



# BITTER FRUIT

*THE STORY OF THE AMERICAN COUP IN  
GUATEMALA*

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# Chapter 1

## The Battle Begins

- Character Introductions
  - Carlos Castillo Armas: *The “Voice of Liberation” and longtime enemy of President Arbenz*
  - Juan Jose Arevalo- *President before Jacobo Arbenz*
  - Guillermo Toriello- *Foreign minister, diplomat, and spokesperson for his country’s cause abroad*
- Jacobo Arbenz- *originally a defense minister in Guatemala and was the President overthrown by the U.S.*
  - Overthrown in his fourth year during his six-year term
  - Guatemala's second president elected under a democratic constitution in 133 years of independence

# Chapter 1

## The Battle Begins

### ■ Character Introductions

- *John Peurifoy- a heavy-handed diplomat who had been chosen to exert pressure on Arbenz and in failure of that, to over throw him*
- *Dulles- Secretary of State who had also planned the over throw*

### ■ Events

- *The United States government was the secret creator and sponsor (through the CIA) of the “Liberation Movement” believed to be ran by Castillo Armas*
- *Actual Reason: The Arbenz land reform act included the expropriation of some of the vast acreage belonging to the United Fruit Company*
- *Given Reason: Fear of Communism controlling Guatemala*

# Chapter 1

## The Battle Begins

- United Fruit Company
  - *Controlled nearly 40,000 jobs in Guatemala*
  - *Investments in the country were valued at \$60 million*
  - *Owned Guatemala's telephone and telegraph facilities, administered its only important Atlantic Harbor*
  - *Monopolized its banana export*
  - *Owned the International Railways of Central America (IRCA) and owned 887 miles of railroad track in Guatemala (which is nearly every mile in the country)*

# Chapter 1

## The Battle Begins

- Battle Begins
  - *June 18, 1954*
- Day 1 (Jun 18)
  - *Leaflets are thrown out of planes carrying the bold demand "Guatemala's President, Jacobo Arbenz, must resign immediately"*
- Day 2 (June 19)
  - *Air bombardment occurs while the ground "invasion" led by Castillo Armas advanced slowly*
- Day 3 (June 20)
  - *Air bombardment continues while Armas' men stay still confusing the townspeople*
- The people did not know that Armas' weird behavior was because he was awaiting orders from the U.S. who had recruited him, trained, and paid his men
- The U.S was in full control of what was being staged as a domestic uprising

# Chapter 2

## A Teacher Takes Power

- June of 1944- protest begins to rise in Guatemala during the harsh dictatorship of General Jorge Ubico
  - *School teachers, shopkeepers, skilled workers, and students were the main groups who staged the protests*
- Roosevelt's New Deal inspired many Guatemalans to fight for a government actively devoted to public good
- June 1- Ubico resigned from office in shock after a petition of protest was personally handed to him by friends and colleagues
- General Federico Ponce- Replaced Ubico
  - *Good: raised teacher salaries and instituted modest reforms in the universities*
  - *Bad: intensifies political surveillance, prohibited private meetings and demonstrations and kept the government in the hands of soldiers and local bosses who had helped run the country under Ubico*

# Chapter 2

## A Teacher Takes Power

- Ponce (attempting a democratic façade) decreed free election to present himself for popular ratification due to protests from the same group who made Ubico resign
- The protest group chose Dr. Juan Arevalo Bermejo
  - *He wished to spread the principles of the New Deal throughout Latin America and embodied the end of dictatorships*
- The election held by Ponce never happened
- Major Francisco Arana and Captain Jacobo Arbenz (officers who had fled to plan a revolt) arrived in Guatemala
  - *They staged attacks against police stations and other military installations*
  - *On October 22 Ponce accepted a settlement with the rebels and fled to the Mexican Embassy*
  - *This “October Revolution” brought forth the junta: Major Arana, Captain Arbenz, and Jorge Toriello*
  - *They immediately announced the nation’s first free election under a democratic constitution*

