Pam
Lat Am
Guatemala

1305

# A New Day in Guatemala

## *A STUDY OF THE PRESENT SOCIAL REVOLUTION*

SAMUEL GUY INMAN

50 cents per copy

WORLDOVER PRESS • WILTON, CONNECTICUT

MISSIONARY RESEARCH
LIBRARY
N.Y. YORK CITY

# A New Day in Guatemala

## *A STUDY OF THE PRESENT SOCIAL REVOLUTION*

SAMUEL GUY INMAN

AUTHOR

*Latin America, Its Place in World Life*
*Problems in Pan Americanism*
*Trailing the Conquistadores*
*History of Latin America, etc.*
*Departmental Editor, Collier's Encyclopedia*

50 cents per copy

WORLDOVER PRESS • WILTON, CONNECTICUT

# CONTENTS

# WHY THIS BOOKLET?

More than a quarter of a century ago there was let loose in this country a terrific campaign of propaganda to prove that the social Revolution in Mexico was communist inspired, managed not by the Mexican people for the benefit of the masses, but by Russia, for the benefit of the Bolshevik control of the world. The United States public became so excited that a Senate Investigating Committee was appointed under the chairmanship of Senator Albert Fall and sparked by the oil magnate, Edward Doheny, which, after much flair and "investigation" recommended intervention in Mexico. Fortunately, the people awakened to the fact that, in spite of many abuses, the *Revolution* was a profound democratic movement within our next door neighbor which was freeing the peons and Indians from economic slavery.

To the everlasting glory of the much abused "imperialistic" United States, under the leadership of Ambassador Dwight Morrow, who "liked the Mexicans," this country swung around to a positive program of cooperation rather than one of constant threats. The results have been that, after a century of quarrels, these two countries have solved all their fundamental disagreements and today work in intimate friendship to forward democracy in the United Nations, the Pan American Union, and other testing grounds.

In recent months, Mexico's southern neighbor, Guatemala, after efforts to liberate her own people from economic slavery, has been subject in a smaller way to the same kind of publicity in the United States as that given Mexico. The Chicago Tribune, The New York Herald-Tribune, The Readers' Digest, The Saturday Evening Post, The New York Times, and other periodicals have published warnings reminiscent of the old discredited predictions concerning Mexico, that Russia was about to enter this country through our back door in Guatemala.

My confirmed opinion after a somewhat careful study of the Guatemalan situation, with periodic visits to that country since 1920, is that we would be well advised—if we are looking around the world for friends in the present Amageddon—to shift our strategy from one which endeavors to throw Guatemala in the arms of Russia into one that claims that Guatemala is an ally, endeavoring to eliminate dictatorship and economic slavery as we ourselves have done during a century and a half of struggle. It seems to me that the present attack on Guatemala leads to our defeat and to a Russian victory.

I do not claim to know all the facts nor that all the views expressed in the following pages are correct. But my lifelong efforts toward better understanding between our American peoples persuade me to issue this hurried statement —a combination of facts and interpretations, with an occasional personal experience—in order that our public may be inclined to a more sympathetic attitude toward a neighbor.

I am fully aware of the nefarious communist danger in Guatemala as in every

other section of the world. I have no desire to gloss over the many defects of the Guatemalan Government.

I accuse none of my fellow citizens of dishonesty nor any less desire than I have to serve our common fatherland. I here present the more encouraging side of the picture, because I feel there is great danger in ignoring fundamental facts by important elements in our government and press, who paint for an uninformed and excited public a picture of nothing but a Russian organized gangsterism in a country which in fact is making an honest effort—with many mistakes, as many-minded democracies are likely to make—to pull their long exploited people up to maintain the standards which even we in this country find difficult.

However honest senators and gentlemen of the press may be, working under their highly prized protection (which an accused foreign country is denied) of senatorial and "freedom of the press" immunity, it seems to me they do a great disservice to freedom, which is mine as well as theirs to defend, by using the easy communist cliché to explain a profound, complicated, social movement.

We cannot survive too long by offering from our rich treasury a Four Point Program for "uplifting the backward people of the world" and then use our freedom to condemn their own efforts to better themselves.

I trust that this booklet will not only aid in clarifying the first six years of the Guatemalan Social Revolution, but will also give a preview of the administration of the new President, Colonel Jacobo Arbenz, which is scheduled to begin on March 15, 1951. I likewise hope that it may, in this terrific crisis, call out from my country a generous response to Guatemala's efforts to keep faith with the Spirit of America and cheer our southern friends to renew their efforts toward a well-rounded democracy in an important hour in their historic destiny.

No one except the undersigned is responsible for the views herein expressed. Detailed facts come of course from various different sources especially two excellent Area *Studies* published by Colgate University; *Aspects of Social Reform in Guatemala* by Leo S. Suslo (1949) and *Organized Labor in Guatemala* by Arthur C. Busch (1950); also a life of President Arévalo, *El Presidente Arévalo y el Retorno a Bolivar (Un Panamericanismo Revolucionario)* by Pedro Alvarez Elizondo, Ediciones Rex, Mexico, 1947.

SAMUEL GUY INMAN

Bronxville, N. Y.
February 20, 1951

# CHAPTER I

# REVOLUTION, COMMUNISM, DEMOCRACY

Friendly relations between Guatemala and the United States are returning to normal—which means they are good. For there never was any real reason for the ugly temper of recent months, with charges and counter charges, that Guatemala was communist, that the United States was imperialist, that the former was harboring enemy submarines and trying to drive out American business, that the latter was using its corporations to grind down native labor, and its cultural agents to destroy native civilization, and many other charges each of which made the other party more angry and less reasonable.

This new understanding is due in part to recent efforts of two men, President Juan José Arévalo of Guatemala and Assistant Secretary for Inter-American Affairs, Edward G. Miller, Jr., of the State Department. Long discussion with both of them, while Mr. Miller was in Guatemala on July 3, confirm my belief in their earnest efforts to come to this new understanding. Both men were rather surprised at what "a wonderful fellow" he found the other man to be.

## *Guatemala, Military Ally of United States*

"What is Guatemala's international position, in view of the threat of war in Korea?" I asked President Arévalo, in an interview with him, which was published in The New York Times on July 18, 1950.

"We hope of course," replied the President, "that the situation in Korea will not lead to a new world conflagration. But if such a conflict should come, Guatemala declares that her only loyalty is to the American Continent. Especially do we declare that we are military allies with the United States at any time that our great Sister nation may need our modest help."

President Arévalo is proud of his record as a liberal and nothing arouses his anger more quickly than the accusation of his opponents that he is a communist. He thinks there is no excuse for such misrepresentation, since his whole adult life has been one of preaching and practicing the rights and duties of the common man. Beginning his career as a teacher, his brilliant advocacy of a reorganized national educational system, along more social lines, led to his discharge by the Ubico dictatorship in 1934. For 17 years he taught and wrote in favor of social and educational reform in Argentina, while he also visited leading European institutions.

When Ubico's abuses became unbearable and Guatemalan students, merchants and labor combined to drive him out, a call was sent to Arévalo to return home to run for the presidency on a reform ticket. He was overwhelmingly elected. He set out on an impossible task—to rule democratically in a country where 95% of the arable land was held by 5% of the people and one foreign corporation, where 60% of the population were Indians and popular elections had been unknown.

Besides the handicaps of rich reactionaries, illiterate voters and big U. S. corporations already in Guatemala, a crowd of foreign fanatics flocked in, including a group of well-trained communists who preached their own ideologies as the solution of all of Guatemala's ills. During his five years of government, with twenty-four uprisings against his regime, Arévalo has never decreed the execution of an enemy nor suppressed an opposition party. He is proud of that record, for it demonstrates his great faith in democracy, in spite of continued attacks by conservatives and communists.

"The American Continent carried on the last World War under the flag of democracy," declared President Arévalo. "The moving addresses of President Roosevelt urged the peoples and governments to perfect their democratic system. The Guatemalan people became Rooseveltian, and in 1944 they overthrew a dictatorship which had stifled any growth of democracy. Since then, we have loyally given ourselves to installing a democratic regime, as recommended by the President of the United States. In Guatemala today, there is liberty of opinion, verbal and written; there are political parties of the most diverse ideologies; there is freedom of commerce and industry; there is equality of opportunity for all men."

*Against Communism*

The President categorically denied any relations of his government with communism. "The people and the government of Guatemala have with ancient Europe and Asia only a spiritual bond through traditional culture. Politically speaking, Guatemala has no connections whatever with any extra-continental power, either European or Asiatic."

On separate occasions, both the President and different members of his cabinet, in almost the same words, said: "We know exactly who the communists are and what they are doing. At any time that they become a real menace to our national or inter-American safety, we will grab them and put them in jail so quickly they will hardly know what has happened. We are not so innocent as some people think we are."

Communists of course have had a more important place in the development of misunderstanding between our two countries than President Arévalo probably realizes. This reporter has no desire whatever to deny the success with which they have operated in disturbing Guatemala-United States friendship. But he believes it greatly damages the cause of democracy to fix our eyes blindly on communism and fail to see that there are other fundamental causes. When Guatemala, after a century of suppression of rights, chose a regime pledged to freedom, the new government was especially anxious to demonstrate that freedom of expression had really arrived. When the communist chiefs heard of this opportunity, they did as they always do, sent a group of their people to take advantage of this freedom to stir up trouble. As in other countries—the United States, for example—they were able to secure important positions in government and labor unions. Their presence gave to the opponents of reform the opportunity to brand as communist all the efforts to better the lot of the common people. The exaggeration of the

communist menace and the claim that Russia was establishing a great military and propaganda center in Guatemala angered President Arévalo and his associates, and made them more determined to allow all parties to express their ideas, however foreigners might try to boss the country. The very foreign pressure, and especially the reports that enemy submarines and super powerful Russian officers were operating in Guatemala, unwisely slowed down the steps that the government should have speeded up, to deny the use of government facilities for what came to be as time went on, communist inspired activities.

With the coming of the Korean crisis, President Arévalo, who never for a moment had a temptation to embrace even the Marxist doctrine, took vigorous steps to clear out communist power. The boldness of the communists themselves offered him the desired opportunity.

Seventeen members of the Coalition Party, P A R, withdrew from the organization and began the publication of an openly declared Communist paper called *Octubre*. President Arévallo, Presidential Candidate Jorge García Granados and other prominent liberals declared that this was a good thing, since for the first time the Communists came out in the open and could be surely identified. Several of this group were government officials. President Arévalo immediately dismissed the two who were his appointees, Alfredo Guerra Borges, editor of the official Diario and Mario A. Silva Jonama, Director of the official radio station. The Supreme Court dismissed the leader of the group, José Manuel Fortuny, from his post as a judge of elections. This started a further house cleaning in a number of organizations, including the Guatemala Labor Syndicate.

While political relations between the United States and Guatemala are "excellent," according to President Arévalo, "economic relations are not so good." He represents the whole of Latin America when he says that it is a mistake for the United States to direct its efforts toward Europe and "leave Latin America largely to its hopes." He is not against American investments, declaring that "they are our friends in every respect, with their investments protected by our laws." But he is very sure that they would be better received if they should act in Guatemala as they are compelled to act in the United States.

"Human beings," continued President Arévalo, "are moved by sympathies and antipathies; and those business enterprises that are organized along antiquated commercial lines, with a juridical mentality of the year 1800, are not adequate to enlarge the sympathies that are the just deserts of North American Capital."

It is not difficult to understand why the United States and Russia are enemies—their fundamental ideas of life completely differ and they are sharp competitors in economic and political expansion. But nothing except bad management can explain quarrels between the United States and Guatemala which as fundamentally agree on political ideology as they supplement each other economically, one having an oversupply of capital, of technicians and machinery, the other with an oversupply of bananas, coffee, mahogany, chicle, potential students and tourist attractions. Yet the two governments

become so angry at one another that they threaten to withdraw ambassadors and big paying business enterprises.

One of the reasons for this misunderstanding was the simple matter of manners and language. This is illustrated by the Comedy of Errors made famous in Guatemala by our two most recent Ambassadors, Edwin Jackson Kyle and Richard C. Patterson, Jr. Mr. Kyle was a Professor of the Agriculture and Mechanical College of Texas and interested in improving the crops and stock of Guatemala. He ended up as the most popular man in Guatemala. Mr. Patterson, former President of Radio-Keith Orpheum Corporation and other big enterprises, on the other hand interested himself in protecting American corporations and cleaning out supposed Communists from the Government. He ended his Guatemalan career by being asked to return to the United States.

On the same day that Mr. Kyle returned to Guatemala with a group of eighty enthusiastic Texans who stormed the city and cheered the former Ambassador as he received the Order of the Quetzel, the highest decoration of the government, Mr. Patterson was entertaining a well known New York publisher in the Embassy, where Arévalo's enemies—rich Americans and Guatemalans—held forth on Guatemalan communism.

Neither one of the Ambassadors spoke Spanish. But the Guatemalans claimed they understood Mr. Kyle when he called on the farmers, gave them seed and showed the boys a better way of milking their cows. They did not, however, understand Mr. Patterson, trained in the "hiring and firing" technique of old-fashioned big business back home, when he told President Arévalo that he must dismiss certain of his cabinet ministers and announced to the President of Congress that he knew of seventeen people believed to be Communists that must be eliminated from the government.

The conference between President Arévalo and Assistant Secretary Miller showed how misunderstandings can disappear when two men speak each others language, both literally and ideologically. The best in each one is brought out by the other, for both are at home in the tongue of Cervantes, are well read in its literature, are grounded in the fundamentals of democracy and the responsibilities of American republics in today's world.

### *President Arévalo's Opponents*

President Arévalo, against whom a total of 24 uprisings have been launched and every kind of accusation has been hurled, might well quote one of the earlier critics of the United States democracy, Fisher Ames, who said, "A monarchy (dictatorship) is like a merchantman. You get on board and ride the wind and tide in safety and elation. But by and by you strike a reef and go down. But democracy is like a raft, you never sink, but, damn it, your feet are in the water all the time."

The school teacher president's enemies are divided among four elements: the large plantation owners and foreign investors who are against the new fangled ideas of the "welfare state," labor unions, higher wages, social insurance, increased taxes; second, the military, who think they ought to continue to run the country as in the past; third, the perfectionists, including the university

students and editors who believe that a democratic government should under no circumstances limit freedom of expression or punish political crimes; and fourth, the communists, a small but noisy crowd who infiltrated into the government, labor, army, land owners, and intellectuals, and with their highly skilled techniques, set every group against the other. Counterbalancing these groups is a growing number of organized workers, clerks, school teachers, small farmers, public employees, small merchants and mechanics, who, in spite of its many mistakes, appreciate the new freedom, enlarged educational opportunities, and social security provided by the government. A full year before the presidential elections in December, 1950, these two sections were preparing a vital struggle to see whether Guatemala would return to the old government of privilege or stay with the new efforts toward democracy, in spite of the fact that "your feet are in the water all the time."

*Building, Key Note of the Revolution*

Building is the keynote of progress; especially in Guatemala City one is impressed with the modern construction on practically every street. On a recent visit this writer endeavored to locate the country residence of President Cabrera which was visited in 1920. Memory indicated that it was about 5 miles out in the country. Its actual location, however, was found to be in what is the most modern section of Guatemala City today. In fact, this large country estate, once occupied by the president, is now taken up by the national stadium which contains an outdoor theatre, a great stadium seating 50,000 people, several inside gymnasiums with basketball and other courts, a home for visiting teams, tennis courts, and many other departments demanded by modern sports. Two miles beyond this former country residence of President Cabrera is another series of public buildings, including the astonishing Roosevelt Hospital where even the nurses' home is capable of housing 400 nurses, a new archaeological museum and one of fine arts, an extended series of buildings for the new American school which enrolls 1,000 children of Guatemalan, North American, and other foreign parentage. The "Federal School" is the most modern educational institution in Guatemala. Halfway between these two sections is the beautiful modern Union Church for English-speaking protestants. All through this section one finds some of the most beautiful residences in tropical America.

The Arévalo regime has not been too happy in its propaganda. The little work done along these lines is a clear demonstration that the regime is democratic rather than a dictatorship, as, for example, the one in the Dominican Republic where the picture of President Trujillo is a "must" not only in every government office but also in the home of individuals. In a small office in the government palace which is marked as an office of propaganda, I picked up a pamphlet which lists the public buildings opened in 4 years of this administration. The following is a translation of the gist of this 35-page booklet:

> The "federation" type of school is the glory of the Arévalo government. What type of school did the dictator give us, if any? (Following this question there is given a detailed list of 105 new rural schools in modern buildings completed along with a home for the principals and 30 secondary schools.)

135 buildings for schools in 4 years. How many did the dictatorship build in 14 years? Not one!

No one can deny the cultural character of this presidential period.

The national stadium alone would be sufficient for the glory of any government. The great national library will be another monument to culture. (Following this is a description of the national stadium, already referred to.)

This government constructs or improves hospitals, not because of the imperatives of war, but because of social sensibilities. (37 new hospitals and old ones enlarged are listed, not including the great Roosevelt hospital.)

An entire new city is being built in Poptún, the first city founded in Guatemala since 1821.

36 towns in the republic illuminated by the "Arévalista" government. How many towns did the dictatorship illuminate in 14 years?

The government has studied the great problem of water supply and found 300 towns and cities without water or with bad water. Water works are being developed in 30 cities and towns. Do not ask us to do in 6 years what has not been done in 127 years of our independence!

