

1953-1954 U.S. Interventions: Causes and Consequences

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U.S. Interventions

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Depending on which historian is referenced, the Guatemalan intervention by the United States derived from the presence of communism in the region, out of the United States desire to protect foreign investment, or because of a lack of distinction between communism and nationalism. The cause of the 1953-American-British overthrow of Iran's Prime Minister Mossadeq is widely recognized as being linked to Mossadeq's nationalism, specifically the nationalization of the Anglo-Iranian Oil Company (AIOC), and the indignation of the global powers at this audacious claim on natural resources in the region. Regardless of cause, both interventions caused a radical shift in the trajectory of each nation. A consequence that the United States is dealing with to this day. Because of the continued significance of these events, this paper will analyze the various schools of thought behind the justifications of the Guatemalan-U. S. intervention using the more widely accepted motivations of the Iranian coup as a reference point for the involvement of the economic elements of Washington's reasoning. While these speculations cannot hope to change the trajectories of the past, they may serve as a reminder of the responsibility the United States should take for their actions and prevent similar mistakes from consuming future U.S. policies.

The coup in Iran that resulted in the overthrow of Prime Minister Mossadeq and the overthrow of President Arbenz in Guatemala happened in the same year. Prime Minister Mossadeq was ousted on August 19th of 1953 while Arbenz was forced to resign on June 17th, 1954. It is not surprising then that there is overlap in the processes of these covert operations. However, while Arbenz had communist ties, Mohammad Mossadeq was clear that he did not want Soviet assistance. He feared any association would initiate a Western response that would result in Iran's division. According to Ervand Abrahamian, Britain and the U.S. were aware of

Mossadeq's distrust of the Soviet's, complaining about this "neutralism."¹ They were also aware of his orientation as a nationalist, not a communist. However, when he made clear his intention to nationalize the Anglo-Iranian Oil Company and would not negotiate, the British turned to Washington for assistance to protect their hold in the region. To achieve this, Britain continuously lobbied in the U.S. As the United States' companies feared "probable repercussions in their areas, including "Latin America and Indonesia," Washington under Eisenhower was not difficult to persuade.² Furthermore, John Foster Dulles, the Secretary of State and the Director of the CIA, Allen Dulles, his brother, were partners in a law firm that represented AIOC in the U.S. Mossadeq also had local opposition. He is said to have created a class warfare between the three lower classes and the upper class who aligned with British interest in his nationalization efforts. Thus, the CIA and MI6 partnered with local opponents. While the first attempt to have him arrested by the Imperial Guards was unsuccessful, the fear that he would lose recognition by the U.S if order were not restored proved to be his downfall and resulted in his capture. Even during the coup, Mossadeq refused the aid of the Tudeh (a communist group) fearing civil war would allow the Soviet's and Britain to divide Iran. Despite the clear distance between himself and communism, propaganda campaigns by the British and the CIA labeled him as "favoring the communists," and "threatening Islam." This allowed Eisenhower to proclaim to the White House they had "'saved the day' because of their revulsion against communism and their love for the monarchy".³ Thus, Eisenhower put an end to the Jakarta Axiom, the notion that the nationalism

¹ Ervand Abrahamian, "The 1953 Coup in Iran." *Science & Society* 65, no. 2 (2001): 186-213.

² Abrahamian, "1953 Coup in Iran," 191.

³ Abrahamian, "1953 Coup in Iran," 186-213.

of the “nativist kind could be of long-term advantage to the United States,” through his cooperation with the overthrow of Mossadeq.⁴

The United States’ intervention in Latin America was carried out, perhaps because of the success of the intervention in Iran. However, a brief history of U.S. policy on intervention in Latin America must be given before the Guatemalan coup is dissected to ensure the relationship between the two regions is better understood. The Monroe Doctrine, made it clear that the United States would not tolerate intervention by European powers in the Western Hemisphere.⁵ This notion was extended in 1904 with The Roosevelt Corollary which stated the U.S. would intervene in the region “only if it became evident that their ability or unwillingness to do justice at home and abroad had violated the rights of the United States or had invited foreign aggression to the detriment of the entire body of the American nations.”⁶ This view of the hemisphere shifted in 1933. Franklin D. Roosevelt’s Good Neighbor Policy illustrated his denunciation of intervention and commitment to be “the neighbor who...respects the rights of others.”⁷ This policy was solidified when the United States accepted the non-intervention principle in Latin America at the Convention on Rights and Duties of States.⁸ In this the U.S. asserted that all states are equal and that “no state has the right to intervene in the internal or external affairs of

⁴ Odd Arne Westad, *The Global Cold War: Third World Interventions and the Making of Our Times*. (Cambridge, UK: Cambridge University Press, 2016), 119-149.

