try to repeat the bloody adventure of Hitler. The powerful Soviet Union is much stronger today than when it defeated the fascist Axis, and at its side are the great China and the Peoples' Democracies, forming a solidly united and invincible bloc. Meanwhile, in the camp of the imperialist aggressors directed by the United States, the internal contradictions which undermine and weaken them are aggravated. If the American imperialists launch themselves on a new war, their defeat will be inevitable.

Participation in any war of aggression on the side of the United States would mean for Brazil not only an adventure unjustifiable from the political and moral point of view, but also the complete ruin of the country, the massacre of its youth, and even greater misery for its whole population. This is not the right road for Brazil.

4. The supreme interests of the Brazilian people demand a complete break with the aggressive, warlike, and colonialist American policy. Brazil can only progress by taking another road: the road of peaceful collaboration with the peace loving countries, of understanding based on equality with all peoples, of intransigent defense of her sovereignty and national independence. To embark on this road Brazil must liquidate the hateful American domination and increase its economic and cultural relations with all the countries which recognize and respect our independence, above all with the Soviet Union and China.

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Peace and pacific collaboration with all countries can assure Brazil ample markets for the exportable excess of her agricultural and industrial production and unlimited facilities for the acquisition of the equipment and raw materials necessary for the development of the national industry.

The road of peace and pacific collaboration with all peoples is the road of progress for Brazil, for the rapid flowering of the national economy. It is the road of freedom and independence which will permit the elevation of the nation's cultural level and a free and happy life for our people. This is the road by which Brazil, as a free and independent nation, can occupy an important position in the international community of nations.

- II -

THE PRESENT BRAZILIAN GOVERNMENT IS AN INSTRUMENT OF THE AMERICAN IMPERIALISTS.

1. The present Brazilian Government is a servile instrument of the American imperialists. It is through it that the Yankee monopolists sack the country and exploit our people.

The Government of Vargas does everything to facilitate the penetration of American capital in our country, its growing domination by American imperialists, and the complete colonization of Brazil by the United States. The laws of the country are interpreted to suit the interests of the American magnates or are modified according to the desires and orders of the American Embassy.

The foreign policy of the Vargas Government is openly dictated by the American Department of State, the Brazilian delegation to the U.N.O. being known the world over for its subservience to the Government of the United States.

The orders of the American imperialists are transformed into laws of the land by the Vargas Government, always with the objective of facilitating the American monopolists in their assault on the national wealth and (their) redoubled exploitation of our people. Against the manifest will of the nation the Vargas Government signed with the United States the "military agreement" and other treaties damaging to Brazilian interests. The national armed forces are turned over to the direct command of American generals and admirals who are openly preparing them for the wars of aggression planned by the warmongers of the United States. The American "technicians", "assistants", and "counsellors" who interfere directly in the entire administrative life of the country are planted in the State (governmental) apparatus by the Government of Vargas. By means of their agents who are placed by the Vargas Government at the head of the secret services of the armed forces and of all the police organizations of the country, the American political police intervene in the political life of the nation and persecute Brazilian citizens who do not submit to American enslavement or who fight for freedom and in defense of the sovereignty and independence of Brazil.

On the pretext of American aid in the development of the national economy, the Vargas Government turns over to American agents the direction of the economic and financial policy of Brazil, which (thus) comes to be oriented according to the warlike plans of the

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Government of the United States. Millions of dollars and cruzeiros are spent on armaments, on the construction of air and naval bases, in the construction and improvement of stretches of railroad and of several ports, with the objective of facilitating the transportation and shipment abroad of raw materials for the American war machine or to permit the movement of large military contingents and the logistic supply of large naval or air squadrons. For the purchase in the United States of materials necessary for the accomplishment of such projects, the Government of Vargas contracts onerous loans which are ruining the country and are placing it under the colonialist yoke of the Government of Washington. Carrying out the policy of complete alienation of the national sovereignty, the Vargas Government tries to inculcate in the student youth and in literary, artistic and cultural circles sentiments of disdain for the national traditions and of subservience to the cosmopolitan ideas and racist obscurantism of the American imperialists.

2. The cause of this policy of national treason is in the regime of big landlords and capitalists linked to American imperialism which the Vargas Government represents. It is not possible to free Brazil from the imperialist yoke without liquidating this regime.

The big landlords and capitalists submit to the American imperialists because, like them, they want a new world war and are interested in the exploitation and enslavement of the Brazilian people. They turn, therefore, to the American warmongers in the hope of doing good business during other wars, of obtaining large profits by the sale of raw materials and foodstuffs for exorbitant prices and of making millions in this bloody business.

The big landlords and capitalists turn to the American imperialists because they are increasingly afraid of the people. Behind the Vargas Government and with the aid of American dollars and arms they wish to defend their privileges and impede the progress of Brazil. Supported by the American imperialists, they condemn the majority of the nation to misery and slavery and the country itself to stagnation, increasing backwardness and decomposition.

To drag Brazil to war, sell it to the American imperialists in order to preserve the big landholdings and the remains of feudalism and slavery in agriculture -- this is the objective of the whole policy of the Government of Vargas. This policy, which corresponds to the interests of a reactionary minority, conflicts irreconcilably with the interests of the overwhelming majority of the population of Brazil, and with the supreme interests of the nation.

It is true that the Vargas Government is a government (which was) elected in the elections of 1950. This does not mean, however, that the elections expressed the will of the majority of the Brazilian people, nor that our people enjoy effective liberty or may, by the use of their constitutional rights, replace the present regime or introduce radical modifications in it. The present Brazilian Constitution, although it embodies some democratic conquests, is essentially a code of oppression of the people. It guarantees to the big landholders (their) monopoly of the land as a sacred right; it assures to the oppressive and exploiting minority the political direction of the country. The right to vote is granted only to those who know how to read and write when more than half of Brazil is illiterate. Soldiers and sailors do not have the right to vote or to be elected. Not even all of the political parties, including the political party of the working class, the Communist Party, may take part in elections, while the voters who oppose the dominant regime suffer brutal police persecution and are murdered. The great peasant masses, who are reduced to servitude, practically cannot participate in elections

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except to vote for the candidates imposed on them by the proprietors of the lands on which they live. With the monopoly of the means of propaganda, the press and the radio by the big capitalists and landlords at the service of the American imperialists, there is in effect freedom of propaganda only for the candidates of the rich. Although elections should be used by the people in their struggle, they are under present conditions nothing but a farce for trying to hide the despotic character of the regime.

Even this Constitution is not complied with or respected by the Vargas Government. Democratic rights registered in the Constitution are systematically violated by the authorities of the reactionary police state. Against the letter of the Constitution laws like the present National Security Law, which in practice liquidates all individual liberties, are passed. The judges and courts of justice, continuing the tasks of the police, interpret and apply the laws according to the interests of the landlords and big capitalists who are servile to American imperialists; they condemn to long years of imprisonment all those who oppose the present regime of exploitation and oppression. The Constitution is used only as a mask to try to hide the tyrannical character of the government.

Violence against the people is the principal weapon to which the Vargas government has recourse. At the same time, however, it makes use of unchecked demagoguery and has recourse to the most cynical promises of "reforms", of "radical" changes in the very economic and social structure of Brazil. To try to delude the peasants, Vargas promises to carry out agrarian reform. But the agrarian reform proposed by Vargas is for an insignificant minority, since only a minimum part of the unproductive land would be used in this reform. And the few peasants who might receive a plot of land would still have to pay heavy indemnities to the government. Aside from that, with this reform, the government tries to legalize the present system of tenancy. It is evident that such a "reform" can give nothing to the overwhelming majority of the peasants, who need land and want to free themselves from enslaving rentals. It is not this false agrarian reform which is necessary for the peasants, but a true revolutionary agrarian reform which would give them the lands of the landlords and of the State, together with the tools which are on those lands. All these manoeuvres of Vargas are carried out with the objective of defending the privileges of a reactionary minority, of guaranteeing the present monopoly of the land and of conserving the semi-feudal character of relations in agriculture.

The Vargas government is, therefore, a government of preparation for war and of national treason; it is a government which is an enemy of the people. The Vargas government is a useful and necessary instrument of the American imperialists and one which facilitates the complete colonization of Brazil by the United States.

3. Brazil needs another government, a government which would be really of the people, capable of defending the interests of the overwhelming majority of the nation. A government which would be the legitimate representative of the broadest progressive and anti-imperialist groups would be able to end the hateful domination of the American imperialists, to confiscate the capital and firms of the yankee monopolies and to make a policy of peace and collaboration with all peoples in equality of conditions, as the higher interests of the nation demand. This government of the people will be able to liquidate the remaining feudal vestiges and the great landholdings and will assure the free distribution of land to the peasants and to all who wish to live from agricultural labor. This government of the people will be able to end illiteracy and backwardness, epidemics, graft, useless expenditures for the benefit of a minority of privileged individuals, and expenses of preparation for war, using its resources in immediate and efficient assistance to the poorest and most

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tortured sectors of the population. This government of the people will be able to found a regime of full freedom and democracy for the people, to assure industrial and other workers of their gains and their rights, to guarantee to the entire Brazilian population a prosperous, free and happy life.

If we wish to live and prosper, if we wish our country to reach the radiant future to which it has a right, if we wish to free ourselves from hateful American slavery and to lead our people out of the backwardness, misery and ignorance in which it vegetates, it is indispensable to end the regime of the big landlords and capitalists who are in the service of the American imperialists, and overthrow the Vargas government.

4. The Communist Party of Brazil is convinced that the democratic transformations which our people need and for which they long may only be achieved with a democratic government of national liberation, a government in which, aside from the working class, the peasants, intellectuals, petty bourgeoisie and grand bourgeoisie can participate.

The Communist Party fights for socialism, but it is convinced that under present economic, social and political conditions in Brazil it is not possible to carry out socialistic transformations. However, it is perfectly possible to accomplish the task of substituting for the present anti-popular and anti-national government a government of the people which would free Brazil of the domination of American imperialism and of the big landlords and large capitalists who are servants of imperialism.

The democratic government of national liberation will be an authentically democratic and popular government. It will be a patriotic government of peace, of defense of the national sovereignty and independence. It will be the government of salvation of Brazil and of the happiness of the Brazilian people.

### III.

#### THE AGRARIAN AND ANTI-IMPERIALIST REVOLUTION AND THE REPLACEMENT OF THE PRESENT GOVERNMENT BY A DEMOCRATIC GOVERNMENT OF NATIONAL LIBERATION ARE INEVITABLE

The replacement of the Government of Vargas and the democratic revolution of national liberation, are inevitable. The Brazilian people will rise against the present state of affairs; it will not allow the Vargas government to reduce Brazil to a colony of the United States. The present regime of exploitation and oppression at the service of the American imperialists should be destroyed and replaced by a new one - the popular democratic regime. The supreme interests of the nation therefore require profound economic and social transformations.

The Communist Party of Brazil, will require the democratic government of national liberation, risen out of the liberating struggle of our people, to attain and consecrate in law the following democratic and progressive transformations in the economic and social structure of Brazil;

#### A Foreign Policy of Defense of the National Independence

1. Annulment of all treaties and agreements, damaging to the national interests, which have been concluded with the United States.
2. Confiscation of all capital and enterprises belonging to the American monopolies operating in Brazil, and cancellation of the foreign debt of Brazil owed to the government of the United States and the American banks.

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3. Expulsion from Brazil of all American military, cultural, technical and economic missions.
4. Friendly relations and peaceful collaboration with all countries especially with those countries which can collaborate with Brazil without discrimination, on the basis of full equality of rights and of mutual benefits.
5. Adoption of measures to favor the maintenance of peace. Prohibition of war propaganda and punishment of war propagandists.

#### A Popular Democratic Political Regime

6. Sovereignty of the people - the only legitimate power is that which comes from the people. The Federal Senate will be abolished. The National Congress, composed of the elected representatives of the people, will exercise the supreme power of the State. All organs of the new regime, superior as well as inferior, will be elected by the people. The voters will have the right to cancel the mandates of their representatives at any time.
7. The President of the Republic will be elected by the people and will serve a four-year term. He will govern by means of a Council of Ministers responsible to the National Congress.
8. All citizens who have completed 18 years of age, regardless of sex, wealth, nationality, residence or instruction, will have the right to vote and to be elected. Illiterates and military personnel, including soldiers and sailors, will enjoy these same rights. Proportional representation of political parties will be assured in all elections.
9. The states, municipalities, federal territories and the Federal District will have political and administrative autonomy, with election by the people of all organs of power.
10. Inviolability of the human person and domicile is assured. Ample liberty of thought, speech, meeting, association, strike, press, teaching, belief and religious cult, freedom of movement and of profession.
11. Abolition of all discrimination of race, religion, nationality, etc., and punishment of transgressors. Instruction in the mother tongue is free to all children of foreign immigrants.
12. Separation of the State from all religious institutions. The State will be a lay state.
13. Democratization of the armed forces and creation of a popular-national army, navy, and air force closely linked to the people, who will defend peace, national independence and the democratic conquests of the people. The soldiers, sailors, corporals, sergeants, and officers will enjoy full civil rights, as well as freedom of political action, and will have assured to them human and normal living conditions. Free access of negro soldiers to the officer ranks.
14. Complete abolition of suppressive police organizations. The military police will be democratized and incorporated into the popular-national armed forces. Replacement of the other police organizations by popular militia.
15. Rapid and free justice, with judges and courts elected by the people.

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16. Abolition of all economic, social and juridical inequalities which still weigh on women. Women will have equal rights with men in cases involving inheritance, marriage, divorce, profession, public offices, etc. The state will give special and free protection to maternity and infancy.
17. Stimulation of literary, artistic, technical and scientific activities of a peaceful character, with the full aid and support of the State.
18. Protection and stimulus for the sports and physical education of the people. Construction by the State of playing fields, gymnasias, tracks, popular stadia, etc.
19. State aid for the construction of houses for the people, so as to assure dignified and cheap living quarters for the working population in the shortest possible time.
20. Organization of a system of medical aid for all the population and the creation of posts of hygiene throughout the country. Systematic combat against epidemics.
21. Obligatory and free primary instruction, insured by the construction of a network of schools throughout the country in order to liquidate illiteracy. The State will provide textbooks and scholastic materials to students at low prices. Step by step reduction of all scholastic fees. Guaranteed employment for youths graduated from secondary technical, and superior courses.
22. Aid and special protection to aboriginal populations and defense of their lands. Aborigines will have the right to free and autonomous organization.
23. Rapid and efficient State aid to populations victimized by drought, flood, and other natural catastrophes, principally by means of grants of productive lands, machinery and working tools, and credit without interest on a long term basis. Assurance of conditions which will permit peoples obliged to move from their native areas to rebuild their homes.
24. Broad tax reform, with the elimination of all unjust taxes and imposts, the institution of a progressive income tax and the simplification of the entire tax system. Establishment of effective price controls, practical measures against inflation, and realization of a monetary reform which would assure the stability of the national currency.

#### Independent Development of the National Economy

25. Guarantee of freedom of initiative for the industrialists and freedom for internal trade. The democratic government of national liberation will not confiscate the capital and enterprises of the national bourgeoisie. However, the capital and enterprises of the big capitalists who betray the national interests and ally themselves with the American imperialists will be confiscated and nationalized.
26. Defense of the national industry. Impeding that foreign imported products, especially those of the United States, prejudice the industries now existing in Brazil or make difficult the creation of new ones. Assure the free development of the industry of peace.
27. Independent development of the national economy and preparation of conditions for the intensive industrialization of the country, using capital and enterprises confiscated from the American imperialists. For the same purpose, promote the collaboration of private capital, which will be guaranteed profits and the defense of its interests, according to special law.

28. Regulation of foreign trade for the defense of national production. Abolition of all unjust restrictions which impede the importation of foreign machinery and raw material necessary for the development of the national economy.

29. State aid to artisans and small producers, and facilities, by means of credit, for the acquisition of raw materials or the furnishing of machinery and working tools.

30. Encourage the collaboration of foreign governments and capitalists, whose capital can be useful to the independent development of the national economy, can serve the national interests and the industrialization of Brazil, and who will submit to Brazilian laws.

#### Radical Improvement of the Situation of the Workers

31. Fixing of the vital minimum wage which will assure normal and human living conditions to the workers and their families throughout the country. Equal wage for equal work, without distinction of sex, age or nationality.

32. Effective application of the 8-hour working day and the 44-hour working week for all workers. A working day of 6 hours for those who work underground or in unhealthy occupations, as well as for minors.

33. Democratization of social legislation, its broadening and extension to workers of state-owned enterprises and to agricultural wage earners. The trade unions will supervise the just application of the social legislation.

34. Guarantee of the free organization and free functioning of the trade union organizations. The trade unions will have the right freely to make collective labor contracts with private and State-owned enterprises and to supervise their execution.

35. Assistance and social welfare of every type, including unemployment compensation at the expense of the State and of the capitalists. Pensions and sick benefits, as well as accident compensation, in accordance with the vital needs of the workers and their families. Administration and control of the Pension and Retirement Institutes by the trade unions.

36. Abolition of all forms of forced labor, of the laws for the militarization of labor, and of all fines, including those assessed by reason of absence from work.

#### Agrarian Reform and Aid to the Peasants

37. Confiscation of the lands of large landlords and delivery of these lands without charge to landless peasants or to those who possess only small landholdings, or to all who wish to work them, so that they may divide the lands among themselves. The resulting division of the lands will be recognized by law and each peasant will be given legal title to his holding. The law will recognize the seizure and occupation of the lands of the landlords as well as of the State, which may previously have been done by the peasants, who will receive the corresponding legal titles.

38. Abolition of all semi-feudal forms of exploitation of the peasants; such as half-shares, third-shares and all forms of unpaid service; abolition of scrip and plantation stores; requirement of cash payment to all agricultural workers.



39. Guarantee of a sufficient wage to agricultural workers, not less than that of unskilled industrial workers; likewise guarantee of land to all who desire it.

40. Legal guarantee of the property of the rich peasants. Lands cultivated by them or by paid agricultural workers, as well as their other property, will be protected against any violation.

41. Cancellation of all debts of peasants to big landlords, usurers, banks, the Government, and the American imperialist companies.

42. Concession of cheap long-term credit to peasants for the purchase of agricultural tools and machinery, seed, fertilizers, insecticides; for the construction of houses, etc. Technical assistance to peasants.

#### Stimulation of Cooperatives

43. Construction of irrigation systems, particularly in the drought-ridden regions of the northeast, in accordance with the needs of the peasants and of the development of agriculture.

44. Abolition of all restrictions on the free labor of fishermen. State aid to fishermen by means of grants of credit for the construction of houses, storage facilities, etc., and the furnishing of equipment and boats for fishing.

45. Guarantee by the State of minimum price levels for agricultural products necessary for supplying the populace, so as to permit the peasants to develop their economic activities and to increase the productivity of their lands, at the same time protecting the interests of the great mass of consumers.

#### IV.

#### FORGE IN THE STRUGGLE THE BROADEST ANTI-IMPERIALIST AND ANTI-FEUDAL FRONT

The Vargas government will not give up its place without a struggle. The big landlords and capitalists who are lackeys of American imperialism will defend their privileges with tooth and nail. Today the interests of these classes are represented by Vargas, but they may be represented by another instrument of the same oppressive minority without changing the situation of Brazil. It would also be erroneous to suppose that, by means of coup-de-etat or military seizures of power, by partial reforms or by elections, without touching the bases of the present reactionary regime, it would be possible to free Brazil from the catastrophe which threatens and to liberate it from the yoke of the American imperialists.

Without the use of violence against the people, without the aid of the foreign oppressor, the power of the big landlords and capitalists linked to American imperialism would not longer exist in Brazil. Therefore the prisons are full, strikes are smashed by force of arms, the police intervene in the trade unions, the really democratic political parties are placed outside the law, and constitutional rights are systematically violated. A regime of reaction and terror is imposed upon the people by the reactionary forces.

In these conditions, an irreconcilable and revolutionary struggle on the part of all Brazilian patriots is indispensable to defeat the government of Vargas and to replace it with a democratic government of national

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liberation. There is no other road to follow in order to free Brazil from the imperialist yoke, to remove the reactionary minority from power and to carry out the economic-social transformation necessary for the progress of our country.

The patriotic forces which are rising throughout the country against the present government of national treason are immense. They already understand the urgent necessity of saving Brazil from the calamitous situation in which she finds herself. At their head is the working class, which by means of memorable struggles is dealing heavy blows to the reaction and is pointing out to the great popular masses, to the broadest social classes, the road of struggle as the only way out of the situation of growing misery and enslavement which afflicts us all.

The victory of the patriotic forces will be possible, however, only if they unite and forge themselves, in the liberating fight against the policy of war, hunger and reaction of the Vargas government, into the broadest possible united anti-imperialist and anti-feudal front, the democratic front of national liberation. In this liberating struggle, the workers and peasants constitute the principal and indestructible force. The alliance of the workers and peasants is possible and necessary. The workers will help the peasants, as allies, in the struggle for the land. The peasants will help the workers, as allies, in their struggle for radical improvement of the living conditions of the laboring class. This alliance of the fundamental forces of the Brazilian people will decide the destiny of the Vargas government and of the reactionary regime which he personifies.

In order to replace the Vargas government with a democratic government of national liberation, the alliance of the workers and peasants will unite with patriotic intellectuals, scientists, writers, artists, technicians, teachers, and persons from all the liberal professions, who also suffer from the present condition of the country and do not want to be slaves of the American colonialists. Employees of commercial establishments, offices and banks, public servants and officers of the Armed Forces, will join the workers and peasants for identical motives. The alliance of workers and peasants will be joined by small and medium-sized industrialists and merchants who feel the disastrous consequences of American domination and of the Vargas policy of national treason. It will also be joined by part of the large industrialists and merchants who also are feeling the competition of the American imperialists and are suffering the effects of the Vargas economic and financial policy.

Around the great alliance of workers and peasants will close ranks all of the progressive forces of Brazil, without differences of social situation, of party affiliation, of religious beliefs or philosophical tendencies; in short, all democrats and patriots who desire a free and powerful country.

This democratic front of national liberation, this broad and powerful united front of all anti-imperialist and anti-feudal forces, will be the guarantee of Brazil's salvation, the only force capable of establishing a popular democratic regime in the country. It will be the only force able to save Brazil from American domination and from the humiliating situation in which she finds herself; the only force able to lead our country into a happy and radiant future.

The Communist Party of Brazil considers that to fight for the creation, amplification, and strengthening of the democratic front of national liberation is an urgent task which may not be delayed. It is a duty of honor for all Brazilian patriots.

The Communist Party considers it indispensable immediately to unite the broadest popular masses throughout the country; to unite persons of all classes and social groups who wish to fight for democracy and peace, against the policy of war, hunger and reaction of the Vargas government, and for the overthrow of the present government; and its replacement by a democratic government of national liberation.

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The Communist Party of Brazil presents this program to the Brazilian people, whose glorious traditions of struggle for freedom and in independence are the best guarantee of its realization. Directed by its working class, closely linked with the peasants, the Brazilian people will victoriously carry out this program, will take the destinies of the country into its own hands, and will make of Brazil a great nation, prosperous, free and independent.

The American imperialists want to make Brazil the principal base for the complete colonization of all the countries of Latin America, but the Communist Party of Brazil considers that the Brazilian people have all the conditions necessary to be victorious in the patriotic struggle against the enslaving domination of the United States, and in favor of popular democracy.

The Communist Party of Brazil calls upon all Brazilian patriots to fight in unity in order to transform this program into living reality, for the happiness of our people and the glory of our country.

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DEPARTMENT OF EXTERNAL AFFAIRS

Subject *Guatemala*

Date *FEB 18 1954* Publication *MONTREAL STAR*

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PRESS CLIPPING SERVICE  
DEPARTMENT OF EXTERNAL AFFAIRS  
*34*  
MAR 2 1954

**Guatemala Said  
Seeking Red Guns**

MEXICO CITY, Feb. 18—(UP)

— The newspaper La Prensa reported today Guatemala is seeking arms from Russia for an uprising intended to "impose the Communist system" on all of Central America.

La Prensa quoted Antenor Robirosa Perez, a Honduran businessman who says he has seen documents proving the existence of the plot, as saying a Czech Communist who now owns a farm in Guatemala is acting as liaison between that country and the Red world.

Under the plan now proposed, the newspaper said, "Russian submarines would land arms on the Guatemalan coast, frustrating any possible U.S. attempt to inspect suspicious surface craft."

# INCOMING MESSAGE

# COPY

FROM: THE CANADIAN AMBASSADOR, MEXICO CITY, MEXICO

*Original on  
2226-40*

TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

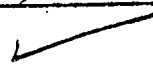
Security Classification

**SECRET**

File No.

*28066-40*

*46*



Priority

System

CYPHER-O.T.P.

No. AIR *2*

Date February 17, 1954.  
(Rec'd: February 22, 1954.)

Departmental  
Circulation

MINISTER  
UNDER/SEC  
D/UNDER/SEC  
A/UNDER/SEC'S  
POL/CO-ORD'N  
SECTION

Reference: Your despatch X33 of January 29th, 1954.

Subject: OAS Meeting In Caracas.

Informally I obtained Foreign Minister's views on three items of the agenda of the forthcoming meeting mentioned in paragraph 2 of your despatch under reference. Senor Padilla Nervo thought discussion on colonialism in America and economic matters would loom large at the conference but he felt some understanding could be reached among member states. He was much more worried about discussion on Communist infiltration in American republics.

2. Foreign Minister thinks the United States have been unwise in insisting on inclusion of this item on the agenda. (United States Ambassador here told me that he had to use considerable pressure to convince the Mexican Government not to oppose inclusion of this item when latter was discussed at council meeting in Washington.) If United States representatives in Caracas take the stand that all Communists in Latin America are subservient to Moscow they will be placing governments like Mexico in an impossible position at the conference and will be creating a serious internal problem in many countries. Further, any resolution directed against one state in particular - in this instance Guatemala - could later be invoked against any other state where there is a Communist group. The door would thus be opened to direct intervention. Lastly, Senor Padilla Nervo believes that Latin American countries must show some consistency in the policies they pursue at the United Nations and at the OAS meeting: if they agree generally to the theory of coexistence in New York they should not be forced to take a different line at Caracas. In his view the problem of Communist penetration is much less acute in Latin America than it is in many Western European countries and the Latin Americans should not take a more rigid line than is shown in those countries. The Foreign Minister is very much afraid that Secretary of State Dulles, still impregnated with the atmosphere of the Berlin Conference, will apply considerable toughness in discussing the problem of Communism in Latin America, an attitude which Senor Padilla Nervo considers unwarranted.

3. Foreign Minister's parting words were that Canada was in a happy position not to have a representative at Caracas.

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Done

Date

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4. I presume policy to be pursued by Mexican delegation at OAS meeting will conform with remarks made to me by Senor Padilla Nervo, although it might not be so patently anti-State Department. Throughout the conversation the Foreign Minister left definite impression that in his view the State Department would be very unwise at Caracas if it pursued too inflexible a position on Communist infiltration in Latin America.

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Date FEB 17 1954

Publication

N. Y. TIMES

## MEXICANS REBUFF REDS' UNITY MOVE

Ruling Party Shifts as Proffer  
of Common Front Induces  
Disquiet and Criticism

By SYDNEY GRUSON

Special to THE NEW YORK TIMES.

MEXICO CITY, Feb. 16—Vicente Lombardo Toledano's efforts to establish a common front between his pro-Communist Popular party and the ruling Party of Revolutionary Institutions have received a sharp rebuff.

