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The CIA's handiwork: A triumphal procession for the handpicked new leader of Guatemala in 1954. Page 18.

TOP PHOTOGRAPH BY DANIEL BARRIS; MIDDLE BY DANIEL BARRIS; BOTTOM RIGHT BY ASSOCIATED PRESS; ILLUSTRATION BY HAL MAITLAND

FEATURES

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Are Americans becoming more violent? Debased? Desensitized? Has popular culture sparked a kind of national moral decline? To enter the world of 14-year-old Aaron Wolf—a nice kid who swims, bowls, gets good grades and says, "I just really like watching violence"—is to confront these questions in their most disturbing form **BY DAVID FINKEL**



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At a time when new CIA Director John Deutch is calling for stepped-up covert operations to battle post-Cold War threats such as terrorism, the full story of Operation PBSUCCESS in Guatemala in 1954 provides a reminder of what the CIA can accomplish—and how the agency's most dangerous illusions were born **BY EVAN THOMAS**

Cover photograph by Daniel Barris Solution to last week's puzzle on page 24

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'You Can Own the World'

On June 15, 1954, President Dwight D. Eisenhower authorized the CIA to launch an operation code-named PBSUCCESS, an attempt to overthrow the communist-leaning, reform-minded government of the small Central American nation of Guatemala. "I want you all to be damn good and sure you succeed," the president told his CIA director, Allen Dulles. "When you commit the flag, you commit it to win."

The CIA's "field" headquarters for the covert operation were on an abandoned Marine air base in Opa-Locka, Fla., in a suite of offices over a former nursery.

In the dusty old barracks, determined men moved swiftly, impressive maps and a 40-foot chart lined the walls, phones rang, telexes chattered. To Richard Bissell and Tracy Barnes, the Ivy League-



Last month, CIA Director John Deutch fired two spies for failing to report properly about human rights abuses in Guatemala. The scandal made headlines and provoked heated debate inside CIA headquarters. For old agency hands, it was a bittersweet reminder that there was a time, not so long ago, when a spy could do just about what he pleased in a little country like Guatemala...

By Evan Thomas



In promoting the Guatemalan coup, Tracy B...

The WASHINGTON POST MAGAZINE - 10/22/95



In a coup, Tracy Barnes, far left, relied on psywar devices, including this photo op, where CIA-recruited rebels hold an effigy of the president at gunpoint.



In a climactic moment of the coup, as a crowd of 150,000 gathered in front of the cathedral in the heart of Guatemala City, the CIA even distributed firecrackers to help them celebrate.

bred senior CIA operatives sent to supervise the attempted coup, it all looked like a smoothly run, crisply efficient organization.

Artful, quick, inexpensive coups d'etat: Here was a role for the CIA that really worked, or so Bissell and Barnes believed. At the time, Eisenhower was trying to cut back his military budget, which had been bloated by the Korean War. The Republican platform had made some grand statements about liberating the "slave states" of Eastern Europe, but Eisenhower and his secretary of state, John Foster Dulles, had no desire at all to go to war to deliver on this promise. "Eisenhower didn't trust the military," said historian Arthur Schlesinger Jr. "He knew too much about it." The CIA beckoned as a promising alternative. It was small, relatively cheap, elite, nonbureaucratic and, best of all for a political leader, deniable.

Secretary of State Dulles had made the most noise about rolling back the Iron Curtain. But he did not really believe his own rhetoric. He was content to contain communism, which seemed a large enough task in the early 1950s. The place it was growing fastest was in the Third World, where colonialism was giving way to chaos. He saw the CIA as a convenient tool that could stop the Red stain from

spreading on the map. It was his personal action arm: All he needed to do was call his brother, Allen, the CIA director.

So the new battleground would be back alleys and restless barracks from Cairo to Havana. The Third World beckoned as an easier place to operate than the East Bloc. The communists were the insurgents, not the government. The Kremlin had long tentacles, but they became attenuated with distance; local communist movements were easier to penetrate than ones close to Moscow Center. Third World strongmen were already dependent on American and British companies to run their economies, and the services of many public servants south of the border and east of the Levant were for sale. By judiciously dispensing cash and favors, an American CIA station chief could gain the kind of power enjoyed by a colonial proconsul.

The odds for intervention seemed so encouraging that the men who ran the CIA overlooked one shortcoming: They knew almost nothing about the so-called Developing World.

In Guatemala, the CIA had pulled together a rebel "army" of 200 men, which it trained on one of Gen. Anastasio Somoza's Nicaraguan plantations. The chief CIA trainer was an American soldier of fortune named William "Rip" Robertson. The rebel commander—the "Liberator"—was a disaffected Guatemalan army officer named Carlos Castillo Armas. Robertson regarded his recruits as "10th rate" and sarcastically said that Castillo Armas "might

make sergeant in the American Army." Tracy Barnes had his doubts about Castillo Armas, whom he called a "bold but incompetent man." But he tried to put a brave face on Castillo Armas's ragtag soldiers, calling them "the hornets."

