

"Foreign Relations of the United States 1961-1963 Volume XII"

Introduction

The report "Foreign Relations of the United States 1961-1963 Volume XII", published by the Department of State in 1996, is reproduced here *with **footnotes**, **source of the information**, a list of abbreviations used within the document, and hotlinks for easy back and forth reference within the text.*

The report is broken down into 58 sections spanning 100 type-written pages. This report deals with the U.S. policy towards the then British colony of British Guiana.

Background

British Guiana was hurtling towards its independence and both the Americans and the British were wary of its leadership. They were concerned about the direction in which that leadership might take the soon to be independent nation (British Guiana achieved independence in 1966. The country became known simply as Guyana. In 1970 it became known as the Co-operative Republic of Guyana). With communism already entrenched in the Caribbean (in Cuba under the leadership of Fidel Castro), both the Americans and the British were most circumspect about the possibility of another such regime in South America -- British Guiana. To wit, from the document: "America, Jagan said, is worried about BG becoming another Cuba. Castro once in reference to BG laughingly asked if socialism had ever come about without revolution. Jagan said he had openly discussed his socialist ideals with President as well as his determination to bring this about by peaceful means. All he is asking of US is understanding and assistance so that he can make BG first example of socialist state created by non-violent means."

L.S. Daniels
March 16, 1997

P.S:

In the interest of historical accuracy it should be noted that the CIA was adamantly opposed to these documents being released, even though the law of the land explicitly stated otherwise. In the end the CIA ended up *not* releasing some key parts of the report. To wit:

From the report's preface

"Declassification Review

The final declassification review of this volume, completed in 1995, resulted in the decision to withhold 2.7 percent of the documentation originally selected for publication; 7 documents were denied in full. [italics added]

The Department of State and the Central Intelligence Agency initially determined that major portions of the compilation on policy toward British Guiana should not be declassified. This declassification review decision would clearly have resulted in an incomplete and inaccurate published record. The Advisory Committee on Historical Diplomatic Documentation agreed and strongly recommended declassification. The issue was reconsidered at the highest levels of the Department of State and other concerned agencies. A determination was made to declassify all but those portions of documents and whole documents indicated in the text printed in the compilation of British Guiana. The Advisory Committee concurred in the decision of the Historian's Office to publish this volume with the compilation on British Guiana as restored during the declassification appeal process."

To the [report](#). Please give the document time to load.

Declassified Documents on British Guiana

(Extracted from Foreign Relations of the United States, 1961-1963, Volume XII - American Republics. This volume was published by US Department of State, Office of the Historian, Bureau of Public Affairs, and printed by the United States Government Printing Office, Washington, 1996).

NB: Please note that this is a very long document. Please allow adequate time for it to load in its entirety. Your patience will be amply rewarded!

BRITISH GUIANA

241. Memorandum of Conversation

Georgetown, February 16, 1961.

PARTICIPANTS

His Excellency Sir Ralph Grey, K.C.M.G., Governor of British Guiana
Mr. Rockwood H. Foster, West Indies Desk Officer, Department of State
Mr. Everett K. Melby

Mr Foster called on the Governor of British Guiana on Thursday, February 16, and was later entertained at lunch by him. In a brief discussion of the political situation in British Guiana before lunch, the Governor asked whether Mr. Foster had had an opportunity to talk with Dr Jagan and then proceeded to give some of his own views on him and other BG political leaders.

The Governor throughout tended to minimize, if not discount, the view that Jagan was a communist. *[1 line of source text not declassified]* and his greatest weakness was his lack of appreciation of the responsibility of public office and his capacity to administer effectively *[4-1/2 lines of source text not declassified]*.

Whatever the reasons for it. Sir Ralph said that in British Guiana politicians are forever looking for excuses why they cannot do something; it is the only country he knew in which a plausible excuse for inaction was an acceptable substitute for action.

As far as his Government was concerned, its primary objective was to leave the country as capable as possible to run its own affairs when it becomes independent. The UK has fully accepted the fact that the days when it can run British Guiana are over and it would like to get out of the business of running the country as gracefully and honorably as possible.

He spoke of this as an obligation which was being discharged with no particular pleasure, implying that the UK had never had much out of the colony (though certain interests, of course. had made handsome economic profits). and that he did not feel it had the natural potential to compete successfully as an independent country with other former colonial areas of the UK Sir Ralph stated later in the meeting that BG in its present condition was hardly a good showpiece for what the "old imperialism" either had accomplished or was capable of accomplishing.

Source: Kennedy Library, Papers of Arthur M. Schlesinger, Jr., British Guiana - Jagan. Confidential. No drafting information appears on the source text. Transmitted to the Department of State as enclosure 5 to despatch 96.

242. Special National Intelligence Estimate

SNIE 87.2 61 Washington, March 21,1961

PROSPECTS FOR BRITISH GUIANA The Problem

To estimate the political situation and prospects in British Guiana with particular reference to the coming elections and Communist potential in the colony.

The Estimate

1. British Guiana is a small outpost of empire with a population of over half a million about half East Indian in origin and about a third of African decent. The remainder of the population includes small numbers of British, Portuguese, native Indian, and Chinese residents Partially self-governing since elections in 1957, the colony is scheduled to assume increased responsibilities for its own affairs following new elections on 21 August 1961 and, if all goes well, to gain full independence two or three years thereafter.

2. The politics of British Guiana is dominated by the Communist led People's Progressive Party (PPP) of Cheddi Jagan. Jagan is an East Indian, and his party draws its support almost entirely from East Indians, including not only poverty-stricken rural and urban workers, but also a considerable number of small businessmen in Georgetown and other centers. Jagan's US born wife, who exercises very strong influence over him, is an acknowledged Communist. She shares with Jagan control of the PPP and is a government minister. Several other PPP leaders are believed to be Communists. Jagan himself is not an acknowledged Communist, but his statements and actions over the years bear the marks of the indoctrination and advice the Communists have given him. While there is no Communist party per se in British Guiana, a number of the leaders in the PPP have been members of, or associated with, Communist parties or their front groups in the US and the UK.

3. Moreover, these individual leaders maintain sporadic courier and liaison contacts with the British and US Communists and with Communist Bloc missions in London. Both Jagans have visited Cuba in the past year and have since chosen to identify the PPP with Castro's cause. However, neither the Communist Bloc nor Castro has made any vigorous effort to exploit the British Guiana situation.

4. The principal opposition to Jagan's party is the People's National Congress (PNC), a socialist party made up largely of city negroes. It is under the ineffectual leadership of Forbes Burnham, a negro and a doctrinaire socialist. Like most British Guiana politicians he was at one time allied with Jagan, and indeed was second to Jagan in leadership of the PPP. The United Force (UF), a party made up largely from businessmen of various ethnic groups, was recently organized and has not demonstrated any wide popular appeal. Neither it nor the PNC is disposed to work with the other to present Jagan with a united opposition; previous efforts at coalition have failed.

5. The elections scheduled for August 1961 will be one of the last steps preparatory to independence, which the British have agreed to grant approximately 18 months after The West Indies achieve independence in 1962 or 1963. With the next elections not due for another five years, the winning party in this year's contest will carry the government through independence. During the transition period, the local British officials will retain ultimate authority for external affairs (including defense) but their present over-all veto power will be narrowed to these matters. After the elections, the local government will assume full control of the police.

6. The election seems likely to hinge mainly on personalities and to be decided by voting along ethnic lines-though racial antagonisms have not been deliberately stirred up. Social and economic problems, though they will certainly be issues in the election, have not yet made as much popular impact in British Guiana as they have in most of the Latin American area. The PPP has promised to put through various schemes of economic development but has been ineffectual in fulfilling its promises, partly through lack of technicians and funds. It wants to get more money out of the US developed bauxite resources of the country. The good rice crop of the past year has made the economic situation seem improved and for the time being has tended not only to obscure PPP shortcomings but even to redound to the party's credit. The PNC stands for anticommunism and the desirability of joining The West Indies (in contrast to Jagan's antifederation stance), but these are not popular issues. The UF's appeal against communism and for a businessman's government is even less effective.

7. Of the 35 districts from which members of the Legislative Council will be elected next August, the PPP appears certain of victory in 13, the PNC in 15 or 16. Thus, control of the government will be determined by the electoral outcome in a half dozen or so of the 35 districts. A PNC-UF coalition could take enough of these to assure itself a majority in the Legislative Council; but it is unlikely that such a coalition will be formed. Without such cooperation between the opposition parties, Jagan is almost certain to win in most of the pivotal districts. Accordingly, we believe that Jagan's PPP will probably succeed in winning the right to form the next government.

8. From time to time Jagan has threatened to boycott the elections, on the grounds that a redrawing of the boundaries of electoral districts, carried out by a British-appointed commissioner, was adverse to PPP interests. We think it highly unlikely that he will carry out his threat and certainly he will not do so unless he believes his party is going to lose the elections.

9. Jagan's election as Chief Minister in the preindependence phase would not be likely to result in a dramatic and sudden shift to the left, since he would probably seek to avoid action which would discourage the granting of independence by the British and recognizes that he would lack sufficient support for a revolutionary attempt to force

the British out. He is almost certainly mindful of the effectiveness with which the British moved in with force in 1953, when they feared he might try to set up a Communist regime.

10. However, with a new electoral mandate, Jagan will probably make a more determined effort to improve economic conditions than he has heretofore. This will entail pressure on the UK and the US for economic assistance considerably above present levels. If he feels that economic aid from the West is not adequate to fulfill requirements for development he will go elsewhere being careful not to provoke the British. He has already indicated interest in an alleged Cuban offer of an \$8.5 million low-interest loan. At the same time, he may threaten nationalization or confiscation of foreign and local businesses to extract additional revenues and benefits.

11 How far a Jagan government might go after eventual achievement of independence is obscured by uncertainty about the nature and extent of his actual commitment to Communist discipline and about the tactical aims of the Bloc with respect to British Guiana. We believe that British Guiana will obtain membership in the UN upon independence, and that it will align itself under Jagan with Afro-Asian neutralism and anticolonialism. At a minimum, we would expect his government to be assertively nationalistic, sympathetic to Cuba, and prepared to enter into economic and diplomatic relations with the Bloc, although such a government would probably still be influenced by the desire to obtain economic help from the UK and the US. A good deal will depend on how far the spirit of social revolution has spread in nearby areas of Latin America. We think it unlikely that Jagan would give up his opposition to joining the federation of The West Indies (WI), which would offer few economic rewards and would subordinate his regime to outside and predominantly conservative influences.

12. It is possible that Jagan, once he had a free hand, would proceed forthwith with an effort to establish an avowed Communist regime. However, we believe that he would consider this undesirable, even if he were fully committed to eventual establishment of such a state, in view of the lack of trained cadres in British Guiana, the territory's primitive state of political and social development, and the likelihood of adverse international reactions. We consider it more likely that an independent Jagan government would seek to portray itself as an instrument of reformist nationalism which would gradually move in the direction of Castro's Cuba. Such a regime would almost certainly be strongly encouraged and supported by Castro and the Bloc.

13. Before independence, the attitude and actions of the British will bear heavily on the situation in British Guiana. Thus far the British seem to have been motivated chiefly by a desire to see British Guiana independent. They have tried to get along with Jagan and to overlook his Communist associations because he has seemed to

them the only man capable of running the country. Since their intervention in 1953 to halt Jagan's first bid for power, they have refrained from actions which would antagonize him; the Governor's veto power has never been used. Even though they retain the capability for confronting Jagan, we believe they will do little to interfere with political developments in British Guiana.

(Source: Central Intelligence Agency, Files, Job 79-R01012A, ODDI Registry. Secret. A note on the cover sheets indicates that this SNIE was prepared by the Central Intelligence Agency and the intelligence organizations of the Departments of State, the Army, the Navy, the Air Force, and the Joint Staff, and concurred in by all members of the U.S. Intelligence Board on March 21 except the representative of the AEC and the Assistant Director of the FBI, who abstained because the subject was outside their jurisdiction).

243. Memorandum from the Executive Secretary of the Department of State (Battle) to the President's Special Assistant for National Security Affairs (Bundy).

Washington, May 19, 1961

Subject: British Guiana

The draft record of actions at the NSC meeting of May 5, 1961 contains the following:

"5. U.S. Policy Toward British Guiana

Agreed that the Task Force on Cuba would consider what can be done in cooperation with the British to forestall a communist take over in that country."

The Department of State has been actively working with the British on this question for some weeks. In the discussion between Secretary Rusk and Lord Home at which the Acting Secretary was present on April 6, the following interchange occurred on British Guiana.

"Mr White reported that at the present time a joint appraisal of the situation in British Guiana is taking place in London. Later in the month Sir Ralph Grey, the Governor, and Mr MacKintosh, of the Colonial Office, are passing through Washington. At that time we are to consider possible programs. Sir Frederick frankly conceded that the UK does not know what to do about the U.S. concerns about British Guiana. Lord Home thought they could give us a note on the problem. Mr. White commented we were familiar with the Colonial Office's views and that the UK is committed to a date for British Guiana's independence. Mr. Kohler observed a fixed independence date was all right assuming there will be a reasonable government at that date. Isn't there some way we could encourage the moderates? Ambassador Caccia felt the Jagans provided the most responsible leadership in the country and they would be difficult to

supplant. Mr White stressed that we ought to work in the direction of getting the people in British Guiana interested in British Guiana's joining the Federation. Lord Home agreed and said the UK would like to see British Guiana in the Federation and would be willing to consult with us to further them in this direction."

Subsequent to that discussion arrangements were made for a high level meeting in London between Colonial Secretary MacLeod and Under Secretary Fraser on the British side and Ambassador Bruce aided by Ivan White and Jack Bell on the American side. This conference is to be held on May 26 and 27 In addition to discussing federation matters it is planned to examine the situation in British Guiana with a view to coming up with a jointly approved program. *[5 lines of source text not declassified]*

The Acting Secretary agrees with the Bureau of European Affairs' request that the responsibility for the preparation of recommendations on British Guiana be transferred from the Task Force on Cuba to the committee on which you both serve.

Melvin L. Manfull¹

¹ *Printed from a copy that indicates Manfull signed above Battle's typed signature.*

(Source: Kennedy Library, National Security Files, Countries Series, British Guiana, March 19-August 23, 1961. Secret. Two typed notes by Bromley Smith appear at the bottom of the source text: "Mr. Battle: I have not yet tied up this loose end. Before I do, has time altered your recommendation? 7/17" and "8/1 Mr. Goodwin: Where is this subject now discussed - in the Task Force?"

244. Telegram From the Department of State to Secretary of State Rusk, at Paris

Washington, August 5, 1961, 2:55 p m.

Tosec 8. President suggests that if suitable opportunity presents itself you may desire briefly express to Lord Home our continued concern over forthcoming election in British Guiana which presently seems likely will result in Jagan victory.

FYI. President briefly raised matter with Macmillan in April and you discussed it with Lord Home. Subsequently Ivan White and Ambassador Bruce raised matter with McLeod. However British have not been willing to undertake any operation or permit us undertake operation to prevent Jagan victory and generally take view that Jagan is probably "salvagable." While now too late undertake any meaningful action prior to election August 21 and alternatives to Jagan not attractive or strong suggest your remarks to Home might pave way for more meaningful future US-UK cooperation on problem.

Also FYI. At Senator Dodd's request Alex Johnson is seeing him Monday with respect his August 3 letter addressed to you expressing hope "some action will be possible in this situation before we have another Castro regime in Latin America."

Ball

(Source: Kennedy Library, National Security Files, Countries Series, British Guiana, May 19-August 23, 1961. Top Secret. Eyes Only. Drafted by U. Alexis Johnson, cleared in substance in INR, and approved by Johnson and William C. Burdett. The first paragraph was cleared in substance by Schlesinger in the White House. Repeated to London eyes only for the Chargé).

245. Telegram From the Department of State to the Embassy in the United Kingdom

Washington, August 11, 1961, 7:14 p.m.

708. For Ambassador Bruce from Secretary. Due to extreme shortness of time I have today given Lord Hood a letter to Lord Home of which following is text:

"Dear Alex: There was one matter of deep concern to us which I find that I did not take up with you in Paris. This has to do with the forthcoming elections in British Guiana and the prospect that Jagan may have a working majority in the new government.

My colleague Ivan White went to London at the end of May to discuss this matter with your colleague Mr McLeod and others. Although your and our information about Jagan seems to be much the same, as is to be expected from our close collaboration, I believe that our estimates may differ somewhat about the man himself and the implications of his future leadership in British Guiana. No doubt you would expect us to show considerable sensitivity about the prospect of Castroism in the Western Hemisphere and that we are not inclined to give people like Jagan the same benefit of the doubt which was given two or three years ago to Castro himself. However, we do believe that Jagan and his American wife are very far to the left indeed and that his accession to power in British Guiana would be a most troublesome setback in this Hemisphere.

Would you be willing to have this looked into urgently to see whether there is anything which you or we can do to forestall such an eventuality? Even if the electoral result was sufficiently confusing to lay the basis for another election, this could give us a little more time. But the difference in four or five seats in the new legislature might well be decisive.

Since this question is, as I understand it, largely one for the Colonial Office at this stage, I am taking the liberty of urging you to have a look because of the foreign policy ramifications of a Jagan victory. It would cause us acute embarrassments with inevitable irritations to Anglo-American relations. I do not refer to this last point to official circles but to problems of public and Congressional opinion. Cordially yours, Dean Rusk."

Rusk

(Source: Kennedy Library, National Security Files, Countries Series, British Guiana, May 19-August 23, 1961. Top Secret; Priority. Drafted by Rusk).

246. Message From Foreign Secretary Home to Secretary of State Rusk

London, August 18, 1961

DEAR DEAN, Thank you for your message of the 11th of August¹ about the elections which are to be held in British Guiana next Monday. Your people and ours have looked very carefully into the possibilities of taking action to influence the results of the election. You may recall that your Ambassador went over the whole ground with Fraser not long ago. I am convinced that there is nothing practical-i.e., safe and effective that we could do in this regard and that if we tried anything of this kind, we should only make matters worse. In any case, there would not now be enough time at our disposal.

I can well understand your concern and the situation has its difficulties for us as well. Basically, and this is true over the wide field of our Colonial responsibilities we have had to move faster than we would have liked but now the choice before us in situations like this is either to allow the normal process of democracy and progress towards self-government to go ahead and do our best to win the confidence of the elected leaders, and to wean them away from any dangerous tendencies, or else to revert to what we call "Crown Colony rule." It is practical politics to take the latter course only when it is quite clear that a territory is heading for disaster. We have done this once already in British Guiana-in 1953. But since the restoration of the democratic process in 1957, the elected government has behaved reasonably well and we have had no grounds which would justify a second attempt to put the clock back. If we do have grounds in future and they would have to be nearly serious if we were to have any possibility of justifying our action to world opinion, we have full power under the new constitutional arrangements to suspend the new constitution. We have also incorporated in the new constitution a number of checks and balances which limit the freedom of action of British Guiana Ministers, and we have, of course, reserved to the Governor responsibility for defence and external affairs.

No one can say for certain how Jagan will behave if he is returned to power. He is a confused thinker and his mind is clogged with ill-digested dogma derived from Marxist literature. But he has learnt a good deal in the last eight years; he has not, since 1957, proved as difficult to deal with as he was earlier. It is true that he has during the election campaign made it clear that he expects to strengthen his relations with Cuba, and he has at times shown an interest in the possibilities of both trade and aid with the Soviet bloc. But he has also, during the election, promised to seek further aid from the United States; and, if we in the West show a real willingness to try to help, we think it by no means impossible that British Guiana may end up in a position not very different from that of India.

This situation will not be without its anxieties and embarrassments, but we are convinced that the only possible policy can follow, and the most fruitful one, is to treat British Guiana like any other dependency and to try to "educate" its elected leaders unless and until we have clear justification for doing otherwise. It would be of the greatest possible help to us if we could have your support in this policy. I realise the difficulties to us that you face; if there is anything we can do to help you overcome those difficulties, you know that we should be very ready to do what we can.

Yours ever,

Alex²

¹See Document 245.

²Printed from a copy that bears this typed signature.

(Source: Kennedy Library, National Security Files, Countries Series, British Guiana, May 19-Aug. 23, 1961. Secret).

247. Telegram From the Department of State to the Embassy in the United Kingdom

Washington, August 26, 1961, 4:54 p.m.

Eyes only Ambassador Bruce. Unless you perceive objection please deliver following message from Secretary to Lord Home as soon as possible:

"Dear Alex:

As we feared, Cheddi Jagan's party emerged from the August 21 election in British Guiana with a majority of the seats in the Legislative Council. Unpalatable as the result is to us, our task now is to determine where we go from here. In your letter of August 18 you mentioned that our support for your policy would be of great help.

If agreeable to you, I suggest that representatives of our two governments again sit down to discuss the situation. They might start with a review of the intelligence assessment, then go on to consider courses of action in the political, economic and information fields. I also attach importance to the covert side and recall that in June Hugh Fraser told David Bruce you would have another look at what could be done in this field after the election.

Should you think well of my proposal, I am prepared to send two or three officers to London to assist David Bruce in talks which I would ask him to hold with you, Mr. MacLeod and your colleagues. I am impressed by the desirability of starting promptly whatever program we may decide upon. Therefore, we might try to commence the discussions the week of September 4.

Cordially yours, Dean Rusk"

Rusk

(Source: Kennedy Library, Papers of Arthur Schlesinger, Jr., British Guiana - Jagan. Top Secret; [Niact](#). Drafted by Burdett and approved by Rusk and U. Alexis Johnson).

248. Memorandum From the President's Special Assistant (Schlesinger) to President Kennedy

Washington, August 28, 1961

SUBJECT

British Guiana

Melby, our Consul in Georgetown, is in Washington this week; and he is working with the State Department on an action program for British Guiana. The thought is that this program would be taken up with the British next week in London.

Alexis Johnson tells me that State will have its recommendations ready for you by Thursday. Would you like a meeting on British Guiana on Thursday or Friday? If you do not wish a meeting, Rusk will give you the program in writing by Thursday.

Melby, who seems a reasonably astute observer, feels that we should take the gamble of trying to be friendly to Jagan. in view of the fact that friendliness (e.g., bringing Jagan into the Alianza) would probably alarm Tom Dodd, do you think it might be a good idea for Melby to go and talk with Dodd sometime this week?

Arthur Schlesinger, jr.¹

¹Printed from a copy that bears this typed signature.

(Source: Kennedy Library, National Security Files, Countries Series, British Guiana, Aug. 23-Sept. 4, 1961. Confidential).