⁵ James Monroe, “The Monroe Doctrine, 1823,” In *Latin America and the United States: a Documentary History*, ed. Holden, Robert H., and Eric Zolov (New York, NY: Oxford Univ. Press, 2000), No. 3, 11-14.

⁶ Theodore Roosevelt, “The Roosevelt Corollary to the Monroe Doctrine, 1904,” In *Latin America and the United States: a Documentary History*, ed. Holden, Robert H., and Eric Zolov (New York, NY: Oxford Univ. Press, 2000), No. 37, 100-102.

⁷ Franklin Delano Roosevelt, “The Good Neighbor Policy, 1933,” In *Latin America and the United States: a Documentary History*, ed. Holden, Robert H., and Eric Zolov (New York, NY: Oxford Univ. Press, 2000), No. 53, 141-142.

⁸ The Delegates to the Seventh International Conference of American States, “The United States Accepts the Non-Intervention Principle, 1933,” In *Latin America and the United States: a Documentary History*, ed. Holden, Robert H., and Eric Zolov (New York, NY: Oxford Univ. Press, 2000), No. 55, 146-148.

another.”⁹ In 1947, however, The Rio Treaty allowed action by outside member states if two-thirds of OAS members agreed that the independence of any member was being threatened by “an aggression which was not an armed attack.” It was thought that this treaty was organized out of the desire of John Foster Dulles to have “the Monroe Doctrine to include the concept of outlawing foreign ideologies in the American Republics.”¹⁰ The notion of the “good neighbor” was not dead, however. George F. Kennan in 1950 advocated for the establishment of a positive relationship between Washington and Latin America. He feared that being unsuccessful in the region could damage the fight against communism globally. An important facet of his assessment is his statement that the “‘communist’ in Latin America are a somewhat different species than in Europe. Their bond with Moscow is tenuous and indirect”.¹¹ A notion that was further solidified by the Ninth International Conference of American States Resolution 32 that was adopted by U.S. and Latin American representatives in 1948 which condemned communism formally.¹² Just 4 years later however, John C. Drier when addressing the OAS stated, “the international Communist movement has achieved an extensive penetration of the political institutions of one American State, namely the Republic of Guatemala.”¹³ What caused this significant shift? Was there a real communist presence in the region or were there other factors at play that Washington thought warranted U.S. intervention?

⁹ The Delegates to the Seventh International Conference of American States, “The United States Accepts the Non-Intervention Principle, 1933,” 147.

¹⁰ Peter H. Smith, *Talons of the Eagle: Latin America, the United States, And the World, Third Edition* (Oxford: Oxford University Press, 2008), 149.

¹¹ George F. Kennan, “A Realist Views Latin America, 1950,” In *Latin America and the United States: a Documentary History*, ed. Holden, Robert H., and Eric Zolov (New York, NY: Oxford Univ. Press, 2000), No. 72, 195-198.

¹² The Delegates to the Ninth International Conference of American States, “The Menace of Communism, 1948,” In *Latin America and the United States: a Documentary History*, ed. Holden, Robert H., and Eric Zolov (New York, NY: Oxford Univ. Press, 2000), No. 71, 193-194.

¹³ Jon C. Drier, “Terminating a Revolution in Guatemala-A View from Washington, 1954,” In *Latin America and the United States: a Documentary History*, ed. Holden, Robert H., and Eric Zolov (New York, NY: Oxford Univ. Press, 2000), No. 74, 201-203.