On June 18, three days after Eisenhower's order, Castillo Armas, dressed in a checked shirt and driving his command vehicle, a beat-up old station wagon, pushed across the Guatemalan border with with about 200 "hornets," whom he had met for the first time a week before.

Once the invasion began, the "Voice of Liberation," a phony radio station set up by the CIA, broadcast false bulletins, breathlessly reporting pitched battles and heavy casualties. The CIA front used classic disinformation techniques to start rumors and spread fear. "It is not true that the waters of Lake Atitlan have been poisoned," began one broadcast. "At our command post here in the jungle we are unable to confirm or deny the report that Castillo Armas has an army of 5,000 men."

Barnes and Bissell were back at CIA headquarters in Washington when the invasion began, fomenting insurrection via coded

'What right do we have to help someone to topple his government and throw him out of office?' Phillips asked. Barnes ducked the question.

prize, was the entire world. For both the KGB and the CIA, Guatemala was, as Barnes had put it while recruiting an operative for PBSUCCESS, "an easily expandable beachhead, if you want to use the current term."

GEN. WILLIAM "WILD BILL" DONOVAN, the founder of the Office of Strategic Services, America's World War II spy agency, liked to hire Wall Street lawyers and Ivy Leaguers to commit espionage. "You can hire a second-story man and make him a better second-story man," Donovan explained, referring to the cat burglars sometimes employed by investigative agencies. "But if you hire a lawyer or an investment banker or a professor, you'll have something else besides." Donovan wanted a higher class of men; although the OSSers were teased for being socialites, they tended to be confident and intelligent. On the other hand, they didn't have much of a knack for, or experience with, the planning and execution of second-story jobs.

Donovan's hiring philosophy was embraced by the OSS's Cold War successor, the CIA. Its top ranks were filled with Wall Streeters, many of whom were OSS veterans, and academics from leading eastern colleges. They were especially visible—at once admired and resented—at the upper levels of the Directorate of Plans, the CIA's operations arm, also called the clandestine service, or, by reporters of a later era, "the Department of Dirty Tricks." Operating in secret, they were not public figures, though in their heyday, the 1950s and early 1960s, they were very powerful. Within the CIA, the men who ran the clandestine service were known for their courage and élan, as well as for their occasional recklessness.

More than three decades later, the style of covert action these men pioneered remains seductive to policymakers, even after the various CIA scandals over the years—the assassination plots, the illegal break-ins, the betrayals by Kremlin mole Aldrich Ames. With encouragement from Capitol Hill and the White House, the CIA's new director, John M. Deutch, has called this autumn for stepped-up clandestine operations against post-Cold War threats like terrorism and nuclear proliferation. Secret operations can produce quick and useful results. But the long-term legacy can be sour. The CIA's intervention in Guatemala did not achieve democracy, but rather a string of repressive regimes. Few Americans were surprised last

spring when a Guatemalan colonel on the CIA's payroll was linked to human rights abuses, including the death of an American. And last month, Deutch fired two senior agency officers and disciplined eight others for their handling of the reporting of the incident. The ubiquitous meddling of the agency in its early years has created a permanent climate of suspicion in some parts of the world. Many foreigners—and not a few Americans—see CIA plots everywhere. Most of these conspiracy theories are pure fiction. But the culture that Bissell and Barnes helped create is still alive today in the CIA's Directorate of Operations, where the old boys still toast their secret coups, Guatemala prominent among them.

SOME HISTORIANS USE a corporate conspiracy theory to explain why the CIA sought to overthrow the government of Guatemala in 1954. The story, as it is usually told, begins in 1936 on Wall Street with a deal set up by John Foster Dulles, then a lawyer with Sullivan & Cromwell, to create a banana monopoly in Guatemala for his client, United Fruit Co. In 1952, Jacobo Arbenz Guzman, Guatemala's president, expropriated United Fruit's holdings. To get his company's land back, Sam "The Banana Man" Zemurray, the head of United Fruit, hired Washington lobbyist Tommy "Tommy the Cork" Corcoran. His case was sympathetically heard, in part because just about everyone in a position to do something about Guatemala was, in one way or another, on United Fruit's payroll. Both Dulles brothers had sat on the board of United Fruit's partner in the banana monopoly, the Schroder Banking Corp. The assistant secretary of state for inter-American affairs, John Moors Cabot, owned stock in United Fruit. (His brother Thomas had served as president of the company until 1948.) U.N. Ambassador Henry Cabot Lodge was a stockholder, and had been a strong defender of United Fruit while a U.S. senator. Ann Whitman, Eisenhower's personal secretary, was the wife of Edmund



The rest of the cast, clockwise from top left, Jacobo Arbenz Guzman, Carlos Castillo Armas, Richard Bissell, Allen Dulles.