# Chapter 2

## A Teacher Takes Power

- Arevalo became president in December 1945 (officially March 15, 1945) with more than 85 percent of the (literate male) vote
- He wrote, with help from the Guatemalan Bar Association, the liberal constitution
  - *Divided power among executive, legislative and judicial branches*
  - *Individual rights were guaranteed and the Jeffersonian principle of popular sovereignty was dominant*
  - *Committed to a fair and honest political system: Congressman limited to two, four year terms, presidents cannot be elected after a single six-year term, and military men were forbidden to run for office*
  - *Censorship of press was forbidden*
  - *The right to organize was sanctified and voting rights were expanded*
  - *Equal pay between sexes, sexes under marriage were stated equal, racial discrimination was made a crime*



# Chapter 3

## An Age of Reform

- By the middle of Arevalo's term in 1948, unrest began to grow due to no cohesive programs and constant press attacks
- Many plots to overthrow him were thought to be connected to Colonel Francisco Arana (the hero of 1944 October Revolution)
  - *Arana continued to gain power to the point where he held a virtual veto over presidential decisions*
- On the other side, Jacobo Arbenz was part of the band of liberals anxious to move on with the next phase of the reformation promising social transformation
- It was going to be a battle between the conservative populist Arbenz and the less assertive Arbenz
- However on July 18, 1949 Arana was killed through a gun battle
  - *It is rumored that Arbenz arranged the gun battle*
- Jacobo Arbenz was chosen to become President on November 13, 1950 where he became Guatemala's second democratically elected President

# Chapter 4

## The Clouds Gather

- Arbenz's Reform Bill
  - *Agrarian Reform Bill- government could expropriate uncultivated portions of large plantations*
  - *The land taken would be paid for by a 25 year bond with the government bearing a 3% interest rate*
  - *The valuation of the land would be determined from its declared taxable worth*
    - This was bad for the United Fruit Company because they undervalued their land in order to reduce tax liability
- The reform caused hostile and frightened and greedy feelings from peasants, landowners, and the United Fruit Company
- The Communist leaders however, encouraged the frightened feelings and urged takeovers of land from greedy peasants
  - *Arbenz could not crack down on them because the Communists helped him in his campaign*
  - *Arbenz tolerated Communists and believed that they could "not be all bad"*
  - *This idea caused anger and was ultimately the "reason" the U.S. used to verify their cause for overthrowing him*

# Chapter 5

## The Overlord: The United Fruit Company

- Samuel Zemurray “Sam the Banana Man”- he had started a banana empire of his own (Cuyamel Company) that was doing better than the United Fruit Company
- The UFCO bought Sam out for \$31.5 million in 1930
- When the Depression hit, the UFCO was hit bad causing Sam to come back, take control, and repair the damages while stating “You people have been botching up this business long enough”
- United Fruit was Guatemala’s largest employer, landowner and exporter and exercised enormous economic control
  - *Exercised economic control because thy controlled the port Puerto Barrios therefore controlling the nation’s international commerce*
- Under Ubico’s dictatorship, UFCO was granted total exemption from internal taxation, duty-free importation of all necessary goods and a guarantee of low wages

# Chapter 5

## The Overlord: The United Fruit Company

- Many Guatemalans felt the UFCO represented the alliance of American government and business arrayed against their efforts to attain full economic independence
- The UFCO bribed politicians, pressured governments, and intimidated opponents to gain favorable concessions
- It was being exploited by foreign interests which took huge profits without making much contribution to the nations welfare
- Guatemalans felt economically a captive of the U.S. corporations

# Chapter 5

## The Overlord: The United Fruit Company

- In March 1953 the land reform ax fell upon the UFCOO
  - *In four separate decrees a total of 386,901 acres of uncultivated land was expropriated*
  - *85% of UFCO's land was uncultivated because they claimed it was insurance against plant diseases*
- The government was going to pay in bonds \$627,572 for the seized property
  - *Remember the company undervalued its property in official declarations to reduce its tax liability; the bonds were based on the declared value of the land*
- On April 20, 1954 a formal complaint was delivered to Guatemalan authorities by the U.S State Department (whose top officials had close ties to the UFCO)
- The note demanded \$15,854,849 in compensation bonds by declaring "bears not the slightest resemblance to just evaluation"
- The amount offered by Guatemala averaged around \$2.99 per acre while the State Department wanted about \$75 per acre when they only paid \$1.48 for it twenty years earlier