249. Memorandum From the President's Special Assistant (Schlesinger) to President Kennedy

Washington, August 30, 1961

SUBJECT

British Guiana

The State Department feeling about British Guiana (which I share) is that we have no real choice but to feel Jagan out and see what we can do to bring (keep?) him into the western camp. State accordingly recommends:

- (1) that we offer Jagan technical and economic assistance;
- (2) that we prepare the way for the admission of an independent British Guiana to the OAS and the Alliance for Progress;
- (3) that Jagan be given a friendly reception during his visit to the US in October, including an audience with you.

At the same time, State also recommends (4) a covert program to develop information about, expose and destroy Communists in British Guiana, including, if necessary, " the possibility of finding a substitute for Jagan himself, who could command East Indian support."

The idea, in short, is to use the year or two before independence to work to tie Jagan to the political and economic framework of the hemisphere, while at the same time reinsuring against pro Communist development by building up anti-Communist clandestine capabilities.

This program depends in large part upon British cooperation. Accordingly State would like to send a State-ICA-*[less than 1 line of source text not declassified]* group to London next week to agree upon a program of action.

The main issues involved in the policy recommendation are:

A. The covert program proposed in (4) might conflict with the friendship policy proposed in (1-3). This means that the covert program must be handled with the utmost discretion and probably confined at the start to intelligence collection .

B The size of the aid program must be carefully reviewed to make sure that it is not out of proportion to what we are doing elsewhere in Latin America (lest we seem to be rewarding Jagan for his pro-Communist reputation).

Final decisions on points A and B need not be taken immediately. The question to be decided now is: is it all right for State to send its group to London to discuss things with the British along the above lines? Or do you wish a meeting next week with Rusk, Dulles and Murrow before the State group goes? (No reply has yet been received to Rusk's cable to Home of August 26.)

Also do you want to see Melby, our Consul in Georgetown, before he goes back? I found him quite illuminating on Jagan and the situation. He is scheduled to return to British Guiana on Friday; but he could, of course, stay over if you wanted to see him. (On the other hand, the sooner he gets back, the better from the viewpoint of observing, and even perhaps of influencing, the movement of events in British Guiana.) Presumably the decision about sending a special US envoy to talk to again would be made after the London conversations.

You will be interested in reading the attached clipping¹ in which Jagan sets forth his own avowed views on the subject of Communism.

Arthur Schlesinger, jr.²

¹Not printed.

²Printed from a copy that bears this typed signature.

(Source: Kennedy Library, National Security Files, Countries Series, British Guiana, Aug. 24-Sept. 6, 1961. Top Secret).

250. Memorandum From the President's Special Assistant (Schlesinger) to President Kennedy

Washington, August 31, 1961

SUBJECT

British Guiana Paper

I attach herewith the State Department paper on British Guiana.¹ I have communicated to Alexis Johnson your assent in principle to points 1-5 on page 2 of Secretary Rusk's memorandum.

I have also communicated to Johnson your particular concern over the covert program and your desire to know more detail before the State Department group goes to London. The present covert program is set forth under Tab B in the attached file. You will note that the first emphasis is (properly) on intelligence collection, with covert political action to come later. Part II (if Jagan should turn sour) seems to me pretty feeble, but it is also pretty tentative. Johnson emphasizes that the *[less than 1 line of source text not declassified]* paper is "only a basis for planning and discussion, as appropriate with the British, and specific action will be subject to the usual Special Group consideration and approval."

I think you need look at only the Rusk memorandum and Tab B.

Arthur Schlesinger, jr.²

¹Not printed.

²Printed from a copy that bears this typed signature.

(Source: Kennedy Library. National Security Files, Countries Series, British Guiana, Aug. 24-Sept. 6, 1961. Top Secret).

251. Telegram From the Department of State to the Embassy in the United Kingdom

Washington, August 31, 1961, 8:01 p m.

1086. Eyes only Ambassador Bruce. Embtel 876.¹ FYI. We agree on desirability focusing attention "first team" in Colonial Office on British Guiana. However, we uneasy at postponing talks which would oblige us delay discussion we plan to have with Jagan until after mid-September. Also we desire involve Foreign Office and Lord Home personally in problem whose ramifications clearly extend beyond colony of British Guiana and which could have abrasive effects on Anglo- American relations. Lord Home will be away from London latter part week September 11 attending FonMin meeting here. End FYI.

Under circumstances, appears to us best procedure is that suggested by Colonial Office, e.g., that you have preliminary talk with MacLeod week of September 4. We hope you could include Lord Home. You could outline to them general lines of our thinking and seek agreement in principle. More intensive talks could be held early week of September 11. If you consider this approach feasible, we prepared to send on short notice Department officer (Burdett) brief you on our proposed program. ICA *[less than 1 line of source text not declassified]* reps could arrive subsequently for talks week September 11.

Intelligence estimate referred to is one submitted Embassy despatch 1966.²

Rusk

¹Dated August 29. (Department of State, Central Files, 741D.00/8-2961)

²Dated April 19. (Ibid., 741D.00/4-1961)

(Source: Kennedy Library. National Security Files, Countries Series, British Guiana, Aug. 24-Sept. 6, 1961. Top Secret; Priority. Drafted by Burdett, cleared by Tyler, and approved by U. Alexis Johnson).

252. Telegram From the Department of State to the Embassy in the United Kingdom

Washington, September 2, 1961, 2:28 p.m.

1147. Eyes only Ambassador Bruce. Embtel 947.¹Following message from Lord Home to Secretary received Sept 1:

"Dear Dean,

Thank you for your message of August 26 about British Guiana. We welcome your suggestion that we should have talks in London to define the courses of action best suited to support our policy, which I hope will be your policy also, of persuading the new British Guiana Government that the West is still its best friend. We, too, are impressed by the desirability of starting promptly whatever programme emerges and would like to make an early start with the talks. I am afraid that the first date on which we on our side could assemble the right team would be September 11. Our difficulty here would not preclude a preliminary talk between David Bruce, Iain MacLeod and Hugh Fraser if that would help I would be ready to come in later if need be. We will put this to David Bruce at once and hold ourselves in readiness.

I would just like to say that my colleagues and I will enter these talks with the firm conviction that the emphasis must be in the political and economic spheres if we are to expect rewarding dividends."

We do not plan to reply and will leave arrangements for discussions to you.

We will provide guidance for your meeting with MacLeod Sept 6. Advise when you wish Washington group to arrive.

Rusk

¹Dated September 1. (Department of State, Central Files, 741D.00/9-261)

(Source: Kennedy Library. National Security Files, Countries Series, British Guiana, Aug. 24-Sept. 6, 1961. Top Secret; Verbatim Text. Drafted by Burdett, cleared by Cutler (S), and approved by U. Alexis Johnson).

253. Telegram From the Department of State to the Embassy in the United Kingdom

Washington, September 4, 1961, 3:51 p.m.

1165. Eyes only Ambassador Bruce. Following letter from Secretary contains instructions for talks with UK on British Guiana:

"Dear David:

We have now completed a review of our policy towards British Guiana, and the enclosed action program, in its general outline, has been approved by the President. Specific steps under the program, of course, are subject to subsequent decisions.

As the first move in executing the program, I am asking you to undertake with the British Government the discussions mentioned in my letter of August 26 to Lord Home. I realize the delicate relationships involved but hope that you will find a way to bring Lord Home and the Foreign Office into these talks. As you know, we believe the ramifications of this problem extend far beyond British Guiana as a colony.

You will see from the program that we are prepared to accept as a working premise the British thesis that we should try to 'educate' Cheddi Jagan. We have carefully studied the various reports of Communist connections on the part of Jagan and his People's Progressive Party and are fully aware of the pitfalls of proceeding along this path. However, it is our judgment that an across-the board effort to 'salvage' Jagan is worth attempting. A factor in our conclusion is the unattractiveness of the available alternatives.

At the same time, it is only prudent to put out certain anchors to windward. Thus our program also calls for *[1 line of source text not declassified]* discussion with the British of the feasibility of another election prior to independence, and reassurances from the British regarding their willingness to use their "reserve powers" as a last resort. We envisage these various components as parts of an inter-related package. Officers from the Department, ICA, *[less than 1 line of source text not declassified]* assigned to assist you in the talks will be in a position to elaborate on our thinking.

Clearly, the closest Anglo-American cooperation is essential. We also hope to bring in the Canadians and possibly others.

We would like to see the following emerge from your talks with the British: (1) A brief, agreed intelligence assessment; (2) British acceptance of the general concept of our action program; (3) Agreement ad referendum on a coordinated aid program; (4)

[1½ lines of source text not declassified]. The covert program described in the enclosure is only a basis for planning and discussions at this time *[less than 1 line of source text not declassified]*. Specific actions under the program would be subject to further high-level U.S. Government consideration and approval. (5) Agreement on tactics.

I leave to your discretion the manner of presenting our ideas to the British taking into account the importance of moving rapidly. If, during your discussions, you believe we could be of assistance to you from Washington, please let me know. Cordially yours,
Dean Rusk"

Paper setting forth action program pouched Ambassador September 2.¹

Rusk

¹Not found

Source: Kennedy Library. National Security Files, Countries Series, British Guiana, Aug. 24-Sept. 6, 1961. Top Secret; Verbatim Text. Drafted by Burdett and approved by Johnson (S/S).

254. Telegram From the Department of State to the Embassy in the United Kingdom

Washington, September 5, 1961, 9:45 p.m

1181. Eyes only Ambassador Bruce. Deptel 1165.¹ Following comments supplementing letter of instructions from Secretary for talks with UK on British Guiana submitted as background for your discussion with MacLeod.

(1) We continue have serious reservations about British assessment Jagan as set forth in London talks in April (London Despatch 1966)² and in conversation here with Governor Grey (Memcon of April 26).³ In our view, we should keep in mind possibility Jagan is Communist-controlled "sleeper" who will move to establish Castro or Communist regime upon independence. Particularly ominous is number of Communist connected persons assigned safe constituencies by PPP and thus assured of seats in Legislative Council in August 21 election.

(2) We believe too much attention to Jagan at this stage would serve to inflate his ego and make dealing with him more difficult. Also it would smack of insincerity.

(3) We have deliberately refrained up to now from intimating to British we prepared to try their prescription for handling Jagan. We hope this card will serve as leverage to obtain British agreement to our action program as whole.

(4) *[less than 1 line of source text not declassified]* You may wish to emphasize importance *[less than 1 line of source text not declassified]* of current and continuing intelligence on developments in general and especially Communist activities. *[1 line*

of source text not declassified] You may desire to play down covert political action program.

(5) We would like to see UK maintain and if possible expand level its economic assistance. Conversely, we wish avoid British assumption US will pick up total tab. We expect to explore fitting our aid into British Guiana's own development program and possibilities involving Canadians and others.

(6) We concerned about possible adverse effects on Federation of West Indies of spectacular program for British Guiana. Over-generosity and over-attention to Jagan could tempt TWI imitate his tactics.

Rusk

¹Document 253

²Dated April 19. (Department of State, Central Files, 741D.00/4-1961)

³Not further identified.

Source: Kennedy Library. Papers of Arthur M. Schlesinger, Jr., British Guiana - Jagan. Top Secret; Niact. Drafted by Burdett; cleared by U. Alexis Johnson, INR/DDC in draft, and Johnson (S/S); and approved by Tyler.

255. Memorandum From the President's Special Assistant (Schlesinger) to the Deputy Under Secretary of State for Political Affairs (Johnson)

Washington, September 7, 1961

SUBJECT

British Guiana

I don't want to become a bore about cables on British Guiana; but I do not think that #1165, Eyes Only, to Bruce reflects Presidential policy as I understand it.¹ I would have rephrased (1) to read: 'We continue to have serious reservations about British assessment as set forth [etc]². . . In our view, we should keep in mind possibility Jagan will move to establish Castro-style regime upon independence. Particularly ominous [etc.]. . . Nevertheless we see no alternative at this point to testing whether situation salvageable by exploring policies designed to tie an independent British Guiana politically and economically to hemisphere."³

I would have omitted the bit about Jagan as a possible sleeper. Sleeper is a technical term meaning a disciplined agent who pretends to be one thing and then, at a given moment, tears off his mask and reveals himself as something entirely different I have not heard this seriously suggested about Jagan, and I hope that David does not, on the basis of this cable, convey to the British the idea that our government seriously entertains this idea [*2 lines of source text not declassified*] Also I would have added

the last sentence because the cable nowhere states what we are trying to achieve in British Guiana.

I think I would have omitted (2) or reduced it to a tactical point. Is it really our policy to keep Jagan dangling? My guess is that the President has been thinking in terms of a cordial try at bringing British Guiana into the hemisphere. Nothing is worse than a half-hearted courtship.

(3)-(6) seem to me fine.

I feel that the omission of any positive statement of our policy, of the sort suggested in the last sentence of my revised (1), plus the inclusion of (2), might give David Bruce a misleading impression of our present thinking on the subject.

Arthur Schlesinger, jr.⁴

¹[Document 253](#).

²All brackets in this paragraph are in the source text.

³Quote is from telegram 1181, [Document 254](#), not [telegram 1165](#).

⁴Printed from a copy that bears this typed signature.

Source: Kennedy Library. Papers of Arthur M. Schlesinger, Jr., British Guiana - Jagan. Secret.

256. Memorandum From the Deputy Under Secretary of State for Political Affairs (Johnson) to the President's Special Assistant (Schlesinger)

Washington, September 9, 1961

SUBJECT

British Guiana

I have spoken to Bill Burdett about your memorandum of September 7, 1961¹ commenting on our telegram to David Bruce for his talks with the British on British Guiana. Burdett is leaving for London on Sunday to assist the Ambassador in these discussions, and I have asked him to keep your points very much in mind and to make sure David Bruce is under no misapprehension regarding the President's thinking.

As guidance to David Bruce, we sent to him three documents: the action program for British Guiana as transmitted to the President under the Secretary's memorandum of August 30, 1961;² a telegram containing a letter of instructions for the talks from the Secretary;³ and the telegram to which you refer intended to supplement the Secretary's letter.⁴ We intended the three documents to be parts of one package. While read in

isolation the telegram you mention could be misconstrued, I hope you will agree that read in conjunction with the other two documents it will not mislead David Bruce.

Regarding your specific points, the Secretary's letter to David Bruce, particularly his third paragraph, states explicitly what we are trying to achieve. Before submitting our recommendations to the President we considered carefully the possibility that Jagan having in mind what happened 1953 when he acted too openly is now deliberately masking his real intentions. We do not think it is prudent to dismiss the possibility that he is dissembling. Given the British inclination to brush aside reports of Jagan's communist connections, we thought it advisable to flag this aspect for David Bruce. Our point 2 is, as you suggest, in large part tactical. We want to tread warily both to avoid making Jagan personally more difficult to work with and to prevent adverse repercussions in the Federation of the West Indies.

I can assure you that Burdett will emphasize to David Bruce that basic to our entire program is the determination to make a college try to tie Jagan to the West.

Alex

PS. As of possible interest, I am enclosing two papers on the situation in French Guiana and Surinam which I asked to have prepared. I would appreciate their return.

UAJ

¹[Document 255.](#)

²For a summary of this paper, see [Documents 249](#) and [250](#).

³[Document 253.](#)

⁴[Document 254.](#)

Source: Kennedy Library. Papers of Arthur M. Schlesinger, Jr., British Guiana - Jagan. Secret.

257. Information Airgram From the Department of State to Certain Posts

Washington, October 4, 1961, 1:40 p.m.

US Program for British Guiana

In consultation with the British we have developed an action program for British Guiana to meet the situation following the grant of internal self-government to the former colony and the victory of Dr. Jagan in the recent election. The basic concept of the program is a wholehearted across the board effort to work with the new Jagan Government and to foster effective association between British Guiana and the West. Among the factors contributing to the decision to adopt this policy were 1) the impracticability of any alternative course of action; 2) the dearth of effective political

leadership in British Guiana apart from Jagan; and 3) recognition that coldness toward Jagan and withholding of aid could only result in his gravitation toward the Soviet-Castro bloc. The decision was made with full recognition of the risks involved in view of the known Communist associations of British Guiana leaders. Our Consul in Georgetown has offered Jagan our cooperation in the political and economic fields; suggested an early visit by ICA representatives to discuss certain facets of an aid program; and invited Jagan to call on the President during the Premier's forthcoming visit to Washington. Jagan expressed appreciation for our willingness to work with him and was gratified over the invitation to see the President. He much concerned about problem his public relations since he felt image world had of him as Communist was a major stumbling block to his plans for BG. Jagan said aware US was of two minds about him, but all he asked was to be judged by actions he took from now on.

Source: Kennedy Library, Papers of Arthur M. Schlesinger, Jr., British Guiana - Jagan. Secret. Drafted by Staples (EUR), cleared by Foster (BNA), and approved by Burdett. Sent to Bonn, The Hague, London, Moscow, Ottawa, Paris, New Delhi, Barbados, Belize, Hamilton, Kingston, Nassau, Port-of-Spain, Georgetown, and all posts in the American Republics.

258. Memorandum From the Director of the Bureau of Intelligence and Research (Hilsman) to the Deputy Under Secretary of State for Political Affairs (Johnson)

Washington, October 17, 1961.

SUBJECT

US Policy in British Guiana

In reviewing materials recently on Jagan and his associates, we have multiplied our doubts about the feasibility of the policy adopted for British Guiana. Our position is set out below and, though it has been discussed with BNA, it is very much INR's point of view.

The current US program for British Guiana is based upon general agreement with the UK for a coordinated effort to get along with Jagan. At the same time resources are to be built up to enable a harder line to be put into effect if, after a reasonable time (but before British Guiana becomes independent), it is clear that British Guiana is going the way of Castro Cuba.

This approach is based upon such considerations as (1) Jagan's apparently firm hold on British Guiana politics; (2) the lack of cohesive opposition; (3) the unwillingness and stated inability of the UK to resist pressure for British Guiana's independence at this time; (4) the hope that the assumption of political power by Jagan under the new constitution will be followed by the exercise of political responsibility in a manner

acceptable to US-UK interests; (5) the belief that Jagan himself is not a controlled instrument of Moscow; that he is instead a radical nationalist who may play both sides of the street but will not lead British Guiana into satellite status; and (6) the assumption that regardless of Jagan's orientation, the mass of people in British Guiana are not and will not become communist.

Without debating the pros and cons of these considerations, it is another matter to accept the general thesis that we should support and live with a British Guiana under Marxist leadership with what this implies for the structure of the economy and the character of its political and social institutions. Moreover there is the possibility, if not the probability, that strong, direct ties with Moscow will emerge as British Guiana achieves independence. Yet a successful US policy in British Guiana should start from the assumption that the Bloc must be precluded from a position of direct or indirect control or even substantial influence.

The UK, which remains the responsible power in British Guiana, is not willing to take a hard line. So long as HMG is prepared to try and get along with Jagan the United States is faced with a dilemma in its own approach - whether to take a line contrary to the UK, or to accept the UK thesis and hope for the best while seeking to build in safeguards in the form of contingency plans for a reversal of policy. Because of the strength of UK connection, and given the international climate regarding colonial status, the United States has apparently had no option but to agree with the major lines proposed by the UK.

If, as we suspect, the UK policy cannot be successful in the short time that remains before independence, then US planning should be directed to converting the UK to a program of direct anti-Jagan action. The safeguards built in the US-UK working party report should be strengthened and become the focal point for US policy. The time factor - independence for British Guiana is proposed in 1963 at the latest - has not been sufficiently weighed in the current program. It does not seem realistic to expect the institutional, political and economic readjustment of Jagan's thinking in so short a time.

Our pessimism as to the chances of success for the UK approach is also based upon the expected dissatisfaction (already evident) of Jagan with proposals to aid British Guiana's economic development. It is on this question of economic aid to British Guiana that there is likely to be a clash between Jagan's expectations and US-UK plans. A key factor in the proposals to get along with Jagan has been the hope that cooperation in British Guiana's development will bring the US and UK into a position of influence while at the same time Jagan and his government would be seized of their internal problems and concentrate their efforts on economic development. This seems a forlorn hope (again given the time factor), and it is more likely that the irrational and

Marxist dissatisfaction with our methods and deliberateness will work against achievement of our objectives. Certainly the amount of aid which has been offered to Jagan is not sufficient in his eyes. It may be better to stop talking about a fixed sum of money and talk more about the orderly progression of economic planning and assistance on a phased basis. The \$5 million in aid being offered is not enough to engage Jagan. We should recognize that it is going to take a lot more money if we pursue a course so heavily dependent upon economic blandishments.

The testing period for this conclusion is the next few weeks. If Jagan is unshakeable and insatiable in his expectations, we will be in a better position to judge our course of action. We should not feel bound by the US-UK working party agreement if the premises and the chances of success are shaken. If the possibilities remain obscure after Jagan's visit, we should still seek to strengthen the safeguards which we have built in, and be prepared on short notice to recast our approach. In the final analysis we should plan for the possibility that we will have no reasonable alternative but to work for Jagan's political downfall, which would have to precede the granting of independence. To bring about such a result will require an extensive and carefully coordinated effort, for which much planning has already been done.

It is, therefore, proposed that the present policy for British Guiana be reviewed immediately following the visit of Jagan to Washington. If it develops that the premises underlying policy are clearly questionable, we should be prepared to re-open the matter with the UK.

Source: Department of State, ARA/NC Files: Lot 67D77, Br.Gu. - US Policy Toward Jagan. Secret. Drafted by Bernard S. Morris and Philip C. Habib and cleared with Richard H. Courtenaye and Charles G. Bream

259. Memorandum of Conversation

Washington, October 25, 1961, 11 a.m.

SUBJECT

Call of Premier Jagan of British Guiana on the President

PARTICIPANTS

The United States:	British Guiana
The President	Premier Cheddi B. Jagan
Under Secretary of State Ball	
Professor Arthur Schlesinger	
Mr. Richard Goodwin	
Mr. William R. Tyler, Acting Asst. Sec., EUR	

The greater part of the meeting was taken up by an extensive presentation by Premier Jagan of the economic and social problems of British Guiana and of the plans and goals which Premier Jagan's government has under consideration.

Premier Jagan described himself politically as a socialist and a believer in state planning. At the same time, he was at pains to emphasize the guarantees for political freedom which he had personally incorporated into the British Guiana constitution, such as the democratic freedoms, an independent judiciary, and an independent civil service in the British tradition. While professing to be a follower of Aneurin Bevan, he was evasive on all ideological and doctrinal issues, claiming that he was not sufficiently familiar with theory to distinguish between "the various forms of socialism", within which he appeared to include communism. He spoke at all times of the cold war as an issue in which he did not feel himself engaged or committed, but he stressed repeatedly his determination to keep British Guiana free and politically independent. The terminology he used was less forthright than in his speech, and in answer to questions, at the National Press Club luncheon on October 24.