The spotlight of publicity has cooled the first warm contacts made by Señor Lombardo Toledano last month with Gen. Gabriel Leyva Velasquez, president of the P. R. I., who said today there would be "no alliance of any kind" between the two parties. This was far different from the attitude he had expressed after last month's meeting with Señor Lombardo Toledano, who is generally regarded as international communism's No. 1 man in Latin America.

After the meeting, General Leyva Velasquez commented: "We think it is possible to conduct a crusade in which all the country's revolutionary forces can join without necessarily losing their individual personalities or altering their particular programs."

### No Agreements Acknowledged

This was generally interpreted as an acceptance of Señor Lombardo Toledano's offer to join his Communist forces with the Government in working out a new social program for Mexico. Today, however, General Leyva Velasquez issued a statement saying that his conversations with Señor Lombardo Toledano referred "to several public topics but not to agreements of a political nature."

"Therefore," the general continued, "the reports of a supposed pact or merger of our two parties are completely unfounded. Both parties retain their complete independence within the framework of our institutions."

The statement reassured a large sector of the ruling party, which had viewed the Communist leader's maneuver as an attempt to regain some of the influence he lost during the Administration of President Miguel Aleman. Señor Lombardo Toledano's move also had served some supporters of the former President as a new base from which to attack the Administration of his successor, Adolfo Ruiz Cortines.

### Anti-U. S. Trend Charged

The detractors of Señor Ruiz Cortines contend that the Government is basically anti-American and that a group of extreme nationalists and left-wingers around the new President is swinging the nation from the pro-Western political direction Señor Aleman gave it. The critics say that a number of recent economic regulations termed discriminatory against United States airlines and businessmen in gen-

eral are an indication of this anti-Americanism. They say also that the appointment of Narciso Bassols as a Presidential adviser represents a decided shift to the left that is bound to become more pronounced in the future.

Señor Bassols was Minister to the Soviet Union under President Lazaro Cardenas and Señor Ruiz Cortines sought his acceptance by Britain as Mexico's Ambassador last year. The appointment never was made because London let it be known that he would not be welcome. He is described as an intellectual Marxist close to but not a member of the Communist party. His connection with General Cardenas has brought from the Alemanistas the charge that he is directing the Government and filling jobs around the new President with left-wing Cardenistas.

The weight of evidence, as it is available to foreign observers here, does not seem to bear out the Alemanistas' charges. For the purposes of their argument they apparently forget that intellectual Leftists have held prominent Government positions without influencing foreign policy. The Alemanistas seem also to ignore the new Administration's record of having cleaned the Communists out of the Department of Education and of having eliminated avowedly pro-Communist textbooks.

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PRESS CLIPPING SERVICE

DEPARTMENT OF EXTERNAL AFFAIRS

142 FEB 24 1954

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Foreign Office and Whitehall Distribution

GUATEMALA  
February 16, 1954  
Section 1

### GUATEMALA: ANNUAL REVIEW FOR 1953

*Mr. Gallienne to Mr. Eden. (Received February 16)*

(No. 21. Confidential) *Guatemala,*  
Sir, *February 1, 1954.*

I have the honour to enclose my annual review for 1953, with a chronological summary of the year's events.

2. Copies are being sent to Her Majesty's Ambassadors at Washington and Mexico City, and to the Governor of British Honduras.

I have, &c.

W. H. GALLIENNE.

#### Enclosure

Guatemala slipped more and more into the clutches of communism. When the dictator, Ubico, was overthrown in 1944 it was natural that former President Arévalo's Government should swing to the left; when President Arbenz became President in 1952 it was assumed by most people, particularly the Americans, that he would be more to the centre: instead he steadily moves to the left. Arbenz was elected by labour unions and Leftist political parties, and professes gratitude to them and animosity towards the Rightist elements who, he bitterly complains, will not co-operate with him. He keeps control of the army by giving the army everything it wants, and I think his idea is that he can use one against the other: Communist labour against army. He does not seem to realise that he who sups with the devil should have a long spoon.

2. The Agrarian Reform Law, put into effect in 1953, gave a great opportunity to the Communists. Land reform is doubtless necessary by modern concepts, but in a country where over half the population are illiterate Indians, who want neither responsibility nor work but only to be left alone, land reform, based very much on Communist preliminary tactics, went too far. Moreover, the Communists took all the credit for the Agrarian Law to themselves

and openly incited landless Indians to take forcibly lands not even properly subject to the law. Violence, lawlessness and a steady verging on anarchy became apparent in some districts. Arbenz gave the sumptuous position of head of the Agrarian Department to his gunman, Major Martínez, who was involved in the assassination of Colonel Arana in 1949, but Martínez, not a Communist but an unscrupulous opportunist, is not tough enough to control the Communists, and is bolting. Arbenz seems to be under the thumb of the Communist leaders who control not only the political parties which put him into office but also Congress and the trades unions. There may not be any real Communists in the Cabinet itself, but most key positions are held by avowed Communists and they have more influence on the President than his Ministers. In Congress, although the number of avowed Communists is only four, some forty-five are extreme Leftists, two are Independents and the Rightist Opposition is now only five.

3. Guatemala had long hoped that the Union of Central American Republics which started in 1811 and ended in 1839, might be resuscitated. Naturally she assumed that she would be the leader. The Organisation of Central American States (O.D.E.C.A.) formed in 1951 by the Charter of El Salvador, was a step to this end, but when the first plenary meeting of O.D.E.C.A. was projected in 1952 El Salvador introduced into the agenda the subject of communism. After much stalling Guatemala withdrew from O.D.E.C.A., saying that this was an interference in Guatemalan internal affairs. The Guatemalan Government allege that they are not communistic, but on the other hand, they assert that anti-communism is subversive to the Government. There is a small element of reason in the Government's attitude because under the anti-Communist flag are many other factions whose only objective is to take office themselves.

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4. The Government and the governmental press vociferously accuse the United Fruit Company of supporting the anti-Communists and inciting the American press and the State Department at Washington to attack the Government of Guatemala and to institute reprisals and sanctions. The United Fruit Company and other American companies have been the chief targets of both the Nationalist and Communist elements of the Government and, although they tend to attack the company on its past record rather than its present actions, I should think it likely that that some of the Guatemalan allegations against the company are true. *Cet animal est très méchant. Quand on l'attaque il se défend.*

5. Relations with the United States are extremely bad and it is no secret that America will not supply Guatemala with arms and credits, and tries to impede export licences. The large expropriation of lands belonging to the United Fruit Company and the general anti-American attitude provoked the State Department into a protest on the 28th of August, 1953. No reply has yet been returned by the Guatemalan Government.

6. Guatemala has managed to quarrel with practically every country in the Western Hemisphere.

7. Relations with Great Britain were phenomenally though perhaps deceptively, good. This might be because the United States have ousted us from the position of public enemy No. 1, but some is due to personal relations. The Anglo-Guatemalan dispute over British Honduras was quiescent: comparatively little anti-British propaganda was spread and minor questions regarding the dispute were settled unofficially. Guatemala maintained her position on the dispute in the United Nations and elsewhere, but without much provocation. The Guatemalan delegation to the United Nations brought up the suggestion made to the then Minister of State in 1949 that there should be a discussion of the problem, and it has been decided that I should take an early opportunity to find out what points Guatemala would like to raise.

8. No progress was made on the question of the sterling debt.

9. Trade was wholly in favour of the United Kingdom, and, since in 1953 the Government started enforcing more vigorously the law which imposes 100 per cent. customs duty when there is a 75 per cent. unfavourable balance of trade, it is not unlikely that this may be imposed against

the United Kingdom in 1954. It certainly would have been imposed over a question of a refusal of Her Majesty's Government to grant import licences for Guatemalan chicle, but for the conciliatory action of Her Majesty's Government in giving a limited dollar quota for chicle. United Kingdom exports to Guatemala increased five-fold in five years (1947—£250,000; 1952—£1,250,000). Figures for 1953 are not available, but the prospect is that we have held our own with 1952 despite more serious competition. It is likely that during 1953 our imports from Guatemala will be nil.

## Appendix

### Summary of Events—1953

*January 18.*—Elections for thirty-two out of fifty-six congressional seats ended. The resulting strength of the parties in Congress was the Government *bloco* forty-nine seats, the Opposition five, and the Independents two. The Government candidates were defeated in Guatemala City, but elsewhere were successful. The Opposition (including the Independents) was reduced from thirteen to seven seats, and the number of Communist members remained four.

*February 5.*—The President of the Supreme Court and three colleagues were dismissed after they had upheld an appeal against the President of the Republic as supreme authority in the Agrarian Reform Law.

*February 10.*—As a protest against this unconstitutional dismissal an anti-Communist demonstration was held, at which it was proposed to burn publicly a copy of the Constitution. Police fired on the crowd, and there were a few casualties.

*February 23.*—The Minister for Foreign Affairs expressed Guatemalan solidarity with Argentina and Chile over their claims in Antarctica.

*March.*—Messages of sympathy on the death of Marshal Stalin were sent by the President and the Confederación General de Trabajadores de Guatemala (C.G.T.G.). One minute's silence was observed in Congress.

*March 21.*—The President signed a decree levying a tax on profits of insurance companies.

*March 25.*—The death of Her Majesty Queen Mary evoked spontaneous regret from all sections of the community, and even newspapers which are usually antagonistic published reports and tributes.

*March 29.*—An abortive insurrection took place at Salamá, capital of the department of Alta Verapaz. Four leaders of the revolt were taken prisoner and shot while allegedly attempting to escape.

*April 7.*—The Minister for Foreign Affairs announced the withdrawal of Guatemala from the Organisation of Central American States (O.D.E.C.A.).

*April 13.*—The Guatemalan Government confirmed their claim to British Honduras and renewed their reservations on their rights on the occasion of the inauguration of the conference on West Indian Federation in London.

*April 25.*—Mr. John Moors Cabot, Assistant Secretary of State in charge of Latin American Affairs, visited Guatemala.

June 2.—The Coronation of Her Majesty The Queen attracted much publicity. Local celebrations were organised by the British Community Coronation Committee and included a ball at the Legation, fireworks (arranged by the Acting Canadian Trade Commissioner), church services, and a children's party.

June 2.—The Guatemalan Special Mission to the Coronation was headed by Colonel Díaz, Chief of the Armed Forces, and included Señor García Gálvez, Chief of Protocol, and Señor Linares Aranda, Guatemalan Minister in London.

June 3.—Colonel Díaz visited the Foreign Office and raised the question of an export licence for certain half-tracks and military vehicles for Guatemala. He was informed that in view of the Guatemalan Government's attitude over the British Honduras question, British public opinion would not understand the sale of arms to Guatemala.

June 25.—The national budget of Q73,399,905 was approved.

June 30.—The Guatemalan Government signed a contract with the United States firm of Morrison Knudsen to build a port on the Atlantic coast at Santo Tomás at a cost of \$4,800,000. The contract provided for completion in twenty-four months.

June 30.—The Minister for Foreign Affairs denied that an invitation had been extended by the Guatemalan Ambassador in Costa Rica to President Ulate to visit Guatemala. As a result both Ambassadors were recalled.

July 16.—A strike at the United States-owned electricity company serving Guatemala City, Empresa Eléctrica, was declared legal, and the Government appointed Señor Alfonso Bauer Paiz to report on the dispute.

July 31.—The C.G.T.G. arranged a mass meeting to celebrate the Korean truce, which was hailed as a victory for the "world peace movements." The meeting was attended by several notabilities.

August 11.—100 per cent. surcharge of customs duty was imposed on goods coming from Cuba, Hong Kong, Japan, Hungary and Venezuela, and partially imposed on goods from Austria and Spain, owing to the unbalance of trade between these countries and Guatemala.

August 15.—The first Communist daily newspaper in Guatemala *Tribuna Popular* began publication. It replaced the weekly paper *Octubre*.

August 28.—An aide-mémoire was handed by Mr. Cabot of the State Department to Señor Toriello, Guatemalan Ambassador in Washington, protesting to the Guatemalan Government at the expropriation of United Fruit Company land under the Agrarian Reform Law.

September.—Leading Guatemalan Communists attended the Congress of the World Federation of Trade Unions at Vienna. Several delegates later visited Moscow.

Señor Mendoza, Guatemalan delegate to the United Nations General Assembly, made an informal

approach in New York about discussions on the Anglo-Guatemalan dispute over British Honduras.

October 5.—Señor Foncea F., Secretary General of Partido Acción Revolucionario (P.A.R.), declared in Congress that all political parties supporting the Government would be absorbed by the World Communist Party and in the subsequent outcry was dismissed from his position.

October 6.—A strike broke out at the International Railways of Central America and was declared legal by the courts. The strike followed very similar lines to the earlier one in Empresa Eléctrica and Señor Alfonso Bauer Paiz was appointed to deal with this case as well.

October 15.—The C.G.T.G. led a demonstration outside the British Legation to protest against British action in British Guiana.

October 15.—Congress passed a motion protesting against British "aggression" in British Guiana.

October 16-19.—The Second International American Tourists' Conference was held in Guatemala City. The subject of British Guiana was introduced by the Argentine delegate.

October 20.—The National Agrarian Bank was inaugurated by Major Alfonso Martínez, Head of the National Agrarian Department (D.A.N.). Señor Alfonso Bauer Paiz was appointed President of the Bank.

October 20.—The National Fair was opened by the President of the Republic.

October 20.—In spite of grandiose plans and lavish expenditure, attendance was poor, and as a result of open scandals rioting several times broke out.

November 4.—The new United States Ambassador, Mr. Peurifoy, presented his credentials.

November 20.—A Mexican exhibition was opened at the National Fair.

November 25.—The Guatemalan Government were informed that a dollar quota for the import of £100,000 of chicle into the United Kingdom would be opened. A Government agency was holding large stocks of chicle and the Guatemalan Government, who felt they had been discriminated against in disposing of these stocks, had threatened retaliatory measures against British trade.

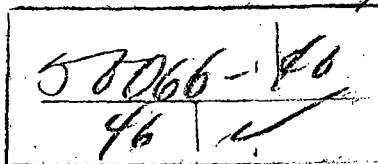
November 26-28.—The first national congress of Alianza Feminina Guatemalteca was held.

November 26-28.—Señor Victor Manuel Fortuny, Secretary-General of the Communist Party (P.G.T.) was summoned to Moscow.

November 26-28.—At the IIIrd World Youth Congress a decision was announced to hold a Central American and Caribbean Youth Festival in Guatemala towards the end of 1954.

December.—The International Court at The Hague decided that Guatemala must answer the claim by the Principality of Liechtenstein on behalf of Mr. Nottebohm on January 20, 1954. A commission of lawyers was appointed to prepare Guatemala's case.

From the *NATION* of Feb. 13, 1954



Mr. Carter DL(2)

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file on 50066-HIO  
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6660-A-HIO)

# THE PERIL IS NOT RED

## In Central America . . by *Flora Lewis*

*Mexico City*

WHETHER the American republics shall formally condemn Western Hemisphere communism will be an issue at their tenth congress in Caracas in March. The advisability of presenting a resolution is already being sharply debated. Each foreign office is considering the consequences, and the United States State Department is sounding them out.

The main butt would be Guatemala, which recently charged that the United

*FLORA LEWIS is the correspondent of the London Economist in Mexico and Central America.*

States was involved in an "invasion plot" against it. None of the other countries are happy about the open pro-Soviet propaganda that comes from Guatemala, but they have wide differences of opinion on how strong a hold Guatemala's Communists have on the government. To most of them certain problems underlying the situation in Guatemala seem far closer and more pressing than communism. All Guatemala's neighbors are puzzled by the United States' exclusive preoccupation with Reds. Even leaders far on the right, like President Anastasio Somoza of Nicaragua, are disturbed.

Somoza complains that the United

States pays too much attention to its enemies and is indifferent to a country like his own that is governed by staunch anti-Communists—anti-everything, in fact, but Somoza. More democratic leaders deplore the single-minded anti-communism of the United States because it bolsters the feudalists in Latin America and heightens the barriers to needed change to the point where only extremism can assault them. They fear that a protest against Guatemalan communism may turn into a move against land reform and nationalization.

On both sides there is dread of any action that might weaken the doctrine of non-intervention. Neither side would

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mind a little pressure on the other. President José Figueres of Costa Rica, for example, would not be upset to see the United States more abrupt with President Marcos Pérez Jiménez of Venezuela, and Pérez Jiménez feels the same about Figueres. Everybody agrees that the United States had better let Latin Americans work out their own political salvation, but everybody wants better economic treatment of some kind— favors as to prices, tariffs, profits, or outright funds.

Their reaction to any pressure from Washington prevents the American republics from probing frankly into communism's precise position in the hemisphere, which is a pity, for there are misconceptions, wilful or naive, on all sides. Furthermore, the Latin Americans' reluctance to air the facts leads the United States to feel that they do not appreciate the dangers of the cold war, and this widens the gap of misunderstanding.

THE FIVE countries of Central America are, from north to south, Guatemala, El Salvador, Honduras, Nicaragua, and Costa Rica. Panama is considered part of South America, presumably because of its long connection with Colombia. The colony of British Honduras, called Belize by the Guatemalans, who claim the territory, is a part of Central America by virtue of its geography alone. It has no other claim to membership in the bickering family.

All the countries are tiny, both in extent and population. Their total area is 183,184 squares miles, about the size of California with Maine tacked on, and their total population is 8,032,875. The

population remains relatively stable, the high birth-rate characteristic of poverty being countered by the high death-rate due to malnutrition and primitive conditions. Only Salvador is crowded, but luckily its land is fertile and its people industrious.

All have their tropical, humid jungle and their cooler highlands. With the striking exception of Costa Rica they contain many fewer people who can read and write than those who cannot. Staggering extremes of concentrated wealth and widespread destitution characterize their agricultural economies. In the last few years comparative prosperity has come to them through the single factor of soaring coffee prices, but the new wealth for the most part has gone into the hands of those already rich. This has created the classic revolutionary situation.

Yet real revolution, in the sense of profound and violent social upheaval, is still beyond the horizon in Central America. Apathy is great; community feeling is dim. Great-power rivalries and the struggle of other countries for independence have not galvanized the region as they have Africa and the East. The militant nationalism that is the first step to revolution in backward areas has not been fanned into flame.

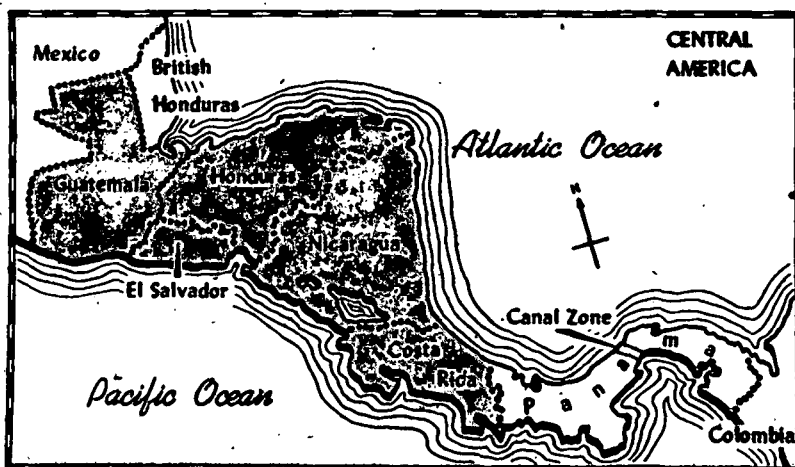
The church is also a factor against rabid nationalism. Catholicism is the universal religion of Central America, but it is a foreign religion. Yet while in the back country it may be little more than a veneer overlaying ancient pagan cults, even so it serves to prevent the introspective nostalgia that can be cultivated into a consuming hatred against all that is foreign in race, culture, color,

economics as well as religion. There is not much basis for emotional turbulence in Central America, serious as are the political, economic, and social problems.

THE SUDDEN furor over their fate surprises the Central American countries, for they have been feeling neglected for some time. They count up the dollars the United States spends in Europe and the Far East and think that charity might begin nearer home. And when Assistant Secretary of State John Moors Cabot announces in so many words that the one test for deciding United States policy toward Latin American countries is whether they are with us or against us, they feel puzzled. Communism is simply not a real issue to them. Even in Guatemala the arguments are about land reform, imperialism, and so on, not Marxism versus capitalism or—at least not very frequently—Russia versus the United States.

It seems to Central Americans that if the United States were really interested in their welfare it would accept as uppermost the problems which actually worry them most. These differ considerably from country to country, but the desire for economic development and national respectability is paramount everywhere. That is perhaps a fancy way of describing nationalism, but it is a fairly explicit way. A nation tends to consider its self-respect sullied if some one foreign concern within its borders is as powerful as its own government. More than anything the United Fruit Company does or does not do, the irritating thing about it to Central Americans is its size and their dependence on it. That is why the United Fruit Company fails to convince its Central American critics when it points to the real benefits it has brought their countries—better wages than the usual rate, more health, education, and prosperity than would probably have been achieved without it.

Most Central American leaders grant that the United States government has a right to concern itself with obtaining fair treatment for its citizens. But they insist that the United States also has a duty to support Central America's demands for fair treatment. Their fear is that the United States may confuse their own desire for fair treatment with com-



munism. This is not to say that Guatemala's quarrel with the United States arises from its search for pure justice. The Guatemalan government is under strong Communist influence. President Jacobo Arbenz is not a Communist himself, but he has defined himself as anti-anti-Communist and permitted Communists to take over a large number of critical government jobs. The opposition has perforce disintegrated. It is subversive to be anti-Communist. The government parties have been infiltrated. If ever Arbenz should decide to make an about-turn, no political force would be ready to rally behind him.

The only power uninfluenced by communism in Guatemala is the army. It is being well looked after now—good pay, good housing, special privileges—and it is remaining neutral. The United States maintains a good-sized military and air mission in the country and has returned the air base built during the last war. This may be something of a risk, but it is not the crazy act the critics call it. It would clearly be a greater risk to abandon any chance of building up friendly relations with the officers who could be decisive in a showdown.

**HOW HARD** Guatemala's Communists are working to push their tentacles into neighboring countries is not easy to determine. Although the extreme left in Mexico has lost the powerful influence it exerted a generation ago, Mexico is undoubtedly still the headquarters for Soviet activity in the region, if only because it is the one country which receives a Soviet embassy. Propaganda goes out from there, together with a certain amount of strategic supervision and perhaps some money, although the coffee-rich Guatemalan government does not lack funds. Not long ago the Soviet commercial attaché in Mexico, Mikhail Samoilov, made a trip to Guatemala ostensibly to look into trade possibilities. He took along a few samples of cameras and radios. But British and American officials in Guatemala, who watched Samoilov as closely as they could, decided that his salesmanship was at best half-hearted. They guessed that his was a reconnoitering mission, more political than commercial.

Tales of Russian plots to soak up all of Central America's coffee dollars with cheap Soviet exports are jungle fantasies.

Europe is moving back into the market, as is natural after its war-time exclusion from Latin American trade. Occasionally East Germany and Czechoslovakia manage to sell some of the products they sent out before the war. But their sales, compared to those of Britain or West Germany, or even Italy, are tiny and, compared to those of the United States, microscopic. Outside of Guatemala and Mexico they have made hardly a noticeable effort.

In Honduras, Salvador, Nicaragua, and Panama the Communist Party is now outlawed. Of course Communists still operate—except in Nicaragua, where General Somoza stamps hard when he puts his foot down—but only in Honduras have they a chance to become effective. In the coming elections there the Liberal Party will be in the running for the first time in over a generation, and it is commonly assumed that at least part of the money the Liberals are spending must have been wasted to them from across the Guatemalan border. Some prominent Liberals have close connections with Guatemalan politicians. The chance of forming a pro-Communist movement in Honduras depends on what happens to the Liberals and how they react.

Communism in Central America is obliged to use the mechanics of other causes to lift itself to power. It has no direct appeal for the masses of the people, illiterate and disinterested in the complexities of politics. Not even land reform is much of a slogan outside of Guatemala, for there is a lot of empty land in the region. When political parties are receptive, they offer an easy way to move in, but except in Guatemala they are not receptive. In Costa Rica, where the Communist Party is legal, it has been forced into an alliance with the Conservatives. President José Figueres's energetic program, combined with his open hostility to the Communists and his repeated acceptance of United States leadership in the cold war, has left them with neither an effective battle cry nor useful friends. The armies of Central America, which are the final arbiters in politics, are neutral toward communism if not hostile. Trade unions, which the Communists can reach, are generally young and weak and are developing a distaste for infiltration.

Communism is still a feeble and alien



Cabral in Nouvades (Mexico City)

"I hear there's going to be a meeting of the big powers."

"Well, I hope they'll leave the little ones in peace."

allegiance. British Guiana, which on a map can appear as one arm of the red pincers whose other arm is Guatemala, has really no connection with Latin Middle America and exerts no influence. Firm British action in Guiana shocked a number of Latin Americans because it reminded them that native governments in colonial countries can be overturned by the stroke of a European pen. But there is scarcely any community of interest or any communication between the South American colonies and the Spanish-speaking republics.

Despite the disagreements that are bound to keep popping up, most Central American leaders see their countries' best chance in resolving, not sharpening, their conflicts with the strongest American republic. Their future is deeply enmeshed with that of the United States, and they know it. If the feeling is kept mutual, the Communists cannot offer much.

Until recently the United States could not have boasted of its record in Central America. Now, in a quiet way, it is doing a good job of helping the various countries along their way. Point Four, Export-Import Bank development loans; the aid furnished by the United Nations and the World Bank, to which the United States is the major contributor, are smoothing the people's feelings toward the North American republic. While Washington's neglect of Central America's pressing problems is still criticized, it is more welcome than the old exclusive emphasis on the United States' own commercial interests.

DEPARTMENT OF EXTERNAL AFFAIRS, CANADA.

NUMBERED LETTER

TO: THE UNDER-SECRETARY OF STATE FOR  
EXTERNAL AFFAIRS, OTTAWA CANADA.

FROM: The Canadian Embassy, Washington, DC

Reference: Your letter X-1499 of December 22, 1953

Subject: Communism in Guatemala

Security: CONFIDENTIAL

No: 288

Date: February 12, 1954

Enclosures: Four

Air or Surface Mail: Surface

Post File No:

Ottawa File No.

50066-40

FEB 17 1954

References

*Copied for Guatemala at any, file 6357-40, R. L. G. R.*

We discussed with John Fisher, Guatemalan desk officer at the State Department, a booklet entitled "Communism versus Progress in Guatemala", recently published by the National Planning Association. We attach two copies of the N.P.A.'s report. Fisher termed it "a serious study and an accurate appraisal of the Guatemalan political situation". The N.P.A., he said, is generally well informed and has produced in this instance one of the best studies available on Communist infiltration in the Guatemalan Government.

2. The N.P.A.'s report, it will be recalled, outlines the current political situation in Guatemala and stresses the fact that the Communist party, while holding only four of the government's 51 seats in the Congress, occupies key positions in the Civil Service. Each of the four Communist members of Congress is a chairman of an important Congressional Committee. The report also emphasizes the Communist grip on the most important workers' and peasants' trade unions. The State Department shares the N.P.A.'s estimation that there are only approximately two or three thousand Communist party members and active fellow travellers in Guatemala.

3. The State Department, Fisher said, is most concerned by recent developments that would indicate a growth of the Communist influence in the Guatemalan Government. Evidences of that trend are to be found in the expulsion of newspaper correspondents Sidney Gruson of the New York Times and Marshall Bannell of the National Broadcasting Company, in the increasingly wild attacks against the United States by Guatemalan official spokesmen and finally in the recent charges made by the Guatemalan Government that "the government of the north" is planning a military invasion of the Guatemalan territory.