To dig a road out of the terrain from Poptún to Sarstún is the glory of "Arévalism." Go to see it and give your opinion. (11 paved roads are listed including a section of the Roosevelt highway [Pan American Highway] between Huehuetenango and Jutiapa.)

Schools, hospitals, roads, worker's homes—that is social sensibility and democracy. The epoch of great palaces for the emperor has passed. (16 public buildings of various classes, 5 projects for public housing, 48 homes for army officers, 15 homes for state engineers are then listed.)

A University City could only be conceived by a government that does not hate culture. Do you remember the old Colón market? Go and visit it today and you will have much to talk about. (University City in construction to move from the various old buildings in the heart of the capitol.)

These are the material works of 4 years "Arévalism," declares this booklet, so combated and ridiculed by the adversaries of the revolution and the enemies of popular interests. This "Arévalism" has served the people without compromising with the fearful and the reactionary. This is the reason why the work is denied or when it cannot be denied is opposed. Visit these schools, roads, markets, nurses' homes, and you will have the personal impression of the accomplishments of 4 difficult years of government.

Remember that this pamphlet does not refer to great institutions like the Bank of Guatemala, the Institute of Social Security, the Institute for Fomenting Production; neither to the important new laws such as the labor code, the scale of wages for teachers, the rural land law. Nor does it mention the great democratic activities such as the Economic Congress at Escuintla and the Congress to Study Hospitals at Quezaltenango and the Indian Congress at Cobán. Nor does it refer to the great cultural and civic transformation of the republic, nor much less to the defense of the national sovereignty which this government has defended as none other in the past.

The housing specialist of the Pan American Union, Mr. Anatole Solow, had been borrowed to aid in setting up a Housing Department in the new Institute for the Promotion of Industry. Guatemala is scientifically studying the process of industrialization. He relates his enthusiasm of his visit in 1949 as follows:

Guatemala, my first job destination, has had no consistent national housing policy until very recently, but during the past three years, about three hundred dwellings have been built by the Public Works department. It has now set up a new Housing Department in the *Instituto de Fomento de la Producción*, Guatemala's development agency, to carry out a long-range program. From the Pan American Union the Government

wanted advice on financing, administration, and such technical engineering aspects as design and planning. Well-framed legislation, broad in scope, had already been drawn up, providing an initial capital for two million dollars.

In Guatemala, I got the distinct impression of a people rushing around getting things done. Sr. Juan Licarralde, an aggressive city engineer and a leader in his profession, took me to a clean, modern playground in the center of some city slums. "Do you recognize the place?" he asked me triumphantly. I shook my head no. "Only last year," he said, "you came here with me to see an open-air market." I recalled with a shudder the filthy, rat-infested spot I had seen before. We moved a few blocks to see the new replacement—a handsome building with concrete floors, steel windows, and running water, jammed with barefoot, brightly shawled Indians.

The Parque de las Américas covers four city blocks, with a bandstand and promenade for adults, a playground with gaily painted equipment for children, a library, and a community center. In the buildings, Mayan motives were successfully adapted to contemporary architecture.

Ever since Guatemala's President was a schoolteacher, he has been trying to help his country's education system along. Though illiteracy is still predominant, an ambitious building program is at least providing decent physical surroundings for learning. A generous slice of the national budget is spent on new schools every year, and the President personally discusses each design with architects and engineers, contributing ideas gleaned from his own experience. The old country school with pupils sitting on rickety outside benches is being replaced by lavish new buildings, light, airy, and attractive, decorated with murals by the country's best painters. A circular schoolhouse with classrooms projecting like the spokes of a wheel has been adopted as a model. Five of this type have been completed in Guatemala City and other towns, while twenty more are planned or in various stages of construction. Kindergartens, nurseries, and health centers are springing up everywhere.

Execution of the program is in the hands of the nation's Public Works Department, under the able direction of its young chief engineer, Sir René Schlessinger. This energetic first-generation Austrian spends most of his time in the field, getting his correspondence and office work out of the way between five and seven A.M. He invited me to accompany him on a routine trip: in sixteen hours we jogged over 250 miles of mountain roads, inspecting schools and others public buildings, sewage plants, and water supply systems.

But in Puerto Barrios, Guatemala's wealthy Atlantic port, I saw another side of the picture. Shining white luxury liners discharged goods and tourists on docks flanked by a ghostly collection of sordid slums that made some of the huts in interior villages look palatial. Plans now under discussion would convert this eyesore into a new port and a modern, planned city.

A comparison of the budgets of the two regimes is interesting. According to the Ubico budget of 1943-44, each of the Dictator's horses was assigned $30 per month for his keep. School teachers, on the other hand, were assigned as low as $8.00 per month. The rector of a university faculty was paid $85 per month. Ubico supported a library in the town of San Juan de Sacatepéquez. The appropriation was $10 per month, $5.00 salary for the librarian and $5.00 for other expenses, including subscriptions for periodicals.

One day when the Dictator was poking around old government buildings, he came across unassorted piles of old documents, containing among other valuable colonial manuscripts, the original of the most precious of all colonial histories, that of Bernal Díaz. General Ubico—lauded by visiting Americans for efficiency, running trains on time, etc., ordered the manuscripts burned as waste paper. The distinguished Guatemalan historian, Don Juaquín Pardo,

rescued the manuscripts and the school teacher—President Arévalo ordered built a handsome combination of National Archives and Library, which will be one of the finest cultural monuments in Central America.

Under the new Revolutionary government all salaries in the lower brackets have been doubled or more. Policemen have been raised from $30 to $60 per month, the minimum salary for rural teachers is now $30 and for city teachers $75. In the higher brackets, salaries have been sometimes lowered. President Ubico received a monthly salary of $2400 plus a pension of $1400, plus an entertainment allowance of $6000, plus food and other expenses, including the cost of his barber—totalling some $215,136 per year. The all inclusive salary of President Arévalo is $2400 per month. The National Congress even discussed recently whether one of their members was guilty of "reprehensible conduct" because he accepted a free pass from a motion picture house.

Every Cabinet Minister is now at the head of a large program of development, which is aided by experts from the Pan American Union, the United Nations, the International Bank, the World Food Organization, and more especially, experts from the United States. Formerly the Agricultural Ministry and other Cabinet Departments, were merely servants of the Dictator President and his particular friends—including rich landowners and foreign corporations. Today these governmental departments are headed by young, enthusiastic ministers, whom the President expects to manage efficiently his department, with presidential consultation only on the most important top problems. Each minister has as his first line assistants, young men who have been prepared—largely in American Universities—for their particular jobs. Most of them, talking American slang, will tell you of their plans made under the inspiration of the department of tropical medicines at Rockefeller Institute, Cattle Breeding at Texas A. and M., Electrical Engineering at MIT in Cambridge, or the Coffee Institute of Sao Paulo. They are about as communist as an Iowa farmer. I talked with many such young men whom their Chiefs frankly told me had the major responsibility for making and carrying out detailed plans. Such a group of young technicians, thoroughly grounded in democracy and the American way of life, indicates that Guatemala's future will be along these lines.

Youth likewise marks the higher echelons of the Guatemala government. President Arévalo himself, when called from Argentina to run for the presidency on the ticket of the new Revolution, was only 40 years old. He set up a government of young men, and such it continues to be. The average age of the member of Congress is 35, and there are deputies of 22 who go from their classes at the University to their seats in Congress. The Minister of Economy and Labor, the much discussed Bauer Paiz, is 33; the Minister of Foreign Affairs, formerly Ambassador in Washington, is 36; the Chief Justice of the Supreme Court is 40. This of course accounts in part for the swift pace around government offices as well as the tastes for modernist architecture and vocabulary and for advanced social and labor legislation, which may lead older conservative elements to call the present government "communist." This may likewise explain two of the most remarkable constructions on the American

Continent, which critics often condemn Central America for not having, and now condemn it because it has built—a great national Stadium and the 1,000 bed Roosevelt hospital.

*Guatemala-United States Cultural Relations*

Scarcely equalled in any other American republic is the fine cultural cooperation now going on between the United States and Guatemala. It covers a wide range of activity—educational, social, public health, agricultural, scientific and archaeological. It shows what can be done when two countries get together for the public good.

At a recent reception given by the Cultural Attache of the U. S. Embassy, practically all of the 60 guests were concerned with various forms of cooperative work. Among them were representatives of the Archaeological section of Carnegie Institute, the U. S. Department of Agriculture, the Social Security Administration, the Pan American Sanitary Bureau, the Children's Bureau, the Department of Public Health, the Kellogg Foundation, the International Convention of Girl Guides, the Children's Fund, and the Inter-American Economic Commission of the United Nations. Each was impressive for his enthusiasm, careful preparation, use of Spanish, and understanding of Latin American life.

Is the cooperative program a new form of United States domination? Dr. Raul Osegueda, through whose office as Minister of Education most of the work passes, told me how he answers those who raise the cry of "Yankee imperialism." He invites such critics to make a personal investigation of the rural work carried on by the two republics. If they can once find any "imperialism," he pledges himself to end the cooperation.

The Guatemalan Ministry of Education and the Washington Institute of Inter-American Affairs in 1950 were operating 410 rural schools. Their programs included school gardens, chicken and rabbit raising, carpentry, food and health instruction. In 1949 the Inter-American Institute put $30,000 into the joint fund for administering this scheme, and furnished eleven United States specialists, who, with all their equipment and expenses, cost Washington $90,000, while Guatemala's part was $198,000.

When I made a survey of these advances in 1949, Dr. Antonio Goubaud-Carrera, newly designated Ambassador to Washington, had just come from presiding over a five day conference to study, with Guatemalan and North American experts, the finding of common terms for translating Spanish and English materials into Indian dialects. At the meeting were a Chicago University professor of linguistics, the head of the American Bible Society's department of translations, a group of Protestant and Roman Catholic missionarics working with the Indians, and a number of Maya and Quiche Indians themselves.

The new Ambassador, a graduate of the University of Chicago, is so interested in this work that he hesitated to accept the proffered appointment, but did so when President Arévalo expressed his desire to have a man in Wash-

ington known to be particularly friendly to the United States and the development of cultural ties.

*Why So Much Publicity?*

Guatemala is one of the five small Central American countries with less than four million population, about the size of the State of Maine. Why has it recently received so much publicity in the United States?

1. There are Communists in Guatemala.

2. There is a reform government in Guatemala, which big Guatemalan land holders, big American corporations and reactionary groups of various kinds are determined to get rid of.

Add to these two facts the general ignorance of the American public of conditions in Central America and you have the explanation of why absolutely false reports—which a little country like Guatemala finds it impossible to correct—are brazenly circulated by the United States press. This is not to say that *all* of the material published is untrue, nor that there is not much to criticize in the reform program which the present Guatemalan government is endeavoring to carry out. Yet, far from being a threat to our way of life, President Arévalo is a school-teacher, middle-of-the-road advocate of democracy, private property, and republican principles.

He has confiscated no property (except German, during the war), threatened no American Company with expulsion, taken no steps to protect organized labor beyond what is usually accepted in all civilized countries. Guatemala's social provisions are not as radical as those of the New Deal in the United States, or the Labor Government in Great Britain. Compared with the redistribution of land belonging to the rich, the expropriation of petroleum, the requirements that foreign corporations shall become national, the stringent limitations on the church, or any of a dozen other social reforms made effective in Mexico and other countries with which we live in friendship, the Arévalo government is actually a mild kind of reform. This is admitted by many North Americans with whom I talked in recent discussions in Guatemala, Washington and New York, including the largest American corporation in Guatemala, and representatives of the Department of State.

"Imagine the Chase National Bank or Chrysler, or any other concern in our country," says Mrs. Tharon Perkins, writing on Venezuela in Harpers Magazine, December 1950, "having to provide a house for each employee, an education for the children, hospitals and medical care for the entire family, paved streets, garbage collection, and a sewage system, stores where food can be bought (much of it below cost), power plants to supply electricity, water systems with pure water, laundries and ice plants—and even amusement centers with baseball diamonds, movies, and club houses for dances and billiards. And last but not least, pay salaries, a two months' bonus at Christmas time for every worker, and dismissal pay for those laid off. This is what the (Venezuelan) oil companies have to do."

Let the Guatemalan conservatives realize that the above is happening in a country where no one could possibly cry "communism," for it has one of the

most fascist dictatorships in the world, where capitalism and private enterprise are completely accepted. Across the world is another one of the most absolute of governments, Saudi Arabia. Under the iron rule of Ibn Saud, where the State's money is the King's money, the American Petroleum Company, on January 1, 1951, contracted to give King Ibn Saud 50% of the profits of all the oil produced.

Most business men in the United States are well aware that Washington has taken the place of Wall Street as the center of business, and that the technicians and economists and managers—the Leon Hendersons, the Charles E. Wilsons, the Walter Reuthers—have taken the place of the Jay Goulds, the J. P. Morgans and the James Hills. But most business men who left this country 20 to 40 years ago because they were disgusted with the trust busting of Theodore Roosevelt or the income tax of Woodrow Wilson, still believe that the new place of labor and government is only a fling during a wild night party of the radicals and that the bright morning of rugged individualism will soon return.

In Mexico one still finds members of the "Old Timers Club" who daily climb to the roof with their binoculars and sweep their eyes over the horizon and out toward the Atlantic, expecting to see old Porfiro Diaz standing on the bridge of a trans-Atlantic liner impatient for his arrival on Mexican soil when he will bring back the good old days. But they will never come back! In every hotel bar and American Club south of the Rio Grande, I meet these dear old friends whom I met in the same places in my first South American trip in 1914. Not only fellow North Americans but friendly land barons and bankers of the southern republics greet one with the same longings. How much happier would they be if they faced the world as it is! Not that they would escape problems—they might even meet more of them. But they would at least enjoy the zest of living in a moving and not a dead world.

### *Presidential Elections*

When 1950, the year for presidential elections, came, all those "in the know" were sure that President Arévalo would have himself reelected. Many of his enemies really hoped that such would be the case so they could make good on their predictions. But those who knew the President and his devotion to the National Constitution, as well as his love of his books and writing, were equally sure that he would stand by his promise to abide by the law.

The politically hopeful at least took Arévalo at his word, and began sparring for the presidency in 1949. There were three original members of the Revolutionary Movement who continued to be prominent and seemed the most likely inheritors of the man who stood head and shoulders above the crowd. Two of these, Colonel Francisco J. Arana and Colonel Jacobo Arbenz, were members of the original Triumvirate who governed during the exciting months between the departure of the Dictator and the seating of Arévalo. Arana announced his candidacy early and was, it seems, ready to seize the presidency by force when he was assassinated in July of 1949. Colonel Arbenz then moved into first place, as a man of longest experience in the government and holding

an influential place in the army. Another genuine servant of the Revolution was the brilliant President of the Assembly that wrote Guatemala's remarkable social centered Constitution, Dr. Jorge García Granados. He had the advantage of being a brilliant lawyer and student of government, was a world traveler, and had many friends in the United Nations and Washington, where he had served as Ambassador. Both of these men were friends of the President and both soon announced their candidacy, with Dr. Arévalo declaring hands off in the coming race. A third member of the Arévalo family, Dr. Victor Manuel Geordani, Minister of Public Health, became a candidate, supported by the already weakened FPL Party, which was opposed to any military figure.

*Arbenz Campaign*

Colonel Arbenz resigned as Minister of Defense, and opened large, downtown headquarters in the Capital. He organized campaign committees in the provinces and gathered around him an active group of young men and women. He was backed by the RN and PAR parties, along with the Communists and other less organized groups. The writer accepted an invitation to go on a Sunday campaign with Col. Arbenz, from one of his most active young supporters, Federico Guillermo Palmiere, staunch fighter with arms and words for the New Order, winner of Mexico's cross country automobile race, and friend of the United States. About sixty of us met at the airport. There were half a dozen professional men, including the brother of the President, Don Mario Arévalo. Most of them were young men and women, reminding one of a crowd of college students, taking off for a football game in a neighboring town. We crowded into two planes and in half an hour's flight had reached the town of Jalapa, capital of the Province by that name. It would have taken two days by other conveyance, even if there were no breakdowns on difficult roads.

Several trucks met us, already seemingly filled, but Candidate Arbenz, some twenty others, and I climbed into one of the trucks, making altogether some sixty people. We clung desperately to one another or to a central rope, as the truck went up and down and around the uneven, curving dirt road. When the load seemed to be unbearable the "Americano" was graciously moved to a private car.

A thousand people awaited us at the town plaza. The speakers climbed onto the band stand, and the speeches began. The most sensational one was by a boy of twelve, who declared that in spite of his age, he knew the meaning of the new democratic regime of his country; while he could not vote, he hoped that the distinguished visitor would be elected and carry on the program of the social revolution. Candidate Arbenz made no effort to spell-bind his cheering audience, but talked simply about what he would try to do for an isolated province like Jalapa, which, far from being poor, only needed government help to build roads to the markets, to study its mining possibilities, aid with farming machinery and soil fertilization. The value of cooperatives as an aid to the people was emphasized and the address was closed by a promise

that the requests there presented to him for the improvement of Jalapa would be remembered when he became President.

Lunch for a crowd of about 300 was served a few miles away, beside a beautiful country bathing pool, giving opportunity for individual conversation with the quiet, unassuming Colonel, who looked and acted more like a young business man than a professional soldier.

Dr. García Granados in the early days of his campaign, stayed at his home and devoted his time to planning with his friends for an individual appeal to the public who knew and respected him—although he had a sound truck that hourly passed through the streets of the Capital repeating a few well worded sentences about his promise to carry out the program of the social revolution. He suffered from the lack of a well organized Party and probably from his reputation as an intellectual and friend of the outside world. He claimed that if his opponent, Colonel Arbenz, continued to accept communist backing, and was elected, he might have to choose between giving them a part of the spoils or have them lead a revolution against him.