The American press played along with this charade. It simply ignored the Guatemalan leader's cry that the CIA was plotting against him.

CIA's involvement in Guatemala during the 1950s, but it is not the whole story. For one thing, Arbenz "considered himself a communist, and with his few confidants, he spoke like one," wrote historian Piero Gleijeses. Guatemala was the one country in Central America willing to harbor communists, and agrarian land reform did pose an ideological threat to its neighbors. Arbenz was not a Stalinist or even a budding Castro. But he was not just a nationalist, either. He had the potential to be a useful client for Moscow.

Certainly, the top policymakers in Washington believed that Arbenz was a communist, or close to it, and that he posed a threat to the hemisphere. With or without United Fruit, Guatemala would have been a likely target for American intervention in the early 1950s. The prevailing view in Washington was succinctly stated by Tracy Barnes when he signed up David Phillips, a CIA operative, to join the Guatemala operation. In his agency memoir, *Night Watch*, Phillips quoted Barnes's recruiting pitch:

"It's not just a question of Arbenz," Barnes explained. "Nor of Guatemala. We have solid intelligence that the Soviets intend to throw substantial support to Arbenz . . . Given Soviet backing, that spells trouble for all of Central America."

Barnes believed what he was saying; he was not being cynical. After churning out pages of urgent warnings about global communism for the CIA's Psychological Strategy Board in 1952, he had convinced himself; his views were generally shared by his friends and colleagues. "Tracy and I were not concerned with an ideological debate over whether to do it," Bissell said later. "Just how to do it." Barnes and Bissell were activists, and overthrowing a foreign government was action on a dramatic scale. "Tracy was so relieved he could actually do something," said his wife, Janet.

Barnes and Bissell were not Allen Dulles's first choice to run the Guatemala operation. Dulles had asked Kermit Roosevelt, a grandson of President Theodore Roosevelt who had recently engineered a successful coup in Iran, to reprise his feat in Central America. But Roosevelt demurred. For a coup to be successful, he told Dulles, the army and the people have to "want what we want." He doubted that the Guatemalan peasants wanted what United Fruit wanted.

In later years, the CIA's work in Guatemala would be regarded as a model of tactical success, of agency cunning and mastery of covert action. To the participants at the time, however, it was a near

Whitman, United Fruit's PR director. Walter Bedell Smith, the undersecretary of state, was actively seeking a job with United Fruit and later sat on the company's board.

Against this capitalist juggernaut, the story usually goes, stood Arbenz, an idealistic reformer who wanted only to help the downtrodden peasants of his country. Arbenz posed no national security risk to the United States. His badly equipped, poorly led army of 6,500 men was incapable of threatening its neighbors, much less the colossus to the north. Arbenz was a leftist, but not really a communist, and he wasn't working for Moscow or trying to subvert other countries. His only crime was to threaten the profits of United Fruit.

There is some truth behind this explanation of the

disaster saved by good fortune, the willingness to take risks and the cravenness of the opposition.

The CIA had tried and failed to lure Arbenz out of power by offering him a Swiss bank account. The agency also considered assassinating Arbenz, but didn't want to make him a martyr. If the CIA couldn't bribe Arbenz or kill him, perhaps it could scare him out of office. The CIA's records do not disclose who first suggested the idea, but the concept, first contemplated in the fall of 1953, closely mirrors the World War II experiences of the operation's co-supervisor, Tracy Barnes.

Barnes had worked on Wall Street for Carter, Ledyard, the blue-stocking law firm. He was hired into the OSS during the war by John Bross, the senior prefect in Barnes's class at Groton. "Tracy came to me . . . looking for something active," Bross later wrote in a private memoir. "If we couldn't give him some kind of combat service, he was going to get a job as a waist gunner in the air force." Bomber crews over Germany at the time had about the same life expectancy as sailors on the Murmansk run. "I rather got the impression that he wanted specifically to look death in the eye," wrote Bross. Barnes's classmate got him assigned to the Jedburgh program, training commandos to drop behind German lines and link up with the French Resistance. In Peterborough, England, Barnes was instructed by British commandos in the black arts: how to blow up a bridge, code a message, operate a radio, forge documents, and silently strangle someone from behind.

On August 5, 1944, Barnes parachuted into France, breaking his nose on the airplane hatch as he jumped. Attacking along with only one other commando, he convinced a garrison of Germans holding a little town in Brittany that they were under siege from a superior force. Barnes accomplished this trick by racing about on the outskirts of the village firing weapons, setting off explosions and generally making a ruckus. The frightened Germans fled.

In Guatemala, the CIA set about to play essentially the same trick on a grander scale. The CIA would recruit a small force of exiles to invade Guatemala from Nicaragua. They would pretend to be the vanguard of a much larger army seeking to "liberate" their homeland from the Marxists. By radio broadcasts and other propaganda, the insurgents would signal a broad popular uprising. Fearing a revolution, Arbenz would throw up his hands—like the frightened Germans—and flee.