4. It is not a coincidence, said Fisher, that the expulsion of the two United States newspaper correspondents and the plot charges against the United States have taken place shortly after the return from Moscow of Manuel Gutierrez, Guatemalan Congressman and Secretary General of the General Confederation of Workers and of Leonardo Castillo Flores, Secretary General of the National Peasants' Federation. It is to be noted that these union leaders and the Guatemalan Government were highly praised recently by Moscow's Pravda and Bucharest's "For a Lasting Peace".

Internal  
Circulation

Distribution  
to Posts

- 2 -

5. Noting that the newly-appointed Foreign Minister of Guatemala, Guillermo Toriello, held the post of Guatemalan Ambassador to the United States until last January 20, we asked Fisher whether he thought the new appointment had a special political significance. In response to our query Fisher described Toriello's attitude in Washington as being very closely in line with that of his government. He supported many times in private, as well as in public conversations, Fisher said, the opinion that his government was simply applying Socialist policies and was by no means under Communist control. According to Ambassador Toriello, the Guatemalan Government was ready to accept Communist collaboration, both in the ruling coalition in the Congress and in the Civil Service, and did not feel that the Communist party with its four Congressional members and its low electoral support threatened the stability of the government or the security of the country. Although Fisher refused to venture a prediction as to the influence Foreign Minister Toriello will exert on his government, he said he doubted such influence would be very healthy since Toriello appeared to share most of his government's illusions on the true nature of Communism as an international conspiracy.

6. Fisher confirmed that the United States Government had decided not to protest officially against the Guatemalan charges of conspiracy "by the government of the north". The State Department, he said, was considering what action might be taken at the tenth Inter-American meeting with regard to the Guatemalan threat against hemispheric security.

*G. P. de T. Glazebrook*  
(amp) *[Signature]*  
The Embassy



DEPARTMENT OF EXTERNAL AFFAIRS

Subject

*please file*  
*guatemala - Political situation*  
*and 50466-40*

Date

FEB 4 1953

Publication

*Copy* N. Y. TIMES

## U. S. ENVOY PLANS GUATEMALA CHECK

Peurifoy to Speed His Return  
to Latin Land—Situation  
Viewed as Critical

Special to THE NEW YORK TIMES.

WASHINGTON, Feb. 3—Ambassador John E. Peurifoy has cut short consultations here to return to Guatemala for an official account of the situation in that pro-Communist country. The situation has been described here as critical.

The United States Ambassador, who had intended to return to Guatemala about Feb. 9 or 10, instead will fly there Friday as a result of a series of developments found by State Department officials to conform to a "familiar Communist pattern."

These developments have been the arrest or expulsion of several radio broadcasters, the linking of a "government to the north"—presumably the United States—and three Latin-American neighbors to an "invasion plot" against Guatemala and the expulsion yesterday of two news correspondents, Sydney Gruson of The New York Times and Marshall Bannell of the National Broadcasting Company.

Diplomatic officials indicated that they would not be surprised if the Guatemalan Government's "invasion plot" allegations were followed by Communist demonstrations and more arrests.

The possibilities implied and concern for their effect on United States citizens prompted Ambassador Peurifoy to telescope his appointments at the State Department and to leave for Guatemala as soon as possible, officials said.

### Protest Not Planned

The United States does not plan at the present time to make a formal protest to Guatemala about the "plot" charges. It was explained that the United States had not been named in the indictment, and therefore there was "no action to take." The State Department is none the less "watching the situation closely," officials said.

Last Saturday a State Department spokesman labeled the "plot" charge an attempt by "the international Communist conspiracy" to disrupt hemispheric unity on the eve of the Inter-American conference scheduled to open in Caracas, Venezuela, March 1.

Authorities who said that the United States was not now in a position to protest the "plot" allegations, because the United States was not named, contended nevertheless that the charges represented intense hostility by Guatemala toward this Government.

They were especially concerned with the timing, in the light of the forthcoming Caracas conference. There appeared to be nothing haphazard about the planning of the latest developments in Guatemala, it was said.

### Lag in Time Cited

Authorities cited the pretext for the expulsion of Mr. Gruson. It was a dispatch he wrote last November. Since that time, The Times correspondent was allowed to re-enter Guatemala from his base in Mexico City. If the November dispatch really was offensive to the Guatemalan Government, officials said, it could have refused Mr. Gruson his re-entry permit.

Under the initiative of the United States, the Council of the Organization of American States voted here last November to put "Communist penetration in Latin America" on the agenda of the Caracas meeting. Only Guatemala opposed the move.

Officials declined to discuss the position the United States would take at Caracas. But it was evident the agenda item would develop into full-scale debate on the situation in Guatemala.

The Guatemalan situation came up in Congress today. Representative Francis P. Bolton, Republican of Ohio, a member of the House Foreign Affairs Committee, urged the United States to take firm counter-action against the Government of Guatemala for recent acts.

Speaking from the floor of the House, Mrs. Bolton referred to the expulsion from Guatemala yesterday of Messrs Bannell and Gruson.

"To those who have been watching the situation in Latin America," she said, "this is one more fact in evidence that the Government of Guatemala is Communist, using every Communist method against all who disagree."

Mr. Bolton was followed by Representative Donald L. Jackson, Republican of California. He told the House that the expulsion of the correspondents was another evidence of the trend toward total police state policies in Guatemala.

He suggested that the American people might consider foregoing the luxury of using Guatemalan coffee.

### Guatemalan Assures Press

Special to THE NEW YORK TIMES.

GUATEMALA, Feb. 3—Foreign Minister Guillermo Toriello gave assurances today that Guatemala would maintain freedom of expression and would aid rather than hinder the work of foreign correspondents.

Senor Toriello gave the assurances in an interview with Ramon Blanco, secretary of the Inter-American Press Association, and the correspondents of foreign newspapers and news agencies.

The Minister said the cases of Messrs. Gruson and Bannell, expelled from Guatemala yesterday, were "special" ones. He asserted that both correspondents were not welcome here because of their continuous unfounded attacks on the Government. Senor Toriello added that foreign correspondents would be welcome to visit the country whenever they wished.

The Rev. Sebastian Buccellato of the Bronx was expelled by the Government today on a charge of having intervened in domestic

politics. Father Buccellato left by plane for New York this afternoon.

The priest arrived in Guatemala in 1951. He was assigned to Asuncion Mita, approximately 125 miles west of this city.

Before leaving today, Father Buccellato denied Guatemalan accusations that he had participated in politics in Guatemala.

### Priest Due Here Today

The Rev. Sebastian Buccellato is expected to arrive at New York International Airport, Idlewild, Queens, early this afternoon.

The 29-year old missionary was born in Brooklyn, and grew up in the Bronx, the Franciscan Provincial House, 147 Thompson Street, said. His parents, Mr. and Mrs. Anthony J. Buccellato, re-

side at 297 East 151 Street, the Bronx.

The Provincial House, which sends missionaries to several Central American countries, said that Father Buccellato was one of seven Franciscans the order had in Guatemala. Only three of these hold permanent residence visas.

When he arrives in New York, Father Buccellato will stay at the Provincial House, awaiting reassignment.

PRESS CLIPPING SERVICE

DEPARTMENT OF EXTERNAL AFFAIRS

FEB 9 1954



DEPARTMENT OF EXTERNAL AFFAIRS

Subject Communism - Caribbean

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50066-40  
GSR

Date FEB 3 1954

Publication

N. Y. TIMES

50066-40  
46 ✓

**RED MOVE IS REPORTED**

**Dominican Republic Hears of  
Transfer to Costa Rica**

CIUDAD TRUJILLO, Dominican Republic, Feb. 2 (UP)—The Government said today reports from its military intelligence service indicated that the Communist organization in the Caribbean area was moving at least part of its headquarters from Mexico and Guatemala to Costa Rica.

An official statement said that in the last six weeks thirty Russian, Rumanian and Hungarian Communist agents carrying Mexican and Cuban passports were identified in Panama while en route to Costa Rica.

According to the statement, the Communists recently transferred \$650,000 in gold to El Salvador in order to "finance a vigorous Communist campaign there."

The transfer is designed to "draw public attention away from Guatemala," the statement added.

*For File no. 50066-40*  
DEPARTMENT OF EXTERNAL AFFAIRS

Subject *Communism - Chile*

Date *JAN 30 1954*

Publication *N. Y. HERALD TRIBUNE*

## Chile Reds Are Aided By Distress

By A. T. Steele

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SANTIAGO, Chile, Jan. 29.—  
The worsening economic situation in Chile offers widening scope for the trouble-making proclivities of the Chilean Communists.

Here, as in other Latin American countries, the underlying Communist aim appears to be to spread disruption and discontent and hatred of the United States.

So far, the Reds in this country have been more a nuisance than a menace. But unless the Chilean government succeeds soon in checking economic deterioration and the discontent that goes with it, it may find the Communists a serious political problem.

Though the Chilean Communist party was outlawed under a "defense of democracy" law in 1947, its members continue active. The stronghold of Communist influence is in the labor movement, notably among the coal miners and nitrate workers. In those two fields alone, Communist leadership is dominant over a combined labor force of about 35,000 men. Communists hold the controlling reins also in the metallurgical and electric-workers' unions. They are weak, however, in the ranks of the powerful copper workers' and railway workers' unions, where Socialist influence is predominant.

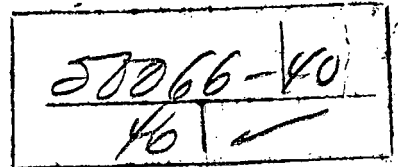
### Seek Labor Control

The Reds are working hard for control of the National Federation of Labor, to which most Chilean unions belong. Though they control only five of the twenty-five seats in the federation's directorate their influence is out of proportion to their numbers.

Chile's best known Communist is Pablo Neruda, a top-ranking poet better liked for his verse than for his personality. Chileans wishing to visit Soviet Russia—and each year produces its quota—deem it a "must" to clear with Neruda first. Neruda is himself an experienced Moscow pilgrim and a recipient of a Stalin Peace Prize.

Chilean Communists have an influential mouthpiece in the newspaper "El Siglo," which expends much of its editorial energy shouting for lower prices, higher wages, more housing, agrarian reform, nationalization of mines and an end to "Yankee imperialism."

The numerical strength of the Chilean Communists can only be guessed at, but there may be as many as 50,000 party members in the country.



DEPARTMENT OF EXTERNAL AFFAIRS

Subject *Communism - Mexico*

*File*  
50066-HO  
*176*

Date **JAN 29 1954**

Publication

**N. Y. TIMES**

## MEXICO REDS SEEK TIES WITH 'RIGHT'

Lombardo Toledano in Move  
for 'Common Front' With  
Nation's Ruling Party

By SYDNEY GRUSON

Special to THE NEW YORK TIMES

MEXICO CITY, Jan. 27—A Communist maneuver to establish a "common front" with Mexico's ruling political party has been started.

This move, disclosed by Vicente Lombardo Toledano, who is generally regarded as international communism's No. 1 man in Latin America, was no great surprise to observers here. They had been waiting for something like it since Pravda, the Soviet Communist party newspaper, spelling out a new line last year for Communist parties abroad, stated:

"An important condition for the success of the people's struggle for national independence is the unity of all healthy, vital forces \* \* \* around the working class and its vanguard, the Communist and workers parties. In solving this task the Communists rely on objective laws of social development."

However, the maneuver was not expected to receive quite as warm an embrace as it did. General Gabriel Leyva Velasquez, president of the Party of Revolutionary Institutions, and Señor Lombardo Toledano met last week. The subject of their meeting was the latter's proposal that "all democratic political and social organs join together to evolve a program for the improvement of social standards of the Mexican people."

### Leader in Red Labor Group

On the surface Señor Lombardo Toledano is not connected with the Mexican Communist party. He describes himself as a "Marxist but not a Communist." He is the president of the Popular party, which he formed two years ago to contest the 1952 Presidential elections.

This fools no one in Mexico where the formally named Communist party is not even a legally registered political organization. Señor Lombardo Toledano is a vice president of the Communist-operated World Federation of Trade Unions and he organized that group's Latin American regional branch. He returned in November from the latest of his regular trips behind the Iron Curtain.

Commenting on his meeting with Señor Lombardo Toledano, General Leyva Velasquez said: "We think it is possible to conduct a crusade in which all the country's revolutionary forces can join without necessarily losing their individual personalities or altering their particular programs." He emphasized that this meant unity but not merger.

Where the Party of Revolutionary Institutions and the Popular party have common goals, General Leyva Velasquez said, they can march together, each maintaining autonomy. The leaders of his party, he added, could do no less than wish for a "harmonious effort \* \* \* from all progressive citizens."

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PRESS CLIPPING SERVICE

DEPARTMENT OF EXTERNAL AFFAIRS

*24* FEB 2 1954

*This is nothing particularly new. All Mexican political parties disintegrate after the election and their leaders have to make peace with the PRI. Toledano has had working arrangements with the PRI before. This is a return to the status quo ante the election.*  
*GGN*

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10. Ex-President Prio's hopes of returning to Cuba as President declined steadily after the Montreal meeting and had practically disappeared by the end of the year. Early in November he was forced to register with the United States Government as a foreign agent. On November 19 he met with Ochoa in Mexico City in an attempt to settle their differences and reach agreement on a new declaration similar to the Montreal Charter. Instead Ochoa's suspicions of his motives and those of Sanchez Arango came into the open and the meeting was a failure. On December 4 he was arrested in Miami and charged with conspiracy to violate the Neutrality Act by exporting arms and ammunition from the United States without a license. The trial in New York City will not be held until February 15 but Prio is already thoroughly discredited in Cuba.

11. As the year ended there was cautious hope that 1954 would bring the first steps toward the restoration of constitutional government to Cuba. Political tension was substantially less than at any time since the coup d'etat and it was not inconceivable that Batista might decide he had a good chance of winning more or less honest elections next November. The opposition is weak and badly divided and Batista's record is at least as good as that of his predecessor. He has not fulfilled many of the extravagant promises which he made immediately after seizing power but he has more or less eliminated gangsterism and appears to have reduced graft and corruption to some extent. His economic policies in a period of contraction have been fairly sound and he has succeeded in retaining the co-operation of the labour unions without conceding as much to them as Prio did. The Cubans will not forgive him for the way in which he subverted their constitutional government and for this reason he can never become a really popular figure. However, they are not actively unhappy with the present situation and it would not be surprising if the means for buying votes which the government has at its disposal and the weakness of the opposition should combine to re-elect Batista as President next November.

### III. COMMUNISM

12. Communist strength, which was at a low ebb during 1952 declined even further in 1953. The Partido Socialista Popular, realizing that it could not obtain the affiliations of 4% of the electorate which it needed to participate in the elections, continued its attempts early in the year to form a United Opposition Front. However, the other opposition parties would not co-operate. Another illustration of the communists' weakness was their failure to demonstrate in any way when the government banned the holding of the May Day parade for which they had made elaborate plans.

13. Batista attempted to pin part of the blame for the July 26 uprising on the communists. Although he produced no proof for his charges, these served as an excuse for the arrest of communist leaders and the banning of "Hoy" and "La Ultima Hora". And on October 30 the government formally outlawed communist activity in Cuba. This action was doubtless prompted in part by a desire to show up well in the debate on communism at the forthcoming meeting of the OAS. Batista may also have wished to counteract the accusations of ex-President Prio, which were well publicized in the United States, that he had always collaborated with the communists and still does so.

DEPARTMENT OF EXTERNAL AFFAIRS, CANADA.

DESPATCH

TO: THE SECRETARY OF STATE FOR  
EXTERNAL AFFAIRS, OTTAWA, CANADA.

FROM THE CANADIAN AMBASSADOR, HAVANA;.....

.....CUBA;.....

Reference: Our despatch No. D-19 of January 15;.....  
1953.

Subject: Annual Review of Events in Cuba for.....  
1953. *over* *10463-AH-40*

Confidential

Security:.....

D-28

No:.....

January 26, 1954.

Date:.....

Enclosures:.....

Air or Surface Mail:.....

Post File No:.....

Ottawa File No.

*58066-40*

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- 4 -

14. Apart from the suppression of the PSP, "Hoy" and "La Ultima Hora", Batista took few active steps against the communists by the end of the year.

#### IV. ECONOMIC

15. The downward adjustment in the Cuban economy, which began during 1952, continued in 1953 but did not produce the signs of hardship which some people had predicted.

16. After an unprecedented 7,000,000 ton sugar crop in 1952, Cuba found herself with an enormous surplus of 1,750,000 tons at the beginning of 1953. At the same time, the world market was tightening steadily as a result of the impending armistice in Korea and increasing competition from foreign cane and beet sugar producers and manufacturers of artificial sweeteners. The action of the Cuban government in restricting the 1953 sugar crop to 5,000,000 tons was therefore almost inevitable. This together with a steady fall in the price of sugar on the world market to little more than 3¢ a pound goes far to explain the decline in economic activity here during 1953 of approximately 15% as compared with the previous year. A further factor, which cannot be accurately assessed, was the psychological effect of the revolutionary activities of the followers of ex-President Prío and the elements responsible for the uprising on July 26.

17. A few figures may be worth while to illustrate the nature of the adjustment. In the first eleven months of 1953 total budget revenues were down 15% as compared with the previous year and customs figures showed a reduction of 14%. Cuban imports in the first seven months fell by 22% although the reduction in exports for the first nine months was only 4%. Salaries and wages fell by 15% in the first ten months - the sugar workers had to accept a reduction in wages of 5.35% and all government employees including the armed forces received a salary cut of 10%. Bank deposits were down 12% and clearings 10%. It is fairly clear from the limited information available that the government ran up a sizeable deficit in 1952-53 and despite the promises to produce a new budget on July 1, the beginning of the fiscal year, the 1952-53 budget was kept in force because of the government's inability to produce a new one in line with its reduced revenues.

18. Nevertheless, a number of circumstances served to lessen somewhat the gloomy appearance of these figures. Although 30% smaller than the 1952 sugar crop, that for 1953 was still one of the half dozen largest in Cuba's history. Moreover, the negotiation in August of a World Sugar Agreement appeared to guarantee that for at least the next three years Cuba would be able to raise crops of close to 5,000,000 tons and dispose of them at fair prices. In other sectors of the economy there were encouraging signs of progress, particularly in the rice, cattle and mining industries. The government helped to counteract the effects of increased unemployment in the sugar industry through the inauguration of a major public works programme amounting to approximately \$50,000,000. They also established a National Financing Commission to help finance public works of a "reproductive" character and passed a "Law-Decree on Industrial Stimulation", extending the scope of existing exemptions from import duties and other taxes on new industries being established in the country. And the completion on December 1 of the sale of the United Railways of Havana to the Cuban Government aroused hopes that the long and serious neglect of this basic element in the Cuban economy

CUBA: ANNUAL REVIEW FOR 1953

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of the world price at a fairly satisfactory level for the next three years. Cuba ratified this agreement in December. It had an even greater psychological effect than the sugar deal with Great Britain, and the general trade recession which had hitherto prevailed showed some signs of improvement (i.e., a marked renewal of construction activity) during the last few months of the year. Even so, the future of the all-important Cuban sugar industry remained far from clear. Mill owners were complaining that they were unable to make profits so long as the present high rate of wages continued; the persistent demands of the cane growers for a larger share of the returns were still unresolved; and the workers who accepted a small wage reduction in 1953, were strongly resisting any further sacrifices or innovations such as bulk loading designed to lower production costs.

8. Whatever may be the real intentions of Señor Mujal, Secretary-General of the Cuban Confederation of Labour, his powerful organisation, with its membership of more than a million and comprising 200 unions and thirty-four national industrial federations, has, on the surface at least, co-operated amicably with the Batista régime throughout the year. The position was rather one of armed neutrality in the respective interests of both sides. At first, General Batista appeared to be giving way to labour demands and claims to a marked degree, but later with a deteriorating economic situation and increasing unemployment his attitude, in comparison with that of 1952, stiffened and his general labour policy has since met with a fair measure of success. For instance, a military interventor was appointed to control the activities of one of the important omnibus services in the capital and the dockers were brought to heel by threats of military intervention. The wages of sugar and sisal workers and railway employees were reduced and, as a result of the firmer attitude taken by the Minister of Labour and the Government interventors, quite substantial dismissals of redundant transport employees were effected without serious opposition. Dismissals in other industries also became a little easier to carry out.

9. Señor Mujal, with his habitual astuteness, still gives voice in public utterances to the inviolability of labour rights, but in actual fact he appears to have acquiesced in the new situation, so that towards the end of the year, as a result of a show of force on the part of the Government, there was a noticeable decline in labour unrest and

trade union activity and strikes became virtually non-existent. As to the future, it is possible that the Labour Confederation will, while maintaining its independence, be prepared to support the Government at the elections in some form of alliance in return for posts in the Cabinet and elsewhere.

10. At times the Cuban Confederation of Labour has been attacked for its domination by communism. As a matter of fact its executive of seventy-five only comprises seven Communist representatives elected by the Tobacco Workers' Union and in any case such minor Communist representation, with such a very small proportion of the unions under Communist influence, could never dictate labour policy. The charge has been flatly and justly denied, and there is every reason to suppose that under present circumstances the confederation has successfully resisted Communist penetration. How organised labour would react in the event of a slump is a different matter.

11. General Batista has been criticised for "coddling" communism, in that certain members of his Cabinet were still exerting a dangerous influence. Little can be further from the truth, and this type of political propaganda has only served to harm the best interests of the country and scare away foreign investment. Whatever may have been the General's attitude towards communism in past years, when he established diplomatic relations with Soviet Russia, it is now quite clear that he has definitely changed his outlook. Shortly after his advent to power, diplomatic relations with Soviet Russia were suspended and, although the Cuban Government at that time constantly gave expression to their anti-Communist feelings in public speeches and through their representative at the United Nations, and even discussed measures for investigating Communist activities in Cuba, little was actually done to implement their good intentions. Later General Batista, taking his cue from the United States Government, promised to act and set up a commission to study the ways and means of checking the infiltration of Communist doctrines in educational, administrative and political spheres.

12. In the meantime, members of the Communist Party were being constantly harassed with arrest and detention for their complicity in opposition plots against the régime, the official organ *Hoy* was closed down and Communist literature seized, whilst under the new electoral code the Communist Party was in fact prevented

from securing registration as an independent party for election purposes. Finally by legislation of October 30, 1953, the Cuban Government prohibited all Communist organisations notwithstanding any existing laws or regulations. Since then, General Batista has publicly announced that he was determined to put a stop to Communist activities in Cuba from whatever quarter they might come, and that Cuba would co-operate with other American nations to that effect. Communism was humiliating and must be rooted out.

13. It must not be assumed, and especially in Cuba, that communism can be successfully brought under control by a stroke of the pen. Its activities may be slowed down, but in view of the carefully laid network of Communist agents in so many important spheres of Cuban national life, whether artistic, educational or cultural, as well as in the Trades Union Organisation, it may be expected that the party with its 60,000 registered members will continue to infiltrate and, if it suits its purpose, exploit by supporting other Opposition parties any labour dispute for political advantage or to obtain fresh adherents. It will certainly take advantage of any favourable political or economic development to raise its head again and show its teeth. As to the future, it is doubtful whether the Communist Party will be able to secure a "Popular Front" by flirting with the leaders of other political parties, but it will doubtless leave no stone unturned to penetrate such parties through the working student and agricultural classes.

14. On the other hand it would now seem that, in spite of the manifest advantages of Cuba as a centre of propaganda and dissemination of literature and instructions for this part of the world, the Communist authorities have felt it desirable, for the time being at any rate, to shift the scene of their activities to more healthy climes, such as Mexico and Guatemala, where they are confronted with fewer obstacles.

15. Cuban relations with Great Britain have continued on a frank and amicable basis. Whilst the position of British chartered accountants, surveyors and insurance agents has remained unchanged, two of the outstanding issues, namely, the Leyland Bus Contract and the United Railways of Havana, have finally been settled. In May the last three overdue instalments of the Bus Contract amounting to some \$700,000, were paid up after the exercise of considerable pressure on the Minister of Finance, whilst

on the 5th of September the Cuban Government, after stalling for more than four years, signed a preliminary agreement for the purchase of the United Railways of Havana for the sum of \$13 million in cash. The actual transfer took place on the 1st of December, and the deal was thus finally completed. From the point of view of Anglo-Cuban relations, it is eminently satisfactory that this tiresome question has at last been removed from the scene, although the purchase price was admittedly lower than that originally demanded by the company.

16. In all important international questions Cuba as a rule follows the line laid down by her powerful northern neighbour and, as long as Her Majesty's Government and the United States Government see eye to eye, little trouble is to be expected from the Cuban Government. Where, however, Anglo-Cuban interests are apt to clash is over questions connected with dependent territories in the Committee of the United Nations on Colonial and Trusteeship matters. On the whole, as a result of representations both to the Minister of State and the Head of the Cuban Delegation to the United Nations in May and August for closer understanding and collaboration between the British and Cuban Delegations, the Cuban behaviour and general attitude showed a marked improvement and restraint. It is gratifying, too, that the reactions of the Cuban Government in October to the suspension of the British Guiana Constitution and the despatch of British troops to that area were satisfactory and even sympathetic. In fact, after the endorsement by the United States Government of the action of Her Majesty's Government, it was generally considered that the interruption of constitutional progress in British Guiana was unavoidable. The Minister of State's press statement certainly constituted a clear stand against the spread of communism anywhere on the American continent.

17. The year witnessed considerable activity in Anglo-Cuban trade relations in view of the United Kingdom's increased interest in the potentialities of the Cuban market as a dollar earner and of the necessity to devise new arrangements to take the place of the Anglo-Cuban Trade Agreement of 1951, which expired on the 31st of December. United Kingdom exports to Cuba shared in the general reduction of Cuban imports and were below the levels



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File

LIBRARY

January 20, 1954.

American Div./G.V. Beaudry/cg.

May this division receive an extra copy for retention of "Vision" of January 22, 1954. It contains a very interesting article on communism in Latin America. I think a copy should also be sent to Mr. H. Carter for use in the work he is doing now.

GUY V. BEAUDRY

AMERICAN DIVISION

X Request

American/G. V. Beaudry/nk

50066-10

January 20, 19 54

NOTE FOR FILE No. 50066 - Communism in Latin America

- "Red Conspiracy" -  
Vision of January 22, 1954

A very informative article on communist activities  
in Latin America--deals with Chile, Mexico,  
Bolivia, etc. Refers to tactics dictated by the  
Kremlin. Vittoria Vidali - Malenkov's advisor  
on L.A.

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EXCERPT FROM: Summary of World Broadcast.

GUATEMALA -- Jan. 15, 1954.

B R I E F S

GUATEMALA

TRADE UNION CONGRESS-- The World Federation of Trade Unions will be represented at the 2nd National Trade Union Congress of Guatemala by Giuseppe Casadei, a member of the Secretariat of the World Federation. (TGWA Guatemala City /Official/, Guatemalan Home Service, Jan. 14, 1954, 1345 GMT--E)

DESPATCH

TO: THE SECRETARY OF STATE FOR  
EXTERNAL AFFAIRS, OTTAWA, CANADA.  
FROM: THE CANADIAN AMBASSADOR, MEXICO, D.F.,  
MEXICO.

Reference: My despatch No. D-576 of December  
11, 1953.  
Subject: Monthly Report (period December 17 to  
January 13, 1954)

Security: CONFIDENTIAL  
No: 13  
Date: January 12, 1954.