# Chapter 5

## The Overlord: The United Fruit Company

- The UFCO and its powerful supporters in Washington were angry
- They called quite but effective meetings in Washington to convince the American government that Arbenz was a threat to freedom and must be deposed
- The company hired lobbyists and talented publicists to create a public and private climate in the U.S. favorable to Arbenz's overthrow

# Chapter 6

## Advertisements for Myself

- Edward Bernays- a shrewd counsel on public relations hired by Sam Zemurray to make the UFCO look “better”
  - *Stated communism was a growing danger in Guatemala as an argument for the UFCO*
  - *He created special choreographed tours and interviews to show to big reporters (Time, Newsweek, Scripps-Howard newspapers, United Press international, the Christian Science Monitor, the Miami Herald and the San Francisco Chronicle) in order to connect Arbenz and the communists by stating that they both are destroying the company’s “good works”*
- Bernays had long been working to convince the U.S. press that the Arbenz government was irresponsible and recklessly anti-American
- When the land takeovers began in 1953 he stated they were final proof that the Arbenz regime was “communistic”
- The work of Edward Bernays and many lobbyists won the backing of both liberals and conservatives for its policies in Guatemala
- All this cost the UFCO over half a million dollars a year to convince America there was “evil” in Guatemala

# Chapter 7

## Operation Success

- Guillermo Toriello- Guatemalan ambassador in Washington, intensified his efforts to reach some sort of accommodation with the Eisenhower administration over the land expropriations when he sensed the “quicken pace of U.S. activity”
- American officials replied each time that the disagreements between the U.S and Guatemala had nothing to do with the land reform acts but rather concerned the failure of President Arbenz to expel communists from his government



# Chapter 7

## Operation Success

- Official decision to move against President Arbenz was made in early August 1953 at a meeting chaired by the National Security Council with supervision of covert operations
- Members included
  - *Allen Dulles*
  - *Bedell Smith (Undersecretary of State)*
  - *C. D. Jackson (Eisenhower's psychological warfare advisor)*
  - *Charles Wilson (aide to Defense Secretary)*
  - *Robert Cutler (special presidential assistant for National Security Affairs)*
  - *And more*
- Frank Wisner (CIA's deputy director for operations) was placed in command
- Colonel Albert Haney was chosen as field director of the operation

# Chapter 7

## Operation Success

- Operation Success (begin in January 1954 and end around July)
  - *Subvert the loyalty of the Army from Arbenz*
  - *Demoralize the unions, rural workers and city dwellers who supported Arbenz and convince them that Arbenz was finished*
  - *Small-scale psychological harassment that would escalate gradually in intensity over six months to larger and more ambitious schemes*
  - *End with an “invasion”*
- Haney set up training camps in Nicaragua in February where about 150 men would be instructed in sabotage and demolition
  - *150 exiles and mercenaries went to Momotombito (volcanic island in Lake Managua) for weapons training*
- He established a radio camp in Managua (Nicaraguan capital) to acquaint a few men with broadcasting techniques
- He Placed hidden communication stations around the perimeters of Guatemala and two in Guatemala itself (even on in the U.S. Embassy)
  - *Some stations were equipped with jamming devices and others were programmed to broadcast on the same wavelengths as Guatemalan’s regular radio stations*
- U.S. managed to sneak many of its lanes into Honduras and Nicaragua and the Canal Zone under the cover of “arms assistance” to the two nations

# Chapter 8

## The Liberator

- The CIA had to recruit one more key person: a Guatemalan exile to lead the “Liberation” forces
  - *The CIA was trying to make the overthrow look like a domestic plot*
- They chose Castillo Armas
  - *It is said they picked him because “he was a small, humble, thin guy” who was also stupid*
  - *He would be the puppet while the CIA hid in the shadows and pulled the strings*

# Chapter 9

## The Proconsul

- While Allen Dulles was recruiting and briefing Castillo Armas, Foster Dulles (Secretary of State) was searching for a “theater commander” who could represent official American interests in Guatemala City during Operation Success
  - *He had to replace Rudolf Schoenfeld (current American ambassador in Guatemala)*
  - *The CIA chose John Peurifoy*
- John Peurifoy
  - *due to a past duty in Greece, he knew how to scare a small country*
  - *He skillfully used the press to convey threats*
  - *He displayed an elemental shrewdness and a bullheaded determination to get his way (sometimes unpredictable because he couldn't keep his mouth shut)*
  - *He was a gun aimed at the head of the Arbenz administration*