Premier Jagan analyzed the political composition of British Guiana and the antecedents of the recent elections. He said that his political rivals (Burnham of the PNC and D'Aguiar of the UF) had made wild promises of obtaining vast sums of aid, if elected. He said that they had done this irresponsibly and that in the case of D'Aguiar he had undoubtedly received aid from the United States in his campaign. The President interjected to say that the United States Government had certainly not intervened in any way, directly or indirectly, in the internal affairs of British Guiana. Premier Jagan said that he had not intended to imply this, but that certain "forces" had subsidized the political campaign with his opponents. He alluded to certain films "shown on street corners by USIS" during the campaign, which were directed against Castro and communism in general and which had been exploited by his political opponents against him and his party. He said he had no objection to USIS carrying out its program in normal times, but that these particular activities during the pre-election period had constituted intervention against which he had protested. He said he must obtain aid to carry out his urgent domestic program, and that this was a political necessity for him, as he was "on the hot seat."

The President stressed to Premier Jagan that the internal system and the political and economic philosophies of a country were, to us, a matter for it to decide. The important thing for us was whether a given country, whether we agreed with its internal system or not, was politically independent. The President pointed out that we had given very considerable sums of aid to Yugoslavia, which is a communist state. He also referred to the considerable amount of aid we had given to Brazil and to India.

Premier Jagan asked whether the United States would consider as a hostile act a commercial agreement between British Guiana and the communist bloc whereby British Guiana would export bauxite in return for the importation of commodities.

The President pointed out that the United States and its allies were engaged in trade with the communist bloc, thus we would not consider trade per se to have political significance. However, if the nature and the extent of trade between British Guiana and the Soviet bloc were such as to create a condition of dependence of the economy of British Guiana on the Soviet bloc, then this would amount to giving the Soviet Union a political instrument for applying pressure and trying to force damaging concessions to its political interests and goals. Under Secretary Ball emphasized the experience of Guinea in this connection.

The President concluded the formal discussion by saying that he understood and sympathized with the political, economic and social problems which Premier Jagan was facing, and that the United States was disposed and willing to help British Guiana to move toward its economic and social goals within a framework of political freedom and independence. He pointed out that our resources were limited and that we had worldwide commitments, all of which made it necessary for us to examine very carefully specific projects on which we might be in a position to help. The President said that he had made it a rule not to discuss or offer specific sums of money, but that the United States would be prepared to send down to British Guiana as soon as feasible experts who could work with Premier Jagan's government and make recommendations which we would consider sympathetically in the light of our other commitments and of our financial resources.

Source: Kennedy Library. National Security Files, Countries Series, British Guiana, Oct. 21-Nov. 6, 1961. Secret. Drafted by Tyler. The meeting was held at the White House.

260. Memorandum of Conversation

Washington, October 26, 1961

SUBJECT

U.S. Assistance to British Guiana

PARTICIPANTS

Dr. Cheddi B. Jagan, Premier of British Guiana
Mr. Henry J.M. Hubbard, Minister of Trade and Industry
Mr. Clifton C. Low-a-Chee, Permanent Secretary to the Ministry of Development Planning and Secretary to the Council of Ministers
Mr. Lloyd A. Searwar, Assistant Head of Government Information Services

Mr. John Hennings, Colonial Attache, British Embassy
Dr. Arthur Schlesinger, Jr., Special Assistant to the President
Mr. William C. Burdett, Acting Deputy Assistant Secretary of State

Dr Schlesinger called on Premier Jagan to deliver a personal note from the President regretting his inability to accede to a request made by the Premier for a further meeting. The President referred to his crowded schedule including a Cabinet Meeting and official luncheon. He asked the Premier to speak frankly to Dr Schlesinger who had his complete confidence.

Upon reading the President's letter, Premier Jagan expressed his thanks and his understanding of why the President was unable to receive him. He then made clear his disappointment that the United States was unable to be more responsive to his request for economic assistance. He described British Guiana's development program along the lines used with Mr. Fowler Hamilton earlier in the day. The Premier said that frankly speaking he felt that British Guiana was getting "a run around". He detailed the numerous surveys and missions which had visited his country. He asserted that the refusal of the United States to make a specific money offer placed him in an impossible political position. He inquired whether the United States attitude should be attributed to his failure to make a satisfactory "political" impression. The Premier referred to a figure of \$5 million mentioned by the recent ICA Mission. He asked if the United States could at least undertake to provide this sum.

Dr. Schlesinger assured the Premier that we were most sympathetic to his desire to help the people of British Guiana develop an economic and social program. He recalled that the President had said that the internal system and political and economic organization of a country were for each country to decide for itself. We insisted only that a country remain genuinely free and independent. Dr. Schlesinger explained the necessity for universal standards in the administration of our aid program. We were not able to commit any specific figure until we had an opportunity to examine British Guiana's development program as a whole and the details of the various projects. We would be glad to help British Guiana perhaps in cooperation with Hemisphere organizations to formulate a development program and to work out the details of agreed projects. We would be willing to send a mission of economists and planners down to British Guiana. The United States definitely was not stalling.

The Premier asked whether we could finance part of the gap in the Berrill Plan which had been prepared with British advice. He recognized that we might not be able to accept the expanded Guianese program. Dr. Jagan said he would be glad to receive a mission, but did not want it to take up a lot of time. It was pointed out to him that even the Berrill Plan had not been reviewed in detail by U.S. technicians. Premier Jagan asked what was he to say when he returned to Georgetown. He would be severely

criticized. Was there some statement which he could make? Dr Schlesinger responded that it might be possible to agree on a statement Minister Hubbard asked if we had a draft. Dr. Schlesinger circulated a possible statement which might be issued by the State Department.

At this point the Premier had to leave for the airport to catch a plane for New York. The discussion was continued in the car. Dr Jagan made several suggestions about the draft. He insisted that the mission should only "review" British Guiana's own plans. He wished to avoid any inference that the Guianese had not been able themselves to produce a plan. He asked who would decide about the composition of the mission .

After the Premier's departure Minister Hubbard and Mr Hennings returned to the Department of State and met with Mr. Burdett and Mr. Foster to adjust the draft, taking into account the Premier's suggestions.

Agreement was arrived at subject to confirmation by the Premier from New York on October 27.

Note: Agreement on the wording of the statement was reached by Dr Jagan and Dr Schlesinger by telephone on October 27.

Source: Kennedy Library. National Security Files, Countries Series, British Guiana, Oct. 21-Nov. 6, 1961. Confidential. Drafted by Burdett. The meeting was held at the Dupont Plaza Hotel.

261. Memorandum From the President's Special Assistant (Schlesinger) to President Kennedy

Washington, January 12, 1962

SUBJECT

British Guiana

On January 11, State and AID representatives met with George Ball to decide on British Guiana policy. At this meeting, State and AID agreed (a) that technical assistance be expanded immediately to approximately \$1.5 million; (b) that an economic mission be sent to Georgetown by February 15; and (c) that the Jagan Government be informed of these steps. The remaining question was whether in addition, we undertake to finance the construction of a road from Atkinson Field to Mackenzie at the cost of \$5 million over a couple of years. (George Ball, by the way, is going to make one more effort to draw the Canadians in by asking them to assume part of the cost of the road, if we eventually decide to go ahead on it; Mackenzie is an important ALCAN center.)

State advocated this project on the ground that the key element in the British Guiana action program (as approved by you on September 4) was an across-the-board, whole-hearted effort to work with Jagan; that the delay in starting the economic program as given rise to the impression in Georgetown that we are not interested in helping; that this has substantially increased the risk that our action program may not achieve its objectives, that some dramatic commitment is necessary to reestablish credibility and confidence; that expanded technical assistance will not do it, since British Guiana has had a technical assistance program for seven years; and that the acid test from their viewpoint is in the field of economic development and that therefore if we are to recover the momentum achieved at the time of Jagan's visit in October and have a reasonable prospect of achieving the objectives of our policy, we should make an immediate commitment to build the road.

AID opposed the road because (a) the AID statute says that (except in case of waiver) no commitments to such projects be undertaken until feasibility studies are completed, (b) AID doubts that we shoot so much of our wad on a single project (c) AID is still reluctant to expose itself to congressional criticism or to strengthen Jagan by making early demonstrations of support to his government.

Undersecretary Ball took the AID position, and the road project has been deferred until feasibility studies are completed.

While State/EUR will of course loyally carry out the decision, I believe that it regards the program as, in effect, a reversal of the September policy of a whole hearted try. Their feeling, I think, is that knocking out the road (or some comparable demonstration that we mean business in aiding British Guiana development) means the evisceration of the British Guiana action program and virtually guarantees its failure. They also feel that this will create serious difficulties with the British who have *[1 line of source text not declassified]* assurance on our part that we were serious about providing economic assistance to British Guiana.

I agree with State/EUR that the decision against the road increases the chance that our action program will fail. On the other hand, I do not believe that it makes failure certain. I believe that other steps, if taken with adequate speed and conviction, will do much to restore our credibility; and that, so far as the road is concerned, if our mission recommends it, the commitment of funds to the road may be postponed only from January to June.

However, further delay in the other steps will certainly doom our program in British Guiana. So, in order to make sure that these other steps are taken immediately, I recommend that you send the attached memorandum to Fowler Hamilton.¹

Arthur Schlesinger, jr.

¹Not printed.

Source: Kennedy Library. Papers of Arthur M. Schlesinger, Jr., British Guiana - Jagan. Secret.

262. Memorandum From President Kennedy to the Administrator of the Agency for International Development (Hamilton)

Washington, January 12, 1962

SUBJECT

British Guiana

I wish immediate steps to be taken to get an economic mission to British Guiana by February 15 and to expand technical assistance to the level of \$1.5 million. I am also requesting immediate action to intensify our observations of political developments in British Guiana and by this and other means extend our program of reinsurance in case the situation should show signs of going sour.

Could you report to me as soon as possible concerning your action on this matter.¹

¹Printed from a unsigned copy.

Source: Kennedy Library. National Security Files, Countries Series, British Guiana II. Top Secret.

263. Memorandum From the Assistant Secretary of State for European Affairs (Tyler to Secretary of State Rusk)

Washington, February 18, 1962

SUBJECT

British Guiana

Discussion

1. US policy towards British Guiana as approved by the President on September 3, 1961, has had two principal components: (a) an effort to work with Premier Cheddi Jagan; [2 lines of source text not declassified].

2. Agreement was reached with the British in September on a coordinated program in accord with this policy. The British attached major importance to a wholehearted effort by the US to work with Jagan involving among other things, his visit to the US and a US economic assistance program. *[5-1/2 lines of source text not declassified]*

3. In implementation of this program the President received Premier Jagan in October¹ and a real effort was made by top US officials to impress Jagan that we sincerely wish to work with him. Jagan came with exaggerated expectations of what economic assistance we might provide. He was disillusioned by our unresponsiveness. Since October, for a variety of reasons, we have been unable to get our economic assistance program off the ground .

4. In response to pressure from Jagan including action at the UN, the British have announced readiness to hold a conference in May to approve a constitution and set a date for British Guiana's independence. Independence would presumably occur before the end of 1962. We concurred reluctantly in the British timetable for independence, but in doing so strongly stressed the hope that new elections would be held. The time table may be stretched out as a result of the current disorders.

5. A strike broke out in Georgetown the week of February 12 in protest against an austerity budget proposed by Jagan sharply increasing rates of taxation. The budget was bitterly attacked by the business community and included measures which would bear upon the low income groups. Our information on the situation in Georgetown is incomplete. However matters have worsened, the British have moved troops in from Jamaica and flown in two companies from the UK at Jagan's request. The first disorders occurred on February 16 and two people were reported killed when police fired on demonstrators. A series of fires and looting occurred in the main business district. According to the latest report (noon, February 17) the second situation was under control. It should be noted that the strike so far has been limited to Georgetown, the stronghold of the UF and PNC. It has not extended to the country areas where Jagan's strength lies.

6. We asked the British Embassy on February 16 to obtain if possible by February 19 HMO's assessment of the situation including implications for future policies.

Conclusions

1. The policy of trying to work with Jagan has not been really applied in practice subsequent to Jagan's visit to the US Economic assistance was an indispensable part of this program and the US has not carried out the agreement on economic assistance reached during Jagan's visit. Factors beyond the control of State have also intervened. Latest reports indicate that Jagan is increasingly suspicious of the US. It is now

doubtful that a working relationship can be established with Jagan which would prevent the emergence of a communist or Castro type state in South America.

[10 paragraphs and 1 heading (2½ pages of source text) not declassified]

3. That you sign the attached telegram to London containing a message to Lord Home.²

¹See [Document 259](#).

²See [Document 264](#).

Source: Kennedy Library. National Security Files, Countries Series, British Guiana II. Top Secret. Sent through U. Alexis Johnson.

264. Telegram From the Department of State to the Embassy in the United Kingdom

Washington, February 19, 1962, 5:16 p m.

4426. For Ambassador Bruce from Secretary. Please deliver following message to Lord Home as soon as possible: "Dear Alex: You know from our correspondence in August of last year of my acute concern over the prospects of an independent British Guiana under the leadership of Cheddi Jagan. Subsequent to his victory in the August elections we agreed to try your policy of fostering an effective association between British Guiana and the West and an Anglo-American working party developed an appropriate program. At our request safeguards, including consultations about new elections, were included in case matter went awry. In pursuance of this program the President received Jagan on his visit to this country in October.

I must tell you now that I have reached the conclusion that it is not possible for us to put up with an independent British Guiana under Jagan. We have had no real success in establishing a basis for understanding with him due in part to his grandiose expectations of economic aid. We have continued to receive disturbing reports of communist connections on the part of Jagan and persons closely associated with him. Partly reflective of ever growing concern over Cuba, public and Congressional opinion here is incensed at the thought of our dealing with Jagan. The Marxist-Leninist policy he professes parallels that of Castro which the OAS at the Punta del Este Conference declared incompatible with the Inter-American system. Current happenings in British Guiana indicate Jagan is not master of the situation at home without your support. There is some resemblance to the events of 1953. Thus, the continuation of Jagan in power is leading us to disaster in terms of the colony itself, strains on Anglo American relations and difficulties for the Inter-American system.

These considerations, I believe, make it mandatory that we concert on remedial steps. I am anxious to have your thoughts on what should be done in the immediate future. In the past your people have held, with considerable conviction, that there was no reasonable alternative to working with Jagan. I am convinced our experience so far, and now the disorders in Georgetown, makes it necessary to reexamine this premise. It seems to me clear that new elections should now be scheduled, and I hope we can agree that Jagan should not accede to power again. Cordially yours, Dean Rusk."

Rusk

Source: Kennedy Library. National Security Files, Countries Series, British Guiana II. Top Secret; Priority; Eyes Only. Repeated to [USUN](#).

265. Letter From the Representative to the United Nations (Stevenson) to Secretary of State Rusk

New York, February 26, 1962

DEAR DEAN: I appreciate receiving a copy of your February 19 message to Lord Home about British Guiana, but I am concerned by what may be its implication.

I am of course in agreement that the emergence of British Guiana as an independent state under Cheddi Jagan would be a calamity-from various points of view.

Without knowing any details of the situation in British Guiana, or of the degree of our involvement to date, however, I should like to suggest that the following considerations are among those worth keeping in mind:

1. Action by the United Kingdom which could be pictured as arbitrarily "stalling" on an independence date for British Guiana would probably strengthen Jagan's position. Cancellation, or even deferral, of the scheduled May conference would seem to be in this category.
 2. Substantial US involvement in the situation would probably be impossible to congeal over a period of time.
 3. Disclosure of US involvement would (a) probably strengthen Jagan, (b) undermine our carefully nurtured position of anti-colonialism among the new nations of Asia and Africa, (c) grievously damage our position in Latin America. (Against this, I suppose that a *successful* operation, if discreet, might enhance our standing in some Latin-American quarters.)
 - 4 The damaging effect of such disclosure would be magnified if the US involvement disclosed were of the character which might be inferred from the last sentence of your letter.
- If our best intelligence is that new elections would result in the ouster of Jagan, then

certainly we ought to encourage the UK to arrange for such elections to be conducted under UK supervision, with effective protection against intimidation and rigging by Jagan's people. Whatever part the US might play should, it seems to me, be carefully considered in the light of the risks mentioned above. I would be grateful if you could keep me au courant with the situation and I would in particular appreciate having an early CIA briefing on what their role may have been or what may be contemplated. Sincerely,

Adlai E. Stevenson

Source: Kennedy Library. National Security Files, Countries Series, British Guiana. Top Secret. A copy was sent to the President.

266. Letter From Foreign Secretary Home to Secretary of State Rusk

London, February 26, 1962

MY DEAR DEAN, thank you for your letter on British Guiana.¹ From our past discussions we have known your pre-occupations and you have known the efforts which we have made despite setbacks to provide for the orderly development of this territory. We are studying what best to do now to discharge our responsibilities and when we have decided, we shall be glad to see in a more official way what can be done to concert our action and yours.

Meanwhile there are some general thoughts which I should like to put to you privately and with the same frankness with which you wrote. I do so not only because I think this is right between us, but because you have often shown in the conversations which the two of us have had, that you recognise the sustained efforts over long periods that we have made in our dependent territories to try to ensure that they have a reasonable chance of using and not abusing freedom when they get it. This must depend to a large extent on the progress of each different territory and its readiness to run its own affairs. But once this process has gone as far as it now has, there is bound to be an added risk over timing in the remaining dependent territories which are still either backward or have peculiar racial or other difficulties. This was inherent in the problem from the beginning.

Now it was your historic role to have been for long years the first crusader and the prime mover in urging colonial emancipation. The communists are now in the van. Why? Amongst other things because premature independence is a gift for them.

What I do not think possible is to beat them by cancelling the ticket for independence and particularly if this is only to be done in the single instance of British Guiana. You say that it is not possible for you "to put up with an independent British Guiana under

Jagan" and that "Jagan should not accede to power again". How would you suggest that this can be done in a democracy? And even if a device could be found, it would almost certainly be transparent and in such circumstances if democratic processes are to be allowed, it will be extremely hard to provide a reasonable prospect that any successor regime would be more stable and more mature.

So I would say to you that we cannot now go back on the course we have set ourselves of bringing these dependent territories to self-government. Nor is it any good deluding ourselves that we can now set aside a single territory such as British Guiana for some sort of special treatment.

This of course does not mean that we should not try to mitigate the dangers in British Guiana as elsewhere in the areas of the Americas and elsewhere. You will know our present concern over Kenya, the Federation and other territories in East Africa. I take comfort from your letter to think that you will be ready to understand and support us in solving these problems. I do not want to go into them further here. But I should like to draw your attention to another territory in the area of the Americas, British Honduras. It will be difficult enough to provide for the future well-being of this territory. We now have in addition the President of Guatemala using language reminiscent of Hitler to press his claim. "The Guatemalans", he said publicly on February 20, "would maintain their unshakeable determination to regain Belize." As the present regime in Guatemala would hardly have come into being without your support in 1954 and since, I shall be asking you to use your good offices at the right time to prevent another possible misadventure on your doorstep.

Let us by all means try and do what is possible to prevent the communists and others from perverting our common aim of doing our best to assure a tamely and orderly development of independence in the remaining dependent territories. But we must do this across the board and you will realise that while territories like British Guiana may be of special concern to you in your hemisphere, there are others of at least equal importance to us elsewhere.

Yours ever,

Alex

¹See [Document 264](#).

Source: Kennedy Library. National Security Files. William H. Brubeck Series. British Guiana, Jan 1961-April 1962. Top Secret.

267. Memorandum From the President's Special Assistant (Schlesinger) to President Kennedy

Washington, March 8, 1962

SUBJECT

Memoranda on British Guiana to State and CIA¹

The point of these two memoranda is that both State and CIA are under the impression that a firm decision has been taken to get rid of the Jagan government.

The desired effect is to make sure that nothing is done until you have had a chance to talk with Hugh Fraser.

The attached memcons will give you an impression of current British attitudes. British Guiana has 600,000 inhabitants. Jagan would no doubt be gratified to know that the American and British governments are spending more man-hours per capita on British Guiana than on any other current problem!

Arthur Schlesinger, jr.²

Attachment³ **Memorandum From the President's Special Assistant (Schlesinger) to the Ambassador to the United Kingdom (Bruce)**

February 27, 1962

SUBJECT British Guiana

I had lunch today with Iain MacLeod and Reginald Maudling. The subject of British Guiana came up; and MacLeod made the following assertions:

1. Jagan is not a Communist. He is a naive, London School of Economics Marxist filled with charm, personal honesty and juvenile nationalism.
2. The tax problem which caused the trouble was not a Marxist program. It was a severely orthodox program of a "Crippsian" sort appropriate for a developed nation like Great Britain but wholly unsuited for an immature and volatile country like British Guiana.
3. If another election is held before independence Jagan will win.
4. Jagan is infinitely preferable to Burnham. "If I had to make the choice between Jagan and Burnham as head of my country I would choose Jagan any day of the week."

Maudling was rather silent during this conversation not, I think, because of disagreement, but because he preferred to let MacLeod take the initiative. He did say

jovially at one point, "if you Americans care so much about British Guiana why don't you take it over? Nothing would please us more." As we were breaking up Maudling expressed privately to me his puzzlement over the Secretary's letter to the Foreign Minister. I said I was returning to Washington at the end of the week. He said it might be a good idea for us to have a talk before I go back.

Arthur M. Schlesinger, jr.⁴

Attachment⁵

Memorandum From the President's Special Assistant (Schlesinger) to the Ambassador to the United Kingdom (Bruce)

March 1, 1962

SUBJECT

British Guiana

I had a talk this afternoon with Maudling, the Colonial Secretary, on the subject of British Guiana. He expressed total bafflement as to what the next steps might be. So far as independence is concerned, he thinks that the preparatory conference should be held as scheduled in May but that actual independence will certainly be postponed, perhaps as long as a year. He sees no point in holding elections before independence because he believes that an election campaign would only rekindle the racial animosities without changing the composition of the British Guiana Government.

[less than 1 line of source text not declassified] He does not regard Jagan as a disciplined Communist but rather as *[less than 1 line of source text not declassified]*. He says that he would not trust Jagan *[less than 1 line of source text not declassified]*. He added that it is his understanding that Burnham is, if possible, worse. He is reluctant to take any action which will make Jagan a martyr. He does not feel that Britain can consistently dislodge a democratically elected government.

His general view is that Britain wants to get out of British Guiana as quickly as possible. He said that he would be glad to hand the whole area over to the United States tomorrow *[1½ lines of source text not declassified]* He added that he is thinking of sending his Parliamentary Secretary, Hugh Fraser, over there next week to make an on-the spot report. This has not been cleared with the Prime Minister but if Fraser should go he would probably stop in Washington on his way back.