Enclosures:  
Air or Surface Mail:  
Post File No:

Ottawa File No.	
50066-40	
46	✓

References

The Mexican government takes things easy during the Christmas - New Year period. Officials and employees of all government departments took holidays from December 23 until January 4, leaving only the barest skeleton staffs.

National Budget

2. The figures and the general outline of Mexico's budget for 1954 were sent to you under cover of our last monthly report.

3. This budget has been generally well received. Most commentators agree that, while it may lack imagination in some respects, it corresponds to the economic capacity of this country at this present time and is but another indication of the President's policy of "consolidation" which was partly forced upon him by the rather lavish expenditures of the preceding President Aleman. In his message to Congress, the President referred to the effects of the international situation on the Mexican economy in the following words "the year 1953 has been noticeable in that it has marked a pause in economic development. The external causes of such development have been the cessation of hostilities in Korea and the perspectives of an economic readjustment in the United States. This created a climate of hesitation (cautela) in international investments and trade and this hesitation had its repercussions in some of those sectors of our productivity intimately linked with foreign markets".

4. Some critics have pointed out that the surest way for Mexico to avoid the effects of any form of recession in the United States is to diversify its trade and regain its lost positions in some European countries as well as in increasing its trade with Latin America and even with Soviet countries. One observer pointed out that "there is a servile tendency in the Mexican government to assume that the United States is the knob around which Mexican economy must rotate. Our Administration accepts with respectful deference the position of a satellite that American politicians grant us as a

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Caracas  
Havana  
Washington

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notes. The airlines themselves, and their lawyers, have been active in laying their case before the Minister of Finance and other competent authorities.

10. The general belief is that the Mexicans have made a false step, already realize this, and will wriggle out of it as soon as they can find a way of doing so without losing too much face. This, however, is not much more than pure speculation and the outcome is not yet known or apparent. Developments will be noted in my next report.

#### Electoral Law: Communists

11. An amendment to the Federal Election Law, passed by the lower House December 27 and by the Senate December 30, raised from 30,000 to 75,000 the minimum number of members required by a political party to qualify for registration. A party which is not registered cannot put forward candidates in general elections.

12. This amendment is tied in with the recent grant of full political rights to women, which practically doubles the number of citizens entitled to vote and to be party members. It may be a blow to the Communists. They are believed by some to have somewhere near 30,000 members, although the Foreign Minister, in a recent conversation, estimated their total at no more than 5,000. It is unlikely that even by including women they can reach 75,000 and qualify for registration.

#### Mennonites

13. In my last monthly report I mentioned that we had been warned to expect some hundreds of declarations of retention of citizenship before the January 1 deadline. The Mennonite bishops had been urging their people to make sure to retain Canadian citizenship.

14. However, we received in December fewer than two hundred declarations. The bishops, it appears, were defeated by family solidarity. Many families, wishing all their children to be in the same category, decided not to let their eligible sons and daughters file declarations because they also had elder sons or daughters who were no longer eligible.

#### Population

15. The Bureau of Statistics estimates Mexico's population at the end of 1953 at 28,052,513. The age distribution is in sharp contrast to that of a northern country; there are 11,697,477 youngsters up to and including 14 years, but only 819,610 over 65.

#### Retirement of Mr. Messersmith

16. George Messersmith will give up March 31 the Presidency of Mexican Light and Power, which he has held for six years. His successor is Wm. H. Draper, Jr., former special representative in Europe for the Mutual Security Agency. Ex-Ambassadors of the United States evidently like the amenities of life in Mexico. Mr. Messersmith, who intends to remain here, will be the third; Walter Thurston and William O'Dwyer are both permanent residents.

#### Diplomatic Moves

17. Three heads of mission presented Letters of Credence December 17:

000297

DEPARTMENT OF EXTERNAL AFFAIRS

Subject Communism - Guatemala *and file* *x Registry*

JAN 12 1954

N. Y. TIMES

Date ..... Publication .....

✓ File  
on 50066-40  
G. R. Ridder

50066-40  
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**GUATEMALA REDS OUSTED**

**Shoe Workers Oppose Confederation in Defeating Communists**

GUATEMALA, Jan. 11—Workers of the Incatecu shoe factory here, one of the country's largest, have ousted their Communist union leaders. The workers had charged the leaders with endeavoring to turn the factory into a Communist cell and with obstructing cordial employer-worker relations. Several weeks ago the Incatecu workers voted removal of the Red leaders but the Communist-led Guatemalan Confederation of Labor, which controls unionized labor in this country, hindered them from so doing. At a meeting here Saturday, Incatecu workers disregarded the Confederation and again voted removal of the Communists. The workers then appointed a new board of non-Communists.

This morning's independent newspaper Prensa Libre said the Incatecu action might be considered a labor rebellion against Communist leaders and may be the start of the dissolution of other unions controlled by the Confederation.

ALL CORRESPONDENCE TO BE

ADDRESSED—

THE COMMISSIONER,  
R. POLICE,  
OTTAWA

ROYAL CANADIAN MOUNTED POLICE  
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IN REPLY PLEASE QUOTE

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JAN 15 1954

OTTAWA,

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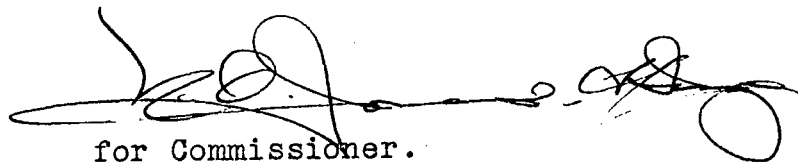
January 12 1954.

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C O N F I D E N T I A L

Att'n: Mr. C.S.A. Ritchie.

We wish to thank you for  
your letter No. L 571 of December  
14, 1953, from Mexico, with four  
newspaper clippings attached which  
we are now returning as requested  
by you.

  
for Commissioner.

The Under-Secretary of State  
for External Affairs,  
Room 247 - East Block,  
O T T A W A, Ontario.

000299

*Clippings have been  
attached to letter  
Nº L 571 of Dec. 14/53  
from Mexico which  
is on this file.  
X = 1 C.S.A.  
18-1-54.*

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1954 JAN 15 AM 9:31

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DESPATCH

FOR FILE 50066-40

TO: THE SECRETARY OF STATE FOR  
EXTERNAL AFFAIRS, OTTAWA, CANADA.

FROM: THE CANADIAN AMBASSADOR,.....  
SANTIAGO, CHILE.....

Reference:.....

Subject: Visit of Baltasar Castro to.....  
.....Soviet Union.....

CONFIDENTIAL  
Security:.....

No: 6.....

Date: January 8, 1954.....

Enclosures:.....

Air or Surface Mail:.....

Post File No:.....

Ottawa File No.

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## References

Baltasar Castro, the President of the Chilean Chamber of Deputies, returned to Chile a few days ago after attending the World Peace Congress at Vienna and visiting the Soviet Union where he had an interview with Molotov.

2. Castro is considered one of the most opportunistic of Chilean politicians. He was first heard of soon after President Ibanez' election on September 4, 1952. Since the party to which he belonged, the Popular Socialists, were instrumental in gaining Ibanez' election, he was considered amongst other members of this Party for appointment to the first Ibanista cabinet constituted in November. It appears that the General Council of his Party had doubts as to his reliability and decided against him, whereupon he made an independent approach to Ibanez to be included in the Cabinet. His Party consequently expelled him from their ranks for breach of discipline.

3. Castro then attached himself to the meteoric star of Maria de la Cruz. When her brightness began to wane, he detached a number of her followers and organized the Partido del Trabajo as a constituent party within the Ibanista movement. This grouplet managed to elect seven Deputies in the Congressional elections of March 1, 1953, Castro among them.

4. His opportunity came when it became apparent that the membership in the Chamber of Deputies was evenly divided between the Opposition and the Government parties. Each side therefore had to seek to detach at least one small group from the other in order to gain control of the Chamber. When the Chamber met on May 22 to elect their officers, Castro and four of his followers voted with the united Opposition parties to capture control of the committees. The Opposition then elected him President of the Chamber of Deputies in payment. His defection thus resulted in the Opposition gaining complete control of Congress, since they were already in a majority in the Senate.

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5. Soon after his election to this position he began to display a decided pro-communist attitude and has become one of their most important fellow travellers. It may be that he had been pro-communist while still a member of the marxian Popular Socialists, but was restrained by the strong discipline of this non-communist party. At any rate, he has officiated and spoken at Peace rallies, has advocated the broadening of trade relations with the People's Democracies and urged the repeal of the anti-communist Law for the Permanent Defence of Democracy.

6. Castro left Santiago on November 21 to attend the Peace Congress at Vienna where he spent nine days. He then visited Prague where he was entertained by the Minister of Commerce, the President of the Czech Chamber of Deputies and other dignitaries. He also spent 24 days in the Soviet Union, visiting Leningrad, Stalino and Moscow. While in Moscow he had interviews with Molotov and the Minister of Foreign Commerce, Kabanov.

7. I attach as Annex "A" a translation of the interview between Castro and Kabanov, which was published in the Santiago Communist daily, "El Siglo." You will note that Kabanov again dangled before the Chileans the tempting offer to buy all or part of Chile's copper and nitrate production. In para. 7 of my despatch No. 336 of November 13, 1953, I discussed the possibility that the Soviet Union had indeed made a definite offer to buy Chile's entire copper production. It was also my opinion that this offer was made largely for its "nuisance value" to exacerbate the already strained relations between Chile and the United States over the disposition of Chile's accumulated stock of unsold copper. For the past few months, the communist press has been proposing the broadening of Chile's trade relations with the Soviet Union as the only solution to an economic crisis which is rapidly growing more serious. The Soviet offer is, I think, a very clever manoeuvre since it makes the U.S.S.R. out to be a disinterested and honourable customer, prepared to trade on a dollar basis, while the United States is made to look like a selfish Shylock imposing difficult conditions. The Castro-Kabanov interview served its purpose in strengthening this impression.

8. I also attach as Annex "B" a translation of the textual version of his interview with Molotov. Taken together, the two interviews may give some indication as to the Soviet Union's policy towards Latin America. Having come to the conclusion that the Latin American Communist parties have become too weak to affect policy, the Soviet Union is now prepared to exploit the endemic anti-United States feeling wherever possible. At the present moment, and especially in the case of Chile and Bolivia, the problem of the disposal of these countries' production of raw materials is without question the most sensitive aspect of their relations with the United States. It therefore appears logical that the Soviet offers to purchase large quantities of raw materials from these countries may appeal both to their governments and the public as a partial solution to the many problems arising from the fact that the United States is at present their only large customer. The Soviet Union appears to be prepared to trade with even "reactionary" Latin American governments in order to worsen the already difficult trade relations with the United States, and to lessen Latin American economic dependence upon that country.

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9. It is also possible that either the Soviet Union or the satellite countries are indeed in need of some of Latin America's production on non-ferrous metals. We were told by the United States Embassy here that some Chilean copper did slip in under the Iron Curtain through Hamburg during 1953, despite the Chilean embargo on such sales.

(Sgd.) M. J. WOLFE

(for) Ambassador.

Translation of an excerpt from Communist daily "El Siglo"  
of January 5, 1954.

### U.S.S.R. Offers a Commercial Treaty

During his press conference, Deputy Baltasar Castro revealed to the journalists details concerning his interview with the Minister of Foreign Commerce of the Soviet Union, Kabanov. He explained that previously there had been only a single Ministry of Commerce in the Soviet Union, headed by Mikoyan. But it was divided in the middle of the year into two branches: that of Internal Commerce, still headed by Mikoyan, and that of External Commerce, headed by Kabanov. In order to stimulate the interest of our readers we offer a textual version of this interview, based on the text offered by Sr. Castro in yesterday's conference:

- I have requested this interview with a leader of the Soviet Government because I wish to do something practical in my capacity as a member of the World Council for Peace in accordance with the resolutions adopted at the recent Congress of this organization. Our principal export is copper. I should like to know, Mr. Minister, if the U.S.S.R. is prepared to buy this product.
- The Soviet Union produces enough copper. Nevertheless we are prepared to buy the production of which you speak.
- One of the objections raised by certain people in my country is that such a purchase would be for only one occasion and would not have a permanent character.
- This indicates the need to view the problem of commercial intercourse between our two countries as a whole, for we can purchase other products from Chile apart from copper.
- Another objection voiced is that the Soviet Union could not pay in dollars, which are needed in my country to import products which must be paid for in that currency.
- We could pay in machinery and dollars, or in dollars only.
- I should like you to give me some more specific information. How could we arrange to have our products imported by the Soviet Union?
- This is no problem because we could send our own ships to fetch them or any ship we could contract.
- Supposing such a commercial interchange is agreed on, how could we establish the contacts for bringing it to a final conclusion and to continue it on a permanent basis?
- A Soviet commercial mission could travel to Chile or a delegation of Chileans could come to the Soviet Union.
- Could the Soviet Union also buy nitrates?
- Yes. We could buy nitrates and other products as well.

- 2 -

- Let us suppose that Chile does not wish to compromise herself to a long term commercial treaty and for her total production. Would the Soviet Union be disposed to purchase limited amounts only of our copper, nitrates and other products?

- Naturally. In any case, you know that we have a commercial office in Buenos Aires.

## APPENDIX "B"

Translation of an excerpt from Communist daily "El Siglo"  
of January 5, 1954.

### What Molotov Said to Baltasar Castro

After reporting on his interview with the Minister of Foreign Commerce, Kabanov, Deputy Baltasar Castro gave details to the journalists on his interview with the Minister of Foreign Relations, Mr. V. Molotov. He said that the day before his departure, Molotov telephoned the Peace Council of the U.S.S.R. to inform them that he would receive Sr. Castro at 10 p.m. that evening. The President of the Chamber reported fully on this interview, which lasted for 40 minutes, as well as on the attitude and the personal impression Molotov made on him. We now also present a textual version of this interview to our readers:

Molotov (coming forward to greet him): Comrade Castro, I hope that your stay with us and in our country has been pleasant. You are very welcome here and I hope that your trip will be very successful.

Castro: Thank you, Mr. Minister. I hasten to point out that I did not come on an official mission from my country. I have come to talk to you in my capacity as a member of the World Congress for Peace and in the hope of doing something practical to encourage commerce between all countries, which is a means of maintaining peace among the peoples.

M: This appears very commendable to me, Comrade Castro.

C: Mr. Minister. You must surely have a bitter impression concerning the breaking of relations between our two countries.

M: Not at all. We only consider that Chile did not gain anything from the breaking of relations.

C: You must be aware of my interview with the Minister of Foreign Commerce, Mr. Kabanov, and of the possibility of commercial interchange between our two countries, especially of the importance of the purchase of Chile's copper production by the Soviet Union.

M: Yes, Comrade Castro. I have been fully informed about this interview.

C: I would therefore like you to confirm what Mr. Kabanov said, especially the point that the Soviet Union is prepared to purchase the entire Chilean production.

M: Everything the Minister told you is correct, and I support it completely.

C: As well as the form of payment?

M: The form of payment as well, which could be made according to your convenience.

C: When I return to Chile I want to make all these matters known, and I would also like to know whether you would be prepared to answer questions of another character, especially since I am also a journalist.

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M: At your orders, Comrade Castro.

C: What do you think of the role played at the United Nations by the Latin American countries?

M: On the few occasions on which you stood together with us the results were very worth while. Unfortunately, owing to the lack of independence, the Latin American countries acted together with the United States.

C: Do you believe that Latin America can play an important role in the strengthening of peace?

M: Very definitely, but only when they remove the yoke of Yankee imperialism.

C: Do you believe that the United States will agree to control of atomic energy?

M: Our position is clearly defined in a letter which we sent in connection with President Eisenhower's recent speech. We desire complete control of atomic energy, but until this comes about and the organization to effect this is perfected, we urge that all nations declare themselves in favour that no one should ever use the atomic bomb. And now I, too, want to ask a question. What does Comrade Castro think of our position in this matter?

C: I consider your position justified and think that it should receive the support of all people who love peace.

M: Comrade Castro, I would like my final words to express my desire for you to be successful in your mission for peace.

C: I am very flattered, Mr. Minister, and for my part I wish you, too, to have the greatest success in obtaining the peace which the world so requires.

*Mr. Cole, Mr. Riddell - Mr. Black (Mr. Smith Legal)*  
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OTTAWA FILE No. <b>58676-40</b>
<b>91 / 91</b>
SECURITY CLASSIFICATION <b>SECRET</b>

Despatch No. ....  
Date.....January.7.,1954.....

FROM: THE AMBASSADOR, CANADIAN EMBASSY, RIO DE JANEIRO, BRAZIL.  
TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA  
Reference....Your Circular Document No. A-125/53 of October 26, 1953.....  
Subject:.....Communism in Brazil.....

The Brazilian Communist party was declared illegal in May 1947 and went underground. It still makes its voice heard and its influence felt but, because it is underground, it is difficult to assess its strength.

2. On paper, the communists appear to be weak in Brazil although the party is the largest in South America with a card-holding membership of probably 50,000. These, with sympathizers, fellow-travellers and co-workers, might constitute about 1% of the population - say 555,000.

3. The party has greater influence than the membership would indicate. It is potentially dangerous because it has a vigorous and efficient organization, quick to exploit popular grievances and political issues, which has made some progress in securing bridge-heads in the armed forces, the press, the trade unions, the civil service and other centres of influence.

4. The party is potentially dangerous, too, because there are conditions in Brazil that the communists can use to advantage. Millions are extremely poor, a handful extremely rich. Wages are low, and prices high, with inflation galloping along for years at a rate which often deprives workers of much of the benefits of wage increases before they can be made effective. There is corruption to some degree in most quarters. Political parties rely little on platforms and greatly on manoeuvre; and political groupings are generally the result of practical bargains, rarely of agreement on matters of principle. Some of the forces that stand for established law and order are weaker than their counter-parts in some other countries. The Roman Catholic church, to which the great majority of Brazilians belong, has nothing like the power of the church in Spain or Italy and it has failed on occasions rather sadly as a political force. It could not, for example, prevent the election of the Vice-President of the Republic, Café Filho, whom it opposed because he favoured divorce. The Federal and State Government institutions are open to capture by political coup. The anti-communist measures are not effective. Brazilian authorities do make some effort to uncover the party's activities but there is lack of coordination between Federal and State authorities and in general the work is sporadic and ineffective. An anti-communist crusade was launched last year by army officers, members of the clergy, press and the public, as we reported in our despatches Nos. 246 of April 14 and 417 of September 2, but the organization has not been able to do much. One of its activities was to litter the famed Copacabana Beach with anti-communist pamphlets dropped from an aeroplane. This is maybe as close to either the ground or the underground as the crusade is likely to get. The counter-measures have certainly not served to keep the party quiet; it owns two daily newspapers - one in Rio and one in São Paulo - which publish articles signed by the party leaders.

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5. However, the situation has probably been potentially revolutionary in Brazil for some fifty years but still the country has remained relatively quiet. The Brazilians are peaceful, patient and easygoing; and in the main politically indifferent. They are hard to reach and hard to rouse. Moreover, they Army, a strong supporter of the constitution, is a restraining influence, though the Army's role is a shade less clear today than in the past. For one reason, there has been some communist infiltration, about which we wrote in our despatches Nos. 238 of April 15, 1952 and 454 of October 1, 1952, paras. 16, 17 and 18.

6. The party organization, we are told, is loose and fluid with its policies directed by a national committee of about eight members, a number of whom are wanted by the police. Within the national committee there are an executive committee and an executive secretariat. The secretariat is the brain centre of the party. Below the national committee are the state committees and the Federal District metropolitan committee. Under the state committees are the municipal committees and where there are large industrial enterprises there are also committees "de empresa". Within the municipal committees are the cells, "district", "workers", "women", and "rural". The rural cells are sub-divided into district cells or "fazenda" (large farm) cells.

7. We know little about the party's finances. The indications are that it has sufficient money to carry on. It frequently holds fund-raising press campaigns. A 15-million cruzeiro campaign is just ended and the party is out after another five millions. Intimidating industrialists with threats of labour unrest is probably another source of revenue. The party may also receive subventions through the Polish and Czechoslovak missions in Rio de Janeiro. It is known that these missions receive propaganda material from abroad for distribution in Brazil (our despatches Nos. 318 of July 16, 1951, and 326 of July 23, 1951; and despatch No. 246 of April 14, 1952, para. 15).

8. Among the more prominent party leaders are:

Luiz Carlos Prestes	Secretary-General.
Diogenes Arruda Camara	Last reported to be organization secretary.
Roberto Moréna	Trade Union secretary.
Maurício Graboïs	"Masses" secretary.
João Amazonas	Party organization.
Pedro Pomar	
Agildo Barata	

There are warrants out for the arrest of Prestes, Graboïs and Amazonas.

9. Prestes, the secretary-general and official party leader, is an old time revolutionary. He was born in Porto Alegre in 1898 and graduated as a military engineer from the Realengro Military College, subsequently serving in Rio Grande do Sul. In 1924, he took part in the unsuccessful revolution in Rio Grande and after its failure led an 18,000-mile march of his "flying column" through the interior of Brazil. Then, he worked as an engineer in South America and visited Europe, including the Soviet Union, in 1931. He was imprisoned in Brazil for revolutionary activities in 1935 and released only in 1945. He was a Senator for the Federal District from 1946-47. He is now in hiding and has been variously reported as living in Rio, the State of Goiaz and Bolivia. The police are still searching for him but so ineffectually that some are led to think the government would be embarrassed if they found him, for fear further imprisonment might help Prestes and hurt the government. After all, after his last sentence he went from the jail to the Senate.

10. Roberto Moréna is at present the only member of the party in the federal congress. He was elected to the Chamber of Deputies in the last elections as a member of the Republic Labour party, and although he was expelled from that party in 1951 he still retains his seat. He was born of Spanish parents in 1902 in Rio, brought up in Spain where he fought against Franco. He later was trained as a communist agent in Russia, and has sin000309

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worked for the cause in Uruguay and Brazil.

11. Communist penetration in what is the most vulnerable area, the trade unions, received a severe check after the party was made illegal in 1947. The official syndicates were then purged and over a thousand communist or pro-communist trade union officials dismissed. The communists then tried to build up parallel but independent and illegal trade unions. These had very little success; most are now only a name. They are now endeavouring to have communists or fellow-travellers elected as officers of the official syndicates and their activities have been intensified since the appointment this summer of the demagogic João Goulart as Minister of Labour, many of whose activities play into their hands. With him, they urge workers to join the official syndicates, for the larger the syndicates the better their opportunities.

12. The party has also been active among rural workers, who are mostly unorganized, and has set up some agricultural workers' unions. Although the official trade unions are affiliated to the International Confederation of Free Trade Unions, the party has succeeded in having delegates sent to the World Federation of Trade Unions' meetings as unofficial "observers" with the alleged approval of the Minister of Labour. On that occasion the Minister said he had no power to stop the men from attending, and emphasized they were not delegated by the trade unions. Of the major trade unions, communists appear to be strongest at present in the maritime, textile, and metal working unions; but here, as elsewhere, they are impeded in their activities by the Brazilian labour laws.

13. As in most other countries, the party has succeeded in setting up various "front" organizations in different spheres which reflect communist thinking. Among these are the Union of Communist Youth (affiliated to the World Federation of Democratic Youth), the Brazilian Women's Federation (affiliated to the International Federation of Democratic Women), the Brazilian Association for the Defence of the Rights of Men, the Centre for the Defence and Study of Petroleum, the Brazilian Association of Democratic Jurists, and the Brazilian Partisans of Peace Movements.

14. The Brazilian Association of Democratic Jurists, which claims some important jurists as members, sent a delegation to Guatemala for the meeting of the "Second Continental Conference of Democratic Lawyers" last October. It was the Brazilian delegation that paved the way for the Guatemala meeting and took charge of all the preparations. We are told the communist press has not chosen to give much coverage to the activities of this organization.

15. The party has never lost an occasion to be represented at communist gatherings abroad. It was represented at the American Continental Congress for Peace (our despatch No. 63 of January 31, 1952), the Berlin Youth Festival (our despatch No. 437 of September 21, 1951), and the Guatemala Second Continental Conference of Democratic Lawyers, and others.

16. As for the press, there are two out-and-out communist newspapers - the "Imprensa Popular" in Rio and the "Notícias de Hoje" in São Paulo - and communist influence is fairly widespread among journalists.

17. In government, so far as we know, there is little direct communist influence. The late Minister of War, General Estilac Leal, was considered a fellow-traveller (our despatch No. 238 of April 15, 1952). It seems the army was infiltrated to some extent at that time for a group of pro-communist officers took over the Revista do Clube Militar, an important organ of army opinion and ran it openly on communist lines for some time before the protests of officers on the retired list led the President to intervene and replace the Minister of War.

18. The navy and airforce have adherents and on several occasions arrests and convictions were made (our despatch No. 454 of October 1, 1952, paras. 16, 17 and 18); but in comparison to the army their number is relatively small. The police do not appear to be much penetrated, except perhaps at the

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lowest levels. The civil service is apparently not penetrated to any extent though there are communist cells here and there. One was discovered in the Ministry of External Relations not so long ago, as we reported in our despatches Nos. 369 of July 29, 1952, and 126 of April 7, 1953, para. 2.

19. Communism has made considerable progress among intellectuals. Brazil's leading architect, Niemeyer, and leading painter, Portinari, are both communists. The party has gained important ground with Brazilian writers. The Brazilian Writers' Association is believed controlled by communists. Graciliano Ramos, who died recently, was well-known as a communist. Jorge Amado, who returned last year from Russia, is considered Brazil's leading communist writer. (Our despatch No. 307 of June 12, 1952, para. 17).

20. The communists are not, for all their efforts, a positive force in themselves. They failed to block the Military Pact with the United States. Their best effort recently was in the oil issue when their cry "The Oil is Ours" was enthusiastically adopted as the best of the current slogans by nationalists and the vote-hunters alike; and they fanned a fire, that was already lit. No one, not even the communists themselves, dreams for a moment that they could take over the government.

21. The communists recognize their weakness and are planning their campaign accordingly.

22. Party leaders in Brazil have been left fairly free to develop their own plans. They have not normally been required to adhere slavishly to the current Moscow line though of course they do not deviate very far from it and their leaders are in frequent contact with party leaders elsewhere. They have been opportunists and have skillfully varied their tactics.

23. In April of 1953, the communist newspaper of Rio, "Imprensa Popular" published a five-page policy directive from Prestes to the National Central Committee which follows the line laid down at the 19th Congress of the Communist Party of the Soviet Union. Prestes emphasized that the Soviet Union needs a period of peace to consolidate the gains it had made throughout the world. He urged that Brazil send no troops abroad, particularly to Korea; and that the army should be reduced.

24. Their aim at the moment is to broaden the base of the party, appealing to the mass of the workers by exploiting their discontent with their standard of living. At the same time they attempt to exalt nationalism to draw together with them all elements that oppose the foreigner and foreign "capital". Their attack here as elsewhere is directed first at the United States as a warmonger and as imperialistic. Any alliance with the United States, they say, leads to war while an alliance with the Soviet Union is the way to peace.

25. As immediate objective, they are endeavouring to have the party legalized in Brazil; and are supporting a campaign for the renewing of trade and diplomatic relations with Hungary, Roumania, Bulgaria and the Soviet Union. They are working hard to have Brazil send football teams to play behind the Iron Curtain, an effective way to establish contact because football is so dear to the hearts of the Brazilians that their defeat for the world championship by the Uruguayians was close to a national disaster.