The Conservatives were represented by General Miguel Idígoras Fuentes, who had served well Dictator Ubico, had a reputation for Indian massacres, and was accused of many cruelties while in the army. He waged an active campaign in which he attacked the Arévalo government as communistic and an enemy of all decent Guatemalans. He endorsed the "movement of silence," a demonstration against the Arévalo administration, which brought serious repercussions. Fearing arrest he took refuge in the Embassy of El Salvador until after the election.

General Idígoras, in a campaign speech, June 23, admitted that the revolution of October 1944 came from the people and its basic principals involved liberty from the dictators and included the four freedoms of the Atlantic Charter. It also included, he said, the recognition of the value of the worker in salaries and in social security; however, the later leaders of the movement came out of the foreign embassies, transformed the national movement into an inter-national one introducing into Guatemala the complex doctrines of Soviet communism and profoundly dividing the Guatemalan family, creating class hatreds, religious prejudices, and enormous public calamities. On the other hand, former soldiers under General Idígoras attacked the General for the way he had treated them. Manuel Méndez Gonzáles, an Indian, declared, "We are indignant when anyone says that the Indians favor General Idígoras. We cannot be with him because when he was political chief of our village, he assassinated many people. It was he who in 1933 ordered the raping of our wives and the capture of our children like we were goats. In 1936 he imprisoned various workers because they had no pass proving that they had worked for several months without one cent's pay on the public roads and endeavoring to make them complete slaves and finally it was he who assassinated a number of rural workers by means of the country police for the supposed crime of being from Mexico and having a few baskets to sell in order to make a living in Guatemala which at that time was so hostile to the Indians." ("Nuestro Diario," June 21, 1950, Page 7)

President Arévalo made good his promise to remain neutral in respect to the candidates and to assure open and fair elections, which were held on November 8. Only the three major candidates, representing left, center and right, received anything but a token vote. There were few disturbances and this second open election in the history of Guatemala proved that the country, while not in any sense a mature democracy, had come a long way toward political freedom since the October 1944 Revolution.

The result of the voting, early announced by the National Electoral Junta, was: Colonel Jacobo Arbenz 242,901 votes; General Miguel Idígoras 68,146; Dr. Jorge García Granados 30,106. This reporter has not returned to Guatemala since the elections to hear comments. But an interesting phase of the gossip would be, no doubt, how Arévalo's enemies were explaining why their "inside information" that Arévalo would stay in the presidency, had gone wrong.

The New York Herald-Tribune reporter, Fitzhugh Turner, wrote: "A presidential election is supposed to be held in Guatemala toward the end of the year, but the odds are no better than 50-50 that it will come off in peace. Most of the country believe that unless he is chosen as the government candidate and unless he is elected, the Defense Minister, Lt. Colonel Jacobo Arbenz will attempt to seize power by force." This brilliant prophet continues his article by stating that there are two other leaders "who have staked their future on the elections, and many of whose followers are armed. The two labor leaders are Manuel Pinto Usaga, forty, and Victor Manuel Gutierrez, who is twenty-eight."

Turner's data on ages seem to be accurate, but the rest of his prediction was not confirmed. Neither one of the labor leaders ran for the presidency or threatened the use of arms, and one was later thoroughly discredited. Mr. Turner's deep penetration into Guatemalan affairs was also rather damaged by Colonel Arbenz's simple campaign during which, so far as I know, he never attacked the United States in any way. But listen to Turner's description of Colonel Arbenz; quoting an unnamed American's statement that in a drinking bout the Colonel said: "Your people are doing things for your workers that we won't be able to do for fifty years. That's why I hate you." Some reporting!

Some of Colonel Arbenz's opponents were within the Revolutionary Group and believed that social reforms would be in danger if a military man headed the nation. It was difficult to make any prophesy about this because the Colonel contented himself with an expression of loyalty to the Reform Program without going into detail concerning what he would do for labor, education and other aspects of the economic and cultural work stressed by President Arévalo. Even after he was elected he was careful about announcing any details of his purposes.

The new president faces a hard job. With a strong group of conservatives and militarists on the right, determined to eliminate the social revolution with the aid of American corporations, and on the left a group of communists and extreme reformists, who are influential in labor circles, the Chief Executive will need the friendship of the liberal minded people inside and outside Guatemala to keep and enlarge the social advances of the last six years.

## CHAPTER II

# ORGANIZED LABOR

"Guatemala is a free, sovereign, independent Republic" declares the Constitution of 1945, "organized for the primary purpose of assuring its inhabitants the enjoyment of liberty, culture, economic welfare, and social justice." The Arévalo government was elected to carry out this mandate and had no choice as to the organization and encouragement of Labor Unions. "Work is a right of the individual and a social obligation" says Article 55, and goes on to state that mandatory laws should regulate and protect both labor and capital. Placing government in the center and labor and capital on either side, with their obligation to accept the decisions of the central authority, when the two could not agree, did not await a Wagner Act which in the United States, was passed 145 years after the Constitution was adopted. Guatemala's fundamental law goes on to define many detailed obligations, including the following:

Labor contracts are obligatory for management and labor. Any agreement that denies the laborer his legal rights is void.

Minimum salaries will be determined taking into account worker's family conditions.

An eight hour day, one day's rest in seven, and annual vacations.

Equal wages for similar work.

Right to strike and to close down plants.

Right to organize unions by employers, employees, teachers, and workers in general.

Indemnity when discharged without just cause, of one month's salary for each year's employment.

Social Security.

Obligation of employers for proper housing, schooling and medical care of workers.

Government assumes right to recognize or not labor unions, to inspect their finances, to arbitrate labor disputes, to foment cooperatives and cheap housing.

The new President announced his ideals on labor as follows:

Our Revolution is not explained by the hunger of the masses but by their thirst for civil dignity . . .

Our socialism does not, therefore, aim at an ingenious distribution of material goods to economically equalize men who are economically different. Our socialism aims at liberating men psychologically and spiritually . . . We aim to give each and every citizen not only the superficial right to vote, but the fundamental right to live in peace with his own conscience, with his family, with his property, and with his destiny.

We call this post-war socialism "Spiritual," because in the world, as now in Guatemala, there is a fundamental change in human values. The materialistic concept has become an instrument in the hands of totalitarian forces. Communism, fascism, and nazism have also been socialistic. But that is a socialism which gives food with the left hand while with the right it mutilates the moral and civic values of man.

Guatemala is a semi-feudal country . . . and cannot realize socialist organization to the extent of highly industrialized countries such as England and Czechoslovakia . . . Our remaining feudalism will be removed by discreet measures in defense of the workers, in a better distribution of the land—which does not mean that anyone's rights will be trampled upon—in a prudential raising of wages, in an improvement in the miserable habitations of the *campesinos*, in the socialization of education and hospital services. . . .

A few months after President Arévalo took office, he began to realize what most leaders of fundamental social change finally learn—that workers who have suffered most are comparatively easy to organize and are about the only ones who can marshal sufficient force to protect the leader long enough for him to carry out his reforms.

In a national broadcast, Dr. Arévalo declared:

> The exploitation of the workers, as well as the anxiety of the capitalists, must cease. The treatment of the workers as men equal to the Señores is a legacy of Christianity, a belief of the French Revolution, and an accomplished fact in all democracies. The October Revolution has an obligation to all our workers. It has been said that disorganized masses are more peaceful than organized masses. This is not true. A disorganized mass is blindly irresponsible. An organized mass is educative and alive. My government looks with profound sympathy and with patriotic emotion at the great movement of the workers and the *campesinos* who have organized to defend their rights.

Such declarations divided the country, and foreign interests, into two groups. First, the masses, who stood to benefit from the new regime, and the school teachers and intellectuals who favored reform. Second, those who stood to lose —the rich, the privileged, the big land owners, the overseers. Then there were merchants, who expected to be big merchants tomorrow, the "yes" men who ate the crumbs from the rich man's table, the Indians who disliked change, and the average Guatemalan who had lived under the old system for a century and feared to challenge the big boss.

The General Association of Agriculturists, the Chamber of Commerce and Industry, and like organizations supported the opposition; even a part of the University students joined other "perfectionists" who demanded the most sweeping changes, the wildest extremes of "freedom," and the severest punishment for the former privileged. Powerful Generals who had helped to eliminate Ubico became impatient when Arévalo refused to "crack down" on their enemies, and were ready for a new "coup" at any time. As usual, the opposition cried communism against the reformers and passed on the word to their friends in the outside world.

The first thing that any government, reform or reactionary, has to consider is the way to keep in power. If its enemies push it too hard, they may reasonably expect it to turn for help from those it does not like. When the Democracies refused to sell arms to the Spanish Republic, nothing was left but to get arms from Russia. When Russia recently began pushing around the United States, Washington turned to Franco Spain, reactionary Greece and Dictator Trujillo for support. Likewise, when President Arévalo's enemies at home and abroad started frequent uprisings, he was compelled to accept help from radicals with whom he did not agree as well as from workers who were his natural allies. It was organized labor that enabled him to finish his six-year term.

These tactics were especially demonstrated during the most serious uprisings following the assassination of Colonel Federico Arana. Fighting lasted for three days but was finally put down because of the help given by loyal members of organized labor.

At high noon on July 18, 1949, Colonel Arana, Chief of the Armed Forces and one of the main leaders of the October Revolution, was ambushed, his car riddled with bullets and his life instantly snuffed out. The identity of the killers and the reasons for their act are in dispute, although it is fairly certain that the assassination was related to Arana's ambition to become president of the Republic. It was reported that Arana, a strong man, but a lover of flattery, had been urged by conservative and reactionary elements to depose President Arévalo and immediately establish a more conservative regime.

Within an hour after the news of Arana's death reached the capital, the President declared a state of emergency and Colonel Arbenz, the Minister of National Defense, assumed the duties of Chief of the Armed Forces. By 3 P.M. general consternation was evident among the populace. Stores were shuttered and business people hastily left for the suburbs.

Meanwhile, at fort *Guardia del Honor*, the Army officers who had been close to Arana determined to overthrow the government. The rebels demanded President Arévalo's immediate surrender, but he replied:

"My term is six years. I will not serve one minute less and not one minute more."

An inventory showed that the government was in a precarious position. The rebel fort contained more than half of the military personnel in the city. At about 5 P.M. the government sent out word that civilian volunteers would be given arms at the Aurora Airfield, two miles from the center of the city. The headquarters of the two labor federations were filled with workers who rushed to Aurora by every possible means of transportation. As each new group of volunteers arrived, it was greeted with cheers. Between two and three thousand rifles were handed out to organized workers who were joined by students, teachers and liberal exiles from other Central American countries.

The volunteers were organized into platoons of 37 men apiece. Each platoon was headed by a military man, frequently a young cadet from the Military Academy. The workers were enthusiastic in defense of their government. Laborers from other parts of the country poured into the city to aid in the fighting along with military reinforcements. At 2 P.M. the third day, the rebels asked terms. Approximately 150 persons had been killed and over 300 wounded.

The spontaneous aid offered by the workers was a great tribute to their loyalty to the government which had granted them the right to organize and many other advantages they had never before enjoyed.

## *The Labor Code*

The Guatemalan Labor Code was passed by Congress in February 1947 and went into effect on May 1st. The preamble to the Code states in part:

The Labor Law is a titular right of the workers because it attempts to compensate them for their economic inequality by granting them preferential judicial protection. It is a branch of public law, so whenever applied, private interest must give way to social interest. It is a fundamental right because it aims to secure the economic and moral dignity of the workers who make up the majority of the population. It brings greater social harmony so does not impair but favors the legitimate rights of em-

ployers. The Law is a necessary prerequisite for effective freedom of contract which has rarely been used in Guatemala.

The Labor Code attempts to cover every type of employment. Detailed provisions are made concerning child labor, apprenticed labor, and the working conditions of women. Relations between workers and employers are regulated by individual and collective labor contracts which must be agreed upon by both parties. Labor courts and inspection offices are set up as the legal machinery for conciliation and arbitration of disputes and for the enforcement of the provisions of the Code. Inspectors investigate enterprises to determine whether the laws are complied with by employers and workers. They function as conciliators and, where conciliation proves impossible, as aribitrators.

Upon the Labor Courts fall the main burden of settling day-to-day disputes. Strikes are permitted but in order to be legal may be called only after conciliation and arbitration proceedings have failed. There are heavy penalties for illegal strikes and most of them are settled after one or two weeks duration.

The Labor Code provides for the dissolution of a union when it contains fewer than the required number of members, when two-thirds of the members vote to dissolve the union, and when a union has interfered in political activities or, served foreign interest as opposed to those of Guatemala. Likewise, a union can be dissolved when engaged in business for profit or in "immoral activities," when it employs violence, or forces workers to join the union. In a sense, the labor movement becomes an organ of the state in applying and enforcing the labor standards.

### *Settlement of Disputes*

There are various ways employed to settle union-management conflicts. The typical case begins by a union sending a petition to the labor authorities accusing the employer of violating specific provisions of the Labor Code. The labor inspectors investigate and the union attempts to bargain with management. This is begun usually with a long and ambitious list of demands presented to the management. The demands are simply initial bargaining points. If management is obstinate, the union usually requests the labor authorities to decide upon the legality of a strike. The majority of cases which reach this point are settled in the courts. If the Guatemalan labor laws worked ideally there would hardly ever be a strike. The leniency with which the Labor Code has been enforced sometimes brings disrespect of the law.

### *Organized Opposition to Labor*

Article #204 of the Labor Code prohibits labor unions from engaging in political activities. This is somewhat unrealistic in view of labor's close relationship with the government, as already indicated. Most of the powerful labor leaders have been elected to Congress.

In order to impart a semblance of legality to political activities, the unions have organized political action committees legally distinct from the unions, supposedly representing the workers as citizens (as often done by the C.I.O. and A.F. of L. in the United States).

When, in 1947, organized labor began to increase its strength in Guatemala and when the National Committee of United Syndicates (CNUS) was first formed, pressure upon Congress for social reform legislation markedly increased. Parliamentary action has been one of the chief means for the Guatemalan labor organizations to achieve their ends. Among the important union officials who have been deputies in Congress are: Manuel Pinto Usaga, Secretary General of the Federation of Guatemalan Syndicates (FSG); Victor Manuel Gutiérrez, Secretary General of the Confederation of Workers of Guatemala (CTG). These two are the most powerful syndicalist leaders in the country and popularly supposed to be communists. They certainly follow that line and use their congressional seats and immunities for fighting the present order.

Many social advantages come to members of trade unions, since they are forming the backbone of a new social group with considerable prestige. Whether or not the average member of the union achieves distinction in the organization, he becomes aware of the dignity and distinction of his group in society.

*Employer Organizations Opposed to Unions*

There are three major employer organizations: The General Association of Agriculture (AGA), the Chamber of Commerce, and the General Association of Industry. Besides these there are several smaller ones, such as the Association of Shoe Makers, The Union of Bakers, the Association of Salt Producers and the powerful Organization of Sugar Cane Growers. The newly formed Association of Industries gives most of its time to the protection of national products from foreign rivals. It has received a proposal from the labor federations to cooperate in expanding Guatemalan industrial production and thus create more jobs for workers, following a plan already adopted in Mexico.

The Association of Agriculturists represent the ultra-conservative land owners and has been in the forefront of anti-union and anti-government forces. The basis of their suspicion against trade unions is that the average worker is not sufficiently developed to engage in organizational activities and is likely to become a stooge of designing labor leaders. The old argument is ever present that "the more you pay an Indian the more he spends on liquor and the less he works."

Such opponents of workers' organizations evidently have never thought of increasing the desires of the Indians for a higher standard of living. The "economic royalists" in all countries seem to need education just about as much as do the workers.

Organized labor in Guatemala, as in the rest of the world, has come to stay. Employers will be much happier if they accept this modern phenomena and treat workers as both legal entities and human beings. Since it is human, labor will probably make mistakes and abuse its power as has capital. But adjustments will become easier as both sides realize their mutual needs to better life on all levels.

## CHAPTER III

# HUMAN REHABILITATION

*New Socialized Education*

Many social reforms have been initiated by the present regime but nearest to the heart of the President is that of education. Say education to President Arévalo and he will stop everything and give you his attention. Twenty out of the forty years before he became President were given to teaching. He left the school room in Argentina to answer the call of his school teacher friends in revolutionary Guatemala to campaign for the presidency. When elected he regarded his total job as one of education. Listen to the man reading his message on "The State of the Nation" before the Congress. When he comes to the section *Cultura Popular*, his big frame takes on new power, his voice becomes more decisive, his smile more winning. It is as though he were talking about one of his own children.

"The departments organized in our Ministry of Education" declares the President with pride as he remembers the poverty of that Ministry five years ago, "now include Special Normal Schools, Normal Institutes, Special Technical Schools, Primary Municipal schools, Kindergartens, Adult Night Schools, Industrial Centers and Rural schools, a total of 5,639 that functioned during the year 1949. In these schools 112,502 male and 84,956 female students were enrolled. They were taught by a personnel consisting of 3,951 men and 5,959 women."

The President did not add that the latter were all his friends; but his listeners knew it. With enthusiasm he continued the story. Among the institutions created under the new Section on Technical Education were the Women's Institute of Arts and Sciences, and Industrial and Commercial annexes to Primary and Secondary Schools, and the Inter-American Cooperative Rural Service in partnership with the United States. The latter received a special pat on the back, with the announcement that it would be suspended unfortunately for the lack of funds on which recent floods had so heavily drawn.