Maudling said at one point that while he himself thought it "inconceivable," "responsible people" had said that CIA had played a role in stimulating the recent riots. I said that this of course was inconceivable and that I could assure him that this was not the case.

He mentioned the Foreign Secretary's letter and conveyed the impression that it had given the Cabinet great pleasure. He repeated with particular relish the sentence that the British might be willing to delay the independence process in British Guiana if the Americans would not insist on expediting it everywhere else. I took the occasion to correct Lord Home's apparent belief that the revolution of 1954 had brought the Ydigoras regime into power in Guatemala.

We also had some conversation about Trinidad. Maudling, *[1 line of source text not declassified]* warned me to expect more trouble over the Chagoramas Base. Maudling said that he had taken a drive past the base and could not see why we needed it so desperately. He also said that Williams was disturbed over what he regarded as the American failure to finance certain projects mentioned in the Agreement with Trinidad. Though the language of the Agreement commits the United States only "to participate" in the financing, Williams insisted that Ambassador Whitney assured him that this was a formal language adopted to make things palatable to Congress and that the United States would in fact underwrite the project completely. Maudling says that the failure of the language to state the extent of participation leads him to believe that Williams may be correct on this point.

Arthur M. Schlesinger, jr.⁶

¹Neither printed.

²Printed from a copy that bears this typed signature.

³Confidential

⁴Printed from a copy that bears this typed signature.

⁵Secret. A typed note at the bottom of the last page of the source text reads: "(Page 2 was not proofed by Mr. Schlesinger)."

⁶Printed from a copy that bears this typed signature.

Source: Kennedy Library, Papers of Arthur M. Schlesinger, Jr., British Guiana - Jagan. No classification marking.

268. National Security Action Memorandum No. 135

Washington, March 8, 1962 TO The Secretary of State

SUBJECT

British Guiana

No final decision will be taken on our policy toward British Guiana and the Jagan government until (a) the Secretary of State has a chance to discuss the matter with Lord Home in Geneva, and (b) Hugh Fraser completes his on-the-spot survey in British Guiana for the Colonial Office.

The questions which we must answer before we reach our decision include the following:

1. Can Great Britain be persuaded to delay independence for a year?
2. If Great Britain refuses to delay the date of independence, would a new election before independence be possible? If so, would Jagan win or lose? If he lost, what are the alternatives?
3. What are the possibilities and limitations of United States action in the situation?

John F. Kennedy¹

¹Printed from a copy that indicates Kennedy signed the original.

Source: Department of State, NSAM Files: Lot 72D316. Secret. Copies were sent to Attorney General Kennedy, McNamara, McCone, and General Maxwell Taylor.

269. Letter From the Assistant Secretary of State for International Organization Affairs (Cleveland) to the Representative to the United Nations (Stevenson)

Washington, March 9, 1962

DEAR ADLAI: We had hoped to brief you during your visit to Washington March 8 on all aspects of our present thinking about British Guiana as you requested in your letter of February 26 to the Secretary.¹ The Secretary plans to discuss this delicate problem with Lord Home in Geneva. Until we know the outcome of this discussion and have learned of the results of the on-the spot survey which Hugh Fraser, Parliamentary Under Secretary at the Colonial Office, is making we will not reach any final policy decisions. CIA, by the way, was in no way involved in the recent disturbances in Georgetown.

We are bringing again to the Secretary's attention your pertinent comments about the efforts of actions we might take on the position at the UN.

On your next trip down I hope we will have a chance to fill you in completely on this rapidly moving situation.

Sincerely,

Harlan Cleveland²

¹Document 265.

²Printed from a copy that bears this typed signature.

Source: Kennedy Library, National Security Files, Countries Series, British Guiana II. Top Secret; Eyes Only. Drafted by Burdett.

270. Telegram From Secretary of State Rusk to the Department of State

Geneva, March 13, 1962, midnight

Secto 28. Eyes only Acting Secretary. Re Secto 22 sent London 690.¹ Lord Home and I discussed British Guiana. He fully understands and sympathizes with our basic plan that Britain must not leave behind another Castro situation in the hemisphere. Fraser will return through Washington to see President. Home said Fraser would recommend a commission to study causes of recent disorders in British Guiana. Such a commission would delay independence and its report would muddy situation sufficiently to reopen Britain's present commitments as to schedule. Home seems ready to accept continuation British responsibility for a period despite their anxiety to settle troublesome and expensive problem.

[1 paragraph (3½ lines of source text) not declassified]

For present I do not believe covert action with or without British is indicated. Home does not want to go down that trail until overt possibilities of delay are fully exploited. It is quite clear, however, that hedges not exclude such action if delay and procrastination do not succeed.

I am convinced that he fully understands seriousness of our view and wants to cooperate as intimate ally in finding answer which is acceptable to us.

Dept please have Wisner advised not to pressure matter for time being.

Rusk

¹Not found.

Source: Kennedy Library, National Security Files, William H. Brubeck Series, British Guiana, Jan. 1961-April 1962. Secret. Priority. Repeated to London eyes only for the Ambassador and Wisner.

**271. Memorandum From Acting Secretary of State Ball to President Kennedy
Washington, March 15, 1962**

SUBJECT

British Guiana

The British Ambassador is bringing Hugh Fraser, Parliamentary Under Secretary at the Colonial Office, to call on you at 5:00 PM., March 16, to discuss British Guiana.

The press quotes Mr. Fraser as stating in Georgetown: (1) racialism is a greater danger than political differences; (2) all political parties must accept the inevitability of independence; (3) Britain was not aware of any Communist threat to British Guiana.

In his talk with the Secretary in Geneva about British Guiana, Lord Home seemed ready to accept a continuation of British responsibility "for a period." The Secretary reported that he did not believe covert action with or without British participation was indicated for the present. He added it was clear *[1½ lines of source text not declassified]*. The Secretary's report on this conversation is enclosed (Tab A).¹ There may be differences between the Foreign Office and the Colonial Office about British Guiana.

In seeking Mr. Fraser's assessment you may wish to inquire about: (1) the extent of Communist association on the part of Jagan and his colleagues; (2) alternative leaders to Jagan; (3) the probable outcome of any new election; (4) how long might independence be delayed; and, (5) what might be done prior to independence to alter the difficult situation we now face. Unless steps are taken Jagan and the PPP are likely to remain in power.

You may wish to say: (1) the Secretary's talk with Lord Home was reassuring, particularly the indication the British are ready to accept a postponement of independence; (2) the British are well aware of our views on Jagan and his colleagues; (3) we should promptly examine in detail the possibilities open to us and the repercussions of alternative courses.

Staff papers are enclosed giving a chronology of events (Tab B) and comments on possible courses of action (Tab C).

George W. Ball

¹None of the tabs is printed.

272. Paper Prepared in the Department of State

Washington, March 15, 1962

SUBJECT

Possible Courses of Action in British Guiana

This paper points out the possibilities and limitations bearing on three possible courses of action and notes a fourth. Many permutations are possible. An early decision on US policy is desirable because events are tending to constrict our options.

I. Support Jagan in the hope of associating a British Guiana under his leadership with the West particularly the Inter-American system. This would be a continuation of the policy agreed to with the British in September 1961.

A. The advantages are - Jagan is now in power. He leads the largest and most cohesive party in the country. He is the ablest leader in British Guiana. This course is favored by the UK. The disadvantages arise from the Communist associations of Jagan and his colleagues. However, there is no conclusive evidence that Jagan is under Communist control. Also, during the recent disturbances he appeared incapable of controlling the situation without the support of British troops.

B. Jagan's suspicions of the United States have grown since his visit here in October because of our failure to implement the economic agreements reached with him in October and the activities of private American individuals and organizations in the February disturbances. CIA was not involved. It is now much more difficult than ever to convince Jagan that we are sincerely prepared to support him. The prospects for success of a policy of trying to associate a British Guiana led by Jagan with the West have thus decreased substantially since September.

C. A vocal section of the US public, several members of Congress and US labor unions are strongly opposed to working with Jagan. We have received since Jagan's visit 113 Congressional letters and 2,400 public letters critical of a policy of working with him. A high level effort would be required to obtain public support for such a policy. We would need to find ways to prevent private Americans, e.g. individuals, labor unions, large companies having investments in British Guiana, and right-wing groups (such as the "Christian Anti Communist Crusade") from intervening in British Guiana contrary to this policy.

D. We would need to carry out our economic agreement of October 1961 and be prepared to extend economic development assistance on a continuing basis at a figure

in excess of \$5 million per year.

E. This course would be generally favored in the UN.

II. Postponement of independence by the UK for a substantial period, say until 1964.

(The "period" mentioned by Lord Home to the Secretary is probably much shorter.

We probably could persuade the British to delay independence for one year from now, i.e., the spring of 1963.)

A. This would defer the decision on whether we should take steps to remove Jagan. It would provide a further period of British tutorship during which the splits within the colony might heal and more responsible leadership might emerge.

B. The Jagan Government would vigorously oppose postponement in the UN and elsewhere. Burnham and D'Aguiar favor postponement.

C. The UK is strongly opposed to substantial postponement.

1. Lord Home in his letter of February 26 to the Secretary stated that HMG cannot make an exception in the single instance of British Guiana to its world-wide decolonization policy.

2. The UK would be faced by strong attacks in the UN from the Afro-Asians and possibly some Latin Americans. Just before the recess of the last General Assembly Sir Hugh Foot stated in the Fourth Committee that no decision had been made to postpone the independence conference in May despite the February riots. This was done to avoid debate on an item calling for early independence for British Guiana. Although the resumed session of the 16th General Assembly decided to limit its session in June "exclusively" to the question of Ruanda-Urundi, we and the UK must be prepared for the addition of British Guiana to the agenda if independence is postponed. The Soviets and extreme Afro-Asians would be severely critical. However, this situation might be manageable in the UN if a reasonable rationale for delay in independence can be developed. The key would be whether the Latin Americans can be convinced through discreet consultations that premature independence could result in a Castroist toehold in British Guiana. The French Africans might also be alerted to the consequences for the negro population if a Jagan-East Indian independent Government emerges which might not maintain democratic Government. Nevertheless, the US would find itself in a very awkward position and if this course of action is decided upon careful and extensive consultations would be required.

3. There might be opposition from the Labor Party in the UK. 4. The UK would be faced with continuing heavy expenditure estimated roughly at \$20 million a year.

5. A portion of the limited British strategic reserve might be tied down indefinitely in British Guiana.

D. In return for delay the British probably would ask:

1. Public support for postponing independence including active lobbying and voting in the UN.
 2. A quid pro quo with respect to other British colonies, that is, US support should Britain for its own reasons judge it desirable to slow down progress towards independence, e.g., In Kenya.
 3. Shouldering part of the financial burden.
 4. Account of the diversion of troops to British Guiana when pressing the UK about military commitments elsewhere.
- E. Instead of announcing a postponement of independence the British could just stall for a limited number of months by such devices as a Commonwealth Commission to investigate the February disorders (the press has announced its appointment) and thorough airing of the Venezuelan claim. Such stratagems probably would provoke adverse world reactions, notably in the UN. Unless accompanied by other moves Jagan probably would remain in power.

III. A program designed to bring about the removal of Cheddi Jagan.

- A. The program should fit within the framework of existing democratic institutions and would probably result in some slippage in the independence day, e.g., to the first half of 1963.
- B. Covert U.S. political action would be required and we would be obliged to follow up by a continuing aid program.
- C. Disclosure of U.S. involvement would undermine our carefully nurtured position of anti-colonialism among the new nations of Asia and Africa and damage our position in Latin America. It could also strengthen Jagan over the long term if he became a "martyr of Yankee imperialism".
- D. A non-PPP Government probably would accept a postponement of the independence date thus somewhat easing problems in the reconvened General Assembly.
- E. Before proceeding on such a course of action we would need reasonable assurance of positive answers to the following questions:
1. Can we topple Jagan while maintaining at least a facade of democratic institutions.
 2. Can the PPP be defeated in new elections without obvious interference?
 3. Can alternative leaders better than Cheddi Jagan be found?
- F. A prerequisite should be at least British acquiescence.
- G. We would have to be prepared to pay a heavy price in terms of world public opinion in the UN if evidence were presented showing any US covert activities. Even if the extent of US covert involvement were not disclosed, the Soviet bloc and Castro would make the most of "another Guatemala" and "another Cuba". While we probably could escape censure in the UN, our anti-colonialist image would be severely

damaged, our position in Latin America undermined, and our credibility as a supporter of the principle of non-intervention would be severely diminished.

IV. Radical Solution

A. Some drastic solutions might be considered such as establishment of an OAS trusteeship for British Guiana.

B. The UK would be delighted to be relieved of responsibility; we could postpone a decision on Jagan; we would be relieved of public uneasiness and opposition both domestically and internationally.

C. However, great practical difficulties would be faced, e.g., the OAS charter makes no provision for trusteeships. Considerable additional study would be required.

Source: Kennedy Library, National Security Files, William H. Brubeck Series, British Guiana, Jan. 1961-April 1962. Secret. Eyes Only. Transmitted to the White House.

273. Memorandum of Conversation

Washington, March 17, 1966

SUBJECT

British Guiana

PARTICIPANTS

George C. McGhee, Under Secretary for Political Affairs, M
U. Alexis Johnson, Deputy Under Secretary for Political Affairs, G
William R. Tyler, Acting Assistant Secretary, EUR
Woodruff Wallner, Deputy Assistant Secretary for International Organization Affairs, IO
William C. Burdett, Acting Deputy Assistant Secretary, EUR
Thomas Hughes, Deputy Director for Intelligence and Research, INR
Loren Walsh, Special Assistant, INR/DDC
Rockwood H. Foster, Acting Officer in Charge, West Indian Affairs, BNA
Arthur Schlesinger, White House
Ralph Dungan, White House
Hugh Fraser, British Parliamentary Under Secretary of State for Colonies
D.A. Greenhill, Head of Chancery, British Embassy

Mr. Johnson welcomed Mr. Fraser and asked if he would give his analysis and forecast of the situation in British Guiana.

Mr. Fraser expressed his appreciation for the opportunity of talking with officials of the United States Government. He explained, however, that he was in a difficult position since he had not yet been able to report his findings to the British Government. He asked, therefore, that anything he said be taken as preliminary and subject to modification by his Cabinet colleagues in London.

He said that the situation in British Guiana was tricky. The affairs of the colony were puffed up out of all proportion to their true importance. He felt that this was partially the fault of the British in sending troops and suspending the constitution in 1953. Jagan's visit to the United States and the hostile American reaction to him had also contributed to the inflated importance of the colony. *[1½ lines of source text not declassified]* He felt we should all keep a sense of humor and proportion in considering the situation. Mr. Johnson interjected to say that Jagan had at least symbolic importance for us and we would not think it funny if another country in South America were to go communist.

Mr. Fraser stated that the racial tension between Africans and East Indians in the colony was the central problem. This made matters particularly difficult for the United Kingdom which planned to get out of the colony as soon as possible. He felt that the elections of August 1961 had been the last chance for Burnham and the Africans in the colony. From now on there would be more Indians of voting age than Africans. It was his understanding that by the middle of the 1970's there would be a ratio of almost 2 Indians to 1 African in the population.

Mr. Fraser said that he felt British Guiana was in the United States' sphere of influence. The danger lay in the real possibility that chaos would come to the colony and bring communism after it. He did not feel that communism would come first and then bring chaos with it. He believed that the Indians were not naturally inclined towards communism. They were an acquisitive people and had a strong ethnic loyalty to their own kind. This racialism had been stimulated by Burnham's African bias and by the actions of D'Aguiar.

Mr. Fraser felt that Jagan was a nice man but he was surrounded by a mildly sinister group of advisors, several of whom were the worst kind of anti-colonialist. He did not take Benn seriously and thought Jacob to be a theoretical Marxist. Kelshall was in his opinion a smart adventurer but not necessarily a communist. Rai was definitely anti-communist but not a very staunch person.

He thought it likely that the PPP would win another election since there was no clear alternative to Jagan's leadership. He thought that the United States was now unpopular with the leaders of all the parties. The United States had promised to send a mission to British Guiana but had not done so. This failure of the United States to act tended to throw the Indian merchants behind Jagan since the recent riots give them no moderate alternative. If the United States continues to stay out of the situation he believed all moderate Indian elements would increasingly tend to back Jagan. Mr. Fraser believed that both Burnham and D'Aguiar want the US aid mission to come to the colony before Jagan's control becomes even tighter.

He felt that the Indian commercial community might well put pressure on Jagan to move to the right if the United States adopted a more friendly attitude. Mr. Fraser had urged Jagan to move to the right and to indicate publicly that private capital was welcome in British Guiana. He had urged Jagan to consider himself as the premier of a country and not just the head of a political party.

Mr. Fraser felt that the main contribution of his recent visit to Georgetown was to get the agreement of Jagan, Burnham and D'Aguiar to sit down together and discuss the constitution. He explained that the conference in May which would be held in London was to set a date for independence and to work out the method by which independence for the colony will be achieved. All political leaders in British Guiana want independence but each has a particular timetable and certain requirements for it. D'Aguiar wants it delayed and a referendum held, Burnham wants it soon but with some form of proportional representation and Jagan wants it immediately without provisions which diminish his present political advantage.

Mr. Fraser said he had assured all three leaders that the conference would be held in May as previously scheduled. He expected, however, that this conference might well break down on the question of an agreed constitution. In that case, the matter would have to be given to a UK appointed commission to consider. He felt that the constitution would have to contain certain safeguards for minorities in the colony. Both Burnham and D'Aguiar seem to favor some form of proportional representation. Mr. Fraser himself had not reached a decision on this matter but was favorably inclined to the idea at the moment. He mentioned the possibility of establishing a second legislative chamber. He was considering the idea of sending a constitutional expert from the United Kingdom to British Guiana to advise the three leaders as appropriate on the details of constitutions worked out in other countries with similar problems.

Mr. Fraser emphasized his feeling that a delay in British Guiana's independence would not help matters. He did not believe that the Jagan regime was communist. He did feel, however, that there were certain sinister implications in the apparatus being set up to penetrate the trade union movement and the educational institutions. Even these actions were not necessarily communist inclined but could be largely a result of Indian chauvinism. He emphasized that the danger lay in chaos rather than in communism. Jagan himself had said to Fraser that the Africans would never accept a communist-dominated Indian Government and that he would never accept a communist-dominated African Government.

Mr. Fraser explained that the independence conference to be held in May would discuss two things; a date for British Guiana's independence and the means for achieving it. Essentially it would be a constituent assembly of all parties whose

recommendations were only advisory to the British Government. It was necessary to produce a constitution which was not only agreeable to all three political parties but consistent with British democratic tradition.

In discussing Burnham, Fraser said that he was intelligent and opportunistic. He was, however, an African and would lose out in the long run unless he broadened the base of his support. He pointed out that Burnham had campaigned almost entirely on a racial basis during the last election. He had not even bothered to issue an election manifesto.

It had become clear to Fraser in his discussions that Jagan thinks D'Aguiar and the CIA were probably responsible for the recent riots. D'Aguiar believes Jagan instigated the civil disorder deliberately. Burnham damns all parties concerned. Mr. Fraser felt nevertheless that all elements were shocked by the racial factor in the recent riots. He pointed out that Jagan could easily have called in the Indian canecutters from the field to attack the African rioters. This was probably prevented by the rapid British action in bringing troops to the city.. The violence in Georgetown had been directed mainly against Indian shops. The demonstrations had begun as a non-racial, public protest against Jagan's budget. The causes of the rioting would be determined by the Commonwealth Commission of Inquiry which had recently been announced.

In response to a question, Mr. Fraser did not believe that there was an alternate Indian leader within the PPP who could command support equal to Jagan. Rai had been spoken of in this connection but Fraser seriously doubted whether he had the capacity to lead the PPP.

In discussing the Commonwealth Commission of inquiry, Mr. Fraser emphasized that its terms of reference were deliberately being kept narrow. Jagan had initially asked for a United Nations commission which would have placed the problem squarely into a cold war situation. Mr. Fraser had talked him out of this and obtained his agreement to a commission appointed by the United Kingdom. He explained that the United Kingdom had strong moral obligation to hold such an inquiry in view of the presence of British troops in the colony. He did not feel that this inquiry would damage Jagan's position. He emphasized that it would not in all probability delay independence.

In response to a question, Mr. Fraser expressed the opinion that independence would come possibly at the end of 1962 but more probably in early 1963. He emphasized strongly that it would be madness to attempt to delay independence and maintain British Guiana's colonial status with British bayonets. He felt the situation would not improve and delaying independence would make things worse.

Mr. Johnson said that we were worried about things getting worse in the colony and wondered what would happen when the troops were pulled out. Mr. Fraser said that the police force which was now largely African would have to be strengthened. Safeguards would be put into the constitution. He felt that British troops should be pulled out as soon as possible and that the number should be cut down to two companies immediately.

Mr. Fraser said he was aware of the recent offer by Cuba to take a large number of British Guiana students. It was clear to him that an independent British Guiana would have a neutralist foreign policy.

Mr. Fraser urged in the strongest possible terms the importance of the United States sending the economic mission to British Guiana as soon as possible. He said that the time was psychologically right for such a mission and it would have a most favorable impact on the people there. Mr. Johnson expressed his concern at the amount of aid which Jagan demanded from the United States. Since this amount was so disproportionate with that available to be given he wondered whether the dispatch of a United States mission and the provision of a very modest amount of money would only cause more trouble. Mr. Schlesinger added that we must also think of the effect on other Latin American countries of aid to British Guiana. He pointed out that on a per capita basis a significant grant of United States aid to British Guiana would place our program out of balance with that being given to an important country such as Brazil.

Mr. Fraser indicated that Jagan was desperate for money. He had tried to get it from the United States, Canada and the Soviet Bloc with no success. The key to the situation in his view was some alleviation by the West now of Jagan's financial problem. The arrival of a US mission would make people in the colony feel that they belonged to the free world and had not been cast into outer darkness. Jagan himself liked strutting on the world stage and was probably bored with the prospect of tending to his internal domestic knitting.

Mr. Fraser indicated that the British planned to leave British Guiana quickly but they hoped to leave conditions there as tidy as possible. He said the British companies in the colony were not worried about this and that Bookers and Alcan were not worried about nationalization. He indicated that the United Kingdom upon leaving the colony would probably agree to providing to British Guiana the balance of the Colonial Development and Welfare commitment already made. This commitment was approximately 8 million pounds sterling.

Mr. Fraser thought it was *[less than 1 line of source text not declassified]* to send his wife Janet up to Canada wearing a red shirt. He thought it unlikely that Canada would make a substantial economic contribution.