26. In broad terms, the party seems to be following the system the communists used in Guatemala; to infiltrate into the fibre of the nation until Brazil comes without violence under communist domination.

*Samy Rere*

AMBASSADOR

000311

Subject Communism - Latin America

Date JAN 2 1954

Publication

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Please file on 50066-40  
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# CENTRAL AMERICA FEELS COMMUNIST PRESSURE

## But Party Seems to Have Little Success Except in Guatemala

By SYDNEY GRUSON

Special to THE NEW YORK TIMES.

MEXICO CITY, Jan. 2—A Ruiz Cortines, has indicated in his first year as President that Señor Aleman's policy toward the Communists will be continuing hold of Marxist ideology on the Government of Guatemala, the biggest and most heavily populated of the six Central American states.

Besides Guatemala, the Central American countries are El Salvador, Honduras, Nicaragua, Costa Rica and Panama. The Panamanians themselves do not consider their country part of Central America, but this is a matter of personal taste rather than a fact of politics, history or culture. Whatever happens in Central America must in the long run affect Panama and vice versa.

Despite the fact that Mexico is not part of the region either, no assessment of communism's strength in Central America would be complete without considering the part played by the Mexican Communist party. It is the biggest of the Latin-American Communist parties with possibly 30,000 members, ample financial resources and good organization.

It has always been suspected that Mexico is the headquarters for Communist activities in the part of Latin America north of the Panama Canal. The Mexico City newspaper Excelsior recently printed a series of stories and charts to show that Communist strings throughout the Western Hemisphere led back to the Soviet Embassy in this city. But there are very few known facts to support what are basically only suspicions.

Communism in Mexico has received severe setbacks during the last eight years. It was once powerful in the country's labor unions. For a time it was the most potent and influential voice among Mexico's Leftist intellectuals. But President Miguel Aleman, who held office from 1946 to 1952, gradually worked the Communists out of control of the unions. In the last year of his administration he broke openly with Vicente Lombardo Toledano, who is generally recognized here as the Communists' No. 1 spokesman, though he operates behind the facade of a political group known as the Popular party.

### Weak and Scattered

Today the Communists of Mexico are a weak, scattered group. Señor Aleman's successor, Adolfo

But Mexican Communist headquarters, so far as investigators can discover, remains a source of funds and advice for the Guatemala party. The funds are believed to be channeled through Señor Lombardo Toledano's Labor Federation, which is affiliated with the Communist-controlled World Federation of Trade Unions.

Outside of Guatemala, where they have become the most important political party, the Communists of Central America are weak, both in numbers and in organization. Nicaragua, El Salvador and Honduras have outlawed them, and in Costa Rica, where they are a legal political group, their most hated enemy, José Figueres, is President and unlikely to afford them much opportunity for mischief.

Many people are surprised that the Communists should have had such great success in Guatemala and fared so badly elsewhere in the region. Costa Rica is almost a wholly white country, but except for this difference Central America is basically a homogeneous region with similar peoples, economies and social structures.

There are a few rich in each of the five countries and too many poor. All five depend almost completely on agriculture, and except for Nicaragua, which has succeeded to a small extent in diversification, agriculture means coffee or bananas—sometimes both, but never much else.

### Public Apathy

The great masses of people of the region are not concerned over communism or, in fact, any other ideology, including democracy, as it is understood by the Western world. They are so poor that the problems of feeding and housing occupy all their time. Except in Costa Rica, where the literacy rate is higher than in the United States, few get more than the most elementary education.

For Communism to flourish in Central America it must capture the Government by infiltration. It does not have the popular support for a revolution by the

masses. Nor does it have the Army elite to bring off the kind of coup so familiar to all of Latin America.

With communism defeated in Mexico, there is no discernible danger of its ascent to power anywhere in Central America except Guatemala. The situation, country by country, is this:

### GUATEMALA

Guatemala, actually, has proved no better a breeding ground for communism than the other Central American republics. The Communists there have won no popular support. However, they have succeeded in capturing the Administration, and this is enough in Central America.

The Communists have taken over the labor unions and, what is more important during this period of land reform, the Campesinos (farmers) Federation. They have a major voice in the Government-sponsored newspapers and in the dissemination of radio news. They control the major committees of Congress and their sympathizers appear to boss the two major non-Communist Government parties.

Altogether there are probably no more than 500 party members, but so long as President Jacobo Arbenz Guzman permits their dominance over the unions and does nothing to check their infiltration of the political parties these numbers mean nothing.

They will probably gain ground in 1954 because of the political opposition's complete collapse and the Communists' ability to portray themselves as the only ones interested in the advancement of the peasant masses. This becomes easier for them the more they take over the machinery for land reform.

The only hopeful factor is the Army. The Communists have made no significant gains in enlisting important Army officers on their side. A few officers on the inactive list, obviously sniffing the political winds, have made cautious gestures toward the Communists, but the officers' corps, according to all available evidence, has remained free of politics.

At the moment there is no sign that the Army's rulers are overly concerned about the situation. This could change overnight, but it would not be wise to count on it.

### SALVADOR

The memories of the bloody events of 1932 are still too fresh in most Salvadorian minds to permit the Communists to win over any sizable following. The former dictator, Maximiliano Hernandez Martinez, put down a Communist-inspired rising by back-country Indians at the cost of an estimated 16,000 to 20,000 lives.

The party is outlawed and there is a minimum of trade union organization permitted in commerce and industry. No un-

ions are allowed in agriculture, in which the great mass of the country is engaged. There is little opportunity for the Communists to operate and the Government is trying to see that they get none. A vigorous urban and agricultural workers' housing program is under way and the benefits of a booming coffee economy are seeping down increasingly to the poorest classes.

Communist agitation appears to be confined to a part of the student body of the university in the capital, San Salvador. But even this is sporadic and amateurish.

### HONDURAS

The danger in Honduras is that the Liberal party, which seems to be heading back to power after twenty years out of office, will continue to permit Communist infiltration. Among many Liberals there is a naive belief that since the Communists are outlawed they do not exist and thus no infiltration is possible.

However, the bulk of the Liberal party is firmly anti-Communist and most of its leaders are convinced that they can control the Communists while they bring about sorely needed social and labor reforms. Under the present National party Government the Communists have been effectively suppressed. So has non-Communist labor, however, and one of the Liberal party's major promises in the Presidential campaign now under way is to permit trade unions.

There is an overabundance of land in Honduras, and where the land is sufficient for all it is difficult for the Communists to attract the discontented to their banner.

### NICARAGUA

President Anastasio Somoza is virtually a law unto himself. The general has decreed that Communists will not be tolerated. They are not. There is less talk of communism and less Communist agitation in Nicaragua than anywhere else in Central America. So long as the general is on the political scene—and there is no sign that he intends to leave in the near future—it is a safe bet that there will be no Communist problem. There probably will not be much democracy either.

### COSTA RICA

The Communists are a legal party in Costa Rica, with some influence among the banana workers and in one or two other unions. But their numbers are small and they have to contend with President José Figueres, who broke with them in 1948.

As a result, the Communists have thrown in their lot with the followers of the exiled Rightist President, Calderon Guardia. President Figueres' National Liberation party won a two-victory in the recent elections, however. The country has shown

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## DEPARTMENT OF EXTERNAL AFFAIRS

Subject.....

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that where the mass of the people is offered the same advantages by a democratic party as by the Communists, it will choose the former.

### PANAMA.

President Jose R. Remon successfully maneuvered a bill through Congress recently outlawing Communists in Panama. The party has been seriously weakened during the past year by internal feuds. Observers who only a year ago considered it a serious threat to the Panama Canal now believe that the combination of harassment by Remon's police and intraparty feuding have destroyed its immediate effectiveness.

However, it is recognized that the party's unity could be decreed from outside if necessary. The necessity would arise, it is believed, in the event of war between Russia and the West when sabotage of the Panama Canal might be a major Communist military operation.

~~Mr. Carter~~  
~~Mr. Robb~~  
x Register  
File Please

Montreal Mat.  
le 30 déc. 1953

58066-40

## Le communisme en Amérique latine

Que le communisme cherche actuellement à s'implanter en Amérique latine, il n'y a aucun doute à cela. Qu'il y remporte également certains succès, les événements le démontrent.

Il y a quelques jours, M. Spruille Braden, ancien sous-secrétaire d'Etat américain, déclarait que les Etats-Unis perdraient peut-être l'Amérique latine aux mains des communistes comme ils ont déjà perdu la Chine.

Se montrait-il alors trop pessimiste? Exagérerait-il la gravité de la menace communiste en Amérique du Sud? Ce n'est pas impossible. Mais on ne saurait sûrement rejeter entièrement l'avertissement qu'il donne.

M. Braden soutient que la pénétration communiste a atteint, dans certains pays du Sud, des proportions telles qu'en toute vraisemblance elle pourrait paralyser la production et le transport des matières stratégiques, vitales à la défense de l'Amérique, advenant une troisième guerre mondiale.

A son avis, les Etats-Unis auraient pu éviter, partiellement du moins, une telle situation. Mais le Secrétaire d'Etat, soutient-il — et il ne semble pas qu'il ait complètement tort — comptait trop de socialistes ou de gens aux tendances communistes pour que l'on puisse se soucier des progrès du communisme dans le Sud et pour qu'on s'occupe de les entraver.

Washington ne peut évidemment pas intervenir dans les affaires nationales des pays d'Amérique latine mais, en maintes circonstances, il est facile pour lui de suggérer une attitude ou de prodiguer un encouragement. Vraisemblablement, on a négligé de le faire.

On a souvent parlé d'un complot de Moscou pour détruire les Etats-Unis en diffusant le communisme dans tout le reste de l'hémisphère. Il n'est pas facile de s'attaquer aux Etats-Unis de façon directe, mais en passant par le sud, on croit pouvoir obtenir des résultats étonnants. Et qui sait si, un jour, le Sud devenant entièrement communiste, les Etats-Unis ne se trouveraient pas, tout d'abord dans l'impossibilité de venir en aide en Europe, et ensuite en grave péril avec de tels voisins.

Les Etats-Unis, comme le Canada, n'ont aucun intérêt à voir le communisme s'étendre davantage en Amérique du Sud. On est souvent porté à croire que le communisme ne peut nous venir que d'Asie ou d'Europe, ou encore du Nord, par le pôle, sous forme d'une invasion militaire. Ne devrait-on pas tourner davantage nos regards vers le Sud?

DEPARTMENT OF EXTERNAL AFFAIRS

Subject Guatemala

DEC 27 1953

Date \_\_\_\_\_ Publication \_\_\_\_\_

N. Y. TIMES

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50066-H0  
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## PRAYDA COMMENDS GUATEMALA REGIME

Calls Red-Backed Government  
a Bulwark in Fight Against  
American Imperialism

Moscow's Communist party newspaper Pravda has declared its full support of the Government of Guatemala, according to The Associated Press. Guatemala has been under attack by United States officials as Communist-dominated.

Referring to "progressive measures of the Guatemalan Government," copies of Pravda reaching here warned that the Central American country was "not alone" in its "struggle for independence" against "American imperialism."

John Moors Cabot, Assistant Secretary of State for Inter-American Affairs, said last October that Guatemala was "openly playing the Communist game." A few days later, Senator Alexander Wiley (Republican of Wisconsin) said that "communism has established a strong beachhead in Guatemala."

President Jacobo Arbenz Guzman has denied charges that his Government is Communist or encourages communism. Foreign observers there generally concede that Señor Arbenz, a Leftist, and most of his Government are not Communists but they insist that the Communists play a dominant role in the country, controlling the Confederation of Labor, the Government radio and newspapers and the social security system.

Guatemala has expropriated about 40,000 acres of land formerly owned by the American-controlled United Fruit Company. A move applauded by Pravda. The State Department last September protested that Señor Arbenz' Government was violating international law in not providing sufficient compensation to the company for the lands.

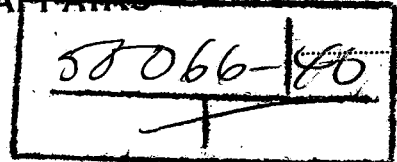
Pravda predicted that "imperialists and their lackeys in Central America" might make new efforts "open intervention in Guatemala" in the coming months.

"The intrigues of reactionaries at the present time against Guatemala are being intensified," it added. "The press of the United States is openly inciting to armed intervention against Guatemala. In this it makes use of the false thesis that the democratic regime in Guatemala allegedly 'threatens peace and security on the American continent.'"

The paper said: "However, the people of Guatemala, notwithstanding its smallness, realizes its strength, realizes that it is not alone. On its side is the sympathy of all peoples of the world, the growing forces of the warriors for democracy and peace."

OK  
PRESS CLIPPING SERVICE  
MAR 2 1954

DEPARTMENT OF EXTERNAL AFFAIRS



Subject.....

Date *Dec. 23, 1953* Publication *Montreal Star*

OK  
PRESS CLIPPING SERVICE  
DEPARTMENT OF EXTERNAL AFFAIRS

OK > JAN 7 1954

## U.S. Diplomats Draw Censure

### Losing Ground to Reds In Latin America

NEW YORK — Dec. 23 — (AP) — Spruille Braden, a former assistant Secretary of State, said yesterday that the United States may yet lose Latin America to the Communists "as we did China."

Listing two countries as already under Soviet influence, L. Braden said:

"Communist penetration in the remaining countries to the south of us has reached such proportions as would, in all likelihood, cripple the production and transportation of strategic materials which would be vital for the defence of America in the event of a Third World War."

Braden, who had a long diplomatic career in South America under Presidents Roosevelt and Truman, was a witness before the Senate's internal security sub-committee.

He charged that a "swarm" of relatively new officials, many with "Communist or Socialistic inclinations," have replaced "career men of integrity and intelligence" in the State Department.

"He said the career men have been let go for economy reasons."

"Disasters and difficulties have resulted," Braden said, counselling the Senate probers to look into "the Moscow-inspired conspiracy to destroy our country by spreading Communism through the rest of this hemisphere."

"This undermining of our national security has been countenanced and even at times abetted by our own government," he added.

Braden, who resigned as assistant Secretary of State for Latin America in 1947, had formerly been ambassador to Cuba and Argentina. He frequently was at odds with Juan Peron, the Argentine president, which brought an anti-United States campaign in that country.



NUMBERED LETTER

TO: THE CANADIAN EMBASSY;  
WASHINGTON, D.C.  
FROM: THE UNDER-SECRETARY OF STATE FOR  
EXTERNAL AFFAIRS, OTTAWA, CANADA.  
Reference:  
Subject: Communism in Guatemala

Security: Restricted  
No. 1499  
Date: December 22, 1953  
Enclosures:  
Air or Surface Mail:  
Post File No:  
Ottawa File No.  
50066-40  
46 46

References

In the December 21st issue of "Time" magazine reference was made to a booklet entitled "Communism versus Progress in Guatemala" which has just been published in Washington by the National Planning Association.

2. I should be grateful if you would endeavour to obtain two copies of this booklet and send them to the Department. It would be most helpful if you could also send me any information you may have on the National Planning Association and on the reliability of their report on Communism in Guatemala.

(Signed) E. A. COTE

Acting Under-Secretary of State  
for External Affairs.

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DESPATCH

CONFIDENTIAL

TO: THE SECRETARY OF STATE FOR  
EXTERNAL AFFAIRS, OTTAWA, CANADA.

FROM: The Canadian Ambassador, .....

Canadian Embassy, Havana, Cuba, .....

Reference: .....

Subject: General Developments in Cuba during

October and November, 1953: .....

Security: .....

D-357

No: .....

December 18, 1953

Date: .....

Enclosures: .....

Air or Surface Mail: .....

Post File No: .....

Ottawa File No.

57066-40

References

I. POLITICS

October and November brought a return to "normal" government as provided by the Constitutional Statutes and the initial steps toward the holding of presidential elections on November 1, 1954. Despite the efforts of government spokesmen to convince their compatriots that Cuba was now enjoying a balmy electoral climate, a number of clouds still hovered obstinately on the horizon -- the Public Order Law reminded one that there were limits to what could be said with safety, the major opposition groups still refused to participate in the preparations for elections and reports of mysterious explosions and killings appeared almost daily in the press alongside rumours of impending revolution.

2. The trial of people charged in connection with the uprising in Santiago de Cuba on July 26 finished in the first week of October. Of approximately 100 who were tried, only 29 received prison sentences. Dr. Fidel Castro, the confessed organizer and leader of the insurrection, received a 15 year sentence. Four were sentenced to 13 years in prison and 19 more to 10 years. On October 21 the Havana University students, who had been arrested a month earlier for possession of arms which the police found in the university, were acquitted because it could not be shown that the arms belonged to the particular students against whom charges were laid.

3. Three days later, on October 24, General Batista announced to a large gathering of newspapermen at the Presidential Palace that the 90 day period of suspension of constitutional guarantees had elapsed and that consequently the Constitutional Statutes were once more fully in effect. By coincidence October 24 is celebrated in Cuba as Journalists' Day. Batista, who was in excellent form, made the most of it. He told the assembled newspapermen that no one was a better friend of the press than he nor did anyone deplore more greatly the imposition of censorship, which was unfortunately essential to preserve public order. He then

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circulated that he had in fact been tortured by the police in an effort to learn where Sanchez Arango was. The second item was a report in the Miami "Herald" that the Cuban armed forces had been placed on the alert in anticipation of an invasion or uprising within the country. These incidents were merely minor skirmishes in the war of nerves which will undoubtedly continue for some time to come. Fortunately they make little direct impact on those who are not immediately concerned with them but they do serve as a reminder that trouble could break out again at any time.

## II. COMMUNISM

12. On October 30 Batista's Government finally took the plunge and declared communist activity in Cuba to be illegal. A copy of the relevant law decree, No. 1170, is attached in case you are interested in its exact terms. The preamble states that the action was taken to implement agreements reached at the Bogota Conference in 1948 and the 1951 Meeting of Foreign Ministers in Washington and also because Article 37 of the Constitutional Statutes of Cuba declares unlawful organizations "contrary to the régime of democratic government of the Republic or which are a threat to national sovereignty".

13. Communist activity had been in abeyance since July 26, when constitutional guarantees were suspended and the publication of "Hoy" and "La Ultima Hora" was prohibited. The publication of Law Decree No. 1170 coincided with the restoration of constitutional guarantees and was obviously timed to perpetuate the existing situation. No doubt the impending OAS meeting in Caracas entered into the government's decision to confirm the suppression of communist activity -- Cuban orators there will certainly refer to it in the general debate on communism. Batista also no doubt wished to counteract the accusations of Ex-President Prio, which have been published in the United States, that he has always collaborated with the communists and still does. As we have pointed out before, Batista is sensitive to what the United States press says about him.

14. Apart from suppressing communist organizations, the most important of which are the political party (PSP) and the publications "Hoy" and "La Ultima Hora", the government has not so far taken any active steps against the communists.

## III. ECONOMIC

15. The Cubans remained reasonably optimistic concerning their immediate economic future following the negotiation in August of the World Sugar Agreement. While the economy was still operating well below last year's levels, most observers spoke of a continuing adjustment rather than of a recession. Indeed economic activity appears to have levelled off and even to have strengthened in some respects, as far as one can tell without the figures for the last four months. The price of sugar on the world market caused some concern in September and October when it fell to around 3.10 cents a pound, well below the minimum of 3.25 cents a pound agreed on in London. However in November the price suddenly rose to around 3.30 cents a pound and remained steady there. The Sugar Council at its meeting in London in mid-December may therefore not have to reduce the export quotas for 1954 below those established in the Agreement. One writer recently forecast that during 1954 Cuba would be able to sell a total

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legislation to encourage foreign investors, who are frequently discouraged to learn that they have little control over the promotion of employees and less over their dismissal. On that date the local United Press correspondent published an article stating that "the government is seriously studying drastic changes in the national social and labour legislation in order to encourage foreign investment in Cuba". This produced an immediate reaction from both Mujal and Batista. Mujal admitted that present labour legislation needed to be revised but emphasized that this was only possible in full consultation with the CTC. He also claimed that his active awareness of the necessity for increased investment in Cuba was demonstrated by the interviews which he had with industrialists in the United States last summer. Batista for his part was quick to deny that the government was considering radical changes in the labour law. He admitted that the government was studying measures to encourage the investment of capital but emphasized that these must have "the co-operation of the workers themselves and of management".

22. It is too soon to know how this will develop and there is a real danger that the premature revelation of what the government was doing may retard its efforts. However, a development during November may indicate a genuine willingness on the part of labour to co-operate in the establishment of new capital here. On November 24 the culinary workers signed a contract with Hilton Hotels International to contribute a large sum from their retirement fund toward the construction of a new \$10 million Havana Hilton Hotel. The signing ceremony was attended by leading government and labour officials. Afterwards Conrad Hilton was received by General Batista and Mujal issued a statement giving the hotel the unqualified support of the CTC. He called on the workers in the hotel to give a fair day's labour for a fair day's pay, adding that they would benefit if the hotel was successful and that the success of Cuba's economy depended on co-operation between the government, capital and labour. This project, which is unique in Cuba, will bear watching.

## V. INTERNATIONAL

### OAS

23. There has as yet been little public comment in Cuba on the approaching OAS Conference in Caracas. The proposal by the United States Government that communism be included on the agenda was however followed by a statement on October 16 by the Cuban Minister of State endorsing the item and affirming the opposition of his government to communist activity in the Western Hemisphere. We have already commented on this statement in despatch D-327 of November 20, pointing out the role which the United States Embassy here played in its preparation and its relation to events in British Guiana.

### United States

24. The new United States Ambassador, Mr. Arthur Gardner, arrived in Havana on October 5 and presented his credentials to President Batista on October 16. He was described in the press release issued by the United States Embassy as "a dollar a year man" with the War Production Board in Washington during World War II and as an industrialist by profession -- he is a Vice-President of the Bundy Tubing Company of Detroit, which makes small-diameter tubing for the fuel systems of automobiles and airplanes, and is a long-time friend of President

ANNEX A

Law-Decree No. 1170

I, Fulgencio Batista y Zaldivar, President of the Republic of Cuba,

Make Known; That the Council of Ministers has approved and I have sanctioned the following:

Whereas: At the Ninth International American Conference held in Bogota in 1948, the Republics represented therein agreed to adopt within their respective territories and in accordance with the Constitutions of the respective States, the necessary measures to prevent the interfering political action of international communism, which, assisted and instigated by foreign Governments, organizations or individuals, tends to subvert the political social order and to destroy the solidarity of the peoples of America.

Whereas: Resolution Eight, regarding the strengthening of internal security, adopted by the IV Meeting of Consultation of Foreign Ministers, held in Washington in 1951, declared that as a complement to the measures of mutual cooperation to assure the collective defense and economic and social welfare of the people, on which the strength of political institutions is dependent to such a large degree, it is necessary to adopt measures of internal security to counteract the intermeddling and subversive action of international communism.

Whereas: Paragraph second of Article 37 of the Constitutional Law of the Republic declares unlawful the formation and existence of organizations contrary to the regime of democratic government of the Republic or which are a threat to national sovereignty, and for this purpose the powers appearing in the Fourth Transitory Provision, Title Fourth, of the Constitutional Law, are conferred on the Minister of Interior.

Therefore: In exercise of the authority conferred upon it by the Constitutional Law of the Republic, the Council of Ministers resolves to enact the following,

Law-Decree No. 1170

Article I.- The intermeddling political action of international communism is hereby declared unlawful as a threat to the regime of democratic government of the Republic and to full national sovereignty, and, in consequence, pursuant to Article 37 of the Constitutional Law of the Republic, organizations, whether or not constituted as corporate persons, and regardless of the nature of their organization if so constituted, which aid or abet or which have been aiding or abetting, in Cuba, such intermeddling political action of international communism, are hereby declared prohibited.

Article II.- The Minister of Interior, in exercise of the authority conferred on him by the Fourth Transitory Provision, Title Fourth, of the Constitutional Law of the Republic and other laws in force, shall decree such measures as may be necessary for the purposes provided in the preceding Article, and in any event shall decree the suspension of all the activities of the organizations referred to in this Law-Decree or shall provide for the intervention thereof by a delegate appointed by him.

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Article III.- All laws and provisions in conflict with this Law-Decree are hereby repealed, and this Law-Decree will become effective upon publication in the Official Gazette of the Republic.

Therefore: I order that this Law-Decree be enforced and executed.

Given in the Presidential Palace, in Havana, on the 30th day of October, 1953.

(Sgd.) Fulgencio Batista

Ramon O. Hermida  
Minister of Interior.

NUMBERED LETTER

TO THE UNDER-SECRETARY OF STATE FOR  
EXTERNAL AFFAIRS, OTTAWA, CANADA.

FROM: The Canadian Embassy, Washington, DC, ...  
U.S.A. ....

Reference: Our letter No. 1664 of August 24, ...  
1953.

Subject: Dr. Milton-Eisenhower's Report on the ...  
United States-Latin American Relations, ...  
.....

Security: RESTRICTED

No: 2394

Date: December 14, 1953, .....

Enclosures: .....

Air or Surface Mail: .....

Post File No: .....

Ottawa File No.

50066-40

References

Shortly after his return from a goodwill mission to South America, Dr. Milton Eisenhower presented to the President a preliminary report on United States-South American relations in which he outlined some of the problems of the countries he visited and stressed the need for better understanding, closer and more friendly relations between the United States and Latin American peoples. He also put forward in general terms some recommendations designed to meet these goals. We reported in our letter No. 1664 of August 24 these recommendations, together with the comments made to Mr. Pierce by Mr. Cabot on the goodwill mission in which he had participated.

2. After two months and a half of conferences with top Government officials and United States leaders, Dr. Eisenhower submitted to the President on November 18, 1953, an extensive report which constitutes a major paper on economic problems of South America. The report also contains detailed conclusions and imaginative and practical recommendations. President Eisenhower announced on November 19, 1953, that he had requested his brother, Dr. Eisenhower, to continue to make available to the Government his services and council in the field of American relations.

3. One of the basic concepts of Dr. Eisenhower's report is the degree of economic, military and cultural interdependence already reached in inter-American relations. If the economic dependence of Latin American countries on the United States is well known to the American republics, the counterpart tends to be forgotten. Dr. Eisenhower points out to the findings of the report of President Truman's Materials Policy Commission to show the increasing dependence of the United States on imported raw materials, a large part of which have to come from South America. Dr. Eisenhower notes in his report the growth in population and in economic power of the South American Republics, and remarks that the physical growth has been accompanied by a growth of ultra-nationalism and anti-United States feelings. "Abiding co-operation among nations towards common goals", he says, "must be based on genuine understanding and mutual respect; economic co-operation and military co-operation may break down

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Under the strength of crises unless there is much more than superficial understanding of one another's problems and aspirations.

4. Regarding what should be done by South American countries, with the assistance of the United States, to promote their well-balanced economic development, Dr. Eisenhower mentions first the urgency of an increase in agricultural production, development of transportation is the paramount need in most of the Latin-American countries". In Dr. Eisenhower's economic hierarchy for South America, the need for power and fuel comes right after transportation, and the need for new industries, which has been over-emphasized in some countries, comes the last.

5. Dr. Eisenhower takes advantage of the objective character of his review of the economic needs of South America to recall to South American countries that inflation has often distorted their economic development and disturbed their living standards; he strongly advocates an "honest money" policy. The threat of inflation should be dealt with by individual governments if the economy of their countries is to be prosperous and able to take full advantage of United States assistance. Dr. Eisenhower criticizes some South American countries for demanding loans and assistance from the United States while they are prompting "creeping expropriations".