Jacobo Arbenz was elected through a democratic process, obtaining 60% of the vote in 1951.¹⁴ Like Mossadeq, his main goal was to improve the lives of the masses. To do this he wanted “to convert our country from a dependent nation with semi-colonial economy to an economically independent country; to convert Guatemala from a backward country with a predominantly feudal economy into a capitalistic state; and to make this transformation in a way that will raise the standard of living of the great mass of our people to the highest level.”¹⁵ This would be achieved through agrarian reform and public works. Agrarian Reform was implemented through Decree 900. This declared that uncultivated land in private estates larger than 672 acres and land in estates between 224 and 672 acres if less than two-thirds was under cultivation would be expropriated. The prior owners would be compensated with 3% agrarian bonds maturing in 25 years according to the value of the land that the owners declared on their tax returns prior to May 1952. An almost identical proposition to the U.S. agrarian reform conducted in Japan.¹⁶ There were disputes however, between the United Fruit Company and the Arbenz government over the value of UFCO land and the company took issue with the land being taken as they claimed to have purposefully not cultivated some of it to protect against natural catastrophes. 85% of the land was not in use. The Arbenz government offered *La frutera* \$627,572 in bonds and the State Department countered with a demand of \$15,854,849. The Dulles brothers, whose law firm had ties to AIOC in Iran, also had ties to the UFCO. Furthermore, Thomas Cocoran, the company’s lobbyist had a close relationship with President

¹⁴ Luis Cardoza y Aragón, “Terminating a Revolution in Guatemala-A view from Guatemala, 1954,” In *Latin America and the United States: a Documentary History*, ed. Holden, Robert H., and Eric Zolov (New York, NY: Oxford Univ. Press, 2000), No. 75, 203.

¹⁵ Piero Gleijeses, “The Agrarian Reform of Jacobo Arbenz.” *Journal of Latin American Studies* vol. 21 no. 3 (1989): 453–80.

¹⁶ Gleijeses, “Agrarian Reform,” 473-474.

Eisenhower's aide and undersecretary of State.¹⁷ To ensure the Agrarian Reform was successful Arbenz created an agricultural credit program and a literacy campaign in rural areas was conducted. The U.S. State Department admitted overall Arbenz's Agrarian reform was "singularly successful."¹⁸ While Arbenz did not want foreign investment, he did elicit U.S. advice and assistance through various corporations to tackle the different public work projects. Following the plan suggested by the World Bank in 1951, Arbenz decided to focus on the construction of a large road network, a hydro-plant, and a port in the bay of Santo Tomas. A company from San Francisco was hired for the construction of the port of Santo Tomis and Westinghouse, a U.S. firm, was consulted to see if a hydroelectricity plant could be built at Jurin. However, many aspects of Guatemala's infrastructure were controlled by North American companies and this partnership was a transition from their outright control.¹⁹

As previously mentioned, the Arbenz administration did not have a distinct separation between nationalistic intentions and communist associations. As a matter of fact, he legalized the Communist Party and appointed members from the *Partido Guatemalteco del Trabajo* (PGT) to his cabinet. He felt they sought advancement not for themselves but for their cause, unlike much of the other members of government who wished to simply increase their standing. The protests that had broken out between the peasants and former landowners, and the dissatisfaction of those that did not benefit from Arbenz's reforms, like the upper-class and urban populations who still faced a housing crisis, were used by the CIA much like those who opposed Mosaddeq's nationalism programs were used in Iran to conduct another coup.²⁰ Castillo Armas and his

¹⁷ Smith, *Talons of the Eagle*, 149-150.

¹⁸ Glijeses, "Agrarian Reform," 467-479.

¹⁹ Glijeses, "Agrarian Reform," 474-475

²⁰ Glijeses, "Agrarian Reform," 467-479.