The key to shocking Arbenz, Barnes and his psychological warfare staff believed, was air power. The Guatemalan air force consisted of a few light training planes and 300 men. If the insurgents could get control of the skies and bomb Guatemala City, they could create panic. Barnes set about creating a small pirate air force to bomb Arbenz into submission. An odd-lot fleet—six aging P-47 Thunderbolts, three P-51 Mustangs, a Cessna 180, a PBY naval patrol bomber and a P-38 Lightning—was smuggled into neighboring Nicaragua under the cover of military aid to the Somoza regime. To fly these planes, the CIA recruited soldiers of fortune like Jerry DeLarm, a former skywriter who owned an automobile dealership in Guatemala City and who liked to put a .45-caliber pistol before him on the table when he spoke to a stranger.

This entire operation was supposed to be highly secret—deniable by the U.S. government. But Gilbert Greenway, who had been assigned to help locate air crews for the operation, recalled that "Tracy was very lax on security. We were going to hire crews with very little cover. He was in such a hurry that he wanted to hire people without any security checks, a flagrant security violation. He just wanted to get going." Greenway balked, but Barnes insisted. "Oh, go ahead," he urged. In the end, the cover for the pilots was pretty flimsy: Many of them were hired from a Florida flight school owned by Greenway's brother-in-law.

One of Barnes's recruits for the Guatemala operation was E. Howard Hunt. Hunt would work for Barnes for most of his CIA career, sometimes to Barnes's detriment. *continued on page 29*

numbered that he can't tell the difference between right and wrong. "Maybe like a flower," he says, thinking about this. "If you keep seeing it, do you still keep seeing it? Or is it just there? You don't care. That doesn't mean you're desensitized. You're used to it."

And besides, he goes on, "If I hadn't seen anything violent, I probably wouldn't be who I am, and I probably wouldn't have much of a life."

He elaborates:

"If I hadn't seen all this, I'd be different."

And elaborates further:

"I wouldn't even have an outside life."

"I'd be scared to be with anyone else."

"I wouldn't be able to relate to anybody else."

And further:

"Because *they've* all seen it."

So: What will it be this afternoon? Music? TV? Video games?

He makes a decision. He turns on the computer, and on comes a game given to him by another student in school a few days before, called Druglord.

He starts with \$500 cash. The computer asks him to choose what he wants to buy: "cocaine, crack, heroin, acid, crystal, grass, speed, ludes."

He makes his choice, and now the computer shows him some prices.

He decides to spend all \$500, and now he has to decide where he wants to sell the drugs: Chicago, Detroit, Las Vegas, Los Angeles, Miami, New York, San Diego or Washington.

He chooses San Diego, hits the button and is told that he's just made a \$500 profit.

"Pretty nice," he says.

Now he has enough money to buy and sell some heroin.

And with the profit from that he's able to buy and sell some speed.

And now he's up to \$3,500 when a character named Juan appears, selling some AK-47s—except the price is \$5,000, firm.

"Ooh, I can't believe it. Those are the nicest guns. I could kill some cops."

And wouldn't you know it, here come the police.

They're closing in. They're surrounding him. They're opening fire. They're blasting away, shooting and shooting until a message comes up on the screen:

"Everything has a strange misty look to it . . . you start to feel heat under your feet . . . you see flames licking all around . . . I guess this is the end."

And there it is.

Aaron Wolf, 14, is dead.

But not for long.

"Would you like to play again?" the game asks.

He presses 'n'. For no.

There are too many other things to do. ■

CIA

continued from page 22

A graduate of Brown University, Hunt regarded himself as Barnes's social peer, but others did not share this estimation. Hunt was at once devious and melodramatic. He successfully moonlighted as a part-time author of spy thrillers; he wrote dozens of them under various pseudonyms. Barnes signed him up to be chief of propaganda for the Guatemala operation.

David Phillips, a charming if unsuccessful actor who had drifted into the CIA when he could not make it on Broadway, was put in charge of the phony Voice of Liberation to make clandestine radio broadcasts into Guatemala. Its slogan was "Trabajo, Pan y Patria"—Work, Bread and Country. Phillips hired a couple of Guatemalans—"Pepe" and "Mario"—to write stirring calls to arms. The idea was to prepare the proper psychological climate for the revolution.

Phillips was a smart man—more grounded than Hunt—and he was perceptive about the conflicts roiling below Barnes's unflappable exterior. As he was being recruited by Barnes, Phillips asked him, "What right do we have to help someone to topple his government and throw him out of office?" Barnes "ducked" the question. "For a moment," Phillips wrote later, "I detected in his face a flicker of concern, a doubt, the reaction of a sensitive man."