# Chapter 9

## the Proconsul

- Most important denunciation of Guatemala by the U.S. occurred at the Tenth Inter-American Conference of the Organization of American States (OAS) in Caracas, Venezuela, in March 1954
  - *The conference was originally called to deal with economic matters*
  - *Dulles used the occasion to push through a broad anti-Communist resolution for use against Guatemala*
  - *He was seeking multilateral blessing for unilateral intervention the U.S.*
- Dulles had the Rio Treaty of 1947 in mind
  - *Gave OAS foreign ministers authority to take action if 2/3 of the member nations of the OAS agreed that the political independence of an American state was affected by “an aggression which was not an armed attack”*
  - *The countries could then decide to impose economic sanctions or jointly intervene*
- Dulles’ purpose was to condemn Guatemala without actually mentioning its name as well as put in place the juridical authority with which to defend Operation Success

# Chapter 10

## The Secret Voyage of the *Alfhem*

- On the morning of May 15, 1954 the ship *Alfhem* appears at the docks of Puerto Barrios heavily guarded by Guatemalan officials and the Minister of Defense
  - *The cargo was unloaded and transferred to boxcars and transported into Guatemala City under military escort*
  - *The ship's cargo included weapons (rifles), ammunition, antitank mines and artillery pieces that Guatemala had bought from Czechoslovakia for well over one million dollars*
- Arbenz seemed to have turned to Czechoslovakia as a “kind of last resort” when Guatemala’s normal suppliers refused his requests to purchase military hardware
  - *It was prompted by a clear recognition that Castillo Armas’ invasion was impending and Guatemala’s own armed forces needed reinforcement*

# Chapter 10

## The Secret Voyage of the *Alfhem*

- The Dulles brothers used the occasion of the Czech arms arrival to accelerate their efforts to encourage heads of major American news organizations to support the U.S. thesis about the Arbenz regime (being communist supporters and communists)
  - *It was later believed that the U.S might have deliberately allowed this ship to dock just in order to create an “incident” to justify the invasion*

# Chapter 11

## The Final Countdown

- Arrival of Czech arms gave Dulles the evidence he had been seeking of a Soviet conspiracy to seize Guatemala, subvert Central America and take over the Panama Canal
  - *Without concrete “proof” he would have been hard-passed to deny accusations that he was acting solely on behalf of UFCO*
- Dulles now intensified his pattern of attacks against Guatemala
  - *Issued threats of military intervention, hints of blockades, and proposals for punishment under the anti-Communist resolution*
- The UFCO secretly was providing the CIA its-
  - *Guatemalan railroad system (IRCA) to smuggle in arms its Atlantic port to land equipment*
  - *its telegraph, telephone and radio to relay messages*
  - *its Guatemalan properties to give cover to the rebels*
  - *its public relations men to distribute photos and bulletins about the advance of Castillo Armas’ forces*



# Chapter 11

## The Final Countdown

- The most successful covert enterprise of all was the CIA's radio campaign launched against Guatemala seven weeks before invasion
  - *David Atlee Phillips directed the radio effort*
  - *Phillips and his crew concocted a classic "disinformation" campaign to spread fear and panic inside Guatemala*
  - *After the Alfhem arrival the radio team aimed new messages at army officers in an attempt to split the military from Arbenz*
- The radio team also worked to create the impression that rebels were everywhere in Guatemala
  - *By pretending to be part of a major insurgent force announcers appealed to citizens to assist Liberation planes by locating drop sites for the "partisans"*
  - *They made dummy parachute drops in rural areas to convince Guatemalan peasants that the rebels were nearby*
  - *To prevent Arbenz from calming the public, the CIA radio team jammed the President's address to the nation on the second day of the invasion*