Mr. Johnson said that the United States would like to feel more confident that the withdrawal of British troops and the granting of independence to British Guiana would not bring chaos and a communist controlled government. He reminded Mr. Fraser that we thought of this situation partly in terms of our Cuban experience. Castro had originally been presented as a reformer. We do not intend to be taken in twice. He felt it important that the United States and the United Kingdom work very closely at all levels on the problem of British Guiana in order to prevent catastrophe from taking place there. Mr. Fraser agreed entirely but expressed the opinion that the problem of communism would get worse if a United States mission did not go to the colony soon. He felt there was a real possibility that the Soviets might decide to send such a mission if there was no constructive action by the West. Mr. Johnson suggested the advisability of discussions between the US and UK about a political action program. Mr. Fraser did not respond.

Mr. Schlesinger and Mr. Dungan mentioned the difficult domestic problem which the United States faced with regard to Jagan. The provision by the United Kingdom of a constitutional advisor would not help to allay fears in Congress and among the American people about the future of the colony. The Administration would be subject to severe criticism particularly from the right wing along the lines that a United States mission was being sent to help Jagan, the communist. The activities of Mr. Sluis of the Christian anti-Communist Crusade made matters worse. The Administration was already facing considerable opposition to the foreign aid legislation before Congress. Criticism of aid to Jagan would not help politically in getting this important legislation approved. Jagan has made things very difficult by his behavior in the United States. It would be helpful if he would take some action to better his United States public image and destroy the parallel in the American public mind with Castro. It would help a great deal if Jagan would do something about this or if some other figure were to arise as the leader of British Guiana.

Mr. Fraser felt that neither Bookers nor Alcan would wish to get involved in British Guiana's politics. Bookers probably considered Jagan to be the best leader of the lot. Any attempt to dump Jagan or to manipulate the political molecules in the situation would be tricky and apt to be counter-productive. If proportional representation became part of the British Guiana constitution this might help in affecting the outcome of a new election. He stressed, however, that such a solution could not be imposed either by the United States or the United Kingdom. We must maneuver British Guianese opinion into wanting some kind of an adjustment in the present political machinery.

Mr. Johnson ended the meeting by expressing his thanks to Mr. Fraser for his comprehensive presentation and analysis of the situation. He urged that the closest contact between United States and the United Kingdom Governments be maintained. He promised that the United States Government would take a hard look at the possibility of sending the economic mission to British Guiana. There might be some possibility of connecting with the recent disaster in Georgetown and placing it in a humanitarian frame of reference.

Source: Kennedy Library, National Security Files, Countries Series, British Guiana II. Secret. Drafted by Foster and approved in G on March 21.

274. Special National Intelligence Estimate

SNIE 87.2-62 Washington, April 11, 1962

THE SITUATION AND PROSPECTS IN BRITISH GUIANA

The Problem

To estimate the short-term outlook for British Guiana, with particular reference to the political orientation of Jagan and his party, the likely outcome if new elections were to be held, and the nature of possible alternatives to the Jagan government.

Conclusions

1. Racial conflict is likely to continue to be the basic factor in the political situation in British Guiana. The two major political parties represent the nearly equal East Indian and Negro communities and party rivalry has increasingly taken on a racial character. The British, who have exercised a stabilizing influence, will almost certainly withdraw and grant independence not later than mid-1963, since they apparently foresee strong adverse reactions with unpleasant international connotations if they try to extend the period of their authority in the colony. (Paras. 5, 13-14)

2. Premier Cheddi Jagan and the People's Progressive Party (PPP) represent the East Indians, who are more numerous than the Negroes and who have been consolidated politically by the February 1962 disturbances. Jagan and the PPP are likely to maintain control of the government, whether or not new elections are held. However, any one of a number of likely developments could precipitate another period of violence. (Paras. 5, 11, 15, 18)

3. The PPP leadership has a clear record of Communist association and of Communist-line policies, but the evidence does not show whether or to what extent they are under international Communist control. We believe, however, that Jagan is a Communist, though the degree of Moscow's control is not yet clear. A Jagan

government in the postindependence period would probably follow a policy of nonalignment in international affairs, but would probably lean in the Soviet direction. Its associations with East and West would be highly opportunistic and strongly influenced by its interest in obtaining aid for British Guiana. Its domestic program would be radically socialist and reformist. (Paras. 6-7, 19)

4. The People's National Congress (PNC), led by L. Forbes Burnham, is supported by a large proportion of the Negro population but by almost no one else. A PNC majority in the legislature, even with the support of the small United Force Party (UF), is unlikely under presently foreseeable circumstances. If the PNC were to come to power its policies would probably be leftist and neutralist, though somewhat less radical and pro-Bloc than those of the PPP. (Paras. 8-9,15)

Discussion

I. Background

5. For over a decade political life in British Guiana has been marked by the racial split between East Indians, who make up about half of the population, and Negroes, who account for a somewhat smaller proportion. The most powerful political force has been the People's Progressive Party (PPP), led by the government's East Indian Premier, Cheddi Jagan. The PPP derives its strength mainly from East Indians, most of whom live in the countryside, but also has found some support among the Negroes. In the August 1961 election, the PPP won about 43 percent of the popular vote, thereby gaining a 20-15 majority in the legislature.¹ Since the elections it has demonstrated considerable political ineptitude and has failed to make headway against the enormous economic difficulties of the colony.

[2 paragraphs (1 column of a 2-column format) of source text not declassified]

8. The principal opposition party is the People's National Congress (PNC) of L. Forbes Burnham, a Negro who is a radical reformer and who until 1954 was one of Jagan's lieutenants in the PPP and an advocate of extremist measures in government. The PNC is supported by most of the colony's Negro population in the cities (including most government employees) and in the bauxite mining areas. Outside Negro ranks it has virtually no following, and among many middle class Negroes its support is not firm. In the 1961 election it polled 41 percent of the vote and won 11 seats in the legislature. PNC policy has been largely that of opposing the PPP. What we can say of PNC policy if it were to form a government must be based largely on Burnham's statements and on the content of his party newspaper. The PNC in office would probably feature a more moderate policy of domestic socialism than the PPP.

Likewise, in the foreign field it would also be neutralist but somewhat less pro-Bloc than the PPP. *[4½ lines of 2-column format source text not declassified]*

9. An additional opposition party is the United Force (UF), which seeks to be multiracial. It is based largely on the small commercial class (including the Portuguese minority) which fears that Jagan would transform the country into a Communist state after independence. It won four seats in the 1961 election. Had the UF not run, the PNC might have won some of these seats but probably not all. In any case it would not have gained a majority.

II. February Riots

10. A tremendous increase in the racial tension in British Guiana and in the potential for conflict came as a result of a week of strikes and riots which shook the capital city of Georgetown in mid-February 1962. The immediate cause of the strikes was Premier Jagan's budget bill, but the riots were also rooted in the longstanding racial antagonism and in the dissatisfaction of many urban groups, notably public service employees and businessmen, with the policies of the PPP government. As the disturbances spread, they took on the character of a struggle between the Negro urban community and the East Indian Government and its rural supporters.

11. Paradoxically, the February crisis strengthened Jagan by consolidating the support of his East Indian followers. At the same time, it reduced his stature and tarnished his prestige as a national leader. His economic and financial problems are more acute now than before the riots. His government is hard pressed to meet current expenditures. Whereas before the riots almost 20 percent of the labor force was out of work, an even larger number are now unemployed as a result of the destruction in Georgetown. Jagan's plans for economic development have been set back, partly because he has been forced to trim his tax measures and partly because uncertainties about his country's political stability are inhibiting the flow of outside public assistance, on which development is heavily dependent. The February events have discouraged foreign investment.² Extensive capital flight is in progress and foreign investors are doing no more than attending to existing operations. A good many city merchants, East Indians among them, are inclined to cut and run rather than to stay and rebuild.

12. On the other hand, the crisis also left the opposition with reduced prestige. Its several leaders acted recklessly and in the end tended to neutralize each other. Those unions which are predominantly Negro actively collaborated with the opposition parties, but the rank and file of the largest single union, chiefly East Indians, did not. There have been rumors of dissension in the PPP and reports that the opposition might try to win some of Jagan's legislators away from him, but sufficient defections to

cause the legislative defeat of the Jagan government are not considered probable in the near future under existing circumstances.

III. Prospects

13. The British presence is a check on the violent political forces that seethe near the surface in British Guiana. British departure will be the prelude to a period of uncertainty and possibly of violence during which the country will be establishing its international orientation. Nevertheless, the British appear determined to get out. They are not anxious to continue to put money into British Guiana, and they calculate that the present cost to them of \$7 million a year would be increased to \$20 million per annum if they reimposed direct government. They assert in private that British Guiana is in the US, not the UK, sphere of interest and they probably consider that its future is not properly their problem, but one for the US. At the same time, London is less inclined than is the US to believe that communism will achieve dominance in the colony. Finally, it fears that to delay independence very long would arouse indignation in many parts of the world where colonialism is a sensitive issue.

14. The British may see fit to hold on for a time by postponing the May 1962 conference, which was to have discussed plans and timing of independence. Even if the conference is held on schedule, independence may be deferred. Jagan has agreed to an investigation of the recent riots by a Commonwealth commission, but the scope of the inquiry is such that it is not likely to necessitate much delay. Independence might also be delayed by the failure of Jagan and opposition leaders to get together on a new constitution. A vote of no-confidence in the government could also hold up proceedings, but we believe that Jagan will move cautiously on matters of domestic policy to assure control of his majority in the legislature. In any circumstance, however, we do not anticipate that the British will delay much beyond the end of 1962.

15. For any of the above reasons, the UK may find it desirable to hold new elections. New elections held on the same basis as were those in August 1961-with the same parties and same electoral system-would probably return a Jagan government again, even in the face of a PNC-UF electoral coalition. The PNC is urging a proportional representation system under which it believes it could turn the PPP out, but the latter is unlikely to accept any form of proportional representation that would seriously prejudice its electoral chances.

16. After independence Jagan [*3 lines of 2-column format source text not declassified*] will probably seek to move toward consolidation of his control over the country. [*2½ lines of 2-column format source text not declassified*]

17. Nevertheless, Jagan will be under some restraints not to ride roughshod over the wishes of the public - Negro as well as East Indian. The size and potential strength of the Negro community were well demonstrated by the February riots, and Jagan will fear to bring the Negroes into the streets against him again. He is also aware that the rank and file of his party-and indeed the East Indian community as a whole-is not Communist and may react against unpalatable Communist or socialist measures. Furthermore, he has the problem of developing and controlling a security force.³ He has apparently been considering a largely East Indian security force of some kind, but must be aware of the dangers implicit in such a move, especially since the existing police force is principally made up of Negroes. Jagan's *[less than 1 line of 2 column format source text not declassified]* enthusiasm for his own reform programs and the temptation to work through and for the East Indian community may be moderated by the realization that, if the country is to be held together, important concessions must be made to the Negroes. *[2 lines of 2-column format source text not declassified]*

18. We do not believe that we can project our estimate very far beyond the period of independence. Jagan will almost certainly maintain his predominant position in the PPP, and can probably prevent an opposition government from taking over. However, any one of a number of likely developments could precipitate another period of disturbances like that of last February. We see no prospect for a coalition of moderates of both parties and both races.

19. We believe a Jagan government in the post-independence period would be likely to identify itself-as it has in the past-with anticolonialist and independence movements. It would probably follow a policy of nonalignment and seek to benefit from relations with both the West and the Communist countries, but would probably lean in the Soviet direction. For some time Jagan has been seeking trade and aid from the West and he has expressed interest in joining the Organization of American States and in participating in the Alliance for Progress. He has also been seeking trade and aid from the Bloc. He has just signed a trade contract with East Germany and other deals with Bloc countries are likely-to follow.

¹The election in one constituency was set aside by court decision as a result of irregularity and the PPP majority is now 19-15. [Footnote in the source text.]

²British foreign investment in Guiana amounts to between \$400 and \$500 million and is mainly in sugar production. Canadian investment (about \$80 million) and US investment (about \$30 million) is mainly in bauxite and sugar. [Footnote in source text.]

³In addition to the 1,500-man local police, the security forces in the colony now include a Volunteer Guard of about 500 , some 200 British troops normally stationed

near Georgetown, and about 600 of those brought in at the time of the disorders. Jagan has threatened to recruit his own police or to create a national army and in response the British are proposing to enlarge the local police by 500. [Footnote in the source text]

Source: Central Intelligence Agency Files, Job 79-R01012A, ODDI Registry. Secret; Noform. A note on the title page indicates the SNIE was submitted by the Director of Central Intelligence and concurred in by the US Intelligence Board.

275. Memorandum From the President's' Special Assistant (Schlesinger) to President Kennedy

Washington, April 27, 1962

[Source: Kennedy Library, Papers of Arthur M. Schlesinger, Jr., British Guiana. Secret. 2 pages of source text not declassified.]

276. Telegram From the Department of State to the Embassy in the United Kingdom

Washington, June 7, 1962, 5:48 p m.

6512. Eyes only Ambassador Bruce. Following is text of letter to President from Macmillan dated May 30:

"Dear Friend: When we met in Washington last month we did not find time for any full discussion of the problems of Colonial policy. I am however conscious that Colonial problems can be so presented as to weaken the Western position generally, both at the United Nations and with neutral opinion elsewhere. In the course of our discussion you referred briefly to this, and said you were thinking of taking steps to secure closer co-ordination on this question between the various agencies of your Government, both in Washington and in New York. You also said that you would be glad to have fuller information on some of our own Colonial problems. I agree that there is room here for closer consultation between our two Governments; and, if you should decide to establish a single focus of co-ordination for this in Washington, we should be very glad to feed into it fuller information on our own Colonial problems and our views on the Colonial problems of our Allies. On these questions it seems best that Anglo-American consultation should be centered in Washington; and, if you would care to tell our Ambassador what arrangements you have in mind for this purpose, I will see that he is kept fully supplied with the necessary information and views from this end.

Meanwhile, there is the rather separate question of British Guiana on which, at your suggestion, representatives of the State Department had some talk with the official advisers who accompanied me to Washington. The suggestions then made on behalf of the State Department were partly general and partly particular. Their general request was that we should keep you more fully informed of the probable course of political and constitutional developments in British Guiana. *[3 lines of source text not declassified]*

Since my return to London I have considered these requests in consultation with the Ministers concerned. We all recognise that developments in British Guiana-and, for that matter, in British Honduras, are of special concern to the United States Government. When these territories become independent, as they must before very long, they may well be of more direct concern to you than to us. We hope that you will continue to interest yourself in their future: indeed, in the case of British Guiana we have been pressing you to contribute towards the cost of economic development. In these circumstances we fully agree that, in these last stages of their advance to independence, you should have full opportunity of expressing your views on the shaping of their future.

We are therefore ready to make special arrangements for consultation with you on the affairs of British Guiana and British Honduras. In this case, as we shall be going into greater detail, I think it would be better that the consultations should be held in London. I envisage a series of informal meetings which, though held at the Foreign Office, would include representatives of the Colonial Office, and also, when necessary, the *[less than 1 line of source text not declassified]* other Departments concerned. If you agree that this would be helpful, perhaps you will arrange for your Ambassador here to nominate the representatives who would regularly attend these meetings. I know you will feel, as I do, that we ought to keep these meetings secret.

[1 paragraph (16½ lines of source text) not declassified]

Finally, you may like to have an indication of our latest thinking on the course of constitutional development in British Guiana. Previously, we had been thinking in terms of an Independence Conference in May, to be followed by independence within a few months. We have now decided to postpone the Conference until July, and we intend to try to persuade the leaders of the political Parties to agree that elections should be held before the territory becomes independent. This will give us a little more time and also, perhaps, a further opportunity to establish whether, under a democratic system, there is any alternative to Dr. Jagan's Government. If, however, it becomes clear, by a further expression of electoral opinion, that Dr. Jagan's Party is the choice of the people, I hope we shall be able to persuade you that the best line for both our Governments to follow is to do our best to keep that Government on the side

of the West by co-operating fully with it and giving it the economic support which it requires."

Rusk

Source: Kennedy Library, National Security Files, Countries Series, British Guiana II. Top Secret. Verbatim Text. Drafted and approved by Burdett.

277. Memorandum for the Special Group

Washington, June 13, 1962

[Source: Kennedy Library, National Security Files, William H. Brubeck Series, British Guiana, Aug. 1962. Secret; Eyes Only. 6 pages of source text not declassified.]

278. Memorandum From the President's Special Assistant (Schlesinger) to President Kennedy

Washington, June 21, 1962

SUBJECT

British Guiana

I attach a collection of papers from the State Department.¹ They include *[3 lines of source text not declassified]* and (c) a report from Harry Hoffmann on the British Guiana political situation.

[3 paragraphs (18½ lines of source text) not declassified] At the same time, the Secretary recommends that we go ahead with the economic studies proposed by the Hoffman-Mayne mission on the ground that action on the economic aid front will indicate good will, *[less than 1 line of source text not declassified]* and lay the groundwork for a development program when we have a friendly government.

I agree that the evidence shows increasingly that Jagan's heart is with the Communist world. He is quite plainly a Marxist nationalist, who sees the west in terms of the old stereotypes of capitalism and imperialism and who is deeply persuaded of the superiority of Communist methods and values. There is no convincing evidence that he is a disciplined member of the Communist party, but then neither is Castro. *[8 lines of source text not declassified]*

The alternative to Jagan is Forbes Burnham. *[5½ lines of source text not declassified]* Burnham, moreover, as an African, is the representative of the ethnic group deemed by its low birth rate to minority status in British Guiana. On the other hand, Burnham

is regarded more favorably by the AFL-CIO people who have had British Guiana contacts and by some people in the British Labour Party (among them Gaitskell). He made a generally good impression in his visit to Washington.

All alternatives in British Guiana are terrible; but I have little doubt that an independent British Guiana under Burnham (if Burnham will commit himself to a multi-racial policy) would cause us many fewer problems than an independent British Guiana under Jagan.

[4 paragraphs (25½ lines of source text) not declassified]

On a three day trip to the Berbice and Corentyne last week, I found considerable unrest and suspicion-even fear-of Jagan's leanings among middle class East Indians, even in Jagan's home village of Port Mourant. They expressed respect and admiration for Rai-but to the man they said in an election showdown the masses would flock to Jagan. Rai was described as too new on the political scene, compared with Jagan, and lacking in the mass appeal that belongs to Jagan, who could make political hay by characterizing Rai as a traitor to the cause. In the end, they said, the East Indians would vote race-and Jagan would get the votes of even many of the doubtful ones as the East Indian most likely to win.

This situation would be changed, of course, if there were a uniting of the Burnham and D'Aguiar forces behind Rai. But, so far, Burnham is so impressed by his own importance and self-analysis of popularity that this is not likely to happen. He is convinced in his own mind that his PNC would win any new election, and until such time as he can be persuaded otherwise the chances for any reasonable and effective unification are remote. Also, there is considerable feeling here, which I am inclined to share, that British Guiana would be worse off with Burnham than with Jagan.

[4 paragraphs (13 lines of source text) not declassified]

Arthur Schlesinger, jr.²

¹None Printed.

²Printed from a copy that bears this typed signature.

Source: Kenney Library, Papers of Arthur M. Schlesinger, Jr., British Guiana. Top Secret.

279. Telegram From the Department of State to the Embassy in the United Kingdom

Washington, July 2, 1962, 5:49 p.m.

10. Eyes only for Ambassador Bruce. Request you reply to portion of Macmillian's letter to President of May 30¹ dealing with consultations on colonialism. At your discretion you may pass our views as given below to either Macmillan or Lord Home indicating they have approval of President:

1. We are happy to see from Macmillan's letter of May 30 to President that US and UK agree on desirability closest liaison on colonial problems. Generally speaking there are two somewhat overlapping aspects involved-detailed consideration of individual problems and exchange of views on broad policy issues. It might be helpful if you were to feed into your Washington Embassy fuller detailed information on individual problems. We would also welcome as much advance indication as feasible of the trend of your thinking on over-all developments. We of course are glad to share our ideas with you. By this approach we could avoid misunderstandings arising from different assessments of factual situation and would be fully aware of each other's policy thinking and the reasons therefor even though we might be obliged to disagree in specific instances.

2. On reflection we believe further formalization of methods of consultation is unnecessary. We are already in constant touch through our Embassies in London and Washington and US and UK Delegations to the UN. These consultations are supplemented periodically by high level exchanges on broad policy issues. Governor Williams will be in London this month for general discussion of colonial policy and Mr. Cleveland for talks on UN aspects. This combination of day to day consultation supplemented by periodic high-level exchanges seems to us to offer most effective utilization of expert knowledge and senior policy level consideration. We would welcome, of course, your further views and any further suggestions you care to make.

3. Essential point in our opinion is that all concerned should know that President and Prime Minister firmly believe in value of close and continuing consultation.

Rusk

¹See [Document 276](#).

Source: Kennedy Library, National Security Files, Countries Series, British Guiana II. Confidential. Drafted by Burdett; cleared by Sweeney (BNA), Cleveland (IO), Tasca (AF), Furnas (S/S), and McGeorge Bundy; and approved by U. Alexis Johnson. Repeated to USUN eyes only for Stevenson.

280. Memorandum From Secretary of State Rusk to President Kennedy

Washington, July 12, 1962

SUBJECT

British Guiana

We have reassessed the probable orientation of an independent British Guiana under Cheddi Jagan's leadership and I attach for your consideration a paper describing the program we propose to follow (Enclosure 1).¹

A Special National Intelligence Estimate dated April 11, 1962,² concluded "We believe . . . that Jagan is a Communist, though the degree of Moscow's control is not yet clear. A Jagan government in the post independence period would probably follow a policy of nonalignment in international affairs, but would probably lean in the Soviet direction." *[5½ lines of source text not declassified]* We have also been given by the FBI a report of the American Communist Party's intention to seek for Jagan economic assistance from the Soviet Bloc (Enclosure 3). Attached is a study we have prepared of contacts by the People's Progressive Party (PPP) with communists, communist fronts and the communist bloc since September, 1961 (Enclosure 4). During cross examination before the Commonwealth Commission of Enquiry into the causes of the February riots Jagan admitted on June 22, 1962 that he was a communist. This admission came after much muddled explanation by Jagan as to what the term "communism" meant and was qualified by his definition that communism was a system based on "from each according to his ability and to each according to his needs". Further questioning on Jagan's political beliefs was cut short on June 26 by the British Chairman of the Commission with the ruling that * was useless to pursue the subject since it had "already been established beyond peradventure" that Dr. Jagan was a communist.

In the light of all the evidence which has now accumulated, I believe we are obliged to base our policy on the premise that, once independent, Cheddi Jagan will establish a "Marxist" regime in British Guiana and associate his country with the Soviet Bloc to a degree unacceptable to us for a state in the Western Hemisphere. Such a development would have severe adverse effects in the foreign relations field and obvious undesirable repercussions within this country.