The CIA's Berlin station chief, Henry Heckscher, was brought back and sent to Guatemala City disguised as a coffee buyer in a straw hat and dark glasses. Heckscher tried, without much success, to penetrate Arbenz's army and turn the officers against the president. He did manage to recruit one member of Arbenz's planning staff, who turned out to be a useful spy.

Before the "hornets" being trained in Nicaragua could be set loose, the United States needed some justification to make clear to the world and the Guatemalans that Arbenz was a dangerous communist. The CIA tried to contrive evidence by planting caches of weapons—fraudulently stamped with the Soviet hammer and sickle—along the Guatemalan coast. The discovery does not seem to have caused much of a stir. But then Arbenz played into Washington's hands.

In January 1954, according to the CIA's still-secret history of the operation, a Panamanian double agent had revealed that the CIA was plotting against Arbenz. This betrayal might have blown the whole operation. But Arbenz overreacted. Precisely because he feared an attempt by "los norteamericanos" to overthrow him, the Guatemalan president went shopping for communist reinforcements. Through his spy on Arbenz's staff, Heckscher learned that Arbenz had ordered an entire shipload of

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weapons from Czechoslovakia, to be shipped from Poland aboard the freighter *Alfhem*.

The CIA tracked the *Alfhem* all the way to the Guatemalan port of Puerto Barrios, where it docked in mid-May 1954. At first the CIA's chief of clandestine operations, Frank Wisner, was angry that the U.S. Navy had failed to intercept the freighter—until he realized that the shipment of 200 tons of communist weaponry was just the excuse the United States needed to intervene.

Surreptitiously, Rip Robertson and a band of his hornets tried to stop the shipment before it reached Guatemala City. Their plan was to destroy a railroad trestle just as the Guatemalan freight train carrying the weapons rumbled across. But the dynamite did not explode; a downpour had drenched the fuses.

It did not really matter; the weapons were of limited use to Arbenz. The World War II vintage machine guns did not work and the antitank weapons had no utility in a region that had no tanks. But they gave the State Department cause to fulminate. The American ambassador to Guatemala, John E. "Jack" Peurifoy, had been handpicked by Wisner to work with the CIA. A flamboyant figure who paraded around the embassy in a jumpsuit with a shoulder holster, sporting a green Borsalino hat with a feather on his head, Peurifoy demanded an audience with Arbenz and cabled home that if the Guatemala leader was not actually a communist, "he'll do until one comes along." The White House denounced Guatemala as a Soviet bastion and the Pentagon shipped 50 tons of small arms to the exile "army" of Castillo Armas.

The American press played along with this charade. It simply ignored Arbenz's cry that the CIA was plotting against him. Most reporters accepted uncritically whatever American officials told them, and if they didn't, their editors did. Dispatches from *Time* magazine reporters in Guatemala, generally sympathetic to Arbenz, were rewritten at the magazine's editorial offices in New York to take a hard line against the Guatemalan government. The editor-in-chief of *Time* Inc., Henry Luce, was a friend of Allen Dulles, and the reporters strongly suspected government intervention. The most naked—and successful—attempt to control the press came at the *New York Times*. The dispatches of Sydney Gruson, the *Times*'s man in Mexico City, seemed overly influenced by the Guatemalan foreign minister. Since the *Times* reporter was taking the wrong line, Wisner suggested to Dulles that the CIA try to silence Gruson. As a "left-leaning" emigre who traveled on a British passport issued in Warsaw, Gruson was a "security risk," Wisner argued. The necessary phone calls were made, and—as a patriotic ges-

ture—*New York Times* publisher Arthur Hays Sulzberger ordered Gruson to stay out of Guatemala, just as Gruson was about to launch an investigation of Castillo Armas's army.

Wisner was able to control the press, but he was nonetheless full of doubts. He had initially opposed the creation of a CIA-backed rebel air force—even threatening to resign—for fear that it would blow the agency's cover. After the Panamanian double agent informed Arbenz of the CIA plot, Wisner considered aborting the operation, but Dulles decided that the agency was already committed. Then the agency discovered electronic bugs "similar to the jobs the Russians used"—including a microphone in the chandelier—in the U.S. Embassy in Guatemala City. Wisner wrote a memo to file, stating that the operation "appears to be rather naked . . . Several categories of

'Well, Colonel,' Hobbing said, 'there is diplomacy and then there is reality. Our ambassador represents diplomacy. I represent reality.'

people—hostile, friendly and 'neutral'—either know or suspect or believe that the U.S. is directly behind this one and, assuming it proceeds to a conclusion, will be able to tell a convincing story." To try to "quiet" the operation, Wisner briefly suspended "black" flights of arms and other supplies to the hornets.