supporters were trained in Nicaragua by U.S. forces and a campaign of “psychological warfare and paramilitary actions” were conducted to force Arbenz to resign.²¹ Fear that there would be a “Soviet takeover” due to Arbenz’s “soft” on communism approach and that the Panama Canal would fall were spread by the UFCO publicists and the media. It was, however, the fighter planes that strafed Guatemala City and the fear that a greater attack was coming that lead Arbenz to resign and enter the Mexican embassy in Guatemala. In his resignation speech he stated, “They have used the pretext of anticommunism. The truth is very different. The truth is to be found in the financial interests of the fruit company and other U.S. monopolies which have invested great amounts of money in Latin America and fear that the example of Guatemala would be followed by other Latin American countries.”²² These claims are difficult to dispute as Colonel Carlos Castillo Armas returned the land to the United Fruit Company when he took power. However, he also disbanded labor groups and oversaw the disappearance of over 200,000 citizens under the banner of pursuing anticommunist goals.²³ The admittance of a CIA operative that “Castillo Armas was a bad president, tolerating corruption throughout his government and kowtowing to the United Fruit Company More than his own people” proves some in the U.S. also had qualms about the “success” of this operation. The economic reasons stand out more when Kennedy’s Alliance for Progress and the similarities between the goals laid out in the Charter del Punta Este and Arbenz’s government are analyzed.

Just seven years after unseating Arbenz, the U.S. established a plan to “lift people from poverty and ignorance and despair.” This was to be done through Kennedy’s Alliance for

²¹ Operation PBSUCCESS, "The United States and Guatemala 1952-1954." *Nicholas Cullather, CIA declassified.*

²² Smith, *Talons of the Eagle*, 151.

²³ Smith, *Talons of the Eagle*, 153.

Progress which stated, “political freedom must be accompanied by social change.”²⁴ In the Charter of Punta del Este--a product of this policy--goals of eliminating illiteracy and increasing economic progress for all are laid out. Article 6 specifically references plans to establish “comprehensive agrarian reform.”²⁵ All of these mirror facets of the Arbenz administration’s plans for Guatemala.

There is still disagreement as to whether the reasons for intervention were motivated by a real presence of communism or simply the economic interests of “new imperialists.” Realists believe the propaganda spread by PBSUCCESS after the covert operation which claimed the Liberation led by Armas “represented a popular revolution against a Communist dictatorship.”²⁶ Secretary of State Dulles stated, “If the United Fruit matter were settled, if they gave a gold piece for every banana, the problem would remain as it is today as far as the presence of Communist infiltration in Guatemala is concerned.”²⁷ In contrast, historians like William Appleman Williams, Richard J. Barnet, and Joyce and Gabriel Koloko blame the Open-Door Policy for “countless U.S. interventions...to protect trade, markets, and North American businesses such as the UFCO.”²⁸ Others like Richard H. Herman side with the revisionists that state the Arbenz government was not a Soviet threat, but that Washington had mistaken nationalism with communism. Regardless of the facts, the protests that erupted throughout Latin America, in Mexico, Uruguay, Argentina, and Chile against “Wall St. interests” and U.S. “aggression” were

²⁴ John F. Kennedy, “The Alliance for Progress, 1961,” In *Latin America and the United States: a Documentary History*, ed. Holden, Robert H., and Eric Zolov (New York, NY: Oxford Univ. Press, 2000), No. 83, 226.

²⁵ The Delegates to the Special meeting of the Inter-American Economic and social Council, “The Charter of Punta del Este, 196,” In *Latin America and the United States: a Documentary History*, ed. Holden, Robert H., and Eric Zolov (New York, NY: Oxford Univ. Press, 2000), No. 85, 232-234.

²⁶ Stephen M. Streeter “Interpreting the 1954 U.S. Intervention in Guatemala: Realist, Revisionist, and Postrevisionist Perspectives.” *The History Teacher* 34, no. 1 (2000): 61-74

²⁷ Streeter, “Interpreting the 1954 U.S. Intervention in Guatemala,” 63.

²⁸ Streeter “Interpreting the 1954 U.S. Intervention in Guatemala,” 64.