It is also my view that a policy of trying to work with Jagan, as urged by the British, will not pay off. Jagan is already too far committed emotionally and suspicious of our intentions. *[1 paragraph (3 lines of source text) not declassified]*

I propose that we transfer the locale of the discussions with the UK on British Guiana to Washington and that I call in the British Ambassador and speak to him along the lines indicated in the attached paper. My thought in transferring the locale to Washington is to enable us to deal through a sympathetic British Ambassador with the Foreign Office and the Prime Minister rather than sending messages to our Embassy in London which in practice usually discusses British Guiana with the not so

sympathetic Colonial Office. It is further helpful to us to talk in Washington because we have available here people with the most up-to-date US information on British Guiana and we would be able to provide nuances of our current thinking to the British Ambassador.

Recommendations

I recommend that you approve specifically the following:

[4 paragraphs (12 lines of source text) not declassified]

5. That you approve my talking with the British Ambassador along the lines of Section I of the attached paper and that we try to maintain Washington as the venue for any further discussions on British Guiana in the immediate future. This would constitute a reply to Prime Minister Macmillan's letter to you of May 30³ (Enclosure 6).

Dean Rusk⁴

¹None of the attachments is printed.

²Document 274.

³See Document 276.

⁴Printed from a copy that bears this typed signature.

Source: Kennedy Library, National Security Files, Countries Series, British Guiana II. Top Secret.

281. Memorandum From the President's Special Assistant for National Security Affairs (Bundy) to President Kennedy

Washington, July 13, 1962

SUBJECT

British Guiana

Here is a paper from Dean Rusk which comes out hard for a policy of getting rid of Jagan.¹ It is a careful and thorough argument of one side. It has more energy than most State Department papers. These documents seem to me to demonstrate that Jagan will indeed go the way of Castro, if he is not prevented. He would be weaker than Castro, because he is even more inefficient, but he would also probably be more easily controlled from Moscow.

But while the papers make a clear case against supporting Jagan, or even trying to sustain peaceful coexistence with him, the case for the proposed tactics to be used in opposing him is not so clear. In particular, I think it is unproven that CIA knows how to manipulate an election in British Guiana without a backfire.

My immediate suggestion is that when you have read this, we should have a pretty searching meeting on the details of the tactical plans, in which you can cross-examine those who are really responsible for their development. I do not think the Secretary of State should go to the British Ambassador with the proposed talking paper until we are a little more sure of our own capabilities and intentions.

There is also a real question whether Dean Rusk is the man to talk with the British on this. The last time he told Home "we could not put up with Jagan" the British simply dug in their heels. Since British support for an anti-Jagan policy would be the most powerful single force for its success, I think you may want to go all out with David yourself on this one.

McG. B.

¹Document 280.

Source: Kennedy Library, National Security Files, William H. Brubeck Series, British Guiana, June 1-Aug. 15, 1962. Top Secret.

282. Memorandum From the President's Special Assistant (Schlesinger) to the President's Special Assistant (Dungan)

Washington, July 19, 1962

SUBJECT

British Guiana

I return herewith the BG dossier.¹ I agree with Mac's memorandum and with my earlier memorandum² on the initial version of the plan (which I think you have). In short, I agree that there is no future in Jagan; and that the Burnham risk is less than the Jagan risk; but the CIA plan makes me nervous; [1 line of source text not declassified]. I also share Mac's doubts as to whether the Secretary is the man to talk to Ormsby Gore on the subject.

I would suggest that you bear down hard on two points:

1) Does CIA think that they can carry out a really covert operation- i.e., an operation which, whatever suspicions Jagan might have, will leave no visible traces which he can cite before the world, whether he wins or loses, as evidence of U.S. intervention?

2) If we lose, what then? The present suggestions are pretty bleak- especially when our chances of winning are probably less than 50-50.

Arthur Schlesinger jr.³

¹Not printed.

²Documents 281 and 278.

³Printed from a copy that bears this types signature.

Source: Kennedy Library, National Security Files, William H. Brubeck Series, British Guiana, June 1-Aug. 15, 1962. Top Secret.

283. Memorandum Prepared in the Central Intelligence Agency

Washington, July 20, 1962

[Source: Central Intelligence Agency, DCI/McCone Files, Job 80-B01258A, Box 6, 7/1/62-12/31/62. Secret; Eyes Only. 2 pages of source text not declassified.]

284. Draft Telegram From the Department of State to the Embassy in the United Kingdom

Washington, undated

FYI. During weekend July 20 the President spoke along following lines to UK Ambassador Ormsby Gore in reply Macmillan's letter May 30¹ re British Guiana:

The President welcomed the PM's suggestion for special consultations about BG and suggested they be held in Washington. *[3 lines of source text not declassified]* Commenting that an independent BG under Jagan's leadership seriously disturbed him, President said US cannot afford to see another Communist regime established in this hemisphere. It is obvious Jagan is distrustful of US motives, that there is little chance of our obtaining his confidence and that it therefore seems unrealistic to hope now that BG could be kept on side of West by policy of cooperation. *[1½ lines of source text not declassified]*

Stating he was glad to know that UK envisages new elections in BG, the President said they would provide opportunity for government of different complexion to come into power through democratic processes. *[8 lines of source text not declassified]*

In conclusion the President told Ormsby Gore that in economic field we are going ahead with the additional detailed studies recommended by our survey mission recently returned from BG. He said our idea is to let people of BG know we are serious about helping them and to be that much further along with preliminary work by the time a new government comes into power in BG. End FYI.

¹See [Document 276](#). The President and Ormsby Gore met in Hyannis Port, Massachusetts, July 21 and 22.

Source: Kennedy Library, National Security Files, Countries Series, British Guiana II. Top Secret; Limited Distribution; Eyes Only. Drafted by Rewinkel on August 1; cleared by Burdett, Scott (INR), and Little (S/S); and approved by U. Alexis Johnson. There is no indication of the source of text that this telegram was sent, nor was there an outgoing telegram found in Department of State files.

285. Memorandum From the President's Special Assistant for National Security Affairs (Bundy) to the Acting Deputy Assistant Secretary of State for European Affairs (Burdett)

Washington, August 6, 1962

As I told you I would on the telephone, I spoke briefly with Lord Hood, at the President's instruction, to comment on the British response to the President's proposals on British Guiana. Lord Hood told me that he had not been informed of the response on this other channel. I told him its general nature and indicated the President's concern that a study of this sort might imply a long delay in reaching an agreed US/UK position. I told Lord Hood that from our point of view there was considerable urgency in this matter, and while much the best scheme would be to proceed in agreement with the UK, we would be sorry to have action hampered by prolonged discussion back and forth. *[3 lines of source text not declassified]* Nevertheless, I said that the President had asked me to convey this point to Lord Hood for such onward communication to the Ambassador or to the Foreign Office as he might think useful.

[1 paragraph (5 lines of source text) not declassified]

I am sending this memorandum only to you [less than 1 line of source text not declassified] and will count on you to arrange for any essential limited distribution in your respective empires.

McGeorge Bundy¹

¹Printed from a copy that bears this typed signature.

Source: Kennedy Library, National Security Files, Countries Series, British Guiana II. Secret.

286. Memorandum From the President's Special Assistant for National Security Affairs (Bundy) to Director of Central Intelligence Helms Washington, August 6, 1962

The President has received the message conveyed in your memorandum of August 6th, and requests that the following reply be made through *[less than 1 line of source text not declassified]*:

"The President has received the message *[1 line of source text not declassified]* and is quite willing that discussions on British Guiana be conducted *[less than 1 line of source text not declassified]*. The President would like to emphasize, however, that in his view the first object of these discussions would be to determine whether our two governments can reach agreement on their assessment of the situation in British Guiana and the urgency of taking action to improve it. The President approves of the plan to have a team of four officers come to Washington on August 14th, but he hopes that these discussions can be followed promptly by a policy assessment which will permit him and the Prime Minister to come to a clear understanding on which action can be based."

McGeorge Bundy¹

¹Printed from a copy that bears this printed signature.

Source: Kennedy Library, National Security Files, Countries Series, British Guiana II. Secret.

287. Memorandum From the Department of State Executive Secretary (Brubeck) to the President's Special Assistant for National Security Affairs (Bundy)

Washington, August 8, 1962

SUBJECT

British Guiana

At a meeting this afternoon between Mr. Johnson and Mr. Helms it was agreed that we would propose to the British a specific agenda for the talks next week on British Guiana. The objective is to bring matters to a head by forcing a consideration of political factors *[1 line of source text not declassified]*. The agenda is as follows:

1. Assessment of the situation in British Guiana. *[4 paragraphs (4 lines of source text) not declassified]*

E.S. Little¹

¹Little signed for Brubeck above Brubeck's typed signature.

Source: Kennedy Library, National Security Files, Countries Series, British Guiana II. Top Secret. A copy was sent to Burdett.

288. Memorandum From the President's Special Assistant (Schlesinger) to President Kennedy

Washington, September 5, 1962

SUBJECT

British Guiana

On September 5 a meeting was held at Mr. Moscoso's office to discuss the aid program to British Guiana. Mr. Burdett represented the State Department. The following considerations were involved:

- 1) the Administration can not be put in the position of working to strengthen a quasi-Communist regime in British Guiana-and this is all the more true in view of recent developments in Cuba;
- 2) our covert plans in British Guiana will be much facilitated [*1 line of source text not declassified*], which requires a minimum of continuing contact with the Jagan regime; and
- 3) should our covert program succeed, we would wish to be in the position of being able to give the successor regime immediate aid, which requires the completion before that time of certain economic and engineering feasibility studies. (The question of the covert program was not, of course, brought up at the meeting, but was very much in Burdett's mind when he set forth State's position.)

The conclusion, agreed to by everybody, was as follows:

a) that we should go ahead with certain economic feasibility studies as follows:

Hydro-electric economic feasibility	\$75,000
Topographic and geological survey at Tiger Hill (engineering feasibility)	150,000
DEB Highway Development	100,000

Ebini Agricultural Area (Support to UN Soil Survey- Preplanning of Land Settlements-Water Conditions)	100,000
Economic Study of New Amsterdam	60,000
Architectural Study for Outpatients Clinic for Georgetown Hospital	80,000?

This amounts to about half a million dollars. The AID bill budgets about \$1.5 million for assistance to British Guiana. Moscoso brought this British Guiana item up on two occasions before committees on the Hill this summer, and no one asked any questions about it. The feasibility studies are invisible so far as immediate impact is concerned, and if anyone heard about them, going ahead with them would be defensible in terms of congressional clearance and approval.

b) that we should postpone until mid-November the asking of bids for the test cut of the Berbice Bar at New Amsterdam. This project, which would cost \$860,000, would require a public call for bids in the US and would be highly visible in British Guiana. The feeling was that we should go ahead with the project *after* November on the ground that this would show what US aid could do if there were a government we really wanted to aid.

c) that certain engineering studies required for the DEB Development Scheme be started as soon as the preliminary economic feasibility studies are completed. These studies are necessary if we are to have an aid program ready for quick action in the event of a Jagan defeat.

Arthur Schlesinger, jr.¹

¹Printed from a copy that bears this typed signature.

Source: Kennedy Library, National Security Files, Countries Series, British Guiana II. Top Secret. Copies were sent to McGeorge Bundy and Dungan.

289. Summary of Developments

Washington, January 18, 1963

[Source: Kennedy Library, National Security Files, Countries Series, British Guiana, 1/63 5/15/63. Secret; Eyes Only. 3 pages of source text not declassified.]

290. Airgram From the Consulate General in Georgetown to the Department of State

A-250 Georgetown, March 14,1963

SUBJECT

Time and Jagan: The Consulate General's Appraisal

REF

A-249, March 14, 1963¹

[Here follows a table of contents.]

General

It seems to be generally agreed by the Department, HMG and the Consulate General that Proportional Representation (PR) as an electoral system for British Guiana (BG) represents the most practical electoral device for replacing Premier Cheddi Jagan and the People's Progressive Party (PPP) with a more democratic and reliable government. It is generally conceded that PR should be put to a referendum. The most advantageous timing for a referendum and election-in the very near future, or after a delay which may extend for as much as one year-is not so readily apparent.

Based on an appraisal of the local scene, the Consulate General believes that, unless definite action is taken, time favors Jagan. The longer the delay the more difficult it will be to dislodge Jagan and Jagan's brand of "socialism" from Government; extended delay presents the possibility of Cuba-like situation. Since it is definitely not in the best US interests to have either British Guiana or an independent Guyana ruled by Jagan's PPP, the U.S. Government should strive for an HMG decision for an immediate referendum on PR, either by itself or as a combined referendum-election.

Recent Memorandums of Conversation and other reports reaching this Consulate General indicate that HMG states it believes that the PPP government is "ragged and running down hill" and may be forced from office, either by popular uprising or a Legislative Assembly vote of "no confidence." In the Consulate General's opinion, this is unrealistic and reflects wishful thinking. Sufficient British troops are present to prevent any recurrence of the February 16,1962 disorders, even if Government were to allow conditions which would permit passions to rise as in February 1962. In view of the Guianese temperament, the possibility of a flash riot seems remote. As for a "no confidence" vote, it must be stressed that while the form of the BG Legislative Assembly is that of UK parliamentary democracy, its substance is not. On all but the most trivial of issues Legislative Assembly voting is on straight party lines. The PPP legislators are zealots, political hacks, or opportunists-or combinations thereof-in

varying degrees. Although Balram Singh Rai defected on ideological grounds (or so he now stoutly claims), he was a comparative newcomer (circa 1956) to the PPP, and has a rich wife. No other PPP legislator, except possibly Fenton Ramsahoye, appears to question the advantages of defecting. It could be that Ramsahoye, an opportunist, and possibly one or two backbenchers could be induced to defect for private gain of one type or another. However, such gain would have to be greater than the patronage and other awards which the ruling PPP can now offer. With the situation currently favoring the PPP there is no practical reason why potential defectors would bolt on their own initiative. Thus, the PPP cannot be expected to fall on a "no confidence" vote. If the Government is dissolved, it will be because Jagan believes it can effect some political advantage. Dissolution will be as a result of the ruling clique's decision.

Comments on HMG Position as Seen from the Consulate General

The UK will have no major political interest in an independent Guyana, although comparatively small-by British standards-commercial investment will remain. HMG wants to shed BG quickly, consistent with as graceful a departure as possible. The private views of one Colonial Officer seem to stress more the awkwardness of an Order in Council for PR than its utilization to remove Jagan.

It appears that for most of the last decade it has been the British approach to present the Guianese situation as one which, while neither tranquil nor in the best free world interest, is not as serious as might be supposed.

In 1953 HMG believed that the various actions and declarations of the PPP government demanded suspension of the Constitution and the internment of some PPP leaders, including both Jagans. A subsequent White Paper stated that this was necessary since the PPP was attempting to establish a communist state. In the late 1950's it became HMG policy to consider Cheddi Jagan and the majority of the PPP hierarchy as neither communist nor particularly bloc oriented. Rather, they were considered misguided and politically immature. There was no firm evidence to indicate a change of PPP philosophy, although the Party became somewhat less blatant in its support of communism and communist causes. This may have been due to the leaders' honest, albeit unstated, change of heart. However, given that the Party has maintained and even increased its bloc contacts, the evidence would indicate that the PPP hierarchy realized that, even though the largest political grouping, it would be impossible to head any pre-independence government without British tacit approval. Hence, the softening of the public line. The UF has given wide circulation to what is purported to be Cheddi Jagan's "Secret Address to the 1956 Party Conference." The text states that until 1953 the Party "committed deviations to the left" which had to be corrected due to the need for a "flexible and well considered policy" (allegedly a quote from Stalin). Whether the speech was Jagan's or an excellent fraud has never

been ascertained. However, PPP policy certainly corrected the "deviationism to the left" in its public approach (excluding its continued strong support for Castro), although, as noted, there was no decrease in communist ties. At the risk of oversimplification, there appear to be four possible explanations for the British approach during the last decade.

- 1) Self-deception, based in part on the subconscious recognition that HMG had failed to instill basic democratic principles in some of BG's major political figures, or to create a viable economy.
- 2) An effort to delude the US, "temporarily," until such time as HMG had evolved a solution which would allow withdrawal with some degree of dignity, and without US Government pressure or criticism.
- 3) A combination of 1 and 2, based upon HMG's inability to recognize the need for actions which might be embarrassing internationally.
- 4) They are instinctively correct.

The current HMG position seems to be one of outlining the administrative or parliamentary problems involved in proposing PR, on the assumption that Jagan will somehow, sometime soon, disappear due to his own incompetence. This approach appears to avoid the unpleasant reality that few Governments fall through stupidity. Jagan might not possess "nimbleness of intellect" but he is sincere to his own ends. Janet Jagan and some of the men surrounding her can probably provide the intelligence needed to keep Cheddi propped up.

US Interest in a Solution for British Guiana

Granting that spheres of influence exist, an independent Guyana will be within the US sphere. It is not in the national interest to have a communist government on the mainland of South America. An independent Guyana with Jagan and the PPP in office represents such a threat and as such should be removed.

Politically, Jagan remains firm under the status quo and may well be improving his position. The Civil Service, the Ministries, government corporations and the public information media are all being used to PPP advantage. By what could be described as "administrative subversion," PPP actions are eroding the principle of a democratically oriented government with an a-political Civil Service. Economically, BG's position is worsening but Jagan may well be able to avoid any serious government financial crisis. The longer the delay in firm action which will remove Jagan, the greater must be the eventual US efforts required to correct the damage. If undue delay results, at best it will be most difficult to unscramble and re-assemble the Guianese egg; and at worst a communist state will be established.

The Need for Strong Efforts Now to Attempt Forcing HMG Action on PR

Failure to act quickly provides Jagan a chance to assume the initiative. For example, if the present situation continues he might demand new elections under first-past-the-post. With the existing electoral districting, he would probably win a majority of seats. This would permit him to present a "fresh mandate" for independence, without PR.

Lack of action probably provides the PPP with a morale boost and simultaneously tends to dishearten further the opposition.

The presence of a British army battalion makes the possibility of renewed mass urban disorders most unlikely. Also, having learned its lesson in January-February 1962, the government can take preventive action to avoid creation of the tension-filled situation which preceded February 16, 1962.

A British Labour Government could be expected to be more inclined to grant independence under the existing government than would a Conservative one. Therefore, US actions should be taken while the UK Government of the moment could be expected to be more receptive to the PR concept.

Two Areas of US Action

1. At appropriate levels, efforts should be intensified to create a greater British awareness that, although it may be temporarily unpleasant and awkward, a PR decision should be quickly implemented. A new PR election would probably force Jagan from office, lead to some revitalization of internal economic activity, speed the date of independence and allow time to correct and eradicate communist influences. If, conceivably Jagan wins a PR referendum, it would force recognition that he would probably head an independent Guyana, at which time other measures could be considered.
2. The US should be able to develop better information on political parties in BG. The Consulate General has fairly reliable sources within the PNC, fewer and less good contacts in the UF, and virtually none in the PPP. Information provided by the British-for whatever reasons-is inadequate and unsatisfactory. This gap in basic data should be filled.

The Current Scene

A. Political Factors

In British Guiana, as elsewhere, domestic politics requires full-time devotion and is not a field to be cultivated only before an election. The PPP (or at least the Janet-Benn-Bhagwan core) recognizes and exploits this far more effectively than do the opposition. In so doing, the PPP has the tremendous advantage of being the party in power.

After an initial period of inactivity following the failure at London the PPP has resumed full-scale politicking. Party leaders, including the Premier (but apparently not Janet), are constantly in the country and often in the urban centers. The PPP approach continues to be that immediate independence-without PR-means economic advancement, that colonialism and "big business" are the causes of BG's lack of progress and that growth under "socialism" can only be accomplished by the PPP. When the question of communism is raised, the Party equivocates although after several months of silence on Cuba, it is returning to somewhat cautious praise for Castro. Strong organizational efforts continue among youth and women through the PPP, the PYO and the PWO.

The PPP continues to infiltrate all levels of the bureaucracy. In the main, the Civil Service, while probably opposed to Jagan as individual voters, is still a-political. However, as the older civil servants retire or resign, they are being replaced by either Party supporters or bureaucratic nondescripts. In some cases, PPP watchdogs are placed in government enterprises as rewards to the faithful and as implied threats to the others. New government units, such as the Central Planning Division, are staffed with handpicked native or expatriate personnel, who-whatever their other qualifications-are selected for their compassionate views toward the PPP. Plans for a National Army continue and it is believed by many locally, including the Consulate General, that PPP/ PYO cadres, including those now in Cuba, will play a significant role. While great emphasis has been placed on the Army's multi-racial character, it will be difficult if not impossible to ascertain the political philosophy of future troops. The same may be the case for the BG Volunteer Force (militia). Several months ago, an expatriate police officer remarked that a considerable number of East Indians had suddenly come forth expressing a desire to join the Volunteer Force with the identical reason: "to serve my Queen and Country." The officer assumed that they had been ordered to join by the Party.

In the meantime the PPP appears to be accepting some salary and fee kickbacks from government coffers to help support the party. All ministers of government are obliged to contribute BWI\$100 from their monthly salaries of BWI\$800. Mooneer Khan, Chairman of the Rice Marketing Board, is understood to be taking kickbacks on the sale of rice bags, although who gets the money is unknown. The PPP also receives whatever profits (or other funds) are forthcoming from Guiana Import-Export and the New Guiana Corporation. While the PPP may or may not be receiving funds directly

from the bloc, it is most certainly in a better financial position than either the PNC or the UF.

The PPP Government is effectively using the public information media to strengthen the Party hold on BG. By law Government is entitled to free radio time for informational purposes and much of this is being effectively utilized for Party interests. Despite some sniping, Jagan's weekly press conference is little more than a propaganda forum which is rebroadcast twice over the weekend. It is accepted practice that the tape is edited before release. Other Government Information Services press releases and programs exhort Government's deeds, with particular references to PPP ministers or the accomplishments of socialist (never communist) countries.

Although the broadcasting company is privately owned, it is under strict corporate injunction not to antagonize the government. This is carried to such an extreme that local news reports do not mention Legislative Assembly debates which are critical of Government. Scripts (including USIS material) for such programs as "Viewpoint" are vetted to ensure that they will not "embarrass" Government.

On the press side, the PPP weekly *The Mirror* (printed on Cuban confiscated US presses given to the PPP) is becoming consistently more newsworthy since it has private access to ministerial decisions. It is rumored to become at least a bi-weekly shortly. The other papers are ineffective as sources of anti-government news. *The Evening Post*, and its Sunday edition, *Argosy*, exist on a shoestring. Circulation is down, bills are up. Content is mainly boilerplate and the small amount of local reporting is devoid of intelligent, or even particularly factual, presentation.