# Chapter 12

## Arbenz Fights Back

- Operation Success did have its rough patch
  - *Castillo Armas' army failed at capturing the railroad center near Zacapa (a plan to inflict fear and show "strength" from the rebel group)*
  - *A plan to "bomb" a town in Honduras as an act to blame on Arbenz lost credibility when Honduran military leaders could not agree on a town that was "bombed" giving confusion*
  - *An ex-marine pilot was given the order to knock out the government's radio station but unknowingly hit the wrong one where Americans worked*
- Toriello tried to talk to the Security Council about looking into Guatemala and helping in case of a larger, dominating nation trying to "hurt" Guatemala (aka the U.S.)
  - *A vote was cast and the Security Council voted to not talk about Guatemala*
  - *The U.S. shadily spoke to France and Great Britain before the vote, who's representatives were, by chance, in Washington to abstain from voting for they would have voted for Guatemala*
  - *This kept Operation Success going despite its risk of failure*

# Chapter 12

## Arbenz Fights Back

- The radio team was the CIA's best weapon in Operation Success
  - *They skillfully painted a picture of war and upheaval (large troop movements, fearsome battles, major Guatemala defeats and growing rebel strength)*
    - These frightened an already confused and disheartened populace
- The CIA now intensified its psychological warfare over the airwaves
  - *The radio teams announced major losses for Arbenz which were later rebroadcasted on military channels*
  - *This convinced some of Arbenz's officers that the reports were "genuine"*
- *The CIA also answered real military messages from Arbenz commanders with fake responses*
- *The agency frequently sent meaningless "orders" to fictitious rebel encampments*
- These radio broadcasts brought many rumors
  - *One such rumor was that Castillo Armas was garnering volunteers as he marched*
  - *People believed he had thousands of men and the radio team played ignorant by saying they could neither confirm nor deny*
  - *In reality he never had more than 400 men under his command*

# Chapter 12

## Arbenz Fights Back

- Most reporters, whether they be from Guatemala, Boston, or Honduras had no idea what was really going on
  - *They told a romantic crusade pitting Castillo Armas against the Goliath-like communist army*
  - *No one questioned the contents of the press handouts (communiques, photos, or briefings) by the CIA to the public*
  - *No one raised questions of how Castillo Armas had*
    - obtained the money for his planes and weapons and trucks
    - where his soldiers and pilots came from
    - who had arranged the broadcasts of the “Voice of Liberation”,
    - why Honduras and Nicaragua allowed him to camp and train on their territory
- The new waves of attacks by the Liberation air force had the wanted effect on the military
  - *On June 25 Arbenz received a “ultimatum from the front” which basically stated that he should resign or the army would come to an agreement with the invaders*
  - *The CIA authorized its paramilitary teams at the front lines to promise cash payments to any military officer willing to surrender his troops*
    - One officer received \$60,000 to surrender his troops
- Without the loyalty of the army Arbenz’s end was near

# Chapter 13

## The Longest Day

- The psychological warfare inflicted upon Arbenz made him an emotional and shaken man and his political condition was no better
- The last big lie the CIA told through the radio team (on June 27) was that two large and heavily armed columns of rebels were making their way toward Guatemala City
  - *The broadcasts were intended primarily to scare Arbenz*
  - *With no one to trust, Arbenz could no longer be certain that there wasn't at least some truth to the radio bulletins*
- *The citizens in Guatemala hastily left their towns, however they never stopped to wonder where the "columns of rebels" were*
- Another rumor that was started by Americans in contact with the U.S. embassy and embassy employees was that cruisers and aircraft carriers had anchored off the coast or that paratroopers had landed in the north

# Chapter 13

## The Longest Day

- Arbenz began that Sunday morning with a conference of military commanders led by his confidant, Army Chief of Staff Colonel Carlos Enrique Diaz
  - *An attack that morning on the ship Springfjord cast a deeper pall over Arbenz and his colleagues*
  - *A ship which had nothing to do with the events in Guatemala had been destroyed*
  - *This attack was actually a disobedience of orders given by the CIA, the ship was never supposed to be attacked*
- Peurifoy and Colonel Diaz (along with other officers) had a secret meeting
  - *It was decided that Colonel Diaz should take Presidency*
  - *Peurifoy also suggested that all Communists be rounded up (they were all soon picked up by military police)*