Especially brilliant, teacher Arévalo declared, were the year's accomplishments of the Department of Esthetics, which had witnessed the enlargement of the National Symphonic Orchestra, the National Ballet, special courses on national art, and given much attention to the recreation and enjoyment of the people. The National Ballet gave a number of performances in cities outside the Capital where large Indian audiences were especially appreciative.

The Department of Physical Education had a notable year. A number of School Stadiums in smaller cities had been completed and the large Stadium in the Capital, the finest in Central America, was a great addition to the life of the whole country. The Campaign against Illiteracy, inaugurated at the beginning of the President's term, was reported as growing. In the Department of Jalapa, where special emphasis was given, 125 "alphabetizers" worked with

6,886 persons, 1986 of whom learned to read in the first term. Other Departments likewise reported great enthusiasm in this type of work. (Guatemala's illiteracy in 1945 was at a startling high of 67%)

The newly organized Indian Institute was working among 37 Indian groups, studying their diet, language and other aspects of life. A common means of understanding for all the 2½ million Indians was being sought by the Institute, which held an important conference on this subject during the year, with anthropologists from various countries present. The National Hymn was translated into six Indian languages and the Labor Code into Kekchi. The Five Cultural Missions have speeded up their activities in the rural sections where they gather rural teachers together for training, start literacy campaign, and inspire people through moving pictures, games, and talks, to larger connections with the outside world.

The University of San Carlos, located in the Capital, is one of the oldest and most important in America. Here was convened the First Congress of Latin American Universities which brought together many of the leading educators and scholars of the Americas. "It is a great pleasure to note," said the President in closing this section of his message, "That the Department of Education now has the largest appropriation of any department of the Government, around 7 million quetzales (equal to dollars) per year."

The University Congress mentioned above had representatives from 24 Latin American Universities, with friendly observers from 13 North American and 3 European universities and from Unesco. A permanent organization was effected with Guatemala as headquarters. San Carlos University took another step of international importance when, on July 5, 1947, it opened a Summer School in Guatemala City with faculty and students attending from the United States, Canada, and Central America. President Arévalo gave the opening address and the American Ambassador offered a reception at the Embassy. Courses were offered in languages, art, history, archaeology, and humanities which may lead to a Master of Arts degree acceptable in the United States. It may well take its place beside the famous Summer School of Mexico.

San Carlos University was voluntarily given its autonomy at the beginning of the Arévalo Administration, which means that it manages its own affairs, but still looks to the State for its financial support. This autonomy was tested when the student organization turned against Arévalo. The President, however, refused to take reprisals.

### *Educational Background*

Guatemala is by far the largest Central American republic and exerts considerable influence throughout that region. Her population of over 3,500,000 includes some 400,000 children of elementary school age, of whom in 1945 only 141,000, or about 35%, were enrolled in school. The illiteracy rate for the country was about 67%. Rural schools were few in number, inadequate in size, inappropriate, for the most part, for use as school buildings. Rural teachers were scarce; those in service had, in a great many cases, no more than four to six grades of elementary schooling, and were so meagerly paid as to

make it necessary for them to seek other part-time work to supplement their income.

The curriculum was the same as for the urban schools, being based upon the course of study in the schools of Spain and Metropolitan France. Instruction under the traditional system was entirely by rote—the teacher reading or reciting the lesson for the day to the pupils, who are then expected to learn to repeat it perfectly. The content of the traditional courses had no relation, for the most part, to the daily life of the community, or to the life problems which the children would face. Textbooks were virtually unknown. Sanitation and hygiene were largely ignored. The pupil came early to school and stayed throughout the school day without lunch—sometimes without benefit of breakfast, either. There was no adequate way of bringing school problems to the attention of Ministry officials, because the rural school system had no special officials in the Ministry whose function it was to advise on rural problems.

### *The National Literacy Campaign*

A bewildering number of problems were faced by the new regime. One of the first to be tackled was illiteracy. The Literacy Campaign was begun before the inauguration of Arévalo. The Revolutionary Council created the National Literacy Committee on December 16, 1944. The Committee, consisting of a cross-section of Guatemalan society, was to develop a campaign of propaganda and to lay the foundation throughout the country for the attack against illiteracy. The campaign has worked mainly with illiterate ladinos (Guatemalan Spanish-speaking whites) since, unless the teachers speak the dialects, they might have little success with Indians. Illiteracy is not a monopoly of the Indians.

The nation-wide type of literacy campaign was replaced in January, 1949, by a regional type. The first regional campaign went into effect in the Department of Jalapa in January, 1949. The National Normal Institute in Guatemala City trained instructors for the program.

In the *municipio* of Santa Lucía Utatlán, with a percentage of between 75% and 90% illiterate, there are four schools of literacy—each serving a *canton*. In the same building which serves as the rural school of Pamezabal the same female teacher holds a class of literacy from three to six P.M.

The School of Literacy at the village of Pahaj in Santa Lucía Utatlán is held in a church on a private farm. It is a three-walled, one-room building made of wooden planks covered with thatched leaves. There is no outhouse or artificial light but there are long desks with benches. All the students are Indian males. The teacher is a young Indian man who is bilingual and wears ladino dress. He received a fixed sum of Q25 per month.

### *Travelling Missions*

The Organization of the Cultural Missions was created by the Guatemalan executive decree of May 23, 1946. The purpose of the Cultural Missions is to help speed the spread of knowledge to the isolated backward parts

of the country. According to the official statement, some of the objectives enumerated are: to teach the Agricultural workers the rights and duties of citizens, hygiene, better methods of farming, sports, the construction of homes for the family and dolls for their children, reading and writing. Other parts of the program include instruction in the making of cheap shoes, the use of a hand cart; new methods of raising their children; the cure of the sick and the prevention of illnesses. A mission collects information on the economic, political and cultural life of the region; likewise points out new possibilities of roads and water supplies; and urges the country people to comply with the laws.

There are five Missions equipped with a jeep, portable electric generator, movie projector with sound equipment, phonograph, loudspeaker and microphone, and a portable typewriter.

Each mission consists of a teacher, an Army official, a student of medicine and an agricultural expert. The medical student works steadily in the free clinic from about 9:00 A.M. to 12 NOON and 2:30 P.M. to 5:00 P.M. Monday thru Friday. At the beginning he only had a few Indian patients; the majority of his patients were the town ladinos but at present he has many Indian patients.

The duties of the teacher of a Mission are to aid the literacy campaign by giving pedagogical instructions to the teachers in the schools for combating illiteracy, to organize festivities combining recreation and education, to teach games like Ping-Pong, Bingo, and dominoes, to the people so that their spare time may be spent away from vices. They also encourage the use of the Mission library, and develop other activities in the field of arts, such as music, and puppet shows.

### *Guatemala-American Cooperation*

In August 12, 1944, an agreement was signed between the Government of Guatemala and the Inter-American Educational Foundation, Inc. (called the SCIDE), to develop cooperative programs to improve educational relations between the United States and Guatemala. The program included a field staff of American education specialists in Guatemala and the sending of Guatemalan teachers to the United States for special training.

In 1945 the first of a proposed group of regional rural normal schools was formed at the La Alameda farm near Chimaltenango. In February, 1946, approximately thirty-five students were chosen to receive two year scholarships in the United States.

The school's program included training in agriculture and health education and rural home industries. In the first year, courses include first aid, hygiene, various phases of agriculture, domestic science, social studies, nutrition, Spanish, and physical education. In the second year, advanced work is done in the same fields. La Alameda farm, with large clean buildings, was formerly the property of ex-President Orellana in the 1920's. Near the farm are rural schools in which the students of the normal school do field research. The ob-

jective of the normal school is to develop teachers who in turn will develop functional community-centered rural schools.

A new director of the SCIDE, Mr. Earnest Maes, who came from wide experience in rural United States, Bolivia and Paraguay and a year in a jeep circling South America, took over this exciting job early in 1948. He introduced many new methods. A new Department of Rural Education was formed in the Ministry of Education to facilitate cooperation with SCIDE and is aided by an adequate staff of technical supervisors trained in United States. In order to get the foreign personnel spread out over a wider area, the administration and teaching of the La Alameda school was placed in the hands of the new Guatemalan Department of Rural Education. This assured that in the event that the United States Congress should suddenly cut down appropriations, forcing the SCIDE to leave, the National Ministry of Education might be able to carry out the program. Unfortunately it was the Guatemalan government that first announced the closing of the contract because of a short budget. The new Minister of Education, Dr. Raul Osegueda P. spent several years in Argentina with his present Chief. He moves quickly—and continuously—makes a half dozen decisions for his associates as he leaves the office for a late lunch, listens patiently to the story of a needy youngster who accosts him on the street and still takes times to accompany his northern caller, after already giving him two hours time, to his hotel. His Ministry is well organized, but he is always available to the humblest teacher.

*Agriculture*

The pink nature of the Guatemala Social Revolution is seen especially in the fact that it has undertaken no expropriation of land or division of the great landed estates. This was one of the first steps in the Mexican and other Revolutions. This fact does not bear out the claim that the Communists dominate the Arévalo regime. The fact is that liberally minded men who approved a reformed capitalism dominate that regime. Dr. Jorge García Granados, President of the Constitutional Assembly and later Arévalo's Ambassador to the United States and the United Nations advocates a kind of half and half experiment. "In a primitive agricultural country with a fairly undeveloped capitalistic system," says García, "we might try a socialistic system side by side with the capitalistic structure, not destroying the latter, but using the former as a means of quickly developing a sound and strong national economy." Rather than dividing the land, which might result in small plots and barely subsistence production, Dr. Granados would prefer state-encouraged farms, complemented by private ones. Because of the lack of capital and little initiative in Guatemala, economic development must be encouraged by the state if it is to be greatly improved. This is probably the idea behind Article 91 of the Constitution, which declares:

> The State recognizes the existence of private property and guarantees it as a social function, without more limitations than those determined by the law, by reason of necessity, public utility or national interest.

The only farms that have been expropriated by the state have been the

coffee fincas owned by the Germans, and by former President Ubico and his intimates. These have been nationalized and operated by the government. The success of this experiment has been widely debated.

Colonel Jacobo Arbenz in a campaign speech for the presidency declared that Guatemala must put major emphasis on developing mechanized farming. "We must find other sources, employ other methods," he declared, "for highly technical farming in the future. This is what we call Reformed Farming of a technical type. It does not mean, as some of our opponents say, that the rich will become poor, and the poor, rich; nor is it an attempt, as the reaction claims, to rob the owners in favor of those who have nothing. No such dispossession is intended. What is proposed is that the land belonging to the rich holders who do not cultivate it, shall be turned over to the farmers who have no land to sow. It is a matter of incorporating into the national economy the lands which today are not cultivated and working toward making all Guatemalans more prosperous, the poor rich, as well as the rich richer."

The impression should not be given that private farm products are not successful. An illustration of big business in farming is given by Minor Keilhauer, a German, who was educated in the United States. When he discovered that cardboard could be made from the distilled oil of a certain grass, he organized a company, built a plant, and is now producing forty tons a month which is sold in the United States. He operates a 10,000 acre finca planted in lemon grass and citronella and is promoting the building of a beautiful church and a school.

Large as well as small farmers are being aided by a loan fund provided by the Institute for Development of Production. Small farmers receive three-year machinery loans and one-year crop loans to buy implements, improved seed and fertilizer. Such loans are being made at the rate of 300 a month and losses are small.

Larger farmers are getting loans up to $50,000 for the purchase of farm equipment. These are backed by collateral. For the farmers who lack even this credit, the Institute is establishing a machinery pool at its 10,000-acre experimental farm, Cuyuta. The bulldozers used to push the jungle back at Cuyuta and the tractors that plow and cultivate the fields are to be rented out to farmers in the surrounding countryside. All Central America is watching the Agricultural Reclamation and Experiment Center at Poptún where more than a thousand workers are engaged in reclaiming land and cultivating some twenty-five different crops.

I discussed with the Minister of Agriculture, Lic. Francisco Guerra Morales, the activities of his department. In a few minutes he became so enthusiastic, that he arose from his desk, paced the floor, drew maps, gave me pictures of coffee, telephoned for his chief technician and dated me for visits to experiment stations. "Under Ubico," said the minister, "the Agriculture Department was practically a protection for the big land owners. It gave no technical or scientific aid to farmers. Ubico and his friends had a monopoly on tobacco and sugar cane so that other farmers were not allowed to plant those items.

Roads were worked by Indians, who were rounded up and compelled to work without pay for ten days a month on public highways.

"The Arévalo Government has organized technical service for farmers, for conservation of soil and forests, experiment stations, to improve wheat, corn, sugar cane. Our students were sent to the United States to study these problems and today about 20 of them are directing our program in all parts of the Republic. I leave all technical work to them. They are aided by a dozen experts who are furnished by the Institute of Inter-American Agriculture of Turialba, Costa Rica.

"One of our greatest successes is our organized squads of men who rapidly eliminate plagues of insects. We have had no locusts for the last three years. Before that the poor farmer could only pray to God for help. Now he telephones the Department of Agriculture which sends its squad immediately and may save 100 acres in one day.

"Our Agriculture School near the Capital has 150 boys who are intensely interested in improving country life, whereas formerly country children only wanted to go to town.

"President Truman's Point 4 plan could do much for Guatemala. Our land is rich and great quantities of it are uncultivated. But we must have better highways, railroads, and farm machinery. Listen! Two men with a tractor can do in one day what 20 men by hand take one week to accomplish. Technicians, machinery, forestation, electrification, are all necessary to answer our three greatest needs, better nutrition, lower prices and better housing. Corn costs three times what it costs in the United States because of lack of machinery.

"Cooperation with the United States is greatly desired by the Guatemalan Government, as is foreign capital. But we do not want the capital that will abuse as in the past."

I asked the Minister what he meant by the last statement. He said he handled personally the case of a worker for Central American Railroad Company, whose hand was cut off in an accident. Although 2% of his wages were withheld each month for accidents, when hurt, the worker was sent to public hospital at no cost to the company. He was denied reemployment until he signed a paper releasing the company from responsibility. Six months after signing the release he was discharged. When Señor Guerra appealed to the Company for justice, he was to show this release and told that his client had no case.

Another enthusiast for raising the standard of living of the country people is Mario Arévalo, brother of the President, who is Chief of the section of Ganaderia (stock) and has charge of six experimental stations for improving the breed of horses, mules, cows, and other animals. You will seldom find him in the Capital, for he often spends 28 days a month on his experimental farms. We became fast friends when he told me how much he loved Houston, Texas, my home town. We remembered together life on the great million acre King Ranch, in Southwest Texas and the smaller Frost Ranch near Houston. He dresses and talks like a practical ranchman and is about as much of a communist as the average Superintendent of a cattle ranch in Texas. If the

Houston Chamber of Commerce ever heard him describe the glories of that city, he would be pressed to become its secretary. His imported bulls and studs from Texas and Argentina are as impressive as his up-to-date laboratories.

Don Mario, like the usual horseman, is not easily taken in, and he slyly put me on a skittish mount, to see if I was made of the right stuff. He still maintains his admiration for former Ambassador Kyle and tells many stories about how all the Kyle family endeared themselves to the Guatemala country people—also about the joy found in visiting the Professor at the Agricultural and Mechanical College at Bryan, Texas.

### *Credits and Cooperatives*

A National Credit Agency is organized so that an honest working man can obtain a loan under the following conditions:

(a) That the maximum amount loaned does not exceed $300;
(b) That the loan is destined for productive ends only, or for the storage of the local products with the purpose of getting better prices;
(c) That the loan is guaranteed in a mortgage, pawn pledge, or other personal form;
(d) That the value of the security be at least twice the value of the loan;
(e) That the term does not exceed three years;
(f) That the interest be paid quarterly, at a rate approved by the Department.

The interests received by the Agencies during the year will be distributed among the permanent members of the Directive Council, the Treasurer, the Secretary, a reserve fund for bad credits, and the Department of Cooperative Development.

The Agencies were established primarily to develop cooperatives. At the same time that they satisfy the need for credit and fulfill some of the functions of the cooperative, they educate the people to the use of money that is supplied to them, and train personnel for the cooperatives.

Farmers have to wait for a long period between their initial expenditures (the planting period) and their remuneration. Cheap, adequate, small credit has rarely existed in all of Latin America, but the credit cooperative answers the needs of a predominantly agricultural population. Each member can obtain a loan at a low interest rate as soon as the organization is founded—and the usurers fall by the wayside.

The credit Cooperative of Chiquimulilla is one of the most successful examples of a cooperative. Chiquimulilla produces ninety per cent of Guatemala's sesame seed from which a valuable oil is extracted. The small producers used to deal individually with middlemen who bought the seed at a very low price and then sold it at a high profit. With seventy-five members and a loan from the Department, the Credit Cooperative of Chiquimulilla was inaugurated with an initial capital of $2,355. The cooperative worked on marketing.

### *The Department of National and Governmental Administered Farms*

On June 22, 1944, President Jorge Ubico decreed that the properties of enemy nationals were to be expropriated and nationalized. The former owners were to be paid after the war a sum determined from declarations of the value

of the property made for the payment of taxes. After the overthrow of the Ubico government, the farms which had been seized by that government came under the jurisdiction of the Arévalo government. Of about 110 farms approximately 100 were formerly German-owned and the remaining were owned either by Ubico or his Generals.