The *Chronicle* is so rabid in its attacks on the PPP government that at times it almost assumes an anti-East Indian bias in some of its stories. It has no special reputation for accuracy. Worse, it is ineffective. The expatriate-owned *Guiana Graphic*, like the radio stations, follows such an a-political course in working with the government of the moment that at times it appears to be pro-government.

Probably to ensure that it becomes even less of a threat, Government has announced that a Press Council will be established. When queried, Jagan said initially the Council will not have punitive powers, although these might be subsequently necessary.

Through Government the PPP is also effectively creating the groundwork for greater control over education. To cite two examples: creation of a University of Guyana and withdrawal from UWI; release of the long-standing Board of Governors of a major government high school after it had refused to allow the PPP to use the school for a political meeting. A new board is to be named.

All these activities are indicative of the degree to which the PPP is spreading tentacles into Guianese life. All will become increasingly more difficult to eradicate the longer the Party is in office.

The situation might be ameliorated if the political opposition showed signs of increasing its effectiveness but if anything the reverse seems to be the case.

PNC organizational activities appear to be almost non-existent. Most of the PNC effort seems to be directed toward its signature campaign for a PR referendum. However, the fact that the campaign continues well past the original closing date in January indicates that it is not going well, despite recent UF support. A certain amount of time is spent by Burnham and others exhorting the faithful in Georgetown and (once) in New Amsterdam but there seems to be little PNC activity in the rural areas, sections which will become particularly important if PR becomes a reality. Far too often the PNC attacks Jagan for courting the rural areas at the expense of the urban. While this may serve as a sop to the PNC urban supporters, it only tends to alienate further the rural voter.

While the PPP obviously courts and actively recruits youth with Freedom House lectures, strong influence at ITABO, scholarship offers and the prize of a college degree through the University of Guyana, as far as can be determined the PNC is doing little if any proselytizing among this group. With some 6,000 school leavers a year searching for opportunities, the PNC either through ignorance or indolence is overlooking a significant segment of the potential electorate.

The United Force is probably losing much of whatever appeal it may once have had for the non-white, non-Amerindian voter. After 2 years, Peter D'Aguiar has failed to develop any political intelligence and the UF is merely his political reflection. Instead of attacking Government on the selected well-documented evidence which abounds, the UF tactic is to swing against the PPP with wild charges, while making the most preposterous of claims as to what it would accomplish in office (i.e., \$500,000,000.00 of new foreign investment). As noted, the *Chronicle* has become little more than a daily political rag, and one which unfortunately often is almost anti-East Indian in tone as it attacks Government. Equally bad is the *Chronicle's* habit of printing foreign source information about BG which it knows to be misleading, if not patently false. To cite one example: the *Chronicle* printed US columnist Victor Riesel's story on BG starting with a lead sentence to the effect that the US and UK had forgotten "abandoned" Atkinson Field, but the Russians had not. A quote of Janet's supporting the Berlin Wall, later verified, was buried in the story but was generally discounted locally.

UF supporters may be losing heart. Ann Jardim, the only UF leader with any sense of political realities, has been ailing, is discouraged, and considering leaving the colony. The UK Entry Certificate Officer (i.e. visa man) commented privately that many of the middle and upper classes (from which the UF draws the bulk of its support) have taken out departure insurance in the form of UK entry certificates. Thus, in its initial electoral bid in August 1961 the UF, as presently oriented, probably gained as large a percentage of the electorate as possible. Its total voting strength could well decline as time passes. The only group which will remain firm is the numerically small Amerindian, who can still be controlled by Melville, with an assist from the Church.

A PNC-UF working arrangement might be possible with a combined electoral majority under PR-if only to keep Jagan out. However, a PPP-PNC coalition is possible if Burnham believes the chances for a PR referendum are fading.

Balram Singh Rai has been inactive politically for the last few months and there has been more speculation recently in the US and UK than in BG on his political future. Whatever electoral potential Rai may hold or be expected to gain, either by himself or in conjunction with other center-left personalities or the UF, is yet to be tested. However, the longer the status quo, the farther from public awareness Rai will be. The Consulate General would hazard that there are two basic criteria for Rai's motivation; a specific electoral target and, possibly, financial support. Public moral support might also help.

Thus, on balance, the PPP is strong and working to solidify its political position. As the party in power, it recognizes all the advantages this carries. While it cannot yet fully implement its policies, it can create the understructure needed to do so on short notice. While its ability to conduct foreign affairs is proscribed, it has started to sever its traditional West Indies ties, and to commence initial ("economic") ties with the bloc. Against this background the political opposition, which lacks motivation, seems to be becoming somewhat less effective.

B. Economic Factors

Jagan's government potentially is weaker on the economic side than on the political. There are two issues, the general status of the internal economy and the particular weakness of the government's financial position.

The internal trade sector remains bad. Imports do not appear to have risen and inventories remain down. However, these factors affect the urban areas, particularly Georgetown, far more than the rural. Even if conditions do not improve there will be little adverse effect on Jagan's electoral popularity. While some urbanites may work more actively against Jagan, others show signs of surrendering and leaving BG. In any

case, it is well known that Jagan's urban voting strength has been negligible. These factors tend to cancel each other - excluding the very remote possibility of a sudden, truly spontaneous riot in the comparatively brief time before British troops could be mobilized.

The export market is good. Bauxite workers are the highest paid in the colony, have reasonable job security by local standards and continue to support the PNC. The sugar workers support Jagan politically, although the anti-PPP MPCA represents them on trade union matters. Currently, MPCA is negotiating a new contract and another "once for all" bonus. While a strike may develop, the ultimate result will be some sort of bonus and possible increased daily wages and fringe benefits. Any dissatisfaction at the settlement will probably be generated by the Guiana Agricultural Workers Union (formerly BG Sugar Workers), the PPP union which is attempting to depose MPCA. GAWU will claim, regardless of what MPCA gets, that they could have done better had they possessed bargaining rights.

Rice could be Jagan's major weakness over a long period. While crop expectations for 1963 are excellent and the price to farmers has improved, at present the 26,000 ton Trinidad market may have been lost. Also, Cuba will absorb only some 15,000 tons in 1963, instead of an expected 36,000. There could be a considerable surplus. Also, through mismanagement and entanglement in bloc arrangements, the Rice Marketing Board may be in serious trouble. The Consulate General's A-242 of February 21, 1963² explores this in some detail, and notes the possible effects of Jagan's electoral popularity.

Government's financial position presents the greatest potential weakness for Jagan, although not necessarily a fatal one. The 1963 Recurrent Budget predicted a major increase in imports over 1962 and a BWI\$4.5 million revenue increase through new taxes and the increased tax rates. If Government is overly optimistic about these levels, a financial crisis is possible. While it could incur some deficit spending and draw down its General Revenue Balance (reserves which were only \$3.4 million at the end of 1962), there still could be insufficient funds to pay the Civil Service. Any work stoppage could be considered the "grave emergency" needed by the UK to suspend the Constitution.

While the potential for a financial crisis is present, there are three possibilities which could forestall it:

- 1) When a similar situation arose in 1962, the UK rescued the Government with a vitally needed short-term loan. The British might well do so again to avoid the charges that one of their colonies faced financial difficulties resulting from colonialist rule (and the lack of independence).

In late 1962 the Governor, Sir Ralph Grey, stated privately that the UK was unwilling to allow Jagan to wreck the country financially, even if this demanded saving the PPP government. It would be most interesting to know what the UK would do if BG again faced the problem.

2) If a crisis threatened, the Government could request the large expatriate firms to pay immediately all or part of their 1963 taxes (due in 1964). The expatriate firms, who must attempt to work with the government of the day, would not refuse such a request. This device, utilized in other countries, might provide the Opposition with some political ammunition, but the danger is far less serious for Government than a financial breakdown.

3) A quick local loan might be floated. Ordinarily such a loan in BG at this time would be badly undersubscribed. However, if the bloc decided to risk a comparatively small sum for future gains, it could channel funds either through Guiana Import-Export or the New Guiana Corporation, who could then subscribe all or part of the loan.

The Threat of Jagan Out of Office

The argument has been entered, particularly by HMG, that Jagan out of office is more dangerous than Jagan in power, particularly while BG is a colony. This is not valid. Admittedly, Jagan would attack the existing government, the "colonialist-imperialist" group, the West and big business. He would also preach his various themes on the need for bloc ties. However, in power, *as he is now*, he can, and does, follow this approach with a minimum of restraint while entrenching the PPP and laying the framework for even closer bloc connections. The point that Jagan out of office might resort to violence should not deter efforts to remove him; appropriate common criminal action can always be initiated-provided his removal precedes heavy concentrations of the PPP in civil and (proposed) military organizations.

US Long Term Objectives

The immediate objective is the replacement of the PPP in office. A long term objective should be to impress upon the average Guianese the desirability of a democratic government oriented to free world philosophy and objectives, as well as to the dangers of bloc ensnarement.

The need for this immediate objective is outlined in this paper. Parts of the longer term goal, once this is accomplished, can be considered through USAID and USIS programs. In addition, the Consulate General will shortly present an outline of several

projects which, after PPP removal, may be effective in discrediting Jagan with some of his supporters.

Conclusion

Continuation of the status quo permits Jagan to consolidate his gains in establishing PPP domination over all facets of BG life. To the degree which the US Government and HMG fail to move to counteract this trend, they are providing implicit support for his rule. Such support is dangerous.

EK Melby
American Consul General

¹Not Printed. (Ibid.)

²Not Printed. (Ibid., 741D.00/2-2163)

Source: Department of State, Central Files, POL, BR, GU. Secret; Limit Distribution; Noform. Repeated to London. Drafted by Rosenthal.

291. Memorandum of Conversation

Washington, March 20, 1963, 4 p.m.

[Source: Department of State, Central Files, POL BR GU. Secret. 2 pages of source text not declassified.]

292. Letter From Premier Jagan to President Kennedy

Georgetown, April 16, 1963

DEAR MR. PRESIDENT, It will be recalled that as a result of my talks with you and US Government officials in October 1961, ¹ your Government in response to my request for aid, undertook to take the following steps:

- (i) To provide as early as possible in consultation with the British Guiana Government, and unilaterally or in cooperation with Hemisphere organisations, economists and other experts to assist the Government of British Guiana to bring the most modern economic experience to bear upon the reappraisal of its development programme.
- (ii) To provide technical assistance for feasibility, engineering and other studies concerning specific development projects.
- (iii) To determine as soon as possible after the steps mentioned in paragraphs one and two, and on the submission of suitable projects within the context of the British Guiana Development Plan, what assistance the US can give in financing such projects, taking into account other US commitments, available financial resources, and the

criteria established by applicable legislation.

(iv) To expand its existing technical assistance.

2. In the period since my visit, US technical assistance has been expanded, and feasibility and engineering studies for certain specific development projects are in train. On the other hand progress with the reappraisal of the development programme has been far less satisfactory. Following on the cancellation of its proposed visit early in February, the Economic Planning team led by Mr. Harry G. Hoffman eventually visited British Guiana in May of last year. It is now very nearly a year since the visit of that mission but I have so far been unable to obtain any certain information regarding the progress of its report. (It is understood however that when the AID Desk Officer visited British Guiana two months ago he stated in a newspaper interview that the Mission's report had then been sent to the printers.) I am naturally anxious about the fate of the Hoffman report as it appears that US assistance in the financing of development projects is conditional on the completion of it.

3. My request for aid in October 1961 was only the latest request of the many made over the years for US assistance with development projects. Early in 1958, an application was made to the Development Loan Fund (DLF) for aid for financing road and drainage and irrigation projects. I visited Washington in the summer of 1958 and 1959 and held talks with officials of the World Bank and US Government Agencies. At a meeting with State Department officials in 1959 in Washington, I was told that a sum of about \$6 to \$8 million (US) would be made available to my Government toward the cost of the construction of an interior road from Parika to Lethem. Such aid did not in fact materialise. A request was also made to the Commodities Division Office of International Resources in the State Department to see if this country's imports of flour and stock-feed from the USA (\$3.5 million US per annum) might be given under United States Public Law 480 and the proceeds of the sale used for development projects. This request was turned down as it was explained that any assistance under the law must be over and above the existing volume of imports. The Export-Import Bank was then asked to assist with the financing of equipment for a flour mill and a feed mill but the response was not encouraging.

4. At one stage a USAID official in British Guiana indicated that economic assistance might be forthcoming for a Land Reclamation Project (the Tapacuma Drainage and Irrigation Scheme). But later, when the Project Report was ready my Government was informed that assistance was not likely to be available because of possible Congressional objections to a scheme which would be solely devoted to the cultivation of rice, a commodity of which the US had a large surplus.

5. An application to the Export-Import Bank in June 1961 for rice milling equipment-cleaning, drying and storage - amounting to about \$2 million BWI has not yet been considered.

6. It will thus be seen, that leaving technical assistance aside, valuable though such assistance is, my efforts to obtain US assistance have so far yielded little material result. It was against a background of growing unemployment and lack of adequate overseas assistance that I resolved on my return to British Guiana from the USA in November, to embark on a programme of fiscal reform designed to mobilise local resources for development. I was encouraged in this step by the fact that the criteria for AID assistance appeared to stress self-help efforts by the less developed countries themselves. I had noted that it had been stated in the Summary Presentation of an Act for International Development, 1961 (page 14) that the major areas of self-help include "The effective mobilizing of resources. This includes not only development programming, but also establishing tax policies designed to raise equitably resources for investment; fiscal and monetary policies designed to prevent serious inflation; and regulatory policies aimed to attract the financial and managerial resources of foreign investment and to prevent excessive luxury consumption by a few."

7. Unfortunately this self-help or austerity budget was used as an excuse for disturbances inspired by opponents of the Government. These disturbances have since been thoroughly investigated by a Commonwealth Commission of Inquiry and it is worth recording the views of that Commission on the Budget: "It will be seen" stated the Commission on page 15 of its report "that there was nothing deeply vicious or destructive of economic security in the budget. It had been drawn up on the advice of an experienced economist, who could not be said to have any Communist prepossessions. The budget won immediate approval from many persons. *The New York Times* said in an editorial that the budget was courageous and economically sound. The *London Times* in a leading article observed 'The immediate problem for the Prime Minister, Dr. Jagan, is how to win some acceptance for his economic proposals which are courageous and certainly not far from what Guiana must have.' Sir Jock Campbell, Chairman of Booker Bros., the largest industrial and agricultural concern in British Guiana, said 'It clearly was in intention a serious attempt by the Government to get to grips with the formidable economic problems of the country by a hard programme of self-help. It was radical-what have the people of British Guiana got to be conservative about-but not confiscatory.' Senator Anthony Tasker, Chairman of Bookers Group Committee in British Guiana, gave his own opinion about the budget by saying 'We assessed it as a realistic attempt to grapple with the economic problems of British Guiana.'"

8. I venture to suggest that an objective consideration of these Budget proposals and the overall programme of my Government leads to the conclusion that they meet, to a

high degree, the criteria which have been laid down by your Government for disbursements under the Alliance for Progress:

(a) Long range plans based on the application of programming techniques must be drawn up for both private and public sectors:

My country as compared with many under-developed territories has had a comparatively long history in the planning of economic development. A development programme prepared as long ago as 1948 by the then Economic Adviser to Government the UK economist Col. O.A. Spencer, introduced ideas which later influenced planning within the Caribbean region and exercised a considerable influence in other British colonial territories. In 1952-1953 a Mission from the World Bank considered afresh and reported on the problems of the economic development of the territory. Then in 1959 a Cambridge University Economics Don, Mr. Kenneth Berrill, at the request of my Government, advised on the preparation of the Development Programme which is now in progress. My Government has also had from time to time the benefit of the advice of many distinguished economic experts who have visited for short periods. It will thus be seen that the Hoffman Mission is only the most recent study of our economic problems.

(b) The fiscal system should be reformed both in order to increase the level of tax revenue in relation to national income and to make the tax structure more progressive. At the same time the machinery for the collection and assessment should be completely overhauled:

This was what the budget of 1962 mainly sought to do. It is also to be noted that this budget reflects the major conclusions reached at the Conference on Fiscal Policy held in Santiago, Chile last December and which was attended by fiscal experts from all over the Americas. In a release made in Washington by the Pan American Union Secretariat of the Organisation of American States it was stated among other things that it had been agreed that the reform of Latin American tax system should include progressive personal income tax which included the taxation of capital gains both on mobile and immobile property, complemented by a net wealth tax where feasible and the strengthening of a system of inheritance and gift taxation. Those recommendations also envisaged the establishment of an objective and coordinated system of tax administration-all features of my 1962 Budget. This budget also proposed a number of measures including Pay-As-You-Earn which were calculated to improve the efficiency of tax collection and to prevent tax evasion. Although certain of the budget proposals were subsequently withdrawn the present position is that all the fiscal requirements mentioned have been met.

(c) Measures should be instituted to increase domestic savings and these should be applied to productive investment:

The budget already referred to introduced a National Development Savings Levy. Under this scheme, persons earning more than \$300 a month (a better than middle class salary) are asked to contribute 5% of that part of their incomes above \$300 to a National Savings Scheme. The scheme also applies to companies which contribute 10% of their income before tax. The monies which accrue in this way are safeguarded by being directly chargeable on the revenues and assets of the country, and are being put into development fund and drawn upon for the financing of concrete and high earning schemes calculated to have an immediate impact on development, especially in the urban areas.

(d) Certain basic social reforms must be implemented such as the breaking up of large latifundia-the old plantation type economy-for the purpose of distributing unused or under-utilised land to peasants who will be required to put the land to good use:

Since 1957, my Government has succeeded in persuading the foreign owned sugar companies to release some of their non-utilised lands leased from the Crown. Attempts are still being made to secure additional lands for use by individual farmers. The distribution of unused land to individual farmers is one of the objectives of my Government and has been pursued constantly. Nevertheless, the problem in this country is not one of maldistribution but of lack of financial resources to bring undeveloped land into cultivation.

(e) Development programmes should lay as much stress on improving the quality of the people, for example by expenditure on education and training, as on increasing the stock of physical capital:

My Government is now embarked on an educational programme which aims at promoting a national system of education which will provide all Guianese with the opportunity of developing their educational and personal potential and of sharing in all the educational facilities available regardless of race, religion or economic circumstances. To this end the educational system is being reorganised-so as to provide for secondary and university education, after the pattern of your own country, for all who can benefit from it. My Government has also gone a long way towards providing health facilities throughout the country and a start has been made in certain areas on the provision of free medical services for the people.

(f) Democratic regimes in Latin America should be encouraged:

I have achieved power in the political life of my country by virtue of three successive General Elections which my Party won. I have often stated and now wish to re-affirm my adherence to parliamentary democracy by which I recognise the rights of opposition parties, freedom of speech, freedom of worship, regular and honest elections, an impartial judiciary and an independent public service. The draft constitution which my government proposed for an independent Guyana specifically provided for the protection of the rights of citizens by the Courts of Law along the lines enshrined in the US Constitution and moreover provided for the impartial conduct of elections and the review of boundaries of constituencies by an Electoral Commission. On this point may I venture to remind you of remarks ascribed to you in a USIS release of the 7th December, 1961. In the course of your interview with the Editor of Izvestia you are reported to have said ". . . the United States supports the idea that every people should have the right to make a free choice of the kind of Government they want . . . Mr. Jagan . . . who was recently elected Prime Minister in British Guiana is a Marxist, but the United States doesn't object because that choice was made by honest election, which he won."

(g) Aid should be guaranteed over the period of the plan:

I have long supported this idea as it is only on this basis that the Government of any under-developed country can plan development on sound lines.

Trade Policy:

9. As the trade policy of my Government and its attitude to private enterprise has been widely and deliberately misrepresented in the USA I should like to deal briefly with these subjects. I am aware that the thinking which inspired your Act for International Development recognised the trade problems of the less developed countries. Thus on page 25 of the Summary Presentation already referred to, it is stated inter alia:

"Export capacities of most of the less developed countries are limited. In many cases, especially in Latin America and Africa, exports are heavily dependent on one or two primary products of either agricultural or mineral origin. For most of these products, world markets are expanding only slowly. The prices of these products are subject to volatile fluctuations which greatly affect the exchange available to producing countries. In some instances, there appears to be a long-range trend for prices of primary commodities to fall in comparison with the prices of the industrial goods for which they must be exchanged. Moreover, the advance of science and technology presents for some commodities the prospect of displacement by synthetics (as had happened in some measure for rubber) or competition from substitutes."

It is these considerations which compel nations such as my own as a matter of economic necessity to seek markets or capital equipment wherever they may be obtained most advantageously. Such trading arrangements do not mean however that my Government has become part of any international conspiracy.

Attitude to private enterprise:

10. My Government is committed to a mixed economy in which private and public enterprise would exist side by side as is the case with India. For reasons inherent in the nature of this country, my Government must enter as quickly as possible into the industrial sector of development, either alone or in joint ventures with private enterprise. It is however the policy of my Government to give protection where necessary to new undertakings both public and private, in order to make them viable and competitive.

11. The expropriation of private property is not in my government's programme. The provisions for safeguarding the Fundamental Rights in our present Constitution and in the Constitution for an independent Guyana will provide adequate protection for private property.

12. On nationalisation, no Government can tie its hands but it is not our intention to nationalise the bauxite and sugar industries. I am also prepared to guarantee that if any private enterprise should be nationalised there will be adequate and fair compensation to be decided by the Supreme Court of Law in cases of dispute as laid down in the Constitution.

13. A United Kingdom Trade and Industrial Mission led by the English Industrialist Lord Rootes, which visited British Guiana in 1962 concluded that:

"On the political front, there is no exceptional risk to be faced by industry in British Guiana beyond that of nationalisation inherent in any socialist country. It must be said also that sound reasons can be found in the condition of the country for Dr. Jagan's concept of a mixed economy with the Government providing some of the initiative in development."

14. Again as recently as March this year, Sir Jock Campbell, Chairman of Bookers Bros. McConnell and Company Limited, a group of companies which represent one of the large investments of private capital in this country, while on a visit stated that he saw no danger of a Communist dictatorship being established in British Guiana. He was confident that the Premier, Dr. Jagan had no intention of setting up such a dictatorship and further, that the conditions were not present in British Guiana to make a communist dictatorship viable. "I do not believe," Sir Jock Campbell said,

"that there is a corrupt Government now in British Guiana against which the people will rebel and I do not think that the people can feel that they will be better off if there was a Communist Government." He added, however, that he did not think the people of British Guiana would vote for a Government whose stated policy was to pander to private enterprise.