# Chapter 13

## The Longest Day

- Diaz, Colonel Sarti and Defense Minister drove to the National Palace to confront Arbenz
- Arbenz was given an ultimatum : he had until 4pm to leave the National Palace and turn over the military junta in order to stop the attacks
  - *Arbenz said he would leave “gracefully” after making a radio address*
  - *He would turn the power over to Diaz*
  - *He also made Diaz give his word that he would not negotiate with the Liberator (Castillo Armas)*

# OPCVL

“Workers, peasants, patriots! Guatemala is going through a hard trial. A cruel war against Guatemala has been unleashed. The United Fruit Company and U.S. monopolies, together with US ruling circles are responsible.... Mercenaries have unleashed fire and death, respecting nothing. We all know how cities have been bombed and strafed, women and children have suffered. We know how representatives of workers and peasants have been murdered in occupied cities... That was an act of vengeance by the United Fruit Company. We are indignant over the cowardly attack by mercenary US fliers. They know Guatemala has no adequate air force so they try to sow panic. They bomb and strafe our forces preventing operations. Today they sank a ship taking on cotton in San Jose. In the name of what do they do these things? We all know what. They have blamed their actions on the pretext of Communism. The truth is elsewhere – in financial interests of the United Fruit Company and other US firms that have invested much in Guatemala. Time will show if what they say is true...My Government has been called Communist in nature. We have used every means to convince world reactionaries that what US Government circles say is untrue....I have decided to quit power, turn the executive over to Carlos Enrique Diaz, Chief of the Armed Forces...I believe that democratic political organizations and all other popular organizations should give him full support... Someday the enemy forces will be defeated. I am still a combatant of freedom and progress for my country. I say goodbye with sorrow, but firm in my convictions. These years of sacrifice and fight and the arguments of the enemy have not defeated me...I thank you from my heart for the support. Let peace be restored. Let the gains be kept. With the satisfaction of having done my duty I say long live the October Revolution! Long Live Guatemala!



# OPCVL

## ■ Origin

- *On Sunday, June 27th, 1954, President Jacobo Arbenz publically announced his resignation.*
- *The speech was read over government radio. Just how many Guatemalans heard the it is not known, since the CIA partially jammed its transmission.*
- *The text of the speech was not published in newspapers for a month after it was delivered.*

## ■ Purpose

- *To make a final address to his country and to put the responsibility of his resignation on the United States*
- *“They have blamed their actions on the pretext of Communism. The truth is elsewhere – in financial interests of the United Fruit Company and other US firms that have invested much in Guatemala”*

# OPCVL

## ■ Value

- *This speech really demonstrated how Arbenz felt and his feelings of basically hatred towards the United States and its big companies that controlled his beloved country*
- *“Workers, peasants, patriots! Guatemala is going through a hard trial. A cruel war against Guatemala has been unleashed. The United Fruit Company and U.S. monopolies, together with US ruling circles are responsible.... Mercenaries have unleashed fire and death, respecting nothing”*

## ■ Limitation

- *The U.S. could not outright combat his statements that they were involved because it would ruin their cover story, so the U.S. side is missing.*
- *“We are indignant over the cowardly attack by mercenary US fliers. They know Guatemala has no adequate air force so they try to sow panic. They bomb and strafe our forces preventing operations”*

# Chapter 13

## The Longest Day

- Arbenz's country had deserted him
  - *The upper classes had no use for him for his measures never seriously affected their holdings*
  - *His tough measures against the opposition by his police had cost him his middle-class backing*
  - *Attacks by the Catholic Church had caused further loss of support*
  - *Many in the military still believed he had killed Colonel Arana and had never forgiven him*
  - *The lack of substantial economic progress and the constant turmoil of recent months had begun to convince even neutrals that it was best that Arbenz go*
- The deviousness attributed to Arbenz was greatly exaggerated
  - *He was just a bourgeois (middle-class) reformer whose ideology did not extend beyond basic precepts of nationalism and the stimulation of domestic industry and agriculture*
- Arbenz had been doomed from the moment eleven months earlier when the Dulles brothers told President Eisenhower he had to go
- Historians claim that the only reason the U.S. interfered was for the United Fruit Company; if it had not existed, there would have been no threat to U.S. property and they would not have cared