The administration of the properties is wholly in Guatemalan hands and may be considered as an experiment in State farms or partial State Socialism. The farms range from over 10,000 acres to a few hundred acres, with from 2,500 workers to 25 workers on each farm. About 75 of the farms employ under 250 workers.

The large landowning class opposes this plan and asserts that what has been done has been done poorly and at a high cost of production.

*Public Health*

Better human beings is a watchword of the social revolution. One of the first new organizations of the Arévalo government was the Ministry of Public Health and Social Aid. In former administrations, this was a small department attached to the Ministry of the Interior and Justice. Today it has overwhelming importance, functioning in the remotest parts of the country, as well as in the national and provincial capitals. The prevention of disease is its first objective for which purpose there are administrative offices, laboratories, dispensaries, travelling units, inspectors, and sanitary officers distributed in all parts of the country. Sanitation, diets, immunization, the sprinkling of plants, construction of out-houses, and medication for the prevention of epidemics are among its activities. Formerly, typhus fever was endemic, but at present is fully under control—thanks to the great cooperation of the Pan American Sanitary Bureau and the Kellogg foundation which has aided Guatemala in many ways. The Nutrition Institute of Central American and Panama was recently opened in a modern building constructed by the present government.

A complete system of hospitals has been planned and year by year as funds and personnel permit, new hospitals are being built in every section of the country. These are divided into classes—those planned for large centers, for regional zones, for rural service, and for emergencies. Experts, both from the United States and Guatemala, have participated in the plans and development of the hospital program which is under the direction of two governmental ministries, that of the Ministry of Communications and Public Works and the Institute of Social Security.

Much study has gone into the best ways of improving the health of poor people. "White Cross" clinics have been installed in the crowded districts of Guatemala City to which visiting nurses are attached; private institutions carried on by individual doctors and nurses are subsidized in order to enlarge the outreach. The Association for Children's Dining Rooms, The Anti-Alcoholic Movement, and National Welfare Organization are aided. Much effort is put into the fight against tuberculosis. Two special hospitals have opened for this purpose with 300 nurses each and the most modern equipment. Around $100,000 a year is expended for the treatment of leprosy. From an appropriation of

a few hundred thousand dollars a year for this service, it grew in 1949 to $3,892,396.

This service alone is enough to demonstrate the present democratic processes as compared with the utter neglect of the common people by the dictators.

Members of the general Board of Directors of the hospital program are prohibited from being associated with any political party. The Institute to Foment Production, a new organization to enlarge the country's productive ability has direct charge of the construction of these buildings as it does for building popular housing projects.

*Institute of Social Security*

The Social Security Institute, inaugurated on January 2, 1948, was established as an autonomous entity of the government and was conceived as an organization above political and class pressures. Its ultimate aim is to provide a minimum measure of protection to the entire population and it began operations among the urban wage-earning class of the Departments of Guatemala and Escuintla. The benefits include hospitalization, rehabilitation, indemnities, and accident and disability pensions. The law creating the Institute was passed in October, 1946, but the organization did not begin operations until January 2, 1948. A study, "Bases de la Seguridad Social en Guatemala," was made in preparation of the work. Instead of working on a territorial basis the Institute has begun by using the employer as a unit. All employers, within certain areas, and with 5 or more employees, are required to subscribe to the services of the Institute. At present the main source of income is derived from 50 large employers spread throughout the country, such as the State, the United Fruit Company, and many commercial and industrial establishments within the cities. Instead of a "salary-base" the Institute uses the base of the "unity of monetary benefits" ("unidad de beneficios pecuniarios"), meaning it takes into consideration the general cost of living within a zone as shown by a study of the prices of consumer goods and services and the monthly expenditures of families for these goods and services, and the salary range. The plan of the Institute is a long range one, so expansion is gradual. One of the problems is illiteracy—many employers cannot fill out the blanks correctly, or at all.

A significant example of the benefits extended to laborers is the case of Antonio Morales Chávez whose arm was amputated in an accident. Through the Institute he received a new arm, learned how to use it and also learned a new trade—that of a carpenter.

Cooperation extends to private business as well. The hospital being built at Puerto Barrios is being financed by the Institute, but the United Fruit Company, with the best facilities for transporting materials is in charge of building.

For the first time in Guatemala persons will be trained in social work. The Institute obtained the services of Doctor Walter Pettit, an internationally known specialist in this type of work, who has been put in charge of the establishment of a school of social service, whose graduates will work in the clinics, dispensaries, hospitals and rehabilitation centers of Guatemala.

In the field of labor such real improvements as pensions for labor accidents, hospitalization and rehabilitation are already in action. A commission of security, consisting of representatives of the employer and the workers, is required of all establishments, with 5 or more employees.

Two young Costa Ricans, Oscar Barahona Streber (a 31-year-old lawyer) and J. Walter Dittel, well trained in problems of social security, took part in the formulation of new Guatemalan social laws. The experts in charge of the Institute are thoroughly versed in the problems of Latin America. The philosophy of Barahona Streber in social problems may be summed up as "slow and steady wins the race." For his work and the future it holds he was awarded the highest honor of Guatemala, The Order of the Quetzal, on June 19, 1948, although he has had trouble with the politicians in Congress.

The Institute has introduced a new type of social security, one adaptable to an underdeveloped area, as the International Labor Office in Chile, Mexico, and Costa Rica, using the social security methods of Europe and North America, ran into difficulties applying the same methods to a different environment. The Guatemalan Institute of Social Security aptly calls its work "social budgeting," which calls for a uniform level of prevention and protection where the system will function and pay for itself. At the beginning the doctors of Guatemala opposed the program, feeling it a discriminatory experiment in socialized medicine, but in July, 1948, Barahona Streber said that the attitude of the majority of medical men is favorable—a few still feel strongly against it. The Institute hopes to raise the standard of medical care throughout the nation. A physician has recently been sent under the auspices of the Institute to study psychiatry at the Walter Reed Hospital in the United States.

In a review of the factors responsible for the failure of earlier attempts at social security, stress was placed upon the political dictatorships, the lack of trained technicians, and the lack of a stable labor union movement. If a reactionary military dictatorship gets into the driver's seat in Guatemala again, the other obstacles may reappear once more. When the author mentioned this to Barahona Streber in the summer of 1948, he replied, "The Institute is respected by the government, businessmen, the Church and the workers. It will survive no matter what government rules." Confirmation of this statement came from a representative of one of the strongest private groups in the country when, at a dinner given by the Institute for its medical staff, Adalberto Aguilár Fuentes, speaking for the General Association of Agriculturists, said, "It is our conviction that the Institute is doing effective work and that it is one of the greatest accomplishments of the revolution."

### *Indian Institute*

The new Constitution of the Republic reflects active concern for the welfare of the Indian population, which constitutes the largest demographic sector in the country. Article 83 of the Constitution reads as follows:

> The development of a comprehensive policy for the economic social and cultural improvement of the indigenous groups is recognized as being of benefit and interest to the nation. To this end, laws, regulations and special provisions may be drawn up

for indigenous groups, based on their needs, conditions, practises, uses, and customs.

Further, paragraph 15 of Article 137 includes among the functions of the President of the Republic that of "setting up and maintaining appropriate institutions or agencies to deal with Indian problems and to insure an effective use of Government services in the solution of such problems.

By Government Order of August 28, 1945, the National Indian Institute was set up in Guatemala City, under the direction of the Minister of Public Education, "for the purpose of concentrating attention on Indian problems and giving effective assistance in their solution." Among other things, the Institute is required to initiate and cooperate in an advisory capacity with Government offices in Indian questions; and to propose to the Government such solutions as may be considered appropriate with a view to the integration of the Indian with the general culture of the country. The Institute has been invited to take part in the work of several Government agencies, such as the National Statistical Board, the National School Census Board, the National Department for Co-operative Development and the National Literacy Board.

### *A Challenge to Help*

We have reviewed Guatemala's efforts to improve her people in health, farming, social insurance, housing, cooperatives, literacy, and other ways. There are, of course, many weaknesses in this ambitious program. The plans themselves follow the same lines that they do in most countries that have had the benefit of international aid. The International Labor Organization began giving assistance to its member nations following the First World War. Later the Economic and Social Council of the United Nations, the Pan American Union, and individual governments and organizations—as already reported —have furnished many varieties of technical assistance.

No country starting from scratch, as did Guatemala, can expect to leap forward to efficiency without time for training its own technicians in the most difficult field in the world, that of improving human beings. It is no wonder that Guatemala, with 60% of its population Indians who do not speak the national language, finds that six years of effort is only a step toward the improvement of the bodies and the socializing of the minds of its people. Fortunately the lines are set, the plans are maturing, the enthusiastic workers are becoming trained technicians, and the country at large is more definitely committed to the enormous task of lifting the whole people to a new level.

Here is a great opportunity for all citizens of the nation and for friendly outsiders—whatever may be their theories—to contribute to the only movement that will permanently defeat communism and bring to Guatemala, as a part of new civilization, a fundamentally happy life.

## CHAPTER IV

# JUAN JOSE AREVALO

Juan José Arévalo was born on the 10th of September, 1904, in Taxisco, a small town near the southern coast of Guatemala, facing the Pacific. His parents were Don Mariano Arévalo, who had a small farm and cattle ranch, and Doña Elena Bermejo, a former school teacher. Riding in a small army plane from Guatemala City to visit the immense western banana plantations and towns of the United Fruit Company at Tiquisate, the army colonel who was guiding the plane asked me if I would like to see the town where the President was born. In 5 minutes we were flying over the little village which was laid out with its central square about the same as any other Guatemalan village, with its surrounding farms as far as one could tell from the air, giving one an idea of how closely the President was related to the good earth and the common people.

### *The Youth*

The first 6 years of his life developed in a natural country atmosphere in a well furnished and conducted home with the necessary comforts and under the inspiration of a simple, honest father and a mother who had the cultural conceptions of a school teacher. The tropical surroundings, rich in fruit and somewhat dangerous because of the rugged, mountainous, irregularities, gave the young boy the vitality which he afterward needed in spending long hours in school rooms, libraries, and city offices. Parents and children are always drawn close together in a Latin American family and Juan José was dearly beloved of his parents; but at the early age of 6 the parents felt it necessary to send the boy to a private school in Guatemala City. Here the youngster suffered considerably from the cold of the higher altitudes and from the not too well furnished dormitory where he lived. The school was directed by a French pedagogue and was called by a typically high-sounding Latin name of "The Central Normal School for Males." When the youth was 9, he returned to Taxisco and was under the tutelage of a famous teacher of the region, Don Federico Rivera Salazar. The next year, however, he returned to the capitol and attended school at a Catholic institution known as "Domingo Sabio" next to the parish church. This "institution of learning" was not entirely satisfactory, so he returned again to his home.

The following year he moved back to the city to continue his primary studies. On finishing these in 1917, young Juan was spending Christmas at home when the terrible earthquake of 1917 came, lasted eight days and destroyed completely the capital of the Republic. This made it necessary for Juan's parents to find a school for their boy in the interior, which they discovered in the famous National Institute of the Orient in the city of Chiquimula, where various young men from Honduras and El Salvador were also

being educated. With one year of secondary instruction to his credit another famous date in Guatemalan history occurred. In 1920 the dictator, Manuel Estrada Cabrera, was forced out of the presidency.

The years passed in Chiquimula had considerable influence on the young boy. The climate was agreeably warm like that of his home town; his fellow students were interesting; the school atmosphere was inspiring. The fall of Cabrera, however, brought many disturbances in which Juan José, now 16, took considerable interest following the custom of Latin American students. Feeling himself quite a young man, he returned again to the capitol to continue his studies. At 18 he was given the title of "Professor Normalista." His activities won him a place of leadership in this little normal school directed by a distinguished teacher from Honduras, Miguel Morazán. One day Director Morazán organized a hike to the city of Antigua, 40 kilometers from the capital. This excursion included the climbing of the immense Volcano Agua, which was a tough test for even the most experienced athletes. But Juan José, having been born in the mountainous country, led the other students. At the end of a hard day the other boys gathered around our young hero to listen to the description he had written of the day's experiences. He found much inspiration in the monumental ruins of the ancient Capital, Antigua, and compared them to the same in imperial Rome. He wrote glowingly also of the famous Spanish conquistador, Don Pedro de Alvarado, and Doña Beatríz, his wife. The latter's palace, because of her blasphemy against God at the death of her husband, was completely destroyed, along with the distinguished lady and 12 maids of honor, in the earthquake of 1540.

Since there was considerable irony in the boy's reference to Director Morazán, the story went around that the Director had gone on horseback to verify the account written by his young student. The Director was able to see the joke, however, and after having demanded the manuscript, returned it to Juan José in complete silence. The next day newspaper reporters called on the director and asked for impressions of the trip. What was young Arévalo's surprise when Director Morazán called him to say, "I want your paper so that it can be published in the newspapers."

When Arévalo had terminated his preparation for teaching, he secured a position as professor in the same normal school in the capital, and two years later was transferred to the Institute in Antigue. In 1925 he was again transferred to a position in The Central American Institute for Males in the city of Jalapa. A rather exciting year finished up with a critical essay entitled "Don Chema in Jalapa" which referred to President José María (Chema) Orellana. Having received his bachelor's degree, he returned to the capital in 1926 and enrolled in the faculty of law and social sciences. This same year because of the sudden death of President Orellana witnessed profound political convulsions. University students divided in the selection of a president. Young Arévalo chose the wrong horse, since he supported Jorge Ubico, afterward the Dictator whom the school teacher helped to drive out of office. The successful candidate was General Chacón. At this time Arévalo was employed in the Ministry of Education and as professor in a secondary school. He wrote a book on the

methods of teaching reading and was honored with a trip to Europe, where he was to print this book. His first contact with Europe began when he landed in Amsterdam and later visited Brussels, Paris, and Barcelona. Like a good Latin American he regarded Paris as a bit superior to heaven. When he had spent all his money, he returned home by way of Havana and Mexico. He remained in the latter country for a visit with his Mexican student travelling companion, Pedro Alvarez Elizondo. The writer of these lines met Dr. Elizondo in Guatemala in 1950 when he was visiting President Arévalo and received from his hands the biography of the President to which I am indebted for much of the information here given.

*Argentina Becomes Home*

Hardly had this much-travelled young man returned home (May, 1927) when he launched into securing his university credits and in a few months finished his theses on the study of the geography, history, and literature of Argentina, and was awarded a scholarship to continue his studies in Argentina. Choosing a route which again gave him a few weeks in Paris, he soon found himself a student of the Faculty of Humanities of the University of La Plata, Argentina. Little did he realize that he was to marry a charming Argentine teacher, to become an Argentine citizen, and to remain for seventeen years in the Republic of the Silver River. The young Guatemalan's life in the most progressive of South American republics was passed in the delightful atmosphere of an intellectual, not too highly remunerated, but honored as a teacher, writer and lecturer. He received his Doctorate in Philosophy at the University of La Plata in 1934 and was unanimously chosen as the class orator. His services were sought by the Universities of Tucumán, Buenos Aires and Cuyo (Mendoza), and other institutions. He received many academic honors.

The happiest of all his experiences was his marriage in July, 1929, to the brilliant and charming teacher, Elisa Martínez, who years later was the First Lady of Guatemala, led her sex in notable charities and educational work. Soon after their marriage the couple returned to Guatemala for a vacation. President Ubico offered him a position in the Ministry of Education but he refused it and soon returned to Argentina. In 1934 he made a second trip home, and at that time accepted the position of Chief Officer in the Ministry of Education. He was directed to prepare an address for the celebration of the Day of Independence, September 15, which should highly praise Dictator Ubico. Arévalo refused the honor. Two months later he received the same instructions, when Ubico's birthday was to signal a tremendous demonstration in his favor. The Chief Official again refused to glorify the Dictator. He was soon on his way back to Argentina, again taking advantage of the ocean trip to visit Europe.

When the Military uprising of June 4, 1943, brought into prominence Colonel, later, President Perón, Arévalo joined other university professors in protesting against the abuses of the regime. It was only a year later that a social upheaval overtook his native land, and Dictator Ubico fell. Four days afterward, on July 4, 1944, Arévalo received a famous cable from the young

Revolutionists inviting him to accept the candidacy for the Presidency of a New Guatemala.

It was in June, 1944, that a civic movement of enormous proportions ended the tyranny of Dictator Ubico and he was expelled unceremoniously from the seat he had occupied for 14 years. The reform leaders decided to ask young Arévalo to leave his educational work in Argentina and hurry home to carry the banner of the revolution to victory in the coming elections. It was a difficult decision for the young teacher to make, but he could not refuse to follow his own preachments. After the exchange of a few cables and hurried arrangements of his affairs, he took a Pan American plane on August 17, 1944, at Mendoza, flew across the Andes to Santiago, Chile, and there awaited money from his family to continue his trip home. He arrived in Guatemala on September 3, his only luggage being his cultural attainments and an unbreakable will to serve his country.

### *Leader of the Revolution*

Day by day his followers increased; hour by hour it became clearer that the attractive and idealistic teacher with his passionate democratic appeals to men, women, and children would be successful. At first the old political circles gave little attention to the young enthusiast. Neither did Arévalo pay any heed to the old line politicians. "All the Guatemalans know," Arévalo declared later, "that I did not even solicit an audience with the repugnant Dictator Ponce who had just fallen following the inglorious exit of Ubico. The political, social, and moral history of Guatemala," continued the young candidate, "presents few movements of convulsion such as are taking place in these days. Eyes accustomed to look superficially at such happenings might suppose that the transformation of the republic initiated in the month of June has now reached the curve of development. Not true! This political-social-moral movement grows slowly, surely, astonishingly, along the following three lines: rebellion against barbarity, a civic campaign, and a new Guatemala."