6. The report contains two series of recommendations concerning, respectively, the strengthening of understanding and mutual respect, and the strengthening of economic co-operation. Dr. Eisenhower specifies in part 5 that, since the other four members of his special mission are officers of the Federal Government, and may therefore make their convictions known, the section of his report containing his conclusions reflect his personal views. The fact that the Assistant Secretary of the Treasury, the Assistant Secretary of Commerce, and the Deputy Director of the Office of South American Affairs have contributed to the preparation of the report, gives, nevertheless, to its recommendations a greater weight and a much greater chance of being implemented. A State Department Policy Information Statement issued on November 16, states that "Dr. Eisenhower's report having received the approval of the President, will be regarded as a statement of the Administration's policies and views in Latin America."

#### Conversation with Mr. Cabot

7. An officer of this Embassy saw Mr. Cabot last week and discussed with him some of the points contained in Dr. Eisenhower's report. For obvious reasons, said Mr. Cabot, the political side has not been expressed very fully in the report. Political memoranda are being prepared on each individual country, and will be used for the guidance of the United States mission in implementing those of the recommendations of Dr. Eisenhower that do not require legislation.

8. With respect to Communism in South America Mr. Cabot, in the course of the conversation, drew a distinction between the position in Guatemala where the Government, although not Communist itself, is deliberately playing the part of a "fellow traveller"; and on the other hand, the other Republics in many of which the Governments were infiltrated, but were not Communist in sympathy. We reported in our letter No. 1664 of August 24, 1953, Mr. Cabot's comments on the situation in Bolivia. Mr. Cabot believes that the Bolivian Government belongs to the second category. 000324



- 3 -

.. Mr. Cabot made also the remark that Latin Americans were obsessed with their own problems, and saw the world struggle as somewhat remote. He suggested that the attitude of South Americans towards Europe was comparable to that of the United States about 1890. As a result of this conception, they were doing little to build up their defence forces and could withstand only small attacks. They rely mainly on the various agreements with the United States to give them protection in case of major attacks.

(Sgd.) D.V. LePan

for the Embassy



1953 DEC 23 PM 4:53

RECEIVED  
THE SECRETARY OF DEFENSE  
WASHINGTON, D.C.  
DECEMBER 23, 1953  
FROM: [illegible]  
SUBJECT: [illegible]

RE: [illegible]  
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## DEPARTMENT OF EXTERNAL AFFAIRS

Subject.....

Date *Nov-24-1953* Publication *Ultimas Noticias*

(A)

### Quiénes Acompañaron a Lombardo al Congresito

Se nos Proporciona la Lista de los que Piden paz y no la dan

Se conoce ya la lista de las personas que acompañaron al licenciado Lombardo Toledano al congreso de la Federación Sindical Mundial (comunista), celebrado recientemente en Viena.

Ricardo Mendoza, especialista en el estudio del movimiento comunista, señaló a UN quiénes eran los que se hicieron pasar en Viena por representantes de los sindicatos mexicanos y latinoamericanos; la propia esposa de Lombardo, que se dijo delegada de la Universidad Obrera; Dolores Zárate y Macrina Rabadán, la primera diz que representante del Crédito Ejidal de La Laguna, y la segunda por los ejidatarios de Chihuahua, a pesar de que hace poco se presentó como candidata a diputado local por el PP, en Guerrero.

Entre los hombres estaban Antonio García Moreno y Leopoldo Ancona, del Sindicato General de Obreros y Campesinos de México; Mario Mota Guerrero y Salvador Lemus Fernández, por el

Sindicato Nacional de Maestros; el licenciado Alfonso Sánchez Díaz, Emilio Chávez y Carlos Vázquez Orozco, diz que por los obreros del cartón, de burócratas y de la sección 3 de ferrocarrileros, respectivamente. También fueron los campesinos J. Aguilera, Vidal Venegas, José Vázquez, Lino Chaires, Ismael Hernández Alcalá, Vicente Padilla Hernández y Antonio Pereda Cano.

Por otra parte, un reducido grupo de exiliados españoles, que se autodesignan representantes de la UGT (pues la UGT en realidad está afiliada a la Confederación de Sindicatos Libres), fueron en número de siete a Viena, a disfrutar de las vacaciones pagadas. Entre ellos figuran Amado del Rosal, Saturnino Gimeno y Manuel Rivas.

Entre otras cosas que acordó el congreso de Viena está la orden de proponer la unidad sindical a toda costa, con el fin de que los comunistas puedan infil-

trarse en otras organizaciones sindicales y dominarlas o, si no lo logran, destruirlas desde dentro. Naturalmente, esto no se dijo con tales palabras, pero el acuerdo es en tal sentido.

## DEPARTMENT OF EXTERNAL AFFAIRS

Subject.....

Date 11.11.21-1953 Publication *Popular*

# Elogió Lombardo la valiosa cooperación de Véjar Vázquez en el Partido Popular

No le decimos al licenciado Octavio Véjar Vázquez adiós, sino hasta luego y gracias por su valiosa cooperación en el Partido Popular, expresó Vicente Lombardo Toledano en el emocionado discurso con que ofreció el homenaje que el Comité Nacional del PP rindió al que durante los últimos dos años fuera su Presidente interino.

La comida, celebrada el jueves anterior, se llevó a cabo en

un ambiente de gran cordialidad, estando presentes los más altos dirigentes del Partido Popular y los miembros destacados de ese organismo.

En su discurso, Lombardo Toledano hizo un elogio de la actividad del licenciado Véjar Vázquez desde que se iniciaron los trabajos para la constitución del Partido Popular, recordando que fué uno de los miembros del Comité Nacional Coordinador que visitó las principales regiones del país, llevando su voz al pueblo para invitarlo, no a entrar a un partido, sino a crearlo.

Esta fué su primera gran y

valiosa cooperación; después participó activamente en la Asamblea Constituyente, fué uno de los más destacados elementos que intervinieron en la Asamblea de Programa y en la construcción definitiva del Partido. En la tercera etapa, el PP contó también con su valiosa colaboración en el estudio, discusión y acuerdo sobre los más importantes problemas del país. Finalmente,

cuando la Asamblea Nacional decidió luchar con un candidato propio a la Presidencia de la República, el licenciado Véjar Vázquez asumió la presidencia interina del Partido Popular.

He recordado esto, dijo, no porque se haya olvidado tan valiosa y fructífera actuación, sino para declarar que nuestro compañero Octavio Véjar Vázquez fué, desde el principio, siguió siendo y es hasta hoy, uno de los elementos más destacados en el seno de nuestro partido.

Los años que vienen serán de lucha ruda, difícil, pero también de victorias indiscutibles, de nuevos éxitos y tal vez de triunfos mayores. Y yo sé que, aun cuando alejado de nuestra organización, Véjar Vázquez seguirá con interés el desarrollo de nuestra actividad y habrá de regocijarse con las victorias nuestras y con el desarrollo de la vida democrática de México. Su retiro no significa el abandono de sus inquietudes por México, ni de los propósitos de mejoramiento de nuestro pueblo, como profesionista y jefe del Ejército.

Por fortuna, en nuestro medio, gracias al sacrificio del pueblo, el Ejército es entre nosotros una institución ligada al pueblo y si en determinados momentos ha perdido su contacto con éste, pasado ese período ha vuelto a su interés por los problemas del país.

Creo interpretar, expresó finalmente, no sólo el pensamiento de los que estamos aquí, sino de todos los miembros, simpatizantes y amigos del Partido Popular, si le digo, compañero Véjar Vázquez, que sentimos su ausencia pero comprendemos esas circunstancias y que no sólo hemos contado en usted con uno de los mejores militantes, sino que seguiremos contándolo como un miembro del Partido Popular y un partido que vivirá siempre para ayudar a la autonomía verdadera de nuestra patria.

Terminó sellando con un abrazo sus palabras.

Visiblemente emocionado, el licenciado Véjar Vázquez expresó que estaban quienes forman el PP, reunidos hace muchos años ideológicamente a través de un programa tan seductor como el del Partido Popular, pero unidos también cordialmente durante seis años de trabajar juntos.

Muchos días de tarea creadora y muchos de áspera lucha. La generosidad de nuestros correligionarios ha llegado al sacrificio de sus vidas, teniendo de sangre la vida del PP. En esos seis años, se ha ido formando en el corazón un grueso sedimento afectivo.

Al lado de ustedes, agregó, he vivido lleno de consideraciones. Desde Vicente Lombardo Toledano, figura de gran relieve en la vida de nuestro país, hasta el último de los miembros del Partido, me han colmado de atenciones y ahora, cuando a virtud de una reforma a la Ley Electoral y de una absolución en el proceso que se me seguía, me veo obligado a separarme, puedo recordando las palabras de Lombardo Toledano, decir que si dejara subir a mis labios lo que siento, podría afirmar que a cada uno de ustedes les doy la despedida del gitano: y no te digo adiós, porque te vas conmigo.

Largos aplausos acogieron estas palabras del licenciado Véjar, acercándose muchos de los presentes a abrazarlo con

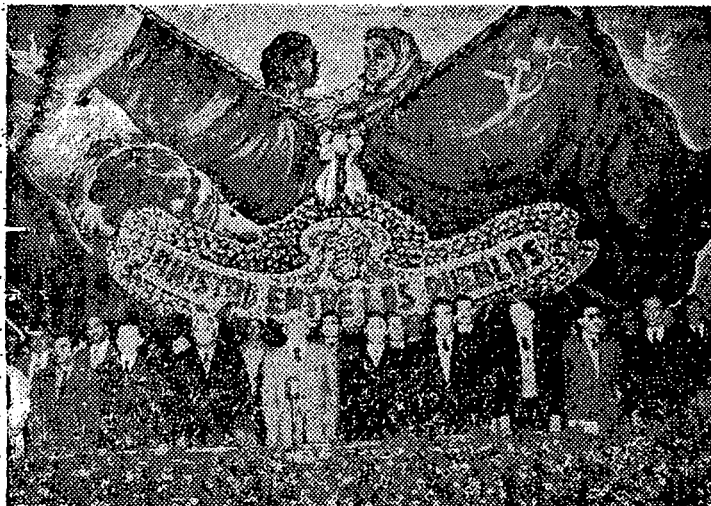
000329

DEPARTMENT OF EXTERNAL AFFAIRS

# Los Comunistas de México Celebraron

Subject el Aniversario de la Revuelta Roja

Date.....



**MITIN COMUNISTA.** La flór y nata del Partido Comunista y la Sociedad de Amigos de la URSS celebraron ayer en la mañana un mitin en el teatro Iris para conmemorar el XXXVI aniversario de la revolución socialista de octubre. El acto fué presidido por el consejero de la embajada rusa Mijail Cherkasov, el general Heriberto Jara, Vicente Lombardo Toledano, Dionisio Encina y otros miembros del partido rojo.

Los comunistas de la Sociedad de Amigos de la URSS, celebraron ayer con un mitin en el teatro Iris, el XXXVI aniversario de la revolución soviética y lanzaron las consabidas andanadas contra el "imperialismo norteamericano".

El arquitecto Raúl Cacho se refirió al plan de la URSS para reconstruir 1,710 ciudades y pueblos y 6.000.000 de edificios, que representan una pérdida de 679 billones de rublos.

El estudiante Ramiro Puch Port se deshizo en loas para Marx, Engels, Lenin, Stalin y Malenkov y luego llamó "parias" a los pueblos "que entregan sus materias primas a las naciones imperialistas. Indicó que ninguna otra nación del mundo tiene el índice de cultura que tiene la Unión Soviética.

## LA PARIDAD INDUSTRIAL

El doctor Jorge Carrión, dijo que en 36 años de vida socialista, la Unión Soviética "se ha librado de la esclavitud y se enorgullece de haber logrado la paridad industrial con la potencia capitalista mayor del mundo".

Expresó que México es un país subdesarrollado, pero "no por la intervención de ese terrible imperialismo ruso que adjetiva las columnas de los periódicos vendidos al dólar; no por las inversiones de capitales rusos absorbentes que sometan a los mexicanos al abuso y aniquilamiento; no porque sus materias primas salgan del país a precios de centavo y regresen manufacturados con valor de oro de Moscú; sino por su condición de coloniaje que conviene a la propaganda norteamericana que pregona la libertad del trabajador para morir de hambre democráticamente".

Manuel Terrazas dijo que "más de la tercera parte de la Humanidad es libre ya del yugo del imperialismo yanqui", y que 900 millones de seres "marchan por el camino de la construcción del socialismo".

Luego afirmó que Rusia ha sido un factor importante y poderoso que ha impedido que los pueblos sean arrastrados por el

imperialismo a la catástrofe de la guerra.

Dijo que ante las masas populares del mundo entero se ofrecen 2 políticas: "la de defensa de la paz de la Unión Soviética, y la política de franca preparación de la guerra del imperialismo norteamericano y sus satélites".

El último orador, José Mancisor, dijo que al celebrarse el 36 aniversario de la revolución socialista, el peligro de una nueva guerra parece hallarse menos cerca, pero no ha sido eliminado por completo. "Los compromisos entre los Estados Unidos y Franco, cuyo régimen ha sido caracterizado por la ONU como un régimen fascista y como un foco guerrero; los sucesos de Alemania y el rearme japonés, etc., forman parte de la política de agresión y provocación que contra Rusia y contra la causa de la paz desarrollan los sectores belicistas del capitalismo internacional", dijo.

El mitin fué presidido por el consejero de la embajada soviética, Mijail Cherkasov, el inefable general Jara, Vicente Lombardo Toledano y líderes del Partido Comunista.

# Popular

AL SERVICIO DE LA NACION

LA REIVINDICACION DE VEJAR  
VAZQUEZ

Editorial en la página tres

VEINTE CENTAVOS EL EJEMPLAR

D. F., LUNES 16 DE NOVIEMBRE DE 1953

Registrado como artículo de 2a.  
Clase en la Administración de  
Correos el 8 de junio de 1938.

NUM. 5559

de Flores—  
Cuando llegaron a dicho barrio el uniformado en lugar de pagar el importe de la dejada echó mano a su pistola e hizo varios disparos sobre el trabajador del volante. Afortunadamente ningún plomo hizo blanco en el chofer, pero sí causaron serias averías al auto.  
El quejoso terminó diciendo que el agresor se había metido en la casa número 19 de las mencionadas calles de Flores donde se había encerrado a piedra y lodo.

el nombre del pijo del cual fue conducido por policía ante las autoridades de la Quinta Delegación.  
La señora María Con, Caballero de Ibarra, de 5 años, conserje del edificio ubico en el número 94 de las mencionadas calles de Flores, ante la autoridad del Ministerio Público que ayer por la madrugada se encontraba en su habitación cuando uno de sus hijos le avisó que había oído un ruido sospechoso en uno de los pisos del edificio.  
Acompañada por dos muchachos, la señora comenzó a girar los pisos del inmueble, comprendió a dos individuos los cuales al verse descubiertos inmediatamente echaron a correr y ganaron pronto la azotea.

# ETICO ILISTA

contra los planes de guerra; por la paz y la fraternidad humana

## FALLECIO EN EL JUAREZ UNA NIÑA CON GRAVES QUEMADURAS

En el hospital Juárez falleció anoche la pequeña Margarita Eufrosia Briseño a consecuencia de quemaduras que recibió

jo a las autoridades de la Segunda Delegación que la pequeña encendió un bracerito en el interior de una pieza y como hacía

## La Asarco liquida a trabajadores mineros

Exclusivo para EL POPULAR

ANGANGUEO, Mich. Noviembre 15.—Por encima de las autoridades judiciales, y sin intervención de ningún organismo judicial, la empresa yanqui American Smelting and Refining Co., está pagando ilegalmente a los trabajadores que se presentan por propia voluntad y que han desoido la consigna sindical de no separarse de sus labores.

Hace algunos días, veinticinco trabajadores solicitaron a la sección sindical que consiguiera de la empresa extranjera su liquidación, a lo que el sindicato se negó rotundamente, por considerar irregular tal medida.

Ante la negativa, los obreros

acudieron ante la empresa, la cual, ante la perspectiva de poderse desembarazar de aquéllos, aceptó liquidarles sus salarios, sin intervención de autoridad alguna.

Los dirigentes de la Sección 35 del sindicato minero han considerado estos actos de la ASARCO como arbitrarios e ilegales, y ya se han dirigido a las autoridades del Trabajo a fin de que éstas tomen nota de la conducta que esa empresa viene observando.

Por otra parte, con miras de provocar la desmoralización entre los trabajadores y pueblo en general, la compañía ha anunciado, por conducto de sus empleados de confianza, que llevará a cabo un paro de labores el día 20 próximo, pero los dirigentes sindicales han respondido, por medio de volantes, que no se les ha enviado comunicación acerca de tal paro, ni saben que se haya presentado ninguna demanda ante las autoridades competentes.

A esto se le llama aquí una guerra no declarada, que ha sido iniciada por la ASARCO des-

Vigorous discursos de Paula Gómez Al Miguel Covarrubias, Raúl Cacho, Ramírez Poot, J. Castillo Alvarez, Jorge Carrión, Manuel Terrazas y José Mancisidor

## Un mensaje a Jorge Malenkov

El pueblo de México, a través de algunos de sus más destacados representantes, rindió ayer un cálido homenaje de admiración y simpatía al pueblo soviético y a la gran Revolución Socialista de Octubre, en un significativo acto que tuvo lugar en el Teatro Iris, que se vio pletórico de personas pertenecientes a todos los sectores sociales. En dicho acto se puso de manifiesto la vigorosa trayectoria seguida por el pueblo soviético, desde 1917 hasta el momento actual, en que la URSS figura como el país más desarrollado entre todas las naciones.

Presidieron el acto el señor Mijail Cherkasov, en representación del Embajador de la URSS en nuestro país; Vicente Lombardo Toledano, presidente de la CTAL y vicepresidente de la FSM; el general Heriberto Jara, presidente del Consejo de Partidarios de la Paz; el escritor José Mancisidor; presidente de la Sociedad de Amigos de la URSS, organizadora del acto; el señor Pietrusinsky, Encargado de Nego-

## Estudio de la Ley del Impuesto

La Comisión encargada de estudiar el Proyecto de Ley del Impuesto sobre la Renta, por parte de la Confederación de Cámaras Nacionales de Comercio, se encuentra trabajando activamente en el estudio que le fué encomendado, según informes oficiales que nos fueron proporcionados al respecto.

Para tal objeto, se han estado recibiendo observaciones de las diversas Cámaras de Comercio establecidas a todo lo largo del País, que hagan en torno al mismo documento, a fin de que se norme el criterio del comercio organizado de la República.

Para facilitar dicho trabajo, la Concanaco hizo una reedición de la mencionada Ley, que ha circulado interiormente entre todas sus organizaciones filiales y los

—Pasa a la Pág. 3 Col. 5a.—

—Para a la Pág. 2 Col. 1a.—

## Plantas termoeléctricas, para avanzar en el programa de la electrificación

Los agricultores organizados del país pedirán a la Comisión Federal de Electricidad que se dé impulso necesario a la electrificación rural, para beneficio de pequeñas propiedades y ejidos, instalándose plantas termoeléctricas en lugares donde no es posible aprovechar corriente de agua para la generación de energía.

de costo en la obtención de cosechas de riego.

Esta será una de las peticiones que formule oficialmente la Cuarta Convención de la Confederación Nacional de la Pequeña Propiedad Agrícola que tendrá sede en la ciudad de Guadalajara los días 5 al 7 del entrante mes de diciembre.

A la fecha se ha visto que es indispensable complementar la

zos, logrando en esta forma incluirlos dentro de los sistemas mayores, cuyo costo se amortiza a largo plazo y cuyos resultados son también a largo plazo.

El viraje de tierras de temporal a tierras de riego para aseguramiento de las cosechas, es indispensable en 000331 is, en virtud de que las escasas y erráticas y de pobre precipitación en tanto que

# Popular

DIARIO AL SERVICIO DE LA NACION

LA REIVINDICACION DE VEJAR  
VAZQUEZ

Editorial en la página tres

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MEXICO, D. F., LUNES 16 DE NOVIEMBRE DE 1953

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Correos el 8 de junio de 1938.

NUM. 6559

# EL PUEBLO SOVIETICO Y LA REVOLUCION SOCIALISTA

reas  
tes  
México

Lombardo en  
del Iris

Y, insistencia de los  
que al magnifico acto de  
vida del aniversario de  
la Revolución Socialista,  
sobre el pueblo y lanzando  
una petición que Lombardo  
no hiciera uso de la  
paz, este subió a la tribuna  
a pronunciar un breve  
discurso de  
fin al gran pueblo soviético,  
su Revolución, al mismo  
tiempo que señalaba cuáles  
en el momento actual, pa-  
ra el pueblo, las tareas  
urgentes que, tiene ante  
el

Lombardo —habló cuando ya  
se habían hecho— comenzó ex-  
presando que el programa del  
acto había sido formulado an-  
tes de su regreso del III Con-  
greso Sindical y consideraba  
que era un homenaje comple-  
to y justo y legítimo de la clase  
trabajadora y del pueblo mexicano  
a la Revolución Socialista de  
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vietica, por lo que no era ne-  
cesaria ninguna otra voz para  
perpetrar ese homenaje.  
Es por ello, dijo, que sólo  
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Si la medida de un gran mo-  
vimiento, de un movimiento  
profundo que arranca de la en-  
raña misma del pueblo, ha de-  
bería la medida de sus repercusi-  
ones, no sólo en el interior  
sino en lo internacional, no  
hay ningún hecho en la histo-  
ria que pueda compararse a  
la Revolución Socialista de Oc-  
tubre, porque las otras gran-  
des revoluciones del pasado,  
desde las primeras hasta la re-  
volución democrático-burguesa  
del siglo XVIII, se realizaron  
dentro de un marco po-  
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## Lucha contra los planes de guerra; por la paz y la fraternidad humana

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zos, logrando en esta forma in-  
cluirlos dentro de los sistemas  
mayores, cuyo costo se amorti-  
za a largo plazo y cuyos resulta-  
dos son también a largo plazo.

El viraje de tierras de tem-  
poral a tierras de riego para  
aseguramiento de las cosechas  
es indispensable en nuestro país  
en virtud de que las lluvias son  
escasas y erráticas, 000332 ob-  
precipitación en



# Volumen con los datos del Censo de Población

En un volumen compuesto de 266 páginas, ha quedado expuesta sumariamente la copiosa información recogida en el séptimo Censo General de Población del 6 de junio de 1950, levantado por la Dirección General de Estadística, dependiente de la Secretaría de Economía. Esta obra, que aparece en números la estructura y las peculiaridades más destacadas de los recursos humanos nacionales, es el resumen del expresado censo, el más importante por muchos conceptos de la serie iniciada en 1895 y de los seis censos en el presente siglo. El esfuerzo que ha implicado esta última labor censal,

supera el que requirieron las precedentes, por el gran aumento habido en el número de los habitantes y por la prolijidad de los datos recolectados. Empero, ha sido posible editar este Resumen tres años después del levantamiento del censo, o sea, alrededor de la tercera parte del intervalo correspondiente a la aparición de los anteriores, que fué de ocho o nueve años. Esta rapidez lograda en su publicación le con-

—Pasa a la Pág. 3 Col. 6a.—

virtud de que el funcionamiento de aparatos de bombeo para pozos profundo o ligero resulta más económico que el empleo de motores de combustión interna para el mismo propósito y por lo tanto con reducción

## Se utilizará agua del Lago de Texcoco

En el curso de la presente semana, los técnicos de la Dirección de Obras Hidráulicas (dependiente del Departamento del D. F.) entregarán al titular de la misma, ingeniero Eduardo Iriarte, su dictamen en torno a las exploraciones de tipo geológico que se han venido realizando en terrenos del Lago de Texcoco, con el propósito de determinar el volumen y la calidad de agua que allí se pueda captar, para aumentar la cantidad de li-

—Pasa a la Pág. 4 Col. 4a.—

# Salvoconducto de Bolivia al Jefe de los rebeldes

LA PAZ, Bolivia. Noviembre 15 (Agencia Latina).— El Ministerio de Relaciones concedió el salvoconducto al señor Oscar Unzaga de la Vega, Jefe de la Falange Socialista Boliviana. Unzaga está asilado en la Legación uruguaya. Otros dirigentes de la mencionada organización que hace días intentó tomar por la fuerza de las armas las riendas del gobierno que preside el señor Víctor Paz Estenssoro, se refugiaron en la Embajada de Italia y entre ellos se citan al señor Ambrosio García Rivera, secretario privado del jefe falangista.

## LA PRENSA COMENTA EL COMLOT FRUSTRADO DE BOLIVIA

SANTIAGO, Chile. Noviembre 15 (Agencia Latina).— La mayoría de los diarios del país

—Pasa a la Pág. 4 Col. 5a.—

## BERMUDEZ VUELTA A LA CAPITAL EL JUEVES 19

Para el día 19 de los comites es esperado de regresar a la Capital el señor Antonio Bermúdez, Director General de Tránsito y Tránsito de los Camiones Mexicanos, quien en Chicago participó en una importante reunión de la industria de los autobuses nacionales.

Con el mencionado señor Bermúdez, se espera el regreso de los señores Mario Leyva, Secretario de Comercio y Fomento, y Subsecretario de Fomento, y el ingeniero José María de la Cruz, jefe del Departamento de Fomento y Fomento. La actuación de estos señores en el Estado de México, en la actualidad, es muy levantada y de muy favorables comentarios en el país como en los círculos importantes del territorio.

# Crece la ola de terror en Venezuela, a causa de otros atentados de la policía

Un grupo de asilados políticos venezolanos visitó en horas de la tarde de ayer las oficinas de nuestra redacción, con el objeto de informar, una vez más, acerca de la tremenda ola de terror policial que ha desencadenado el régimen militar en Venezuela, en forma permanente, contra los di-

rigentes democráticos y contra los líderes sindicales de su país.

El terror —nos dijeron— es algo de todos los días en nuestro infortunado país. Se aplica sin distinciones, y sin consideraciones de ninguna clase al sexo ni a la edad de las víctimas. Las mujeres, los ancianos y hasta adolescentes que son casi niños, caen a diario en las garras de la llamada "Seguridad Nacional" que los tortura brutalmente, a la manera de los nazis, para arran-

carles declaraciones comprometedoras.

Dijeron nuestros informantes que en días recientes fueron detenidos en el Estado Zulia, los líderes sindicales petroleros Luis Emiro Arrieta, marino petrolero de gran presti-

—Pasa a la Pág. 4 Col. 1a.—

## Huelga del Gas en Sao Paulo

SAN PABLO, Brasil, 15 de noviembre. (Agencia Latina).— Dos mil trabajadores de las usinas de gas de esta ciudad eminentemente industrial, iniciaron ayer una huelga demandando aumento de salarios y prestaciones, produciendo en consecuencia el com-

—Pasa a la Pág. 4 Col. 5a.—

## RECORRIDO DE 2 KILOMETROS EN LA EXPOSICION DE ARTE

El recorrido de las 20 salas distribuidas en los cuatro pisos y el subterráneo del primer piso, del Museo Nacional de Artes Plásticas del Palacio de Bellas Artes, donde se halla instalada la Exposición de Arte Mexicano que se inaugurará el próximo día 20, tiene un desarrollo mínimo de dos kilómetros.

En consecuencia, se calcula que el tiempo que requerirá una visita general, no pormenorizada, de la gran exhibición, será de tres horas; pero no será forzoso hacerla de una sola vez, sino en dos o más ocasiones, al gusto del espectador.

