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CIA HISTORICAL REVIEW PROGRAM
RELEASE AS SANITIZED

31 May 1954

2003

POINTS FOR CONSIDERATION BY THE SPECIAL
STATE DEPARTMENT GROUP WORKING ON
GUATEMALA.

1. Slow-down or interruption of POL deliveries:

a. Will State take action with regard to signing of US suppliers, following up on the explorations already made into this by CIA? Standard Oil of New Jersey appears to be main supplier. Some thought should be given to alternative sources of supply, for example Mexico, Curacao, ~~Venezuela~~.

b. Also consider in this connection whether or not it is desirable to effect some sabotage of POL storage and distribution facilities. An estimate of our ability to deliver on this has been requested and is expected shortly, but there is a question of "timing" which should be further examined by both State and CIA. Note in this connection the series of messages from Peurifoy urgently requesting this very kind of action. (Note especially dispatch of recent date to Mr. Leddy.)

c. Also involved in the latter question is the evaluation to be given to the information and statements provided by Mr. Leddy's contact.

2. El Salvador -- things to be thought of: .

a. Getting [] out.

b. Switching []

c. [] - Dominican Republic

d. []

e. []

3. Request Mr. Holland's answer on the proposal Wisner put up to him by memorandum last week re use of [] to sound out Osorio concerning Osorio's views of (and possible backing and support for) [] The approach which we recommend is set forth in the memorandum, which Mr. Leddy has.

Also bring to Mr. Holland's attention the fact that [] still do not have any communication with Osorio on the subject of Armas. Our operating base has twice raised with us the question as to whether

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E-C] might be placed in the Embassy at San Salvador
] -- who would talk with Osorio and/or Kanessa
and the Army Chief of Staff. We recognize that any official involvement
of the Embassy in El Salvador was ruled out at one of our policy meet-
ings some weeks ago -- before the arms shipment arrived. However, we
are wondering whether matters have reached the point in the totality
of our governmental effort against Guatemala that would warrant a re-
laxation of the security strictures and other prohibitions which have
been placed upon us and which we have accepted in this connection.

Possible use of Amb. Castro - to sound.

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