Barnes tried to calm nerves at the operation's Opa-Locka headquarters. He traveled to the barracks accompanied by his old schoolmate, now his CIA colleague, Richard Bissell. In his role as a special assistant to Allen Dulles, Bissell had been dispatched as a kind of "eyes and ears" for the director, to report back to Washington on how this bold and highly sensitive operation was progressing.

Owlsh and clumsy, Bissell made an unlikely James Bond. But he was intellectually domineering and bold, physically as well as mentally. As a Yale undergraduate, his unsanctioned sport was climbing over the steep-pitched roofs of the gothic halls at night—"criminally dangerous," he later conceded.

Though unknown to the public, he was regarded as one of the brightest young men in government. He was the hidden genius behind the Marshall Plan in the late 1940s, and in later years at the CIA, he developed the U-2 spy plane, eventually becoming chief of all covert action. It was Bissell who masterminded the agency's assassination plots and hired the Mafia in a fruitless attempt to eliminate Fidel Castro in the early 1960s.

At operation headquarters in Florida that June 1954, Bissell was thoroughly impressed with what his Groton classmate had helped create. He later recalled that both he and Barnes admired the military plans and operations. Neither of them had ever been before in a military headquarters on the eve of battle, and their experience with paramilitary operations was entirely theoretical. That was about to change.

WHEN THE GO-AHEAD came down from President Eisenhower, Barnes's air force went into action. Jerry DeLarm, the former skywriter who was now code-named Rosebinda, dropped leaflets heralding the coming liberation of Guatemala City. A Cessna pilot dropped hand grenades and Coke bottles filled with gasoline out the window over Puerto Barrios, making loud bangs but causing no real damage. Two other planes were shot up by small arms fire, and another pilot, sent to strafe the city of Coban, ran out of gas while airborne. He crash-landed just over the Guatemalan border in Mexico. A pilot sent to knock out the government's radio station blew up the transmitter of some American evangelical missionaries by mistake. In Guatemala City, the CIA's station chief sent a cable describing the bombing as "pathetic." The Guatemalan people did not rise up.

In early June, just before the invasion began, Arbenz had cracked down on student dissenters, arresting 480 in the first two weeks. Barnes noted that the CIA's network of spies had "suffered losses" and suggested to Wisner that it be "reorganized." "But," noted the CIA's internal history of the operation, "there was nothing left to organize." Instead, Arbenz executed ringleaders, burying 75 dissidents in a mass grave. At agency headquarters in Washington and at Opa-Locka, optimism was fading quickly. Only Barnes, with his characteristic buoyancy, remained upbeat. Everyone else feared a disaster in the making. "We were all of us at our wits' end," recalled Bissell. Al Haney, the CIA's field commander, begged Washington to send more airplanes. Wisner was nervous, unsure what to do. It was almost too late to keep the CIA's involvement a secret. James Reston was beginning to hint in the *New York Times* that Washington was behind the "invasion," and a sudden show of force, if thinly disguised, risked exposing

the whole operation. Wisner decided to push ahead anyway. "He was almost fatalistic, amenable to putting the actions in motion and letting the cards fall where they may," Bissell recorded in his memoirs.

Allen Dulles, accompanied by Bissell, brought the request for more planes to President Eisenhower. He was opposed by an assistant secretary of state, Henry Holland, who brought an armload of law books to argue that the United States was violating a number of laws and treaties by its increasingly blatant intervention. Eisenhower listened to Holland and asked Dulles what the odds were of success. Dulles responded that with the planes they were "about 20 percent"; without the planes, zero. The president gave Dulles the planes.

Dulles had deputized Bissell to handle logistics for the operation. Bissell had proved himself an able logistics officer during World War II. He quickly found two war-surplus P-51s; as cover, the CIA gave \$150,000 to Nicaragua's Somoza to buy the planes; he in turn leased them back for a dollar. Bissell worked feverishly as the operation headed for an uncertain climax. Fearful that Arbenz would move to crush Castillo Armas's tiny force, still sitting just inside the border, Bissell worked out a plan to rescue them with a seafin and then land them at a different location. Bissell contacted his old wartime friends in the shipping industry to charter what Bissell later called "a few small disreputable ships."

Before Bissell could stage this covert Dunkirk, however, events on the ground dramatically improved. The CIA's psywar experts would later take credit. The Voice of Liberation had been broadcasting from "somewhere in Guatemala"—actually, Nicaragua and the roof of the American Embassy in Guatemala City—calling on the people to rise up against their communist bosses. The broadcasts were not having much effect on the people, but they helped plant doubt in the conservative Guatemalan officer corps by warning that Arbenz planned to betray the army and arm the peasants.

An air force colonel defected and the psywar operatives tried to persuade him to broadcast back an appeal to fellow officers to join him. The colonel refused. But he proceeded to get drunk with the American agents, who coaxed him into giving the speech he would have given. Secret tape recorders captured the fiery diatribe, which was broadcast the next day while the officer slept off his hangover. Worried about losing his tiny air force, Arbenz grounded it.