# Chapter 14

## The Liberation

- With Arbenz gone, Diaz took on Presidency
  - *His most urgent problem was the presence of Castillo Armas and his ragtag Liberation army on Guatemalan soil*
  - *In his brief radio speech after Arbenz's, he repeated his promise to Arbenz*
  - *He stated his regime would be inspired by the October 1944 Revolution and that Arbenz had done what he thought was his duty and he would carry on*
- Shocker- the CIA was not pleased and concluded he would have to go
- John Doherty (the CIA station chief) and Enno Hobbing (former *Time* Paris bureau chief who had arrived in Guatemala to help shape the new "constitution for the incoming regime) met and decided they would overthrow Diaz themselves
  - *In his place they would put Colonel Elfeigio Monzon (a secret leader of anti-Arbenz forces within military)*

# Chapter 14

## The Liberation

- Monzon, Doherty, and Hobbing sped to meet Colonel Diaz
  - *They argued with Diaz about the policies Arbenz put and how they were communistic- Diaz disagreed*
  - *Diaz was shocked about their anger saying the U.S ambassador had approved him*
  - *Hobbing responded "there is diplomacy and then there is reality. Our ambassador represents diplomacy. I represent reality. And the reality is that we don't want you."*
- Diaz then made his own plan to make a three man junta with him at the head and Monzon and Colonel Jose Angel Sanchez to join him
- This angered Peurifoy, Hobbing and Doherty even more
- The last straw with Diaz was when he mention he was about to proclaim a general amnesty and release all political prisoners (this included the communist organizers rounded up the previous day)
- Peurifoy sent a cable to Operation Success nerve center saying "We have been double-crossed. BOMB!"

# Chapter 14

## The Liberation

- Diaz was clearly weakening in the face of the American onslaught
  - *Peurifoy, Diaz, and Sanchez scheduled a meeting with Castillo Armas (Diaz giving up his promise) but they could not find Monzon's whereabouts to ask for his opinion*
  - *However during this decision the overthrow of Diaz was in progress by military officials*
  - *The plan was hatched by Monzon and the accidental presence of Peurifoy saved Sanchez and Diaz from being murdered*
- Diaz then “resigned” (by force and fear of death) and was replaced by Monzon
- Monzon created another junta with Lieutenant Colonel Mauricio Dubois and Lieutenant Colonel Jose Luis Cruz Salazar
  - *Their first move was to meet with Armas and negotiate a peace treaty and seek a cease fire through Peurifoy*
  - *The meeting did not go well (Armas and Monzon were never close) and it seemed there would be a fight between and American-created government and an American-created rebel group*
  - *Peurifoy intervened and soon*

# Chapter 14

## The Liberation

- The agreement was that
  - *there would be a definitive and total halt to hostiles and that a new constitution would be written to replace the liberal 1945 document (considered by all present to be at the root of the nation's problems)*
  - *All members of the Communist PGT and of the Arbenz administration were to be arrested and tried*
  - *A five man junta (Monzon, his two chosen comrades, Dubois, Salazar, Armas and an officer of his choosing) would hold for fifteen days while Provisional president would be chosen*
- *Peurifoy guaranteed to Castillo Armas that he would be president and on July 8 he became Provisional President*
- *On July 11 Castillo Armas gave his first speech and declared the day "Anti-Communism Day"*
- *On July 13 the U.S government granted official recognition to the Armas Castillo Government*

# Chapter 14

## The Liberation

- What Armas did in office:
  - *On July 19 the “National Committee of Defense Against Communism” was created*
  - *The Preventive Penal Law Against Communism- established the death penalty for a series of “crimes” that could be construed as “sabotage” including many labor union activities*
  - *The National Committee was given power to meet in secret and declare anyone a communist with no right or defense or appeal*
    - Those named would be sent to
  - *Disenfranchised three quarters of Guatemala’s voting population (banned illiterates from the electoral rolls)*
  - *Officially cancelled the controversial Decree 900 (Arbenz’s agrarian reform legislation)*
  - *August 10 he outlawed all political parties, labor confederations, and peasant organizations*
  - *Armas’s subordinates began burning “subversive” books such as Les Miserables*