Por ejemplo, una primera visita sería dedicada a la Sección Prehispánica, permitiría conocer la estatuaría y la pintura monumental más los horizontes preclásico, clásico e histórico de las artes que florecieron hasta antes de la llegada de los españoles.

Una segunda visita correspondiente a la Sección His-

—Pasa a la Pág. 2 Col. 7a.—

## AMPLIACION DE COMUNICACIONES TELEFONICAS

La Dirección General de Telecomunicaciones, ha continuado con la mayor actividad la tarea de ampliar la red de comunicaciones telefónicas en todo el territorio nacional.

Entre las numerosas oficinas telefónicas de servicio público establecidas en fecha reciente, se encuentran las de las poblaciones de Apaxtla y Tlapan, que corresponden, respectiva-

—Pasa a la Pág. 4 Col. 4a.—

## Lucha masónica en defensa de la Constitución Mexicana

Entre importantes dirigentes de grandes núcleos de la masonería mexicana se ha venido gestando un movimiento en favor de una mayor evolución de los ritos existentes, con objeto de hacer proselitismo y una vez aumentadas las filas de las sociedades masónicas promover un trabajo de mayor altura filosófica y social en beneficio de México.

Aun cuando los trabajos relativos a la organización aludida se llevan al cabo en medio de una gran discreción, como es costumbre dentro de la masonería, que no gusta de hacerse propaganda ni de formular alharacas, tenemos conocimiento que este movimiento es la consecuencia lógica de las flagrantes violaciones a la Constitución General de la República que vienen cometiendo los dirigentes del Clero Político, que se han traducido en la creación de escuelas confesionales en diversas entidades de la República entre las que destacan Estado de México, Puebla, Michoacán, Guanajuato, Jalisco, etc., según la lista completa que tienen en su poder los masones que tienen especial interés en que se desvirtue

—Pasa a la Pág. 3 Col. 3a.—

Viene de la  
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campaña que aún no cesa y que se desata, como el amago de molesta avispa, sobre el gigante que lucha con otros poderes mucho más duros y peligrosos, afirmó la doctora Paula Gómez Alonso en su discurso.

Los periódicos, el cinematógrafo, la radio, el libro, el folleto, hasta la misma cátedra, han sido utilizados para hostilizar al gallardo movimiento ruso y si hubiéramos de creerle, a estas horas Rusia no existiría; habría desaparecido de la faz de la tierra. Más ahí la vemos, grandiosa y potente, los treinta y seis años de haber paz, la justicia, la solidaridad, el entendimiento internacional.

Después de haber vencido a la mayoría de sus fuertes enemigos, Rusia comienza a lanzar uno que otro manotazo contra el molesto y agresivo guardián de la calumnia. No basta mayor esfuerzo, ya lo ha alejado el estúpido de sus estupendas de ingeniería, como el Volga-Don, el acueducto Bio-Aral; como las asombrosas realizaciones de su ciencia, agricultura; como su progreso en todas las ciencias.

En esta Moscú ve caer ante sus ojos la papel impreso con el que se encuentra la vida de un pueblo limpio, laborioso y que tiene un ansia de cultura como se ha visto en la que construye magníficos para sus universidades y sus escuelas. Todavía parece una gran esperanza se forma el ciudadano ruso y se doctrinas compromisos hechos. Escuela, escuela, es el parque de Berlín durante los años, donde se levantan tablas en que actúan los bailarines, los acróbatas o los conjuntos musicales, educando al pueblo, que por su parte forma una enorme ronda para gozar de la danza y la alegría.

#### SITUACION DE LOS INTELECTUALES Y LOS ARTISTAS

El notable pintor Miguel Covarrubias dedicó su inter-

sin cortapisas, las conquistas de todos los pueblos, se ha podido saber de los adelantos logrados por los técnicos soviéticos en materia de planificación y arquitectura.

Señaló el arquitecto Cacho como en el Primer Plan Quinquenal fué posible la construcción o reconstrucción, en materia de habitación, 23 millones y medio de kilómetros cuadrados; en el segundo, 26 y medio millones; en el tercero 35 millones; en el cuarto, cien millones, y para el lapso 1951-1955, se proyectó construir 105 millones de kilómetros cuadrados. Se ha podido comprobar la seriedad de trabajos de investigación, proyección y construcción de ciudades y edificios desde que se plantearon los técnicos la necesidad de construir 31 ciudades de cien mil habitantes cada una, en el Primer Plan, o las 45 del segundo, o bien reconstruir 400 ciudades en el 2o. Plan Quinquenal y 300 durante el tercero.

El ejemplo de mayor importancia es la planificación de Moscú, que de 2,029,000 de habitantes en 1926, tiene actualmente 5,100,000 aproximadamente, "y que, de acuerdo con las indicaciones del pleno del Partido Comunista, de junio de 1931, y el Primer Congreso General de Arquitectos Soviéticos, de 1937, se proyectó para lograr una densidad media de 400 a 500 habitantes por hectárea y secciones de 100 mil a 600 mil habitantes que contarán con toda clase de servicios socio-culturales, educativos y de recuperación y recreación, lo que indica condiciones óptimas para los enterados en estas disciplinas".

Después, el discurso del arquitecto Cacho expresó grande elogio para las obras realizadas por los técnicos soviéticos, y puso, como el más alto ejemplo, la construcción de la Universidad de Moscú, próxima a ser inaugurada, concebida como un palacio de la cultura y gran monumento nacional.

Finalmente, saludó a un pueblo que "vió destruidas 1,710 ciudades y pueblos, y 6 millones de edificios, que son una pérdida de 679 billones de rublos, es natural que sea el líder mundial más convencido en la lucha por la paz, a la cual todos los pueblos del mundo se han sumado, pese a la presión de todas las fuerzas negativas.

#### PALABRAS DE UN DIRIGENTE ESTUDIANTIL

El Presidente de la Federación de Estudiantes Técnicos, Ramiro Puch Post, dirigió en nombre de la juventud estudiantil democrática de México, un saludo fraternal a los jóvenes

en la URSS han hecho posibles "las realizaciones humanas mayores y más velozmente maduradas de todos los tiempos", por sobre todos los obstáculos como la contrarrevolución, la provocación del extranjero, las dificultades de organización o la propia guerra, para colocarse a la par de la potencia capitalista más grande del mundo, la que mantiene la explotación del trabajo como norma.

El pueblo ruso, o cualquier otro, no es descubridor de nuevas formas de convivencia, pero sí las ha realizado cabalmente. La revolución socialista es la descubridora de esas nuevas formas de convivencia, de poder estatal y de uso de recursos naturales. Por ello sus principios son universales y se expanden contagiosamente y mueven a simpatía de los hombres, a quienes no fue ajena la Revolución Francesa como tampoco lo fué la del pueblo norteamericano. Por ello no es raro que volvamos hoy los ojos al sitio en que la civilización, la cultura, el progreso, han hallado nuevo alimento, y expresemos nuestra adhesión a las causas pacíficas, de trabajo y armonía que sustentan la lucha del pueblo soviético.

Pero si no hubiera otro motivo, bastaría a los mexicanos comprender nuestra situación de país subdesarrollado, como se llama a aquellos que están monopolizados económicamente por una fuerza extranjera empeñada en mantenerlos así. Pero México no se encuentra en esas condiciones por culpa del "terrible imperialismo ruso", por las inversiones de capitales rusos absorbentes, o porque sus materias prima salgan del país a precio de un centavo y vuelvan manufacturadas a precio de "oro de Moscú", del mismo oro con que ensucian las bocas los calumniadores contumaces de una prensa cuya libertad estriba en revolcarse en el cieno de la corrupción comercial. México es subdesarrollado porque así le conviene al país cuya propaganda de "western", chicle rumiado Coca-Cola, pregona la libertad del trabajador para morir de hambre democráticamente. Igual sucede a muchos otros pueblos en América, África, Oceanía, donde una masa humana gime bajo el yugo capitalista.

Esa masa humana está interesada en las realizaciones de la Revolución de octubre hechas realidad por el pueblo ruso porque aspira a ser un cuerpo colectivo organizado armónicamente.

La Revolución Rusa no es ajena al hombre; por ello la conmemoramos ahora los mismos mexicanos que celebraron la Revolución Francesa y que hoy condenan la agresión de Francia contra los pueblos de Indochina; que ayer admiraron la revolución norteamericana y hoy re-

los países que luchan por liberarse del yugo del imperialismo, principió diciendo el periodista Manuel Terrazas.

La Revolución Socialista enseñó a los trabajadores y a los pueblos de todos los países, la senta que conduce hacia su liberación definitiva; demostró que era plenamente posible el triunfo y la victoria de las aspiraciones de liberación de las masas explotadas; que podía derrumbarse el poder de los capitalistas y que podía abolirse la explotación del hombre por el hombre. El socialismo, gran sueño de los trabajadores largamente anhelado, se transformó en una pujante realidad revolucionaria y en la sexta parte del mundo, el pueblo trabajador se convirtió en dueño de sus propios destinos y creó el primer Estado proletario de la historia.

Más adelante dijo que con la Revolución de Octubre, la historia de la humanidad había dado un viraje radical y profundo, del viejo mundo capitalista al mundo nuevo.

La Unión Soviética es el bastión de la paz y la libertad de los pueblos, habiéndose convertido en un asombroso peñón de tiempo, en la mayor potencia económica, política y militar del mundo, financiando su enorme poderío sus gigantescas realizaciones de la industria, de la ciencia, de la cultura, ante todo en el bienestar material de los ciudadanos soviéticos.

Hoy, más de la tercera parte de la humanidad es libre ya del yugo del imperialismo y con el nacimiento de las democracias populares en Europa y en China, 900 millones de seres marchan por el camino de la construcción del socialismo. En los países coloniales y semicoloniales es cada vez más potente el movimiento de resistencia nacional contra el imperialismo. Existe, pedroso e invencible, el campo de la paz, de la democracia y del socialismo, con la Unión Soviética como su dirigente.

Ante los pueblos del mundo se ofrecen dos políticas: la política de defensa de la paz de la Unión Soviética y la política de franca preparación de la guerra del imperialismo norteamericano. Los pueblos, sin embargo, no se confunden y saben cuál es el camino.

Se refirió después a que la política internacional del gobierno actual de nuestro país está variando respecto de la política entreguista que sostuvo el alemanismo y se pronun-

que vendieron a las fuerzas de los 14 Estados durante la terrible intervención extranjera en Rusia, aquellos que vencieron a Kolchak, Wrangel y Denikin, aquellos que electrificaron la Siberia, que construyeron presas de maravilla, que congelaron el Ártico y abrieron canales portentosos, puedan sentir temor ante las amenazas de un sistema decadente, incapaz de triunfar en una lucha contra el país más fuerte que existe en la tierra.

Pero la fuerza de la URSS —indicó Mancisidor— no radica en su preparación para campañas de rapiña, agresión a países débiles o en propaganda de guerra. El ejemplo más claro: Polonia, Hungría, Checoslovaquia, Bulgaria, Rumania, la enorme China Popular y la heroica Corea, que se brevíó a los ataques de los nuevos vándalos, maestros de las de otras épocas.

En contraste con la existencia de un sistema caduco, que choca contra lo más puro de la vida, está el estado socialista, mundo nuevo en el cual la técnica, unida a las conquistas morales, sociales y artísticas, coexisten sobre una base de paz inquebrantable, sobre un deseo de vivir pacíficamente para la creación. Pero ello no autoriza a pensar que el poderío soviético puede ser aplastado; el que así piense, que recuerde lo ocurrido en Berlín, Odesa, Sebastopol, Járkov, Rostov, Leningrado, Stalingrado y Moscú.

Es este deseo profundo de paz, que ha hecho triunfar ésta sobre todas las provocaciones, lo que da a Rusia una gran autoridad moral, muerta ante el cual se estrellan mentiras, la violencia y el crimen organizado por el imperialismo. Cuando la Revolución bolchevique derribó el gobierno pelele de Kerenski, Lenin lanzó la consigna de paz. Stalin hizo igual, y el nuevo gobierno no ha desaprovechado en que Malenkov, ante las amenazas de aquel, habló al mundo desde la Plaza Roja, expuso y los Estados Unidos; sólo de nuevo esa idea fundamental.

A continuación, el orador Chang Kai-Shek con exhortó a todos a luchar por la paz, unidos a la línea Chín-Tung, así como otros países, con el que nos deben dar fuertes lazos fraternales URSS. Es una necesidad inmediata un paraguas contra esos planes, por las luchas que México ha tenido, por su independencia ligada a la paz, y por la conquista de su fraternidad universal,

bertades, peleando siempre que a ello se le ha obligado las batallas del pueblo por iguales motivos. La intervención francesa, la misión de Veracruz por lo quis, la "expedición punitiva" de Pershing fueron ejemplos. Las batallas del pueblo ruso por integrarse como pueblo libre, también lo ejemplifican. Esa coincidencia histórica es la que debe unir a todos los pueblos, por encima de todas las barreras y hasta a un lado la propaganda amañada de los guerreros. La actitud del gobierno de Adolfo Ruiz Cortines, al irar decorosamente una embajada en la URSS, confiar en que esa cordial amistad se fortalecerá. Finalmente, Mancisidor expresó que el peligro de paz. Stalin hizo igual, y el nuevo gobierno no ha desaprovechado en que Malenkov, ante las amenazas de aquel, habló al mundo desde la Plaza Roja, expuso y los Estados Unidos; sólo de nuevo esa idea fundamental. A continuación, el orador Chang Kai-Shek con exhortó a todos a luchar por la paz, unidos a la línea Chín-Tung, así como otros países, con el que nos deben dar fuertes lazos fraternales URSS. Es una necesidad inmediata un paraguas contra esos planes, por las luchas que México ha tenido, por su independencia ligada a la paz, y por la conquista de su fraternidad universal,



DEPARTMENT OF EXTERNAL AFFAIRS

Subject *Communism Latin America* *and file X Registry*

Date **DEC 14 1953** Publication **N. Y. TIMES**

**VENEZUELA READY  
FOR RED MISCHIEF**

Head of Secret Police Says He  
Will Prevent Disruption of  
Parley of the Americas

By **SYDNEY GRUSON**

Special to THE NEW YORK TIMES.

PANAMA, Dec. 12 — Pedro Estrada, Chief of Venezuela's security police, says he has evidence that Communists, on instructions from abroad, plan to try to disrupt the Conference of American States to be held in Caracas.

But, Señor Estrada added that "you can bet anything you want" there would not be a repetition of the bloody street fighting and rioting that occurred in Bogotá, Colombia, during the ninth conference in April, 1948. That uprising is generally referred to throughout Latin America as "the Bogotazo."

"Wait and see!" he said. "There will be no trouble even if we have to round up every suspicious character in the country and jail them all throughout the conference." The meeting is scheduled for March 1.

When Señor Estrada says something like this, the people who know him believe it. As head of the secret police he is the man mainly responsible for having destroyed the underground organization of Acción Democrática, whose democratically elected President, Romulo Gallegos, lasted only ten months in 1948 before the Venezuelan Army imposed the present military dictatorship.

**Dictatorship by U. S. Standards**

By United States political standards there still is dictatorship in Venezuela, with a rigid censorship and the police and Army used to maintain Col. Marcos Perez Jimenez in power. However, persons who support the Government say United States standards are not applicable.

Señor Estrada, who went to school in the United States for a time, served three years in the Venezuelan Embassy in Washington before returning to Caracas two years ago to take his police job. He is one of the President's closest advisers and he is a good friend of many of the Army officers who are decisive in determining who governs Venezuela.

Señor Estrada scoffs at persistent reports that he is the power behind the present Government and that he has presidential ambitions. His main ambition, he told this correspondent during a talk in Caracas, is to settle down in the United States when the President feels he can be released from the police post.

The question of what sort of methods Señor Estrada's policemen use against the political opposition usually draws this answer: "Oh, the usual secret-police methods." So far as a first-time visitor to Caracas could discover, no torture or beatings are involved in police work at this time. There may have been before, but despite repeated charges by exiled Venezuelan leaders, competent observers have not found any supporting evidence.

Four Acción Democrática underground leaders, including two for-

mer ministers in the 1948 Government, have been caught and jailed or killed by the security police during the last fourteen months. The Acción Democrática underground, now shorn of effective leadership, has been knocked off balance. Apparently Señor Estrada's tactics are to keep it off balance by harassment, mainly through frequent arrests of suspects, who are held for a short time, released and then picked up again.

**Normal Bag of Prisoners**

The 300 political prisoners freed this week were said to have been arrested during the last fifteen days. And Señor Estrada added that they had not been taken in any special operation and represented a normal bag for the period. At that rate, the traffic through Venezuela's prisons must be fairly heavy, despite assertions that the country is quiet.

If, as expected, the Government eases press censorship for the inter-American conference, it will be because Señor Estrada feels the internal situation can stand it. At the moment it looks as if only messages going abroad will be freed from scrutiny.

Incidentally, the United States Government has put the question of the continuing censorship to the Venezuelan Government several times. There has been no positive response, but Venezuelan leaders who, like Señor Estrada, know something of the world outside, realize that much of the prestige expected to accrue from the conference will be tarnished if censorship is in effect.

President Perez Jimenez was questioned about press freedom during a recent interview in the United States-owned Spanish-language magazine *Visión*. He stated that censorship did not exist to defend the Government's political actions but "to protect against any abuse of freedom of the press which incites against the interests of the nation or its citizens."

The President offered new criteria for judging whether press freedom existed. That no newspapers have been closed, that new ones are opening and that the present newspapers have increased circulation and size, he said, add up to "categorical proof that the basic concept of freedom of press is not being violated."

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DEC 30 1953



## DEPARTMENT OF EXTERNAL AFFAIRS

Subject Communism - Guatemala

Date DEC 14 1953

Publication

ALL TIMES

### RED GRIP DETAILED WITHIN GUATEMALA

Threat to Rest of Americas  
From Party's Power There  
Is Set Out in Report

Special to The New York Times.

WASHINGTON, Dec. 13—Communists are so deeply entrenched in all phases of Guatemalan life it may no longer be possible to eliminate them peaceably, according to the National Planning Association.

A report made public today said: "Should this be the case, the Guatemalan people would be faced by the unhappy alternatives of submission to communism or destructive civil war of a scale of intensity unknown in Latin-American revolutions."

The report stated, however, in dwelling further on these alternatives, "since communism is not yet a mass movement, Guatemala may be able to root out the Communist conspiracy."

The ninety-page report, prepared for the committee on international policy of the association, described in detail strong communistic influences in the social, economic and political life of the Central American nation. The report entitled "Communism versus Progress in Guatemala," was prepared by Theodore Geiger, chief of research for the association.

The National Planning Association is a nonprofit, nonpolitical organization established in 1934, with its headquarters here. It is devoted to planning by Americans in agriculture, business, labor and the professions. The committee on international policy is under the chairmanship of Frank Altschul, business executive. The report was signed by twenty-three members from business, labor and the professions.

#### Geographical Position

"Few Americans are aware," the report stated in its introduction, "that less than two hours' flying time from the Panama Canal and three hours from the vital oil fields and industries of Texas there is a country whose Government for all practical purposes is dominated by the Communists."

"Since 1944, the Communist party of Guatemala—a working arm of Soviet imperialism—has entrenched itself so successfully within the Government, the majority political parties, the trade union and peasant organizations and the press and radio, that it is today the most powerful active influence in Guatemalan life," the report added.

The basic reasons for communism's predominant political influence in Guatemala, according to the report, are the party's tireless activity and organizational discipline, the "naiveté" or "opportunism" of the party's non-Communist allies and the "disunity, timidity and lack of an alternative positive" program on the part of the country's anti-Communists.

Communism's influence in Guatemala is still short of its long-term objective, the report stated. This objective is the seizure of "full and open state power."

To achieve its strategy of weakening, division and subversion of other Latin-American states, the report continued, the Communist party in Guatemala has "already converted Guatemala into a base for supplying cadres, funds, arms and advice to the Communist movements in other Latin-American countries."

#### Diplomatic Penetration

Because of the party's strength in the Guatemalan Foreign Office and diplomatic service, the report declared, the Communists have been able to use Guatemalan foreign missions as control points and the diplomatic pouches as a safe communication system for carrying on the work.

This expansionist program, the report explained, fits in with the Soviet Union strategy as well as with the goals of non-Communist groups in the Guatemalan governing coalition.

The Communists and fellow-travelers in Guatemala, with a numerical total of 2,000 to 2,500, form the smallest and yet the most powerful factor in the governing coalition, according to the report.

In potential opposition to Communist control, the report listed first the non-Communist coalition leaders, but indicated that "it is very doubtful that the governing coalition still has the ability to rid itself of the Communists should it so desire."

As a final internal potential opposition to the Communist forces the report listed the Guatemalan Army. It noted, however, that the Army heretofore has "supported the present regime and has dutifully suppressed recent anti-Communist outbreaks."

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PRESS CLIPPING SERVICE  
DEPARTMENT OF EXTERNAL AFFAIRS

RJ

DEC 22 1953

DESPATCH

TO: THE SECRETARY OF STATE FOR  
EXTERNAL AFFAIRS, OTTAWA, CANADA.

FROM: THE CANADIAN EMBASSY,  
MEXICO, D.F.

Reference: .....

Subject: GUATEMALA: UNITED FRUIT COMPANY  
.....  
.....

Security: **SECRET** .....

No: 556 .....

Date: December 10th, 1953 .....

Enclosures: .....

Air or Surface Mail: .....

Post File No: .....

Ottawa File No.

50066-40

46

References

I am attaching for your records a small pamphlet entitled "The People of Guatemala, the United Fruit Company and Washington's Protest".

2. This pamphlet purports to be a study made by the editorial board of the "Review of Guatemala". It is a long and rambling indictment of the United Fruit Company and it apparently expresses the views of the present government of Guatemala. It may be significant that the pamphlet was produced and presumably distributed here by the Communist newspaper, "El Popular".

3. I am making no attempt to translate this long document. In spite of the title, it contains no reference to the U.S. aide-mémoire of August 28 which, presumably, is "Washington's protest". Its theme is that the United Fruit Company with its subsidiaries, the International Railways of Central America and the Guatemala Agricultural Company, controls the ports and railroads of Guatemala and occupies territories so extensive and rich that it constitutes a state within a state. By keeping its railway tariffs high it has seriously raised the cost of living in Guatemala and has ruined all the individual banana producers.

4. The pamphlet quotes from a number of books and newspaper articles, gives particulars of the United Fruit Company's holdings and profits and points out that the Company's monopolistic concessions, obtained in the régimes of the dictators, run until the year 2009. The inference is that the present "democratic government" is trying to rescue its country from the corruptions of this monopoly, and is throwing the blame on the dictators.

5. There is no specific suggestion in the pamphlet of any action likely to be taken, other than the expropriation of land which has already taken place. It is stated that "our sovereignty is in grave danger" and that Mexico and Latin America are thoroughly familiar with

Internal  
Circulation

Distribution  
to Posts

- 2 -

Guatemala's fight in defence of its patrimony and sovereignty. Reference is made to a resolution proposed by Mexico to the United Nations referring to the inalienable rights of the peoples to dispose freely of their own natural resources. Emphasis is laid on the statement that the only country to vote against this was the United States. The paragraph goes on: "there is not the least doubt that the claim of the State Department against the Gautemalan Government in the matter of the application of the law of agrarian reform to the monopoly of the United Fruit Company is extraordinarily weak, without any juridical base, against all reason, absurd, cowardly, and contrary to the resolution adopted by the United Nations".

6. We do not know how wide the distribution of this pamphlet has been in Mexico. The text was published in "El Popular," but we have seen no other reference to it in the press.

7. When I paid my call on the Ambassador of Guatemala most of the conversation centered around the State Department's policy in upholding the so-called rights of the United Fruit Company. Sr. Roberto Alvarado Fuentes said that there was a gross misunderstanding in Washington of the situation and that Mr. John Cabot's recent declarations were particularly ill-timed and ill-conceived. In his view, the Government of Guatemala is showing good faith in its dealings with the United Fruit Company, "a body which is bent on perpetuating a state of affairs no longer acceptable in a democracy".

8. When questioned about the possibility of communist infiltration in Guatemala, Sr. Alvarado Fuentes agreed that there were Communists close to the Government but added that their influence was not great. What he objected to was that in some quarters the Government of his country was being branded as Communist because they were attempting to enact agrarian laws which were but normal in other democracies.

9. You may remember that I referred to the Mexican point of view on this issue in my despatch No. D-516 of Nov. 16th.

(Sgd.) Jules Léger

The Ambassador.

GUATEMALA

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*per m*  
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*see*

COMMUNISTS' POSITION AFTER MUNICIPAL ELECTIONS  
elections in Guatemala City showed that 4,519 votes were cast for the opponents of communism and 3,466 for Communists and fellow-travellers. The Guatemalan Press pointed out that while the opposition to communism had gained in the capital (as a whole) the Communists "gained virtually all the offices contested". (Valparaiso - Radio Vitalicia 01.00, 26.11.53)

The results of "the elections" as given at the Departmental Electoral Junta, said a Guatemalan broadcast, were as follows: Electoral Democratic Front, secret votes, 3,300; public votes, 180; votes ratified, 6; total 3,486. "Reactionary" list: secret votes, 4,090; public votes, 50; confirmed, 19; total 4,169." (Guatemala City - Voz de Guatemala 13.00, 26.11.53)

END



DEPARTMENT OF EXTERNAL AFFAIRS,

DESPATCH

Document disclosed under the Access to Information Act -  
Document divulgué en vertu de la Loi sur l'accès à l'information

FOR FILE 50068-40

CANADA. (DUPLICATE)

(see enclosures 1 and 2)

TO: THE SECRETARY OF STATE FOR  
EXTERNAL AFFAIRS, OTTAWA, CANADA.

FROM: THE CANADIAN AMBASSADOR,  
HAVANA, CUBA.

Despatch No. 370 of October 20, 1953  
Reference to you from Caracas.  
Subject: 10th Inter-American Conference of  
the O.A.S. - Colonies of European  
Countries in South America.

Confidential  
Security:.....  
No: D-327  
Date: November 20, 1953.  
Enclosures:.....  
Air or Surface Mail:.....  
Post File No:.....

Ottawa File No.

References

Having in mind the Venezuelan reaction to recent events in British Guiana, as reported in Mr. Norman's despatch under reference, you may be interested in the way in which these were received in Cuba.

2. Attached is a copy of a despatch sent by the United Kingdom Charge d'Affaires here on October 24 to the Foreign Office, which he very kindly gave us. As reported by him there has been almost no criticism in Cuba following publication of the Colonial Office statement and the declaration by the State Department in Washington endorsing the action of the United Kingdom Government.

3. As you will see, the United Kingdom Embassy, acting on instructions which were sent to most if not all United Kingdom missions in Latin America, informed the Cuban Minister of State in a personal letter of the reasons for the action taken in the hope that this would forestall any unfavourable government reaction. Although Cuba makes a pretense of defending the right of colonies to self determination, we have previously drawn your attention to the fact that this does not mean much in practice. The United Kingdom Charge d'Affaires was therefore not overly worried by the possibility of unfavourable comment by the Cuban Government and expected that following his letter to the Minister of State they would refrain from commenting one way or the other.

4. As it turned out, the Minister of State issued a statement to the press on October 16 which, although not referring specifically to British Guiana, strongly condemned the spread of communism anywhere in the Western hemisphere and by implication endorsed the United Kingdom action. The United States Embassy was apparently largely responsible for the statement, the wording of which was even cleared with them before release. (The United Kingdom Embassy has particularly asked us not to let the Americans know that we obtained this information from them.) This occurrence is an unusually clear example of the degree of influence which the United States government is able to exert in a friendly way on the Cuban government on many issues.