The psywar campaign was given credibility when Castillo Armas and his hornets finally bestirred themselves to fight a small battle. On June 24, the rebel column dared to advance to a small border town called Chiquimula. There they engaged a garrison

from the Guatemalan army in a brief fire-fight. Richard Bissell later traced the turning point of the operation to the scene of a hospital train arriving in Guatemala City, bearing dozens of wounded soldiers from the front. The two new P-51s sent down by Washington went into action on a 72-hour bombing spree. They didn't do much actual damage, but a large smoke bomb dropped on the parade grounds of Fort Matamoros made it look as though the government were under siege. The locals began referring to the bombs as "sulfatos"—laxatives—for the effect they were having on Guatemala's leaders. To shut the radio transmitters at the U.S. Embassy, Arbenz ordered the power turned off, but the ensuing blackout just caused more panic. From Opa-Locka, Phillips ordered the Voice of Liberation to launch a "final big lie"—that two massive columns of rebel troops were advancing on Guatemala City.

In Washington, Wisner remained anxious. He was enraged when Rip Robertson, acting on his own authority, sank a British freighter on June 27 by dropping a 500-pound bomb down its smokestack. (Robertson mistakenly thought the freighter was delivering fuel to Arbenz for his trucks and planes; this "subincident," as Bissell described it, cost American taxpayers \$1.5 million to repay.) Bissell was not optimistic about the prospects for PBSUCCESS, putting the odds at less than even.

But then Arbenz panicked. The Guatemalan president was exhausted and drinking heavily. He was convinced that if he suppressed the rebel invasion, a greater invasion beckoned—by U.S. Marines. On June 25, he had ordered the distribution of weapons to "the people's organizations and political parties." This was anathema to the conservative officer corps, whose loyalty was already shaky. In addition, as Piero Gleijeses has pointed out, the Guatemalan officers were afraid of Uncle Sam moving in with a full-scale invasion.

Pressured by his officers, Arbenz agreed on the evening of June 27 to step aside for a military junta.

The news caught the CIA by "surprise," said Bissell. "We thought we'd lost," recalled Phillips. In the "war room" inside the CIA's "L Building" on the Reflecting Pool a few hundred yards from the Lincoln Memorial, glasses were raised and cheering broke out as Arbenz tearfully announced his resignation over the government radio that Sunday night.

There was still some cleanup work to be done in Guatemala City, however. The CIA had planned to install Col. Elfego Monzon as the caretaker president of Guatemala until "the Liberator" Castillo Armas could make his triumphant procession into the capital. Ambassador Peurifoy called Monzon his

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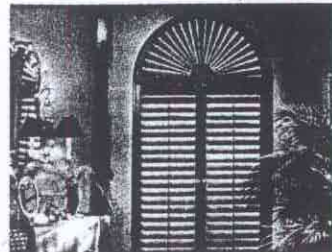
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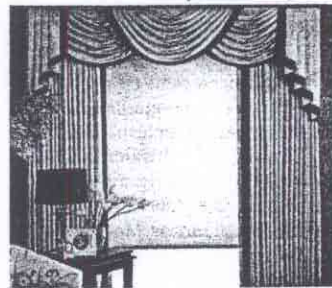
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"tame pup"; he had been recruited by the CIA's Guatemala station chief, John Doherty, in the least subtle way: Doherty had knocked on his door one morning and announced, "I'm the CIA's chief of station. I want to talk to you." After Arbenz resigned, Monzon lost his nerve and agreed to serve in a junta under army Chief of Staff Col. Carlos Enrique Diaz. The CIA was furious. "We've been double-crossed. BOMB!" CIA operative Enno Hobbing cabled Washington.

Jerry DeLarm took off in a P-47 and dropped two loud bombs on the Fort Matamoros parade grounds. Hobbing and Doherty then paid a visit to the new junta.

Diaz started arguing about the merits of Arbenz's social reforms.

Hobbing was blunt: "Wait a minute, colonel," he interrupted. "Let me explain something to you. You made a big mistake when you took over the government." He paused for a moment. "Colonel, you are just not convenient for the requirements of American foreign policy."

Diaz, who had been nicknamed "the Sad Chicken" by his troops, stammered, "I talked to your ambassador. He gave me your approval."

"Well, Colonel," Hobbing said, "there is diplomacy and then there is reality. Our ambassador represents diplomacy. I represent reality. And the reality is that we don't want you."

OVER THE NEXT 11 DAYS, five provisional governments formed (Monzon set a record by appearing in four of them) before Castillo Armas took over, with Washington's blessing. The "Liberator" was greeted by 150,000 people in Guatemala City, shooting off firecrackers that had been distributed through the crowd by the CIA.