just a whisper of the lasting impact these actions would have on the region and the people's opinion of the U.S.²⁹ In an interview in 1974 Luis Cardoza y Aragón a writer who served in the Arévalo and Arbenz administrations stated, "even if there had been a real Communist Party, or if Arbenz' government had been communist (both impossible in 1944-54) they would never have posed the least threat to the United States." He makes his position on the debate clear when he said, "The U.S (North American imperialism) squashed a little butterfly that wished to fly a little more freely within the capitalist system, and to emerge from a barbaric, inhumane situation to better living conditions for its people of all classes."³⁰ Those of this opinion agree with the principles laid out by Cardoso and Faletto whose followers became known as *Dependentistas*. These take the reasons of economic intervention further by claiming the underdevelopment of Latin America was caused by a systemic economic system that favored wealthier "core" countries at the expense of those in the "periphery". They also state that they "do not see dependency and imperialism as external and internal sides of a single coin," instead it was because of the "internationalization of external interests" where the "local dominant classes and international ones" worked together that this system was able to develop.³¹ Juan José Arévalo expresses a similar sentiment in *The Shark and the Sardines* which was published in 1956 but not translated into English until 1961. In it he counters the ideological claims of anticommunism by stating "When businessmen are converted into governors, it is no longer possible to speak of

²⁹ Smith, *Talons of the Eagle*, 152.

³⁰ Cardoza y Aragón, "Terminating a Revolution in Guatemala," 203.

³¹ Fernando H. Cardoso and Enzo Faletto, "The Principles of Economic Development-According to the *Dependentistas*, 1969," In *Latin America and the United States: a Documentary History*, ed. Holden, Robert H., and Eric Zolov (New York, NY: Oxford Univ. Press, 2000), No. 99, 267-269.

social justice.” The sentiment of “grandeur of spirit...replaced by greed” has left many in Iran and Latin America disillusioned with the U.S. promises of democratic ideals.³²

The end of the Jakarta Axiom, the shift from the Good Neighbor and non-intervention to The Rio Treaty showed the world that the United States was in the habit of changing its mind. While Clinton apologized in 1999 for “support for military forces and intelligence units which engaged in violence and widespread repression” and stated the U.S. “must not repeat that mistake,” the history described above should have prepared the nation for the Zero-Tolerance Policy that criminalized those seeking asylum from Guatemala.³³ Even though the civil war that followed and the brutality of the Armas dictatorship after Arbenz’s overthrow has lead the country into a culture of violence and militarization that those seeking refuge were fleeing. As Greg Grandin states in, *Last Colonial Massacre*, this “counterrevolutionary terror was inextricably tied to empire.”³⁴ Could the war against Islam extremists that took hold in the Middle East through the influence of figures like Khomeini who arguably were able to gain traction because of the disregard for Iran’s sovereignty in 1953 by global powers have been avoided if the U.S. kept its word?³⁵ It is impossible to say, however, the argument can be made it did not help U.S. and Iranian relations. There is now a shift in these regions in which they are returning to their nationalistic revolutions. President Alvaro Colom apologized for the “great crime” or the state’s contribution to the overthrow of Arbenz.³⁶ Showing that leadership in the region is changing its tactics. Grandin also illustrates that the “political action most often

³² Juan José Arévalo, “The Shark and the Sardines, 1961,” In *Latin America and the United States: a Documentary History*, ed. Holden, Robert H., and Eric Zolov (New York, NY: Oxford Univ. Press, 2000), No. 86, 235-237.

³³ Smith, *Talons of the Eagle*, 153.

³⁴ Greg Grandin, *Last Colonial Massacre: Latin America in the Cold War*. (Chicago: University of Chicago Press, 2010), 169-198.

³⁵ Abrahamian, “1953 Coup in Iran,” 213.

³⁶ Elisabeth Malkin, “An Apology for a Guatemalan Coup, 57 Years Later.” *New York Times* 20 (2011).

associated with the left, including the Marxist left” appealed to the “disenfranchised from rural communities, plantations and factory floors.” He argues, “Such insurgent individuality...was fundamentally necessary to the advancement of democracy, to the end of forced labor, and to the weakening of other forms of exploitation and domination.”³⁷ Thus, the stifling of these movements allowed radicals to dominate these regions, often with U.S. direct or indirect support. Therefore, while the intervention of the U.S. may have various reasons depending on the schools of thought arguing them, the instability and damage to the relationship of the U.S. with these nations was extensive and caused lasting problems. Only if the U.S. as Clinton stated, truly focuses on not repeating the mistakes of their past, can the nation hope to right these wrongs and forge new, stronger relationships in these regions, hopefully in support of the wishes of the local populace.

³⁷ Grandin, *Last Colonial Massacre*, 189.

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