Arévalo declared that Nazism was born in America and lived in America a century before the rise of Hitler and Mussolini, referring to it as "that temperamental Nazism which was exercised during our fight for independence, that continued in our legislative halls. This is the reason why we have not been able to escape corruption in our effort to develop democracy.

"The United States, passionately fighting to eliminate the European enemy has not had time to note that in the great circle of the United Nations there are American countries that are directed by a complete Nazi system more dangerous and more repugnant for us than are the Nazis of Europe."

These are the principles on which the young idealist won the Presidency and was, on March 15, 1945, enthusiastically introduced to his elegant but turbulent office.

### *The President*

"What a man! What a man!" I found myself repeating, as I rose from my first interview with Dr. Arévalo in his palatial office in the impressive House

of Government in Guatemala City in December, 1949. Figuring conservatively, since I first met President Francisco Madero of Mexico in 1910, I have probably interviewed 60 to 80 Chief Magistrates during my wanderings over the American Continent, not to mention big shots in other sections of the world. Few of them have impressed me more at first contact. There crowded into my mind, Alesandri, "Lion of Tarapacá" (Chile); Parisian-like Alvear of Argentina; professorial Velaso Ibarra of Ecuador; jaunty, smiling little Vargas of Brazil; cruel, low-browed, pistol-toting, Guatemalan Indian Cabrera; cultured, democratic Brum of Uruguay; bewhiskered, bespectacled, romanesque Carranza; one-armed Obregón; passionate lover of his Indians, Cárdenes; bank-president-like Miguel Alemán of Mexico; and dozens of others. Arévalo stands among those who are least easily forgotten.

Six feet in height, 190 pounds in weight, ruddy complexion, broad smile, quick, athletic movement, an embrace like a polar bear—and I am completely at home with a fellow university Professor. No doubt our many mutual friends in Argentina Professor Calcagno, great democrat and teacher; Alfredo Palacios, battling socialist; Juan B. Terán, erudite Rector of Tucumán University, where Arévalo won his reputation as a great teacher—all helped to make us immediate friends. The conversation jumped from how long I would remain, what I wanted to see, to books, politics, philosophy, the U.S.A., and communists, followed by an urgent invitation to come back when I had longer to stay. The end came in that delightful Latin American way in which such meetings often conclude—each one taking out his pen and writing a eulogistic dedicatory of his book to the other. For proud authors there is no higher joy.

The next time I saw the President was when my Queen Elizabeth and I spent a month as tourists and students in Guatemala in the summer of 1950. Newspaper criticism in the United States was at its peak. Ambassador Patterson had recently been called home at the request of the Guatemalan government for alleged intervention in Guatemalan affairs. I did my best, with all the tricks I had developed in years of analyzing Latin American social, political and religious situations, to find out just what was going on in Guatemala and how much Russia, the United States, the President, the Cabinet, Congress, the labor leaders, the teachers, the land owners, the business men and the Indians, had to do with the national picture. Fellow newspaper men and university and public school teachers were, as always, my closest advisors. The Minister of Education, the officers of the American Embassy, certain business men, the distinguished, always unbiased Chief of Archives, Dr. Juaquín Pardo, along with my special friends, the bootblacks, were specially helpful.

During my visit the communist attack on Korea occurred. I told President Arévalo that, in spite of his considering it ridiculous to accuse his government of communism, at this critical time in world affairs, I thought that he should issue a strong statement declaring, what I well knew, that neither he nor his government were communist. On the other hand, they were strong friends of the United States and Pan American cooperation. The best way to get this information to the world, I urged, was for him, in his own clear

style, to write a statement along the lines he had so often expressed to me and I would get it published in an outstanding journal in the United States. If he felt, however, that this was incompatible with presidential dignity, then let him give me an authorized interview which I would publish. He chose the latter plan.

"You give me your questions this afternoon," he said, "and I will sit down immediately and write out the answers." I told him frankly that the answers would get little attention unless he made them absolutely water tight, so clear that not even his worst enemies could find a loop hole in his government's standing with the United States and the United Nations on the Korean question and above all on communism. "I know that and I recognize that you resent any need of saying that you are not a Communist," I explained, "like any honest liberal resents taking an oath that he is not a communist. But these are serious times and the world has a right to ask that you put your feelings aside and say definitely where you stand."

"You will have your statement tomorrow afternoon," he replied.

*Anti-Communist Interview*

What a statement! What Ambassador Patterson and the crack reporters of the biggest publications on the Continent had failed to get, I had in my hands. It was too important to trust to the mails and to the big publication mediums in the United States which had been reporting the opposite to their readers for months. I hastened my departure and on arrival in New York called a press conference at the Town Hall Club. International News Service, United Press, Newsweek, Overseas Press, and others covered the meeting as did The New York Times, which gave an especially full and accurate account (July 18, 1950). The Associated Press paid no attention to the conference nor carried anything from the material I sent them. The New York Herald-Tribune, which had run the worst attacks on Guatemala for 5 successive days (Feb. 8-12, 1950), paid no attention to my urgent invitation that it send a representative to the conference. I later visited the editorial rooms that same afternoon and told its foreign editor, Mr. Walter Kerr, that I thought the Herald-Tribune owed it to themselves and to the reputation of the United States press to print the President's statement after the paper had so strongly indicted a Latin American government as communist. He said it was then too late to catch the morning edition, but would see what could be done for the Sunday issue.

On Friday I received a letter from Mr. Kerr saying that he could not handle the interview but would like for me to prepare an article, quoting some of the material. I did so and sent it a few days afterward (July 23, 1950). No attention was paid to my article or letter. A month later I wrote to Mr. Kerr asking for an explanation. No reply.

Evidently this was considered unnecessary. True the Herald-Tribune had kept some of my property. True it had sent an ace reporter to Guatemala to get the "facts" on communism, and given an extraordinary double column, front page, five-day-play-up of one of the most sensational stories to come out

of Central America since O. Henry's *Cabbages and Kings*. True the editors closed the series with an editorial sounding the alarm about "a medley of revolutionists, who might stir up trouble throughout the Caribbean." To all of this, the Herald-Tribune permitted no reply. For it was working under democracy's prize package, "Freedom of the Press" which The Voice of America offers nightly to the world, including Guatemala, as the reason for adopting "The American Way of Life."

If the Herald-Tribune reporter had taken a little time off from big business and big land owners and read some of the writings of President of the Republic, he might have found the following excellent definition and enlightenment of communism, coming from the President's well known volume of political specches *Escritos Politicos*. (Political Writings):

> The Communist doctrine, among the philosophers who systemize it, as among the politicians who are putting it to the test in Eastern Europe aspires to destroy absolutely, the social classes who do not come within the concept of the proletariat. For them the "paradise" of Communism will be attained when there is only one class: the proletariat, which at that moment would cease to be proletariat. Working toward this remote end, they have instituted as a transitory means, the "class struggle." The struggle of classes, the proletariat being the most numerous, will result in the triumph of the proletariat when the others have finally been overcome. . . .
>
> Communism is contrary to human nature, for it is contrary to the psychology of man, which is composed of great and small things, of noble and ignoble desires, of high and low instincts, of capabilities and weaknesses, of frivolity and heroism. . . . The destruction of social minorities, as other basic theories of Communism, is impossible of realization as long as man is man. Here we see the superiority of the doctrine of democracy which does not seek to destroy anything which man has accomplished, but humbly seeks to "straighten the crooked paths." The philosophy of democracy is satisfied with working with human elements, retouching, with harmonizing movements, as in an unfinished symphony, not hoping for infinity, but for infinite beauty.

In all of Arévalo's writing during his 17 years in Argentina and his years of campaigning and in the presidential chair his definitions of Democracy have always rung true, with no slight, semi-praise of Bolshevism. "Where there is no freedom," exclaims the President, "there is no democracy. Where only government officials possess human dignity, there is no democracy."

Does the President always come up to these high ideals? I am not aware that he relieves himself by writing long-hand notes to his critics, as does another Chief Executive; but at one time he became so angry at the editorials in a local newspaper that he ordered the publication closed. Next day Congress, which claims complete independence, met, recalled the Constitution on the freedom of speech and ordered the ban lifted. It was, and the Chief took his medicine. Only a few of the original people who entered the government with Arévalo six years ago, now remain. Changes are rapid. "We could not stand six more years of Arévalo," said one of his friends. "He is too strenuous for any country to take as a regular diet. We need a breathing spell. He has given us enough to do and to think about for the next two or three presidential terms."

"The President is not a good manager," said a friendly member of the

American Embassy, who sees him often. "He chooses his top men carefully and expects them to do their job. Cabinet members are not encouraged to see their Chief except on the most important matters. But there is not enough team work to make an efficient government. He is not always happy in selecting his associates and he hates details. Often we are denied decisions on small mattters until we get to him; then they are settled immediately."

"It may be," said the same official, "that his having Pablo Nerudo (a famous Chilean poet, exiled as a communist) as his guest was because he likes literary men and not because he was a communist. But it would have been better if he had dealt frankly with the communist issue rather than ridiculing it."

*Likes the United States*

"We are beginning," said the president, as we dropped into easy give and take, "to have some of the things that you have in the United States. Our objective is modelled after your program. If that is Communism, we are Communists here; otherwise we are not.

"I like your friend Miller," referring to the Assistant Secretary of State's visit the day before, "and am sorry that you did not drop in while he was here. We had a good talk and I told him that he need not fear any disloyalty to American principles on our part."

I referred to an editorial in the "Diario de la Manaña" which advocated peace and criticized war movements, which was taken by our embassy and passed on to Secretary Miller as an indication that President Arévalo was communistic. Since the Diario was considered a government paper, the President in surprise asked me what the editorial had said, declaring that he had not seen it as he did not often see those editorials even after they were written. "It is a great mistake," he said, "to attribute newspaper editorials to me, for I can assure you that I do not express my opinions through the newspapers." (An important comment, for sympathetic references to the Communist line in "government organs" are often taken as direct quotations from the president, himself.)

"Concerning your diplomatic representatives" the Chief of State remarked —(remember that this was in a running conversation, not for publication) "you have not had here ambassadors of the United States but ambassadors of the United Fruit Company. A noted exception was Ambassador Kyle, who was tremendously popular because of his sympathetic attitude toward us. I had to do something about Ambassador Patterson or a tragedy might have occurred. He was going out at night in a jeep to rendezvous of the Government's enemies who were plotting rebellion. Our secret police were watching these meetings and if shooting had begun, the ambassador might have met a fatality, which would have thrown all inter-American relationships into a crisis. That neither my government nor yours could have afforded."

In interviewing presidents, I am always interested in the anteroom where visitors wait, where the Presidents' photographs in different poses usually adorn the walls. There were none in this reception room—and there were few in other government offices which is certainly different from the ubiquitous

likenesses of Trujillo, Somoza, and in former days, Ubico, Juan Vicente Gómez, and Porfirio Díaz. Also lacking were the Parisian red velvet sofas and a crowd of lackeys. Two soldiers in bright, snappy paratrooper uniforms, who were running errands, took in my card. While waiting, we had a talk and they told me about their recent stay as guests of our army for military training in the United States and how greatly they admired my country.

"The President is certainly a brave man," said the pastor of the Union Protestant Church in Guatemala City. "When the leaders of the July revolt broke into his office and demanded his resignation, Arévalo calmly replied that he would not go until his 6-year period was finished. His air forces were loyal, but had no bombs, so he sent planes to Cuba, Costa Rica, and Mexico. The latter grounded the planes, but the two other countries sent the necessary bombs. The labor unions paraded the streets under the orders of a trained military man. It was a remarkable government victory."

A sense of humor is not lacking around the Presidential office. A United States diplomat was lecturing the President because he was aiding Costa Rican Liberals against the attacks of Dictator Somoza and the reactionaries in Costa Rica itself. The diplomat said that munitions with the Guatemala mark had been found in Costa Rica. "That may be true," replied Arévalo, "but I understand that munitions marked U.S.A. have been found in Greece, and that country doesn't even speak English or practice Protestantism."

"Why shouldn't we democracies in the Caribbean aid our next door neighbors to rid themselves of the enemies of freedom like Somoza in Nicaragua and Trujillo in the Dominican Republic just as the United States is going to the other side of the world to give such aid?" asks the President.

Arévalo hates dictators. His answer to one of my questions in the July interview was never published until it is given below. It was memorable definition of the phenomenon of Latin American strong men. The question was: What are the principle objectives of the "October Revolution" in Guatemala (1944) and what yet remains to be accomplished in their realization?

"The popular rebellion," said Dr. Arévalo, "which occurred in 1944 was a popular uprising against the typical dictatorship of Latin America, which is characterized by the following conditions:

A. The government is headed by men who have themselves continually reelected.

B. The remaining officials belong to the minority, both socially and politically, and are uninterested or even unaware of the rights and the sufferings of the people.

C. Official indifference toward the exploitation without scruple of our national resources, either by foreign or Guatemalan capitalists, who look only to private profits, with no interest in the development of the health or culture of the poor people.

D. The absence of civic life with political parties and criticism of the government prohibited, the so-called "independent press" controlled by official favors, with the autonomy of the legislative and judicial departments destroyed.

E. The lack of popular organizations to defend their respective interests, including the prohibition of labor unions, thus cutting off the right of protest and effective justice.

F. The non-existence of a national army, with professional functions and autonomy, but on the other hand, a presidential police, which defends personal and not institutional interests.

G. The multiplication of local bosses or military chiefs who exercise cruel dictator-

ships in miniature, assassinating humble people on the highways, robbing political or personal enemies of their property, imposing service without pay, such as road building and deciding without reason questions of justice which should be left to the courts.

H. The universal lack of respect for human personality displayed by functionaries under any pretext.

I. The incapacity of government to inspire the people continually to use their sovereignty, subjected as they usually are, to foreign advisers, as though their country had not yet shed its colonial clothes to convert itself into a Republic.

### *The Idealist*

"I believe in loyalty as a principle that will produce moral and intellectual power," wrote young Arévalo when he was twenty-two years of age. "Without this objective, life loses faith and confidence. I believe in ambition and success, not as expressions of narrow selfishness, nor mere vanity whose empty pretensions are a grave danger; but stripped of their egotism, they can constitute power that may carry us to transcendental accomplishments."

This vision of youth may seem silly to the "realist"; but one will never know this man unless it is understood that his simple essay still expresses his guiding principle. "Although you do not understand," the President recently wrote to a group of critical university students, "Arévalism is a romantic movement that believes in the excellency of the human person and the greatness of popular government. Otherwise Arévalism would never have challenged the great foreign corporations, would never have dared to launch at the Bogotá Conference the anti-colonial thesis so much opposed by the Department of State, nor to have broken relations with the Trujillo dictatorship. Acts like these, My Dear Students, are only carried out in our Continental diplomacy by governments that are romantically inspired."

### *The Pan Americanist*

One of the first widely published articles of the young teacher, Arévalo, was entitled "Isthmania," advocating the union of the Central American republics. He continued this advocacy all during his latter life, including his presidency. The sensational speech, "Return to Bolívar" from which Dr. Elizondo has taken the title of Arévalo's biography originated from a visit of President Rios of Chile. The Chilean President visited the United States and most Latin American countries in 1927. Before he left California for Mexico and Guatemala, he received a copy of President Arévalo's speech to be given when Señor Rios was to be awarded the highest decoration of the Guatemalan government. To the Chilean's consternation, the following paragraph appeared in that speech:

"From the days of Bolívar unto the present hour, the ideal of continental unity has been lost and continues only as a rhetorical theme. The different republics have remained within their own boundaries and have turned their backs against their brothers and neighbors. The 20th century has given us no Bolívar nor San Martín. The governments are culpable for the disunity in this great continent. We have not spoken candidly to our peoples, nor have we denounced the disgraceful and the tortuous in our lives. America must

return to Bolívar. We need men for our mountain tops more than we need sacristans for our villages.

"The war which has just closed has converted us into villages. We all associated ourselves with the United Nations, but for diverse reasons, democratic sentiment has lessened in our America. The dictatorial tradition of Latin America functions in our destiny as shadow and temptation. We need many years and many efforts to overcome past failures and to enter sincerely the door of democracy.

"Whoever cares to look at the political map of our America will have to confess that there still exist undemocratic zones that are our shame and derision.

"Traditional diplomacy obligates us not to say this, but such diplomacy betrays our will for truth. Because of this will, I make bold to bring before your Excellency the fact that in America, there are still totalitarian governments more damnable than Hitlerism. Such governments alrcady begin to take shape under that totalitarianism which we might attribute to delinquency in our inter-American political life. Governments which turn machine guns against their people have lost their right to exist. Our American governments in this post-war world cannot afford to cross our arms before a machine-gunned helpless people, much less so if this people is bone and flesh of America.

"Democracy is not a private good that is at the orders of any American government. Democracy is a continental American possession and should be the backbone of the continent. We were born for her; we lived for her; and we will die for her!"

These statements were no condemnation of Chile, for it is one of the most democratic American countries. They were, however, undiplomatically aimed at a statement which President Rios had made in a press conference just as he left Santiago for his long journey. A reporter asked him for a comment on the shocking incident which had just occurred in the neighboring country, Bolivia, when President Peñaranda had ordered the army to turn loose its machine guns on striking workmen in the Patiño Tin Mines and had slain, no one knows how many hundred workers and their wives and children. President Rios replied that he had no comment to make since one country should not interfere in another country's internal affairs. When President Rios read thc advance copy of the Guatemalan president's speech, it was too late to do anything about it. He appeared in Guatemala at the appointed time to receive his decoration from the President Arévalo. But many were the comments in diplomatic, intellectual, and publication circles, who knew to what President Arévalo was referring when he said that it was the business of every American nation to protest the acts of cruel dictators in any other American republic.