# Chapter 14

## The Liberation

- September 1, 1954 Carlos Castillo Armas took over full fledged presidency of Guatemala
- Operation Success was ultimately deemed a complete success by Americans
  - *The U.S cover story held (stating that the overthrow of Arbenz was by the Guatemalans themselves)*

# Chapter 15

## The Aftermath

- Overall, the outcome of the overthrow was not “happy”
- While the short-run outcome of the intervention in 1954 was viewed at the time as a success for the U.S in the Cold War, in a larger perspective it is increasingly difficult to see it as anything but of a little short of a disaster
- Peurifoy's reputation of being connected to overthrows now travelled with him to Thailand where him and his son were killed in a car crash
  - *The State Department also reassigned other important embassy officers as to not leave anyone around to tell the story*

# Chapter 15

## The Aftermath

- The United Fruit Company did not prosper
  - *Despite heavy lobbying the company failed to persuade the Justice Department to withdraw the antitrust suit that threatened its operations in Guatemala*
  - *In 1958 the company accepted a consent decree forcing it to curtail its business in Guatemala by surrendering some of its trade to local companies and some of its land to local businessmen*
  - *Due to another suit it lost ownership of IRCA Railroad Company*
  - *In 1972 it sold all of its remaining Guatemalan holdings to the Del Monte corporation*
- In the late 1960s UFCO became caught up in a corporate merger craze where the president of UFCO, Eli Black, merged with United Brands
- As the financial climate darkened Eli's two billion dollar business crumbled and he committed suicide on the morning of February 3, 1975

# Chapter 15

## The Aftermath

- Jacobo Arbenz
  - *Old friends who saw him around commented on his physical deterioration*
  - *He moved from country to country in search of peace*
  - *His daughter (who did not follow him after a while) committed suicide at the age of 25*
  - *He told one friend "I have failed as a politician, as a husband and as a father."*
  - *He said he had no alternative except returning to Cuba to "vegetate, to do nothing, to ruminate"*
  - *On January 27, 1971 Arbenz died at the age of 48 by drowning in his bathtub*

# Chapter 15

## The Aftermath

### ■ Castillo Armas

- *He benefited initially from a substantial infusion of foreign aid from the U.S. (he did not have to pay back anything)*
- *These funds however did little for the nations poor*
- *He shocked and destabilized the Guatemalan economy*
  - *His economic plan which consisted largely of returning the country's economy to its traditional reliance on the coffee and banana crop, helped only a tiny aristocracy*

### ■ He became more and more of a dictator

- *He put in place press censorship*
- *He sought to manipulate the electoral process for his own ends*
- *In late 1955 he decided to postpone the next year's scheduled presidential election and instead held congressional elections that only permitted only his own party (the National Liberation Movement) to offer candidates*
- *However he retained unswerving support of the American government*

# Chapter 15

## The Aftermath

- Despite American aid the situation within Guatemala deteriorated
  - *Many leading officials of the new regime considered Armas' victory as a license to steal money*
  - *Many became involved with American gangsters in casino gambling*
- An atmosphere of spreading disarray gradually paralyzed Castillo Armas's government
  - *Plots against the administration began to crop up almost weekly*
- Castillo held on for three years and on July 27, 1957 he was murdered by an army guard, Romeo Vasquez Sanchez (found dead by suicide)
  - *The police portrayed the assassin as a lone communist fanatic embittered by the Liberator's "patriotic" policies*

# Chapter 15

## The Aftermath

- The fragile political institutions created by the 1944 constitution did not have a chance to mature
- The evolutionary process of social growth leading toward nationhood was prematurely stunted
- The age old alliance of the rich and the military regained its hold on Guatemala
  - *ruling through a series of corrupt regimes, uninterested in national development or improving the lives of its poor majority*
- The 1954 overthrow showed other countries in Central America that the U.S was more interested in unquestioning allies than democratic ones
- As a result, movements toward a peaceful reform in the region were set back
  - *Dictators were strengthened and encouraged*
  - *Activists of today look to guerrilla warfare rather than election as the only way to produce change*
- Guatemala has gone on practicing its form of politics in which there are no victors, only victims

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