Internal  
Circulation

Distribution  
to Posts

Caracas  
Washington

- 2 -

5. Some time after the United Kingdom Embassy's despatch was written, they received a number of similarly worded protests from left-wing organizations. It was obvious to them, in view of the time which had elapsed, that these organizations had not acted until they received instructions to do so.

(Sgd.) Harry A. Scott,  
Ambassador.

CONFIDENTIAL BAG

CONFIDENTIAL  
No. 128  
(2211/53)

British Embassy,

Havana

October 24, 1953.

Sir,

With reference to Foreign Office telegram No. 296 of the 9th of October addressed to Buenos Aires and other Latin American posts regarding British Guiana, I have the honour to report that the reactions of the Cuban Government, press and public to the despatch of troops, the suspension of the Constitution and the dismissal of the People's Progressive Party Ministers in that territory have been generally satisfactory. Initially some sections of the Press showed uncertainty about the need for such drastic action and were inclined to regard the communist danger as having been exaggerated. But after the publication of the Colonial Office statement of the 9th of October, a considerable part of which was reproduced in the Spanish papers and the full text in the "Havana Post", and of the declaration by the State Department in Washington endorsing the action of Her Majesty's Government, which was also given wide publicity here, criticism has with one or two isolated exceptions disappeared and there seems no doubt that Cuban public opinion has accepted the fact that the interruption of constitutional progress in British Guiana was unavoidable in the circumstances. This includes the Cuban Federation of Labour (CTC) which, while issuing a warning against the danger of British capitalists taking advantage of the situation to suppress democracy and the workers' gains, recognised the gravity of the situation and the necessity for concerted Trade Union action against communism in telegrams addressed to the T.U.C. in London and the O.R.I.T.

2. The attitude of the Cuban Government has also been clear and favourable. In accordance with the instructions contained in your telegram under reference, I informed the Minister of State in a personal letter of the reasons for the action taken by Her Majesty's Government and transmitted to him documents containing the facts as soon as these became available here. Shortly afterwards on the 16th of October Dr. Campa issued a statement to the press which, although it did not specifically refer to the case of British Guiana, constituted an unequivocal stand against the spread of communism anywhere in the American Continent and implied an endorsement of the measures Her Majesty's Government have been obliged to adopt. The text of this statement is contained in the first enclosure to this despatch. The American Embassy have informed me confidentially that they were largely responsible for the Minister of State's actions as, after the issue of the State Department's own declaration, they had been instructed to ascertain the Cuban attitude and, if this was favourable, to elicit from the Ministry a public statement to this effect. The wording of Dr. Campa's announcement was subsequently cleared with the United States Embassy before being issued.

The Right Honourable  
Anthony Eden, M.C., M.P.,  
etc., etc., etc.,  
Foreign Office, S.W.1.

- 2 -

3. Two other helpful statements have been made here this week by persons who are currently in the local news. The first of these individuals was the Mayor of Kingston, Jamaica, Mr. Cleveland George Walker, who is on an unofficial good-will visit to Havana and to whose reception by the City authorities considerable attention has been devoted. The other was Mr. Arthur Gardner, the new American Ambassador, who presented his credentials on the 16th of October and held his first official press conference yesterday. In reply to a question, he pointed to the approval of the State Department and himself endorsed the action in British Guiana and in a preliminary statement also praised the Cuban Government's firm anti-Communist attitude. The text of the remarks made by the Mayor of Kingston and the American Ambassador are contained in the second enclosure to this despatch.

4. Before concluding I should also mention the services rendered during the British Guiana crisis by one of Great Britain's best friends in Cuba, namely Mr. Ben Meyer, the Havana correspondent of the Associated Press. Just before the news of the despatch of troops broke, Mr. Meyer was instructed by the Associated Press in New York to proceed to Georgetown as Special Correspondent to cover developments. Prior to his departure he came to me for letters of introduction and some briefing. Intel No. 173 of the 28th of September, which I had fortunately received saving the day before, came in very useful for the latter; by that time much of the information it contained was becoming public. From what I saw here of Mr. Meyer's despatches from Georgetown, which I understand were given a very wide circulation by the Associated Press and certainly provided the bulk of the news available here, his reporting was fair, unsensational and generally helpful. Since his return to Havana this week, Mr. Meyer has been responsible for placing on record the statements mentioned in the preceding paragraph.

5. I am sending copies of this despatch and the enclosures to Her Majesty's Ambassadors at Washington and Mexico City.

I have the honour to be  
with the highest respect,  
Sir,  
Your obedient Servant

(Sgd.) P. S. STEPHENS

Enclosure 1.

From the "Havana Post" of October 17, 1953.

**CUBAN GOVERNMENT RATIFIES OPPOSITION TO RED  
PENETRATION**

Minister of State Dr. Miguel Angel de la Campa yesterday confirmed that the Cuban Government is opposed to all Communist penetration in the Western Hemisphere.

He made the following statement to the press:

First: That the Government of the Republic - as is well known - maintains its firm position of opposition to Communism and its penetration in this hemisphere.

Second: That it fulfills all the Inter-American resolutions against such penetration.

Third: That it has just declared itself in favour of the inclusion in the agenda for the Tenth Inter-American Conference in Caracas, Venezuela, of the theme: "The Intervention of International Communism in the American Republics."

Fourth: That it is opposed, naturally, to any Communist action in this continent.

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Enclosure 2.

From the "Havana Post" of October 22, 1953.

MAYOR OF KINGSTON BACKS BRITISH MOVE

"I agree with the British Government's action in British Guiana, and its decision should not be regarded as any back step in the progress of self-government for the colonies," the Mayor of Kingston, Jamaica, Cleveland Walker, who is now in Havana, said here yesterday.

"The decision obviously was taken to meet a drastic situation," Walker added.

The Mayor is here with his wife on a "good will visit". He received formal calls yesterday from representatives of the Mayor of Havana's office and the British Embassy.

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From the "Havana Post" of October 24, 1953.

AMBASSADOR GARDNER APPLAUDS ANTI-RED ACTION IN MEETING WITH HAVANA PRESS

Arthur Gardner, recently-arrived Ambassador of the United States in Cuba, met the press of Havana and the foreign correspondents accredited here at a press conference at the U.S. Embassy here yesterday afternoon. The Ambassador impressed all present by his friendly and sincere attitude and his readiness to answer questions readily and without any circumlocution.

The interview was televised and broadcast by radio and at all times the Ambassador was perfectly at his ease. He began the interview by reading a statement in English which he prefaced with the promise that "if you will have a little patience with me, I shall soon be able to talk to you in Spanish." This observation brought smiles of satisfaction to the faces of all the Cuban correspondents, who recognised the compliment and the "gentileza" which it conveyed.

In his statement the Ambassador said that he had found great satisfaction in the manner in which Cuba had applied the brakes to Communist activity. "This is very pleasing to me" he added, "at a time when international communism is endeavouring, as has been shown in Guatemala and British Guiana, to broaden its influence in this Hemisphere. I feel certain that Cuba, proud as it is of its democratic heritage, and cognizant of the danger which Communism entails for the country's liberty, will never tolerate penetration by the Reds".

Ben Meyer of the Associated Press, who had just returned from British Guiana, then pointed out that fear had been expressed in some countries because of Britain's having sent troops to Guiana. They felt that this might establish a precedent for the future and they were nervous as to its consequences. He asked Mr. Gardner if he had any comment on this strong action by the British Government. Ambassador Gardner replied that the action taken by the British, which had the approval of the government of the

- 2 -

British Guiana, however, he added, was one particular case which had to be considered on its merits. The action taken was comparable to radical surgery in a case of necessity and the sending of troops to British Guiana was not to be taken as a precedent. Every case, he declared, would have to be considered on its merits.

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OTTAWA FILE
No. 50066-40
SECURITY CLASSIFICATION
SECRET

Despatch No. D 516  
Date November 16th, 1953.

NOV 26

FROM: THE CANADIAN EMBASSY, MEXICO  
TO: THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

Reference.....  
Subject: COMMUNISM IN THE CARIBBEAN

Refer to: 2 copies  
REAR (Special Branch)  
201. Cond (2 copies)  
2005 (4 copies)  
Commwealth  
Cuba  
European  
File  
C. G. Hildner

Copies Referred  
To.....  
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No. of Enclosures  
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Post File  
No. 142-B-46-4

The "United States World and News Report" of November 6th published an article entitled "Caribbean, a Communistic Lake?", the conclusion of which was that Communism was very active in many parts of the Caribbean and that its gains were "formidable in Guatemala, British Guiana and the two French colonies". Other sore spots mentioned in the article were El Salvador, Honduras, Venezuela, Jamaica and Cuba.

2. Any serious expansion of Communism in the Caribbean region would have serious repercussions in Mexico, not only in case of open hostilities, but also on the present equilibrium of political forces here. The Mexicans must therefore be following whatever progress Communism makes in this part of the world with deep interest

3. Possibly, the Mexicans would not regard with disfavour any political unrest in close by European colonies leading towards the weakening of the colonial link. Whether the Communists be the instrument whereby such colonies may attain a further degree of, or full independence, is a subject on which the Mexicans might differ, but the ultimate aim of independence for those territories seems to be one which, generally, the Mexican people share. The problem, therefore, in British Guiana and the French islands of Martinique and Guadeloupe has a unique character.

4. Events in Guatemala are followed more closely here not only because of the geographical proximity but also because of the fact that Guatemala is undergoing a period of social evolution reminiscent to the Mexicans of their own revolution. Hereagain there is therefore a certain amount of sympathy for the present attitude of the Guatemalan Government, not necessarily in that it may have Communistic or extreme leftist leanings, but because of its stand on land expropriations.

5. On the other hand we doubt that a basically Communistic regime in Guatemala would be welcome to Mexico. This country's intimate links with the United States are of such a nature that it could not afford for long to be in "the other camp". Nor are there any indications that it leans in that direction. From the information at our disposal it appears that the present administration in Mexico is free of Communistic infiltration. There are, however, indications that the Communists are not inactive. Lombardo Toledano, the labour leader, still has some hold over some sections of the workers unions; Angel Bassols also seems to be devoting most of his time and energy in trying to sow the seeds of Communism particularly amongst school children and the University; lastly, there are indications that the Soviet Embassy here is the contact through which Communists in Guatemala are directed. There is the further fact that the social and economic structures of Mexico lend themselves to political upheavals.



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TO THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS, CANADA

FROM:

SECRETARIA OF EXTERNAL AFFAIRS

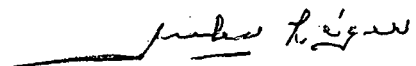
SECRETARIA OF EXTERNAL AFFAIRS

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6. It is not possible for us to find any link between Communistic movements in Mexico and in such countries as Venezuela, Honduras, El Salvador and Cuba. It should be remembered, however, that many of the political leaders, Communists or otherwise, in any of the countries mentioned above often find refuge in Mexico. There are, therefore, in this country many political leaders whose separate or joint influence might be felt from within as well as from without.

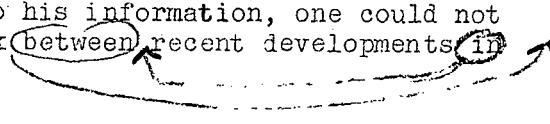
7. It would be presumptuous at this stage to pass a general judgment on the relation between Mexico and the different Communist parties in the Caribbean. It could be said, however, that the more Communistic influence there is in Mexico, the more chances there are of the Caribbean becoming a Communistic Lake. The reverse, however, is also true: it would be difficult to imagine that any Communist régime could firmly establish itself in any of the surrounding Republics without Mexican benevolence which would not, under present circumstances, be forthcoming. Seen in this light, Mexico takes a new importance as a country whose influence can be strongly felt in the struggle against Communism in this part of the world.



Ambassador.

P.S. November 18.

In order to obtain more authoritative information about developments in Guatemala referred to in paragraph 4 I raised the matter with the Secretary General of the Foreign Office this morning. Sr. Gorostiza confirmed my impressions that Mexico was "in sympathy" with the aims of the Guatemalan Government on matters of land expropriation. He agreed that there were some Communists working hand in hand with the Government but added that, according to his information, one could not conclude that there was any direct link between recent developments in Guatemala and Moscow.



DEPARTMENT OF EXTERNAL AFFAIRS

Subject

*Guatemala*

N. Y. TIMES

Date

NOV 6 1953

Publication

GUATEMALA REDS  
INCREASE POWERS

They Are Still in Minority in  
Congress, but Membership  
and Influence Grow

By SYDNEY GRUSON

Special to THE NEW YORK TIMES.

GUATEMALA, Nov. 5—The emergence of the Communists to a position of dominance in Guatemala has continued during the past six months. It is evident that from the United States point of view the situation here will go on getting worse. Recent developments have been along two lines. On the one hand they have shown an actual growth in Communist influence and on the other they have brought the Communists into far more open admission than ever before of their real position.

Nobody knows the exact number of members of the Communist party but at a recent organization meeting it was announced that the party's membership had doubled since last year. Charges by other segments of the country's political life that the Communists have been infiltrating rural agricultural boards in great strength reflect the Communists ability to muster enough supporters for the jobs they have available.

Still Minority in Congress

In Congress the Communists still have only four seats out of a total of fifty-six. The two major parties in the Government coalition, along with the Communists are the Partido Accion Revolucionaria with twenty-two seats and the Partido de la Revolucion Guatemalteca with sixteen seats.

Non-Communist members of the Government of President Jacobo Arbenz Guzman have long pointed to these figures as proof that the Communists have only a minor role in a regime composed primarily of leftist but non-Communist national parties.

Recent events within the two larger parties have stripped the facade from this pretense. There was a brief reaction of shock when Francisco Fernandez Foncea, secretary general of the Partido Accion Revolucionaria, stood up in Congress last month and said that the Communists were the only true revolutionaries for whom the other parties would have to give way in time.

Señor Fernandez was removed as secretary general because of his indiscretion. But it is significant that he was replaced by Julio Estrada de la Hoz, who is considered to be even closer to the Communists and that no one within either of the two major parties has quarreled with the ideological premise Señor Fernandez Foncea expounded.

Support Embarrassed Communists

In fact there was such a rush to get on Señor Fernandez Foncea's ideological bandwagon that the Communists were embarrassed into declaring that this was not what they wanted at all. They emphasized that this was an internal affair of the Partido Accion Revolucionaria

and that it should be healed swiftly to allow the "national democratic front" to push forward with the work of land reform and the winning of economic independence from the United States.

Within the Partido de la Revolucion Guatemalteca—the so-called Socialist party of Guatemala—there was a rebellion by six deputies who bolted the party rather, they said, than accept party discipline aimed at rubber-stamping Communist programs and slogans. But none of the six has come forward with an independent non-Communist program and the general belief is that the rebellion was concerned primarily with internal patronage affairs and did not stem from ideological opposition to the Communists.

There was another significant development in connection with application of the land reform law. The development fitted another piece into the slowly developing picture of complete Communist authority in Guatemala.

Communists Always Win

As the result of an armed clash between two groups of Indian farm workers at the village of Yepocapa some members of the Partido de la Revolucion Guatemalteca and some officials of the Confederation of Agricultural Workers charged that the Communists were applying the land reform in a "sectarian" manner. It had been generally known that the Communists were packing local committees and administering the law so as to be able to reward their own people with land and to insure their position in the countryside.

The issue was settled in favor of the Communists, leading the newspaper *El Imparcial* to comment editorially that whenever there was friction between any of the revolutionary parties the conflict always was resolved in favor of the Communists aided by a "powerful invisible hand."

"What superior design safeguards the Communist party and is speeding the fatal process announced by Fernandez Foncea?" the editorial asked. "Perhaps it won't be long before the facts themselves remove the veil."

Attempting to answer this question an observer is forced to the conclusion that President Arbenz Guzman has become a prisoner of the embrace he so long ago gave the Communists.

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PRESS CLIPPING SERVICE  
DEPARTMENT OF EXTERNAL AFFAIRS  
DEC 15 1953

DESPATCH

CONFIDENTIAL

TO: THE SECRETARY OF STATE FOR  
EXTERNAL AFFAIRS, OTTAWA, CANADA.  
THE CHARGE D'AFFAIRES A.I.,  
FROM: .....  
HAVANA, CUBA.  
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Reference: .....  
General Developments in Cuba during  
Subject: .....  
September 1953.  
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Security: .....  
D-287  
No: .....  
October 19, 1953.  
Date: .....  
Enclosures: .....  
Air or Surface Mail: .....  
Post File No: .....

Ottawa File No.

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References

I. POLITICS

September is usually a quiet month in Cuba. It marks the half-way point in the "dead season" and repairs to the mills in preparation for the new sugar crop have not yet begun. In addition the cyclone season approaches its peak and the pervasive damp and mildew have a decidedly depressing effect. This September was no exception. Politically the country remained in a state of suspended animation. The tension which followed the uprising on July 26 had dissipated but the suspension of constitutional guarantees and the censorship remained in force. At the end of the month the country appeared to be no nearer to a solution of its political impasse than it was at the beginning.

2. September 4, the twentieth anniversary of the Sergeants' Revolution which brought Batista to power in 1933, was celebrated with appropriate fanfare. At Camp Columbia Batista addressed the troops and assembled dignitaries, including the diplomatic corps, in an hour-long speech which was broadcast and televised. Most of what he said was easily predictable. He referred to the events of September 4, 1933 and to subsequent highlights in his career, concluding with his well-worn justification for the coup d'état of March 10, 1952. He described at length the measures which his government is taking to improve Cuba's economic position and naturally took full credit for Cuba's part in the successful conclusion of a draft World Sugar Agreement. He also expatiated on the dangers of communism in Cuba. In referring to the uprising of last July 26, he said that he was not looking for a solution of Cuba's problems by violence but that if necessary he was quite prepared to meet force with force. He repeated the claim that the Oriente affair had been financed by Prio's followers and said that the restrictions now in force were absolutely necessary if public order was to be maintained. Despite apparently reliable reports that Batista would announce the lifting of the censorship, nothing of the sort was forthcoming. The best Batista could do was to express his "most sincere intention to continue to fight for the

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to Posts  
Washington  
Mexico

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re-establishment of the democratic traditions handed down to us by our forefathers."

3. The editorial entitled "Batista's Dilemma", which appeared in "The New York Times" on August 25, touched off a sharp exchange of letters between opposing Cuban leaders in the correspondence columns of that influential newspaper. Ex-President Prio, writing from Miami on August 28, referred to the July 26 revolt as "an immature but heroic attempt to overthrow Batista's brutal rule" and called Batista one of the "minor tyrants" breeding "the conditions which Soviet tyranny is now seeking to foment throughout the free world". This was answered by Alfredo Hernandez, the Cuban Consul General in New York, in a letter dated September 9 which was considerably more reasoned than Dr. Prio's but which found justifying the censorship in Cuba to be tough going. Aurelio F. Conchoso, the Cuban Ambassador in Washington, also writing on September 9 was almost as polemic as Dr. Prio. And on at least one point he was quickly proven to be off base. He stated that "General Batista has repeated his firm desire to hold elections in Cuba in June next year", and only six days after the publication of his letter on September 17, it was announced that the election date had been suspended. While not overly illuminating, this exchange of correspondence did illustrate the importance which both Dr. Prio and General Batista place on public opinion in the United States and on the role of "The New York Times" in its formation.

4. The sort of problem which can follow the imposition of censorship was well demonstrated by the affair of the Cardinal's forehead. On August 12 Cardinal Arteaga, the Archbishop of Havana and Roman Catholic primate in Cuba, suffered a wound on the forehead while in his rooms. This would normally have been prize copy for the bloodthirsty Cuban press but in the event only brief reference was made to it. It was hardly surprising therefore that all sorts of rumours quickly circulated, including one that several policemen had forced their way into the Cardinal's quarters and that one of them had hit the Cardinal with the butt of his gun. The government could not ignore the situation indefinitely and on September 4 Batista dealt at length with it in his speech to the armed forces. He apportioned the blame for the "rumours" about equally between Dr. Prio and the communists. Three days later the Cardinal, in the course of an announcement that he was leaving for an extended rest in Rome, stated that his injuries were the result of "an attempted common crime". This was taken to mean that he had been hit by an intruder who was however not a member of the police force. Although the police renewed their efforts to get to the bottom of the case, they had not done so by the end of the month. Regardless of the outcome, it has done the government's reputation no good.

5. On September 21 the trial began in Santiago de Cuba of the people who were charged in connection with the July 26 uprising. One of the first to testify was Fidel Castro, the confessed leader of the revolt. He took full responsibility for everything that happened and denied, as did all witnesses who were questioned on the subject, that Dr. Prio and his group had anything to do with it. He claimed that all those who took part were members of the Orthodox Party but that no political leaders (including Ortodoxos) were involved. He also denied that any of the arms which were used had come from abroad. At least three of the accused - Dr. Emilio Ochoa, Dr. Jose Manuel Gutierrez and Dr. Aracelio Azcuy - attended the June meeting in Montreal with Dr. Prio but all three denied any connection with the uprising. So too did the communists who were tried. In fact of 102 who had been interrogated by the end of the month, only 25 had admitted having a share in it.

6. As the trial progressed, the events of July 26 emerged in more credible form than heretofore. They appear to have been instigated by a fairly small group of idealistic but very naive and misguided people who believed that they had only to fire a shot and the whole Cuban populace would rise up in arms. So far as one could tell from reading newspaper reports of the trial, the government's story of a master plan hatched in Montreal, of which this was the first (though ineffectual) step, was disproven. Considering how flimsy the government's claims were shown to be, it is especially noteworthy that the trial was held with full regard for the rights of the defendants. To that extent at least Batista is justified in claiming that his rule is basically democratic.

7. Despite repeated promises by government leaders of elections on June 1, 1954, an announcement made by the Government's Electoral Commission on September 22 had the effect of postponing them once more. It was explained that following the suspension of constitutional guarantees, there was not enough time before next June to complete the electoral process as required by the Electoral Code. Before deciding what to do, the government wished to have the suggestions of the registered political parties and any other interested groups within the next twenty days. The announcement repeated the "irrevocable determination" of the government to hold elections but by now no one in Cuba would be willing to bet on when they will take place.

8. By the month's end the only party which had submitted its comments was the registered Autentico Party, led by Dr. Grau. Its statement requested the holding of elections on June 1, 1954, the release of all political prisoners, the cancellation of the Public Order Law and of the censorship, the re-establishment of constitutional guarantees and permission to all political refugees to return to Cuba.

9. The fate of those who participated in the July 26 fiasco has apparently not deterred some other hotheads. On September 23 twelve university students, including the present and past presidents of the Federation of University Students, were arrested in possession of a quantity of small arms and ammunition. They were charged with violation of the Anti-Gangsterism Law and with the possession of illegal propaganda but had not been tried at the end of the month.

## II. ECONOMIC

10. The aura of optimism which has been created here by the conclusion of a draft World Sugar Agreement was evident in almost all statements made during the month about the economic situation. A remarkable example of the psychological effect of this event is provided by the figures for the value of building permits approved in Havana Province. Ever since the first talk of a large sugar surplus a year and a half ago, building figures have been low. And whereas in August of this year, permits worth only \$2.7 million were approved, the figure for September jumped to \$8.7 million, making it by far the highest month in the four years for which figures are at hand. The next highest, at the height of the boom in February, 1951, was \$5.6 million. As no other figures for September have so far been released, it is not yet possible to say whether there has been a general increase in the economic indices for the month. In any case, until the World Sugar Agreement actually comes into effective operation, it would be premature to draw too definite conclusions about Cuba's economic prospects. 000354  
Already the more cautious observers are warning of problems ahead for the Agreement.

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11. The most recent trade figures to be released are these for the first five months of the year. They also illustrate the extent to which psychological factors have been affecting the economy. The figures are:

	<u>1952</u>	<u>1953</u>	<u>Change</u>
Exports from Cuba	\$338,365,302	\$295,180,188	-13%
Imports into Cuba	268,658,586	211,025,218	-21%

In other words, a reduction of 13% in Cuba's exports for the first five months of 1953 as compared with the same period in 1952 was more than compensated for by a reduction of 21% in her imports. As a result, Cuba's favourable balance, instead of declining, actually increased from \$70 million for the 1952 period to \$84 million in 1953.

### III. LABOUR

12. On September 15 the Ministry of Labour approved the registration of a Confederation of Employers of Cuba. According to the President of the Confederation, its main object is to "contribute towards the development of new sources of livelihood and, at the same time, to see that the importance of capital in such undertakings is taken into account". As might be expected, CTC Secretary General Mujal opposed the establishment of the Confederation and condemned it roundly. He pointed out that it only represented a few of the less important groups of employers, claimed that its functions were not clear and stated the CTC would under no circumstances negotiate with it. It is much too soon to say whether or not the organization will serve a useful purpose but the first signs are not too encouraging.

### IV. INTERNATIONAL

13. On September 5 the preliminary agreement between the representatives of the Cuban Government and the United Railways of Havana for the acquisition by the former of the properties and assets of the latter in Cuba was signed in the presence of President Batista and the Charge d'Affaires of the United Kingdom Embassy. The sale removed a major source of friction in Cuba's relations with the United Kingdom. When one considers as well the purchase by the United Kingdom of one million tons of Cuban sugar, it is clear that 1953 has produced a considerable improvement in relations between the two countries. However, there still remains the major problem of what will happen when their trade agreement expires at the end of this year. Negotiations have recently been recommenced in Havana but no definite conclusion has so far been reached.

(Sgd.) K. C. Brown

Charge d'Affaires a.i.

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Communism in  
Latin America

Article in New York Times of October 18, 1953

PRO-LEFTIST JURISTS MEET IN GUATEMALA

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" GUATEMALA, Oct. 17 — The second Continental Congress of Jurists opened here last evening in preparation for the International Congress to be held in Brussels next January.

The independent Guatemala press said the Congress carried a pro-Soviet seal. El Espectador said the camouflage was perfect, declaring that the Cominform excelled in the ability to organize similar congresses carrying attractive agendas apparently aimed at the welfare of the people.

Marcial Mendez Montenegro, Chief Justice of Guatemala presided at the session in the Supreme Court building. Jurists from Ecuador, Brazil, El Salvador, Colombia, Honduras and Argentina include Marcos Armando Hardy, member of the Lawyers' Council of Argentina; Judge Oany Duarte Pereira, secretary of the Brazilian Democratic Jurists Association, and Oscar Argolio, president of the Chamber of Commerce of Rio de Janeiro.

The salient features of the agenda are the "defense of democratic liberties" and "freedom of the principles of self-government."

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Mr. Stark<sup>S</sup>  
Mr. Beaudy<sup>B.</sup>  
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G. Piddell

GUATEMALA

**DELEGATION TO WFTU** Expanding last week's announcement that Victor Manuel Gutierrez, Secretary-General of the Guatemalan General Confederation of Labour, was to attend the WFTU Congress in Vienna, a broadcast from Guatemala City (La Voz de Guatemala 13.00, 29.9.53) said that he was leaving that day at the head of a deputation of workers and peasants. His co-leader was Leonardo Castillo Flores, of the National Confederation of Farmers, and other members included Gregorio Coronado, Alvino Garcia, Gabriel Germin and Jose Luis Delfino.

(Extract from BBC Monitoring Report "Summary of  
World Broadcasts" pt. VI c N° 223 of Oct. 7/53)

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22. OCT 1953