"This palace is a *Jaula*," (animal cage) said the President to me as we talked in his office in June 1950. "I long to be free and follow my studies and writing. What I would like more than anything else would be to leave for Washington the day after my successor takes over and shut myself up in the

Library of Congress for two years." One could picture this daring young intellectual, who has shown himself also a good politician, who throws out a dozen ideas a day, and before coming to the Presidential Palace, had changed residence almost every year since he was a boy of six, staying shut up in a library two years! But it is clear that he will not be satisfied to stay around in the shadow of his successor and play penuckle at the Guatemala Country Club.

## CHAPTER V

# GUATEMALAN-UNITED STATES RELATIONS

### *Ambassador Patterson's Recall*

"Trouble in Our Own Back Yard" was the title of an article in the July *Reader's Digest*. It begins as follows: " 'We have reports your life is in danger. Return to Washington at once.' Believe it or not, the State Department found it necessary to send this incredible message recently to a United States Ambassador who was not behind the Iron Curtain, but right in our own back yard. It went to Richard C. Patterson, Jr., who, since 1948, has been our Ambassador to Guatemala. Patterson says he was genuinely baffled by all this; that his relations with government officials, from President Arévalo on down, had been most friendly."

What are the facts in the case? In November, 1949, when this correspondent was in Guatemala, the air was filled with criticisms of Ambassador Patterson. The most astonishing ones came from the United States Embassy itself. They were too well substantiated to ignore. A prominent Guatemalan educator told me that the Ambassador approached him, without any introduction, at a reception and began a violent attack on the Guatemalan government, saying that he had a difficult job—he had to get 17 Communists out of the Guatemalan government, and until he accomplished his objective no help from the United States government or private capital would be forthcoming for public works in that country.

The President of the Guatemalan Congress reported the same kind of conversation. He replied to Mr. Patterson, "Mr. Ambassador, did you know that diplomats have been recalled for less than that?" The Minister of Foreign Affairs told me that he was present when Ambassador Patterson told President Arévalo that he ought to get rid of his Minister of Economy and Labor. President Arévalo thanked him, asked him about his wife's health, and proceeded to discuss other matters.

Seldom did one talk with a Guatemalan interested in public affairs without hearing similar statements. More than a year ago, the representative of a large United States corporation negotiating for a Guatemalan concession directly with President Arévalo, asked Ambassador Patterson not to carry out his offer to speak a good word to the President in favor of the contract. The business man said he had confidence in President Arévalo, whom he believed to be a "straight shooter," in no way a Communist or unfriendly to the United States, and so preferred to handle his own proposal directly. This representative of a big U. S. corporation felt that some of the American interests were making a great mistake in working to oust President Arévalo and to get a new government that would be favorable to their ideas. He related how Ambassador Patterson had given a dinner recently to a New York publisher, where the only guests were American and Guatemalan opponents of the Arévalo

government. He was incensed at the efforts of his fellow Americans to get him into such an opposition movement.

The highest official sources, as already mentioned, very frankly explained that the reason Ambassador Patterson's life was in danger was because, they said, he attended secret meetings where the downfall of the government was planned. These leading Guatemalan officials were afraid because such meetings were watched by the authorities, and might be raided at any moment, with fatal results to the Ambassador.

When Leigh White of the *Saturday Evening Post* asked President Arévalo how better relations could be maintained between Guatemala and the representatives of the United States, the President replied: "There is no misunderstanding between the representatives of the United States and Guatemala. The present situation was created by the particular activities of Mr. Patterson, whose personal psychology inclined him to conduct himself as a Guatemalan citizen and not as a representative of the United States. Former Ambassador Kyle, with a different psychology and culture, conducted himself differently, and relations with the American Embassy were most cordial."

In the same interview, correspondent White, baiting the President on the eternal Communist theme, reminded Señor Arévalo of his Foreign Minister's declaration that Senator Brewster's statement was provocative, when the latter referred to many activities of various Communist groups in Guatemala. Would the President explain the real position of Communist groups (1) foreign and (2) native? The President replied:

"The declarations of Senator Brewster are not provocative, they are emphatically false. Russia has nothing to do with anything in Guatemala, and my government has nothing to do with Russia. Let Senator Brewster come to Guatemala, and if he is an honest man, he will have to rectify his statement."

Enough of the record has been cited to indicate the unreliability of the statement quoted from *Reader's Digest* that when the Ambassador received orders to return to Washington "he was generally baffled; that his relations with government officials from President Arévalo on down had been most friendly."

### *The Facts in the Case*

How did the request for Ambassador Patterson's retirement actually come about?

On a certain Friday in March, 1950, the Guatemalan Ambassador in Washington, Dr. Antonio Goubaud-Carrera, called on the Director of the Office of Middle American Affairs of the Department of State, Mr. Thomas C. Mann. After declaring that Guatemala and the United States, as good friends, ought candidly to discuss any matters that were disturbing their friendship, Ambassador Goubaud-Carrera handed a note to Mr. Mann which he read. It explained the situation described above, and asked that, for the sake of improving the situation, Ambassador Patterson be relieved of his duties in Guatemala. No declaration was made that the Ambassador was *persona non grata*, and after some discussion, Ambassador Goubaud-Carrera returned the note to

his pocket and it was regarded as not having been delivered. It was agreed that they would take more time to think over the problem, and that they would come together after the week-end to continue the conference. All this was to be kept completely confidential.

Ambassador Patterson was then asked to return to Washington "for consultation," being privately informed of these late developments, which were to be kept secret. Instead of going directly to Washington, he went by Havana. President Truman was in Key West. The Ambassador is a political appointee, and has powerful friends at court. Somebody's good judgment, however, kept him from going to Key West. But, on denying an interview to the press, he added: "My lips are sealed." That was enough to set the hounds of the press after a statement which the State Department was finally compelled to make. That statement was issued April 6, 1950, and was as follows:

"The Honorable Richard C. Patterson, Jr., United States Ambassador to Guatemala, has returned to the United States for medical treatment, based upon his request to the Department of approximately six weeks ago for permission to return to this county for this purpose.

"On the eve of Ambassador Patterson's departure from Guatemala, oral charges were made to the Department by the Guatemalan Government that Ambassador Patterson had intervened in Guatemala's internal affairs. The United States Government categorically rejects these charges. There has been no written request for Ambassador Patterson's recall from his official station in Guatemala. During the Ambassador's absence and until medical treatment have been concluded, the Embassy in Guatemala City will be under the direction of Mr. Milton K. Wells, Chargé d'Affaires ad interim."

The Guatemalan Foreign Office statement said: "The Chancellery through the Guatemalan Ambassador in Washington informed the Department of State that His Excellency, Mr. Richard C. Patterson, Jr., Ambassador of the United States in Guatemala, was intervening in the internal affairs of this country, causing grave danger to himself personally and to the cordial relations which fortunately exist between the United States and Guatemala, and for which reason his recall had been requested. This friendly request was made verbally."

A news note published by the State Department referred to Guatemala's request, asserting that it had not asked for a bill of particulars, nor had Guatemala offered any.

United States diplomatic history records many instances when its ambassadors have been asked in a quiet way for retirement, as was the case with Mr. Patterson. In other cases, we ourselves have used the harsh term, *persona non grata*, asking the withdrawal of an ambassador from abroad within a specified time.

*Unfair Attacks by United States Press*

The role of our U. S. press in this whole affair cannot escape attention. What a blow to the appeal of the United States for aid in our fight for freedom and truth is this demonstration of our press's unfairness to a regime which

is itself battling for a reform program of social justice, a program understood by Latin Americans to be exactly what we stand for!

Suppose a group of big dailies and magazines in England, France or Argentina should send a flock of reporters to investigate conditions in the United States. Suppose, after such a visit, the reports sent home should be based on nothing but the accusations of Senator Joseph McCarthy, the National Association of Manufacturers, or Gerald L. K. Smith concerning the dominance of Communism in the Truman Administration. Suppose that in questions pertaining to labor, the foreign correspondents had confined themselves to quoting the two extremes of the U. S. Steel Corporation and Harry Bridges, with nothing said about recent advances in social security, community housing, public health, rural development, new schools, and victories in racial relations and human rights. Suppose the conclusions reached were that the United States was controlled by the Communists, who would soon drive out private enterprise and make this country the New World Center for Communism unless a really democratic foreign nation should intervene.

Suppose, further, that the opposition in Congress accepted these reports and used them at Washington as part of their proof that their own government was riddled with Communism, and succeeded in confusing the public to the point where a reactionary minority actually began to dominate and change our foreign policy?

What would the people of the United States, and those of the outside world, think of the accuracy, not to say the "freedom" of the press in England, France or Argentina?

There is at least one thing wrong even with this imaginary comparison—Guatemala is too small a country to make trouble for the big foreign publishers or "statesmen."

The real reason for the overwhelming attack on Guatemala by Senatorial friends of some special cause may be that Guatemala has initiated a movement of social reform. True, in comparison with the program of Labor in Great Britain, and the New Deal in the United States, Guatemala reforms were a mild shade of pink. But the little country in Central America has so long been the happy hunting ground for economic exploiters that they took advantage of the fear of Communism to challenge any change from the old economic slavery.

How does it happen that the anti-Guatemala propaganda campaign was such a great success? One reason is that from the beginning of the McCarthy charges up to the Korean crisis, we have had practically two governments in Washington. One was on Capitol Hill and the other at the White House, the dominant one on Capitol Hill led by Senator McCarthy and other reactionary colleagues. For months, the Department of State did little but dig up answers to McCarthy's charges of Communism. Important treaties with foreign countries, needed appropriations, routine approvals or regular government procedure, were pushed aside. Ordinary government processes were suspended. Every nerve was strained on both sides of the controversy to prove that government officials either were or were not Communists.

For Government on the Hill, the charges of Communism were heaven-sent. Here was another proof, said the Senators, that the State Department was negligent of duty, if not actually aiding and abetting the Cominform. The browbeaten members of the State Department, fighting for their own lives and that of their chief, Secretary Acheson, could not afford to meet openly the charges concerning Guatemala. The Department's officials had to ignore all such matters in order to answer the threat against their own security, though they had their own ideas about what was at the bottom of the crusade against Guatemala.

Senator Alexander Wiley, Republican of Wisconsin, on April 27, 1950, brought the matter to the Senate and asked the immediate withdrawal of the Guatemalan Ambassador in Washington, declaring that what had recently occurred in Guatemala seemed to constitute "a possible opening phase of a Kremlin Iron Curtain, descending over a part of the Western Hemisphere."

"Unless the United States took vigorous counter measures," said the Senator, "the Pan American Union and solidarity would be a farce and a tragedy." Continuing with his inflammatory statement, he asserted of the supposed evils in Guatemala, "they are going on in our own back yard, within a few flying miles from the vital Panama Canal." But Assistant Secretary of State Edward G. Miller, Jr., declared, in a small group, that he would resign rather than order such an outstanding person as Ambassador Goubaud-Carrera, a noted anthropologist and a well-known friend of the United States, to quit his post.

The campaign against Guatemala is too unanimous to have come about by mere chance. *Reader's Digest* and several others of the largest publications in the United States, reach a total of about 40 million readers. These are joined by hundreds of smaller papers in this country, all of them indicting Guatemala as the greatest center of anti-democratic strength on this side of the Iron Curtain. All this, backed by prominent members of Congress, does not come about without some planning—especially concerning a small Latin American country, usually rating a dozen small items a year in the metropolitan press.

In our controversy with Mexico, it was learned, before it was too late, that the press was being fed by a large organization known as the Association for the Protection of American Rights in Mexico, supported by a group of reactionary American business interests. The interesting thing about the Guatemalan situation, so far as this writer can ascertain it, is that neither the best informed members of the State Department, nor top officials of the largest American corporation in Guatemala, nor the most interested petroleum company, are happy about the press campaign. They are aware of the existence of Communists in Guatemala, of the weakness in the Arévalo Administration, of the risks of anarchy in the government's efforts to bring about social justice; but for those very reasons they are convinced that support of the government and not a great drive against it, would bring our interests more favorable results.

*Ambassador Guggenheim Asks for Housecleaning*

The former Ambassador to Cuba, Mr. Harry F. Guggenheim, during an important address on "Hemisphere Integration Now" at the University of Florida, December 8, 1950, gave the following significant advice: "The United States must acknowledge the importance of good relations between this country and other states within this Hemisphere. The Division of Latin American Affairs within our State Department should be raised in dignity and expanded in organization to cope with the diverse problems so vital to all the Americas."

"Our diplomacy," continued Mr. Guggenheim, "requires the highest degree of personal representation in our various missions. In the past, in various instances, it has been disgracefully poor. We have been represented by men unqualified to carry out their assignments, often unable to speak the language of the country to which they have been accredited. They have sometimes been chosen from private life wholly because of some financial contribution or at other times for some political contribution to the party in power. Before the end of World War II they were often inefficient foreign service officers, shunted into some Latin American state to get them out of the way.

"They have sometimes been ignorant and futile men. They have often been completely lacking in the culture, personal sympathy and understanding so necessary in our relations with sensitive peoples sprung from Latin civilization. On the other hand, there has been progress in recent years, and we have also been represented and are being represented by men of the greatest distinction and competence in the foreign service. However, to accomplish our great aims now in this Hemisphere we must sweep the Embassies and Legations of Latin America clean of misfits and incompetents.

"Our diplomacy in Latin America should be rigidly directed to respect the sovereignty of all of the states of this Hemisphere. Sovereignty can only be respected by strict adherence to the policy of non-intervention, including direct action or intrigue.

"On September 12, 1950, there were reported two examples of United States intervention by meddling in distantly separated parts of the world. One United States envoy at Teheran openly preached land reform. Another publicly spoke in Montevideo on the American way of life and denounced the Third Position of Perón. Both of these meddling incidents took place during national election campaigns.

"The internal affairs of the recognized sovereign states of this Hemisphere may be the cause of regret on the part of the United States, but they should never be the cause of intervention."

*The United Fruit Company*

The most pressing diplomatic problems between Guatemala and Washington relate usually to the United Fruit Company. This firm is, of course, not only the largest corporation in Guatemala but in all the Caribbean area. Beginning in 1899, the Frutera, the Spanish designation for the U.F.C., now has 101,000 employees and conducts an enormous business, both in producing and shipping a basic food for the world, but also in maintaining a large fleet of

commercial vessels, a large agricultural business, with hospitals and housing projects for the benefit of its workers.

A warm debate for the last half century has brought out information on both sides of the question as to whether United Fruit does more good or more harm by its operations in Central America. The good—through the employment of thousands of workers admittedly paid larger wages than paid by other companies, foreign or national, is indisputable. On the other hand, it is claimed that the company holds the power of life or death over smaller republics whose whole import and export business depends on the fruit company's steamers. Theoretically, at least, the firm can at any time bring unemployment and financial crises which will force a small country to surrender to the demands of this big corporation.

United Fruit has two large properties in Guatemala. The original one, well-known as an immense state within a state, is on the east coast, centered at Puerto Barrios. The plantations from which bananas and other crops come are located in the surrounding countryside. Another and newer large property, opened to escape the "Panama Disease" plaguing the bananas on the east coast, was started at Tiquisate on the Pacific.

Since the Arévalo Administration came to power, there have been two long and important protests of workers, one involving the east coast and one involving the west coast. These strikes have probably been caused as much by psychological as by economic problems. The workers get better wages, better health facilities, and at times better housing than workers get anywhere else in Guatemala. They often buy food in the commissaries at a price less than cost. On the other hand, psychologically, there is much to bring on disturbances. American officers working for the company live in their own compounds with excellent homes and many privileges. In dozens of ways the Guatemalan is made to feel like an inferior "native." The ordinary company official can seldom hide his feeling that he is better than the Guatemalan.

Tiquisate, the largest mechanized farm in Latin America, has 250,000 acres, 200 tractors, 12,000 head of cattle, 400 miles of good roads, and a railroad line. On those acres, approximately 150 Americans and 10,000 Guatemalans work for United Fruit. The houses are neat wooden buildings on high poles, supplied with potable water and electricity. The Company commissary supplies a fixed amount of rations, for two or three persons, at cost or less. In one year the number of Company schools at Tiquisate and Bananera increased from 47 to 55.

With all these advantages compared to a worker's life on a traditional "finca," it may be wondered why labor is still apparently dissatisfied. The United States administrators felt that the government was backing the unreasonable demands of a few outsiders who had unduly influenced the unions. The union workers presented specific demands to the Company, which in turn refused to accede to these requests. The workers went on a 24-hour strike, after declaring at meetings before the "Tribunales de Trabajo" that the Company was using obstructionist tactics. The Company retaliated by charging that the strike was illegal under the Labor Code, since the strike was not supported by

a two-thirds vote. The Labor Judge of Escuintla found on August 6, 1948, that the strike was illegal because of insufficient signatures and acts of violence.

*The Puerto Barrios Strike*

A labor struggle between the Company and the stevedores in Puerto Barrios was much more serious. It lasted about two years and brought repercussions in the United States Senate and House of Representatives. Senator Henry Cabot Lodge and other members of Congress accused the Guatemalan government of unfair discrimination and of Communism. The strike grew out of the installation of new loading and unloading machines in the port, and a change from "hour" to "piece" work.