In Washington on the July 4 weekend, John Foster Dulles went on national radio to proclaim "a new and glorious chapter" in the history of the Western Hemisphere. The press played right along. The New York Times judiciously noted that the United States had supplied "moral support" to Castillo Armas just as Moscow had provided "moral support" to Arbenz. With classic newsmagazine equivocation, Newsweek wrote: "The United States, aside from whatever gumshoe work the Central Intelligence Agency may or may not have been busy with, had kept strictly hands off." The New Republic coyly noted, "It was just our luck that Castillo Armas did come by some secondhand lethal weapons from Heaven knows where."

At the CIA, Dulles and Barnes were giddy, "exuberant," recalled Tom Braden, then a senior CIA official. "Allen was very Rooseveltian. He'd say, 'Bully! Bully! We did it!' He gave Tracy a lot of the credit."

Gratified and proud, President Eisenhower

summoned the CIA men for a formal briefing at the White House, with slides and charts.

"How many men did Castillo Armas lose?" Eisenhower asked about the operation, which had cost less than \$20 million. The answer was "only one." Dave Phillips watched as Eisenhower shook his head, remembering, perhaps, the thousands killed at D-Day. "Incredible," the president said.

Tracy Barnes's wife was sitting at home after the briefing when her husband and Frank Wisner burst in. Barnes generally did not discuss his work at home, but he could not resist telling her about the Guatemala operation. "Wiz and Tracy were very pleased," she recalled. "They did a little scuffling dance and said, 'We've been to see the prexy, and it was great!'"

The war stories began to circulate; the memory of the mistakes began to fade. Phillips regaled agency hands with his bril-

'How many men did Castillo Armas lose?' Eisenhower asked about the operation, which had cost less than \$20 million. The answer was 'only one.'

liant disinformation campaign on the Voice of Liberation. Barnes recounted how the agency's pet colonel, Monzon, had been dead drunk when the time came for him to assume power; a CIA man had to hold him up in the shower. This theme, of the hapless Third World stooge being supported—literally—at the critical moment by a cool and all-knowing CIA man was becoming a staple of agency folklore. These tales were good for esprit, and true enough. But they contained dangerous illusions. The lesson of Guatemala to Richard Bissell was that a Central American strongman can be frightened out of power by the mere thought of U.S. intervention. Bissell later contrasted the way things looked to the CIA against the way they must have looked to Arbenz during the invasion. At the agency, officials fretted over the obstacles to success—just a few planes and some sullen exiles to work with, botched assignments and missed communications, freelancing troublemakers like Rip Robertson. Yet Arbenz, as he drank alone at the presidential palace

in Guatemala City and listened to the sound of exploding *sulfatos* outside, apparently was seized by doom, fearful that he was about to be crushed by "the government of the north." Lower ranking officials had the same explanation for the agency's miraculous success. "It should have been a fiasco," said Hobbing, "except for the idiotic Latin attitude that the gringos are all-powerful."

The American press may have been lulled into playing down U.S. involvement in Guatemala, but the Latins had no doubt. In the week Arbenz fell, there were Yankee-Go-Home riots in Argentina, Brazil, Chile, Colombia, Cuba, Honduras, Mexico, Panama, Peru, Uruguay and Venezuela. Latin American revolutionary Ernesto "Che" Guevara was in Guatemala at the time of the coup; he had come to study Arbenz's social reforms. "It was Guatemala," his first wife said, "which finally convinced him of the necessity for armed struggle and for taking the initiative against imperialism." Guevara learned a practical lesson as well: that it was necessary to purge an army of all conservatives. Arbenz's revolution failed because it had been too moderate.

For Guatemala, the coup ushered in several decades of repression. The "Liberator" canceled Arbenz's land reform, gave United Fruit back its holdings, banned subversive books like *Les Miserables*, and restored the secret police. Jose Linares, the police chief, gave electric baths to suspects and employed a skullcap designed to "pry loose secrets and crush improper thoughts." Exiled, Arbenz died of drugs and alcohol in Mexico in 1971. A CIA official noted that "he was his own person, he was not a Soviet agent. He didn't go to the Soviet Union and become a colonel in the KGB."

In later years, Barnes and Bissell would regret the outcome of the Guatemala coup. Bissell would blame "poor follow-up" by the White House and the State Department. But in 1954, PBSUCCESS ensured that their CIA careers would take off. For his role, Barnes was awarded the Distinguished Intelligence Medal, the agency's second-highest honor (the Distinguished Intelligence Cross is usually awarded posthumously), in a secret ceremony. "After Guatemala," recalled his wife, it was "You can have any job you want! You can own the world!"

Indeed, to Bissell and Barnes, the Guatemala operation was impressive, even thrilling.

The two men liked it so much they replicated it six years later in setting up Operation Zapata, better known as the Bay of Pigs. ■

Evan Thomas is the Washington bureau chief of Newsweek. This article was adapted from his book The Very Best Men, published this month by Simon & Schuster.