The workers opposed the Company on both points, and attempted to use the coercion of a "slow-down" strike. In response to this the Company laid off its agricultural workers and partly suspended shipping operations with Guatemala. The Guatemalan Minister of Labor demanded arbitration, but the Company refused to arbitrate on the ground that the strike was illegal and its fear of being outvoted by the combined representatives of government and labor. A Company representative announced that it was ready to abandon its multi-million-dollar investment rather than arbitrate.

By this time both the workers and the government realized they had been defeated. The Minister of Education, Ricardo Castaneda, as intermediary, suggested that a formula could be worked out that would save the government's face. This allowed the Company and the representatives of the workers to confer and agree on a settlement. This agreement was to be placed formally before the government as arbiter, and the government promised to approve the document. Thus, after long, weary months, after hard feelings had been aroused, the Company was victorious and withdrew its threats to abandon the country.

Of six points recommended by a conciliation board, the Company accepted four, including an increase in the minimum wage from $1.30 to $1.36 a day. The Company says this is 90 cents to $1.00 above the average Guatemalan wage for similar work.

*"Senator Lodge and Company"*

Señor Alfonso Bauer Paiz, Minister of Economy and Labor, appeared before the Guatemalan Congress by constitutional right, he stated on April 20, 1949, to explain the claim of the United Fruit Company that the government discriminated against it. United States Senators, said the Secretary of Labor, painted Guatemala as a strong government carrying our aggression against a helpless United States firm. Minister Paiz felt it his duty to state the truth to Congress. An outline of his long address, entitled "Senator Lodge and Company," follows:

On January 25, 1947, just after the Labor Code was passed, workers appealed to the United Fruit Company to arrange certain differences. There was no reply. The workers then appealed to the Labor Courts, but up to the present no arrangements have been possible. The United Fruit argues that workers have so slowed activities

that the Company sustained great losses and is compelled to reduce the gathering of bananas. Employees deny reduction of speed (slow-down) and claim the new machinery for loading is defective.

The government directed the Minister of Labor and the Inspector General of Labor to attempt a settlement. Government officials and the Company agreed that workers would be persuaded to speed up their work and the Company agreed to discuss legal differences but not the matter of salaries. The Company refused further consultation, arguing that the workers had not complied with their promise, and reduced the number of ships calling at Puerto Barrios. If an agreement was not soon reached, said Señor Bauer, the whole national economy would be fundamentally disturbed, including the paralyzing of agricultural work in Bananera and Tiquisate, the diminishing of the product in the whole country for the lack of raw materials, lack of ability to export coffee and other products, bad effects on general business and consequent employment.

Noting these evils, the government decreed on January 25, 1949, the restriction of guarantees, which made arbitration obligatory; United Fruit replied the next day ordering all its activities to cease on farms and the loading of boats, although these continued to arrive. This paralysis caused the reduction of farm labor to one day per week.

The impression that the government has placed heavy sanctions on United Fruit to compel obedience to labor laws was not true, said the Minister. The Labor Inspectors have proceeded with all caution. Although infractions of the laws have been many, the fines imposed on the Company for a two years' period have amounted to only $690. The Senators might be correct when they assert that there has been discrimination, if the United Fruit was the only company that had been classified as an employer with more than 500 employees, since such firms were subject to special requirements. But that, the Minister said, was not true. There are 29 other employers who have 500 or more workers. (The large German farms are now run by the government.) Every one of these other companies complies with the law.

The Senators, according to Señor Bauer, ignore the fact that "The Company works on an old contract and scarcely pays any taxes, that the principal railroad of the country is owned by the Company, that the air and maritime business is owned by United States capital, that large amounts of American capital, including Mr. Hoover's mining company, recently began mutually agreeable operations here, that the Minister of Economy constantly receives and grants requests for the investment of capital, that Guatemala has no law against exporting foreign funds. We want no differences between Guatemala and foreigners. Guatemala should continue her policy of hospitality to all peoples of the world."

The Minister closed his long address by saying that the United Fruit Company had defied the law in the following respects:

(1) it has refused to appear before the Arbitration Tribunal; (2) the causes for the government's restricting guarantees still exist and have worsened; (3) the Company has challenged the laws and the sovereignty of the nation.

Those who want to know the Guatemalan government's side of this important controversy can secure from the Ministry of Economy and Labor a printed copy of this address, entitled, *La Frutera y la Discriminación.*

It should be remembered that all through the long controversy, while the *Frutera* threatened to pull out of Guatemala, so far as the record reveals, not

once did any authorized government spokesman threaten the confiscation of United Fruit Company property. One recalls that this is not the first time that the government resisted such a demand by a group of radicals. In the early days of the Arévalo administration, its powerful Minister of Finance, Dr. Jorge Turiello, took it upon himself to ask Congress to expropriate United States owned docks and revise the contract of the United Fruit Company along with those of other firms. Believing that a hasty action of this kind would jeopardize his whole reform program, the President courageously dismissed the powerful Financial Minister, a move which brought strong protests from the Left.

The situation became more dangerous for the President when, a few weeks later, a Congressional investigation revealed that a brother of Turiello, several army officers and a North American stooge for the old dictator, Ubico, had acquired most of the stock of the Aviateca National Air Lines. This was a threat to national security, but to touch it might mean an army revolt. When Arévalo and Congress boldly declared the Aviateca Air Lines illegal, they created more enemies.

*Educational Mission Withdrawn*

Some of the bad feeling created by the two-year Puerto Barrios struggle probably spilled over to poison the former remarkable cooperation between Washington and Guatemala in rural education. About the time the strike was settled, the left-wing labor leader, Víctor Manuel Gutiérrez, General Secretary of the Guatemalan Confederation of Labor (CTG) wrote a critical letter to Professor Earnest E. Maes, U. S. Representative of the Educational Division of the Institute of Inter-American Affairs. He charged that the North Americans were using their control in the Alameda Normal School and the 400 rural schools to discard Guatemalan teachers and belittle Guatemalan modes of life.

Opponents of the United States, including Communists, wrote articles for the press and worked within the government to have the Minister of Education, Dr. Osegueda, friendly to the U. S. educators, cancel the contract of the Servicio with its dozen American specialists and the extensive cooperative machinery which was beginning to bring all rural education into a new social concept.

It was soon announced by the Minister of Education that on account of great demands on the national budget, in part due to the recent floods, much to his regret, the contract with the Institute of Inter-American Affairs would have to be cancelled.

This was a great blow to educators in Guatemala as well as in the United States who were watching the combined experiment of the two countries in carrying out a work of great promise to all American republics. Protests were presented to the Minister of Education and to the President, but once the announcement was made, there was no turning back. How far financial reasons and how far ultra-nationalism played their parts cannot be absolutely stated. But there was the strong influence of Communists and defeated labor

forces. There was deep resentment against the North Americans stirred up by the anti-Guatemala campaign in the United States press, the Senate, and powerful business circles. And there was no United States Ambassador to work through the problem at the highest level. Thus a great Inter-American program was lost.

*Petroleum Controversy*

It is not surprising that the question of petroleum has been the cause of much bad feeling, as it has in many another country. The argument over oil was first waged in the Constitutional Assembly and has continued ever since. The situation at the close of the Arévalo Administration was unsatisfactory. After worthwhile discussions between President Arévalo and the Vice-President of the Standard Oil Company of Ohio, Mr. Earl Wallace, the latter had proceeded on the general idea that Standard would act as contractors, provide the machinery, drill wells and give the government a certain per cent of the profits as royalties. Then radical influences, headed by the Argentine petroleum adviser, Señor Hurtado de Mendoza, secured the upper hand.

Congress passed the present petroleum law. This requires, according to the Constitution, not only that the oil be considered as the nation's property, but that even the machinery for exploiting the oil as soon as unloaded in Guatemala, shall become government property. When the law was enacted, foreign countries immediately withdrew from all negotiations and recalled their personnel.

Thus the oil which could do so much toward the vast program of improvement needed in these crucial years, is sealed in the ground awaiting for some better theoretic situation but actually for a less strategic time. President Arévalo was not satisfied with the outcome, but elections were too near for him to re-open the question—which it is supposed his successor will do.

*Friendly Working Together*

Strikes, quarrels over petroleum, nationalistic campaigns against foreign advisers, are not Guatemalan, but world-wide phenomena. They disturbed civilization before Russian Communism was ever heard of. They must not allow people to forget the many friendly ways in which Guatemala and the United States are cooperating.

Among the fine institutions not already mentioned is the cultural center known as the Instituto Guatemalteco-Americano. "It first opened its doors in December, 1944," said its hospitable Director, as we sat down in the patio of the old Guatemalan residence that is the home of the Instituto. "We hoped," he continued, "that through this cultural center's activities the understanding between the United States and Guatemala could be greatly increased and that the citizens of both countries could become better acquainted. Now that the center is celebrating its fifth birthday, we can look back across these years and see that the time and effort put into this undertaking have not been in vain. Every day, Guatemalans are learning more and more about life in the United States through their contact with the Instituto. At the same time,

people from the United States visiting the 'land of eternal spring' are finding the cultural center an excellent place to obtain information about Guatemala, its language and culture.

"Thus from the beginning," he pointed out, "the Instituto Guatemalteco-Americano has been able to accomplish its purpose. Activities which are cultural but in no way religious or political are offered, and new ideas are constantly being worked into the Instituto's schedule."

The Instituto acts on the principle that anything which allows the two countries to know more about each other should be its function. Therefore the work is quite extensive: all types of exhibits, lectures, concerts, movies, children's entertainments, social hours, community sings, and especially classes in English for Guatemalans and Spanish classes for North Americans. In addition to all this, the center has a fairly complete library which is open to the public and which contains books both in English and Spanish.

Sponsored by the U. S. State Department, the Instituto is a self-supporting non-profit organization, paying all its local expenses with money earned from its membership fees, and from language classes. Donations of money have also been made by persons interested in cultural relations. During a recent trimester there were 665 Guatemalans enrolled, paying a minimum fee for English classes, undoubtedly due to the use of former Director Willard D. Sheeler's excellent textbook, *Speak American English.*

### *The American School*

"May I take you by the American School before we go to your hotel?" The question was put by the Cultural Attaché of the American Embassy, who came to receive me at the modernistic airport in Guatemala City. "Certainly," I replied; "that's the sort of thing I came to see."

We walked around the 17-acre campus, and inspected the half-dozen buildings which were about three-fourths finished, and which are to be the new home of the American School. Here, children of the American colony, and Guatemalans as well, are to follow the curriculum of an up-to-date United States school from kindergarten through high school, and are to be prepared for entry into any U. S. college. Among other structures is a modern dormitory where children from American families living in nearby countries can find modern instruction and living conditions.

What a boon for American families who have been attracted by one of the world's finest climates and by high-paid positions, but who must sacrifice their children's education to enjoy such opportunities! The Germans, the French and the British, before the last World War, often included such schools in their foreign programs, but not the Americans (except occasional Protestant mission schools). The old bugaboo of fear that such education would be labelled "propaganda"—which a democracy could never be guilty of —kept Washington from any help to its citizens living abroad except aiding them to sell goods and collect debts.

The American Embassy, however, has taken a deep interest in the School. While no financial aid is given, the cultural section of the Department of

State helps to secure well equipped teachers and the best pedagogical advice available in the United States. The fact that all these advantages are open also to Guatemalan children, who make up more than half of the enrollment, influenced the Guatemalan government to issue a special decree, granting the School many privileges. One of these is exemption from taxation. An educational institution like this, in such circumstances, can perform an exceptional service to international understanding.

*Foreign Business Interests and Labor*

A number of American business men, especially those who have recently come to Guatemala, understand the social principles of the revolution and are cooperating with the government to the advantage of both parties.

The Hoover Mining Company, the chief owner of which is the son of former President Herbert Hoover, is often commended for the way it cooperates with the government. The Pan American Insurance Company, with headquarters in the United States but doing business throughout Central America, has a large office in Guatemala City. Its General Manager has lived in Guatemala for many years and has made possible the erection of the impressive union Protestant church on one of the city's principal corners. No matter where he is, on Thanksgiving he flies to Guatemala City to entertain at a big Thanksgiving Day dinner for all the English-speaking foreigners he can bring together.

Dr. William H. Cowgill has done a remarkable job of increasing coffee production, for the benefit of Guatemalan coffee raisers. For years, as head of the joint U. S.-Guatemalan agricultural development project, he experimented, until able to increase the yield from a single tree from the frequent maximum of one pound, to 14 pounds. That sort of cooperative work is still going on, helping build better livelihoods and sounder relations between the two lands.

Even the much criticized United Fruit Company has boldly joined this group and invited an economics professor from Iowa State College of Agriculture, Miss Elizabeth E. Hoyt, to make a study of the psychological effect on new employees who came from rural, and often, Indian homes. Her study was carried on at the immense banana center, Tiquisati, already described. She refers to the excellent housing the Company furnished for the higher paid employees inside a high barbed wire fence, and the houses of the workers outside of the compound but even then much superior to what they had been used to. Miss Hoyt says:

> Although many of these things the Company gave its workers were potentially beneficial, they were not appreciated by the workers so much as they would have been in a similar situation in the United States simply because native culture placed other values ahead of them. For example, the native workers were slow in appreciating flush toilets and garbage cans, but they gave a high significance to the virtues of privacy in housing and of plants and flowers around the house. In those respects, the Company housing was of a lower standard than that to which they were accustomed. Some of the results of crowding were disturbed family relations and quarreling with neighbors and sexual irregularities.

To indicate differences in home values, we asked 26 children in corresponding grades in Tiquisate and in Ames, Iowa, to write an essay on the topic "My Home: what I like about it, what I do not like, my ambitions for my home in the future."

| | *Tiquisate* | Ames |
|---|---|---|
| Children mentioning importance of flowers and plants .. | 17 | 7 |
| Love and peace in home & with neighbors ..... | 23 | 13 |
| Space ..... | 18 | 3 |
| Material facilities and equipment ..... | 0 | 22 |

A political factor in such situations is the growing spirit of nationalism and the attitude of the people to the Company. The United Fruit Company had secured various concessions when the people had less political consciousness. But when they grew more aware of themselves as a nation the situation changed. Now obstacle after obstacle is put in the Company's way, part of the process by which a nation asserts its prerogatives and seeks to attain maturity.

We need to do much more than to preach the virtues of democracy and of private enterprise capitalism in our centers of foreign employment. The ideology of private-enterprise capitalism, which has a very considerable social value for most of us, is quite uncomprehended by peones, fellaheen and coolies when they first give up their own social system to work under it. We, ourselves, can see various goals to which private-enterprise capitalism has led and is leading; but for these new workers under it, private-enterprise capitalism is only a vast power with no points of contact with the social aspect of their lives.

## *Exploitation Coming to an End*

Another social investigator, Arthur C. Brooks, in his excellent study *Organized Labor in Guatemala,* concludes:

The age of wide-open exploitation methods by foreign firms in Latin America is rapidly coming to an end. The countries are demanding a more substantial share of the profits, in terms of higher living standards for the workers. Cooperation must be bilateral, is the demand of Guatemalan officials and public opinion today. The time-honored theme of the division of profits is at the base of the conflicts between the Company on one hand and the government and labor on the other. The question of how much profit shall be made by so great an economic force as the Company is in Guatemala, and where that profit shall go, deeply concerns the planners of the Arévalo Administration. Independent unilateral action by United States companies in Latin America no longer receives merely shouts of "Imperialismo." The countries are retaliating either with outright expropriation and nationalization, or stringent laws designed to prevent the companies from ever again playing a predominant role.

## AIMS OF THE SOCIAL REVOLUTION

The Social Revolution in Guatemala is the same as it is in every other section of the world: to have a piece of land, to have more to eat, to be more healthy, to have a better house to live in, to be able to read about what is going on in the world, to freely express one's ideas, to worship God according to his own conscience. *Tierra y Libertad*, the simple minded Emeliano Zapata called it. Nationalism, Democracy and Socialism, said the philosophical Sun Yat Sen. The Four Freedoms cried Franklin Roosevelt. Raising the Standard of Living says the liberal internationalist.

Whatever it be named, this movement is going on in every underprivileged section of the universe to speed up what the United States Constitution appropriately calls "the pursuit of happiness." To give Russia the credit for this search in Guatemala instead of claiming it as American, seeking the same political, economic and spiritual freedoms as its great Northern neighbor, is to choose the strategy of defeat instead of victory. If North Americans had commended Guatemala for getting rid of Dictator Ubico, and starting on the road to free elections, free schools, free press, free labor, free Indians, social security and human dignity, the United States would have more influence with our southern friends and their Revolution would have made a more rapid advance toward democracy.

It is the North American teachers, agricultural specialists, archaeologists, trained nurses, engineers, technicians, diplomats like Ambassador Kyle, and cultural attachés like Al Barrett that are responsible for the present friendly feeling toward the United States. Fortunately this group is being strengthened by additions from business circles that are beginning to see that friendly cooperation gets further than bitter condemnation.

These are the people who will, in the long run, much more than atomic bombs, win us friends around the world and do most to save democracy.

Guatemala is a perfect example of the baffling problem of why we are always hearing about our unpopularity abroad, why the Voice of America never seems to get enthusiastic response, why there is suspicion of President Truman's Point Four, which seems to us "Americans"—which word itself assumes superiority—a great unselfish effort.

To little Guatemala and its vicarious suffering, seem to have been given the honor of showing to her northern sister, who largely carries the hopes and fears of all mankind, the way to treat and the way not to treat, this bleeding, yearning humanity, of which we are all a part.