15. In my country, we are now embarked on the creation of a just society based on the ideas and forms most suitable to the needs of this country and which would enable its citizens to develop themselves to the full in a free country. We have nothing to hide. Because of hostile, uninformed and unsympathetic speeches and comments made in the US Congress and press, I have already invited through your Consul General in Georgetown, members of Congress and of the press to visit from time to time. Such visits would be welcome. I cannot but think that the American people who first began that revolution in social and political thought which still moves our world will find sympathy with the ideas and aspirations of my people and Government.

16. As I am sure you are aware, a Government such as mine has inherited the problems of poverty and under-development which are characteristic of colonial territories. To these problems have been added the problem of a high post-war population growth. In the face of growing unemployment and all that it means in discontent and the waste of human resources, the political Opposition and other local leaders hostile to the Government have openly charged that US assistance will not be forthcoming once my Government remains in office. The long delay in the completion of the Hoffman Report has tended to lend substance to this charge. In addition, the Trade Union Congress which on the whole aligns itself with the political Opposition has recently announced that it has been able to arrange substantial assistance for a housing scheme through the American Institute for Free Labour Development, a body which, one senior local Trade Union Official stated in a broadcast, derives the major part of its funds from the Agency for International Development. Earlier a generous Scholarship Scheme announced by the US Consul General had apparently been designed to bypass my Government which had not been notified or taken into consultation.

17. These are only the most recent of the series of events which have created the impression that your Government is unwilling to assist the presently elected Government of this country and has served to embolden the Opposition to embark on irresponsible courses which are aimed at the forcible overthrow of my Government and which are likely to undermine the future of democratic government and the maintenance of peace in this country.

18. Thus, US citizens, Dr. Schwartz and Dr. Sluis openly interfered in the domestic affairs of the country during the 1961 election campaign when they supported the

Defenders of Freedom and the United Force. They later admitted spending the sum of about \$76,000 BWI during this campaign. (It is to be noted that Section 53 of Cap. 57-the Representation of the People Ordinance 1957-limits the expenses which may be incurred by a candidate to \$1,500 and there were only 35 seats.) Dr. Sluis visited British Guiana six times between 21st February, 1961 and 26th April, 1962, including a two-month visit just prior to and during the 1961 Elections.

19. You will recall that I complained to you about the activities of US Government Information Services during the 1961 election campaign when film shows were held at street corners. The USIS had never before arranged for such shows in the public. These film shows highlighted anti-Castro and anti-communist propaganda. It happened that this line of propaganda coincided with the smear campaign then being conducted against the Government by the Opposition.

20. While no economic assistance was given to the Government, the impression was and is still being created in the country by Mr. Peter D'Aguiar and the United Force that they will be able to secure substantial financial assistance from the US Government. During the election campaign the United Force cited a figure of one billion dollars, half a billion dollars as loans to the Government for "infra structure" development and half a billion for industrial development by private US investors. So far as I am aware, these statements met with no denial from your Consulate General or any other US official.

21. Press reports had stated that Dr. Claude Denbow, President of the League of Coloured Peoples and close associate of the People's National Congress had contacted, during a visit to the USA immediately prior to the 1961 August elections, a group of prominent Guianese professional men now resident in New York, some of whom had interviews with State Department officials at which, it was reported offers of assistance were made to help the Opposition to "liberate" British Guiana from my Government.

22. Since the elections it appears to be the policy of the United States State Department to refuse visas to members and known supporters of the governing party, People's Progressive Party, who wish to visit the United States. This has been the case even with well known and eminently respectable members of the business community.

23. I cite these observations because I share your deep concern not only about the problems of world poverty but also of the growing tendency of the usurpation by reactionary elements of the democratic rights and liberties of free peoples. I am sure you would not want it said that in British Guiana, the objectives of your administration were not being realised and fulfilled.

24. In the light of the points made above I shall be grateful if urgent consideration may once again be given to the question of what assistance may be made available for the financing of development projects.

25. I have noted that you have been able in spite of the heavy burden of your office to visit a number of Latin American countries, so as to meet their people and to find out at first hand about their problems. I am aware that my own small country must rate low on the scale of priorities, but my Government nevertheless wishes to invite you to visit this country as soon as may be convenient to you. In the meanwhile my Government wishes to invite your personal aide, Mr. Arthur Schlesinger Jr. who I understand has been entrusted with the study of the problems of this country to visit us as soon as possible.

Yours sincerely

Cheddi Jagan

¹See [Documents 259](#) and [260](#).

Source: Kennedy Library, National Security Files, Countries Series, British Guiana III. Secret. Transmitted to McGeorge Bundy by Brubeck on May 18 under cover of a note that indicates an advance copy of the letter was sent to the White House on May 1 and that the Department of State would submit a recommendation concerning a reply as soon as possible.

293. Memorandum for the Record

Washington, June 21, 1963

SUBJECT

White House Meeting on British Guiana

ATTENDANCE

The President
For Department of State: Messrs. Rusk, Johnson, and Burdett
For AID: Mr. Bell
For the White House: Messrs. Bundy, Dungan, and Kaysen
For CIA.: Messrs. McCone and Helms

1. The meeting opened with a briefing by Helms on the current situation in British Guiana. *[2 lines of source text not declassified]* and the hard position being taken by Jagan in the negotiations for a return to work on the part of the TUC.

2. There followed a discussion of the AID aspects of a paper submitted to the President entitled "Instructions for Official Level Talks with UK on British Guiana". Rusk and Bell pointed out that we were proposing financial support to British Guiana which was significantly in excess of anything given to a country of comparable size under the Alliance for Progress. There was some comment about the resentment this might cause in Latin America, but it was clear that the President was prepared to accept unfavorable reaction if the United States Government was able to secure a favorable resolution of the political problem in British Guiana, *[less than 1 line of source text not declassified]*

3. The meeting turned to a general discussion of the President's scheduled talk with Macmillan at Birch Grove. It was clear that the President regards British Guiana as the most important topic he has to discuss with the Prime Minister. There was some debate as to the desirability of inviting Duncan Sandys to Birch Grove since he is a significant figure in any decisions which HMG may take. Rusk indicated that he would be better able to advise the President after he had met with Sandys and Home a day or two earlier.

[2 paragraphs (11½ lines of source text) not declassified]

6. This meeting clarified the significant extent to which British Guiana has become a major policy issue between the United States and Great Britain.

Richard Helms¹ *Deputy Director (Plans)*

Attachment²

British Guiana-Points the President might make to Senator Fulbright

1. Call his attention to the statement on June 20 by Mrs. Janet Jagan, Minister of Home Affairs in charge of Security-British Guiana will establish closer relations with Russia and Cuba when it becomes independent. British Guiana Government is "deeply grateful" to Fidel Castro's Cuba for "helping us out when we were stuck."

2. The British have in fact supported the Jagan Government during the current strike. For example, the Cold Stream Guards were used to guard Cuban ships which arrived carrying food and fuel to break the strike. They also guarded the loading of a Russian freighter.

3. We understand that additional Cuban ships are on their way.

4. The strike was called in protest against a labor relations bill introduced by the Jagan Government which would have given the government control over the British Guiana labor movement. The strike has been supported by labor organizations in the US, UK, and the Caribbean.

5. Colonial Secretary Sandys stated in the House of Commons on June 18 - "The struggle is now more political than industrial and it has become clear the two sides are evenly balanced." He then urged the people themselves to work out a widely acceptable settlement of the dispute. This is not only a misrepresentation of the nature of the strike, but illustrates the unwillingness of the UK to cope with the Jagan Government.

¹Printed from a copy that indicates Helms signed the original.

²Confidential.

Source: Central Intelligence Agency, DCI/McCone Files, Job 80-B01285A. Secret; Eyes Only. Drafted by Helms.

294. Telegram From the Department of State to the Embassy in the United Kingdom

Washington, June 21, 1963, 7:03 p.m

6918. Eyes only for Ambassador Bruce from the Secretary. President wants you to know high importance he and I attach to reaching understanding with UK on British Guiana. This is principal subject President intends raise with Macmillan at Birch Grove and is main reason for my talks in London with Home and Sandys.

Our fundamental position is that the UK must not leave behind in the Western Hemisphere a country with a Communist government in control. Independence of British Guiana with government led by PPP is unacceptable to US. Our objective in London is to get HMG to take effective action to remove Jagan Government prior to independence. As you know there has been long series high-level exchanges this subject. Last fall Macmillan agreed to this objective but he has now reverted to view UK should wash its hands of British Guiana by granting early independence, leaving the mess on our doorstep.

I hope you will let it be known to Alec Home and the Prime Minister that President and I intend to focus on this subject while in England. I think it most important that we involve Alec Home. This is not just a Colonial problem but one with the highest foreign policy implications. I would welcome your thoughts on how best to convince our British friends of deadly seriousness of our concern and our determination that British Guiana shall not become independent with a Communist government.

I also ask your views on what might be done with labor leaders. George Brown while in Washington seemed to sympathize with our position, but Patrick Gordon Walker was less receptive. Would you advise frank talks with Labor leaders. If so, by whom- What we wish to avoid is Labor's committing itself publicly to early independence to British Guiana from ignorance of true facts and in effort to needle government. This of course would make it extremely difficult for them to reverse course once they come to power. I am looking forward to talking this whole problem over with you on June 27.

Rusk

Source: Department of State, Central Files, POL 19 BR GU. Secret. Drafted by Burdett; cleared in draft by Rusk and U. Alexis Johnson and cleared by Hilliker (S/S); and approved by Burdett.

295. Memorandum of Conversation

US/MC/21 Birch Grove, England, June 30, 1963, 10 a.m

SUBJECT

British Guiana

PARTICIPANTS

United States	United Kingdom
The President	Prime Minister Macmillan
The Secretary of State	Lord Home
Ambassador Bruce	Sir David Ormsby Gore
Mr. McGeorge Bundy	Lord Hailsham
Mr. William R Tyler	Sir Harold Caccia
	Mr. Duncan Sandys
	Mr. Peter Thorneycroft
	Lord Hood
	Mr. Philip de Zulueta

The Secretary reviewed his talks with Lord Home and Mr. Sandys [*4½ lines of source text not declassified*]

Mr. Sandys then spoke and confirmed the Secretary's account of the conversations which had been held in London. He said he thought that theoretically, there were four courses open: (1) To muddle on as we are now doing, which he thought should be

rejected as a choice; (2) To move forward by granting British Guiana independence now (he said the although this would be a move forward it obviously presented grave problems); (3) To suspend the constitution and institute direct colonial rule (he said that this would be a move backward politically); (4) to establish a Burnham-D'Aguiar government and then grant British Guiana independence.

He said that if we were to persevere with the present exercise and succeed, we could perhaps give British Guiana independence. *[2½ lines of source text not declassified]* On the whole he thought that a referendum on proportional representation would have a favorable outcome though this was not certain. The reaction of the people was problematical. If the referendum was successful, there would have to be new elections. He said another factor in the situation was the predictable increase in support for Jagan as time went by. He said that presumably Burnham if he came to power, would make a defense agreement with the United States, and that the US had the legal right to reactivate the base in British Guiana, *[1½ lines of source text not declassified]*. He thought that a Burnham-D'Aguiar government would certainly wish to have a defense agreement with the United States.

The President asked Mr. Sandys how long he thought the UK could string out the process of establishing proportional representation. Mr. Sandys said he was not sure, as it depended on the outcome of the present strike situation. He said there was a financial problem if the UK was prepared to keep Jagan going. In the meantime, the UK could string out the process for a number of months. He said we had to be careful that Jagan should not be put in a position where he would ask for dissolution and new elections, because he would certainly win again. Under the present constitution he had the right to ask for dissolution, and the governor would have to grant it. He said that under direct rule, two serious problems would emerge, apart from the financial one: (1) it was not certain that after five years we would be any better off than we are now, (2) it was quite likely that Jagan would take off and create a movement of underground resistance of the Malayan type. Mr. Sandys said he did not know whether in this case the Indians and the Negroes would fight against each other, or band together against us. There was also the consideration that, in the event of the UK resuming direct rule, it would be greatly criticized. "Its image would be pretty severely tarnished," said Lord Home. "There would also be the effect on Southern Rhodesia. People would say that if the UK could resume power in British Guiana, why would it not be able to do the same thing in Southern Rhodesia."

The President said he thought that Mr. Sandys had made a very good and fair presentation. It was obvious that if the UK were to get out of British Guiana now it would become a Communist state. He thought the thing to do was to look for ways to drag the thing out. The situation was inflammatory at this time. He thought that Latin America was the most dangerous area in the world. The effect of having a Communist

state in British Guiana in addition to Cuba in 1964, would be to create irresistible pressures in the United States to strike militarily against Cuba. There would be great US resentment against the UK for having pulled out. He thought the UK should say that it could not make British Guiana independent because of the danger of unleashing a racial war, and that the UK should not say that it was because of the danger of British Guiana becoming Communist. The Prime Minister asked whether it was not worth while going on with the present strike pressure. Mr. Sandys asked what the US reaction would be to the UK granting independence to a Burnham-D'Aguiar government. Under present conditions, such a government would collapse by itself. However if the United States Government was prepared to shore it up, this would change the situation, specifically if the US could provide money [*1½ lines of source text not declassified*]. The Secretary pointed out that Africans control the police and the towns, so that Jagan would be relegated to agitating in the countryside. The President asked Mr. Sandys if the UK could tell Jagan that HMG was going to hold on for another two years. Mr. Sandys said that Jagan would then ask for dissolution. The Secretary asked whether, in this event, the UK could insist on holding a referendum on proportional representation. Mr. Sandys said that this would be in the worst circumstances, because it would be clear to everyone that we were only doing this because we were afraid of the outcome of elections.

The President said he agreed with the analysis of all the difficulties, but that these still paled in comparison with the prospect of the establishment of a Communist regime in Latin America. Mr. Sandys said he thought the best solution was that of a Burnham-D'Aguiar government to which the UK would grant independence. [*5 lines of source text not declassified*] The President again repeated his view which he had previously expressed, that the great danger in 1964 was that, since Cuba would be the major American public issue, adding British Guiana to Cuba could well tip the scales, and someone would be elected who would take military action against Cuba. He said that the American people would not stand for a situation which looked as though the Soviet Union had leapfrogged over Cuba to land on the continent in the Western Hemisphere. Mr. Sandys asked whether the United States Government was prepared to give the UK real support in the United Nations and publicly, if the UK were to resume direct rule in British Guiana. "It would be a pleasure," said the President, "we would go all out to the extent necessary." "You didn't give us that much support on Southern Rhodesia," piped up Lord Home. "Well, for that matter," said the President, in a light tone of banter, "you haven't given us that much support on the MLF." The President added that we would be willing to review our stand on the resolution of the Committee of Twenty-four. He said he thought that the aspects of the situation in British Guiana which we should stress were its instability and the danger of racial strife.

Source: Department of State, Central Files, POL BR GU-US. Secret; Eyes Only; Limited Distribution.
Drafted by Tyler.

296. Memorandum for the Record

Washington, August 15, 1963

[Source: Central Intelligence Agency, DCI/McCone Files, Job 80-B1285A. Secret; Eyes Only. 2 pages of source text not declassified.]

297. Telegram From the Consulate General in Georgetown to the Department of State

Georgetown, September 5, 1963, 5 p.m.

103. Called on Jagan this morning at his request. We had hour-long meeting during which Jagan earnestly discussed general problem US-BG relations and means of reversing steady deterioration these relations.

Jagan said he was much concerned about the rate this deterioration and unnecessarily harmful effects this was having on both countries. As far as developments in US were concerned, he reluctantly had been forced to conclusion that administration had now adopted as its policy attitude of right extremists, namely, Jagan must go. He cited as evidence Tyler testimony last March before sub-committee of Committee on Appropriations (only portions he has seen are extracts woven into news story in August issue of *Thunder*). Jagan said up to present he has steadfastly defended President in face of attacks by extremists in PPP, arguing that President remained true to assurances he gave Jagan in 1961, but that as politician he of course had to be responsive to vocal sections of US public opinion. Now in light of Tyler testimony Jagan wonders if administration has changed its policy.

This change also having important effects in BG. Present state of US-BG relations is one of causes of lamentable condition BG economy and fact that "our best people are leaving country."

Sir Jock Campbell recently wrote Jagan asking if steps could not be taken to prevent wildcat strikes which were reducing sugar production. Jagan said he was obliged to reply this was aspect of BG affairs which he no longer controlled; hotheads and extremists in party no longer looked to him but acted on their own.

His real worry, Jagan said, was expressed in his press conference remarks on nuclear test ban treaty, though his remarks then had been misrepresented and he apparently had not fully put his meaning across (A-26, August 18¹). America, Jagan said, is

worried about BG becoming another Cuba. Castro once in reference to BG laughingly asked if socialism had ever come about without revolution. Jagan said he had openly discussed his socialist ideals with President as well as his determination to bring this about by peaceful means. All he is asking of US is understanding and assistance so that he can make BG first example of socialist state created by non-violent means.

Alternative to himself, Jagan said, is violence because if he were pushed aside extremists in party would take over and then US would have Castroite situation it is now so strenuously seeking to avoid.

I of course made no specific reply to Jagan's question as to what could be done to improve US-BG relations. I noted that when matters had deteriorated to the extent he described it was usually a long road back to more normal relations, an observation which seemed to depress him. I also briefly reviewed usual points about doubts in US, both public opinion and government, on his ultimate objectives, his relations with Cuba and Communist bloc. As he talked much about his socialism, I said question in mind many Americans was precisely that, whether it was his socialism or socialism controlled by another power. To this Jagan said he had once invited representatives of US press and government to see for themselves who ruled BG, he was thinking of renewing this invitation.

Comment: This is third time in past 10 days that approach has been made to us about improving US-BG relations, third time we have had fairly reliable indication of divisions within PPP, and first time Jagan has intimated to US official he might be in serious trouble in his own party. I do not believe Jagan's calling me in for this discussion was merely a trick (which would have been fair conclusion if it had been made only by [garble]); he was as serious today as when we discussed his Washington trip in September-October 1961.

We cannot assess whether Jagan is really in real trouble with his socialist friends here and abroad, and whether this is a last ditch plea for help before more extreme members of PPP take over. We feel, however, there must be some fire behind this smoke and we believe we should not let opportunity to explore it, and possibly exploit it, slip by.

We therefore suggest that contact be made with Jagan during his stay in New York, by US official fully briefed on BG situation and of sufficient rank to speak with authority. Jagan in effect has asked us to tell him what is wrong with US-BG relations and what should be done to improve them. We believe that we should talk to him openly and bluntly. Completely frank discussion which he has asked for at least should give us some insight into present state of PPP, which we feel will be extremely valuable for future operations here.

Melby

¹Not Printed. (Ibid., POL BR GU-US)

Source: Department of State, Central Files, POL 1 BR GU-US. Secret; Limit Distribution. Repeated to London.

298. Memorandum From the Director of the Bureau of Intelligence and Research (Hughes) to Secretary of State Rusk

Washington, September 6, 1963

INTELLIGENCE NOTE

Jagan's Pitch for Improved US-BG Relations

Jagan called in our Consul General in Georgetown, September 5, expressed his concern about the deterioration of US-BG relations, and asked what could be done to improve them. Jagan said he had concluded that the US had adopted a policy of "Jagan must go." He warned that if he were pushed aside the extremists in his party would take over and the US would then have the Castroite situation it was seeking to avoid.

Jagan's Sincerity Doubted. Jagan's concern about the deterioration of US-BG relations seems highly inconsistent with (1) the vicious attacks he and his party paper have been making on the US and President Kennedy in the last several weeks, and (2) a series of actions since mid-summer resulting in closer links between BG and Cuba.

Ability of Extremists Questioned. Furthermore, Jagan's analysis of his possible succession by extremists seems questionable. We do not deny that the extremists may have subjected Jagan to increasing pressure. We are inclined to doubt, however, that there is any individual or group among Jagan's lieutenants that could command sufficient popular support to run the party and the government without Jagan.

Jagan's Probable Motivation. It seems probable that Jagan's pitch has been motivated by his apparent failure to get aid from the Soviet Bloc in the face of his great need for such assistance. Although his government has recently obtained a \$1 million dollar loan from Cuba, and there have been disputed reports of fund transfers from the USSR to BG, the Guianese economy and the government's finance are in poor, though probably not yet disastrous, shape.

Source: Kennedy Library; National Security Files, Countries Series, British Guiana III. Secret; No Foreign Dissem; Limited Distribution.

299. Telegram From the Department of State to the Consulate General in Georgetown

Washington, September 7, 1963, 2:55 p.m.

92. Re Georgetown's 103.¹ We have considered suggestion reftel for approach to Jagan for discussion US-BG relationships and have concluded that disadvantages and potential misinterpretations outweigh possible advantages to US. Jagan's alleged concern about deterioration of relations with US seems inconsistent with attacks PPP paper has been making on US and President personally in last few weeks and with series of steps resulting in closer links between BG and Cuba. We also inclined doubt there any individual or group among Jagan's lieutenants that could command sufficient popular support seriously to challenge his control of party.

We wish to avoid creating any impression, or enabling PPP to do so, that there exists real possibility of improving relations between PPP and USG.

Accordingly, we plan adhere to guidance set forth Deptel 88² and keep contacts with Jagan at as low level as possible.

Rusk

¹Document 297.

²Dated September 3. (Department of State, Central Files, POL 19 BR GU/UN)

Source: Department of State, Central Files, POL 1 BR GU-US. Secret. Limit Distribution. Repeated to London.

List of Abbreviations

(Some of the following abbreviations appear in the declassified documents on British Guiana. They are listed in the volume containing the documents.)

AD, Accion Democratica, Venezuelan political party

AFL-CIO, American Federation of Labor - Congress of Industrial Organizations

AFP, Alliance for Progress

AID, Agency for International Development

ALCAN, Aluminium Company of Canada

A.P., Accion Popular, Peruvian political party

APRA, Alianza Popular Revolucionaria Americana, Peruvian political party

ARA, Bureau of Inter-American Affairs, U.S. Department of State

ARA/BR, Bureau of Inter-American Affairs, Office of Brazilian Affairs
ARA/CCA, Bureau of Inter-American Affairs, Office of the Coordinator of Cuban Affairs
ARA/CMA, Bureau of Inter-American Affairs, Office of Caribbean and Mexican Affairs
ARA/EST, Bureau of Inter-American Affairs, Office of East Coast Affairs
ARA/OAP, Bureau of Inter-American Affairs, Office of Central American and Panamanian Affairs
ARA/REA, Bureau of Inter-American Affairs, Office of Inter-American Regional Economic Affairs
ARA/RPA, Bureau of Inter-American Affairs, Office of Inter-American Regional Political Affairs
ARA/WST, Bureau of Inter-American Affairs, Office of West Coast Affairs
ARs, American Republics
ARS, aerial reconnaissance and security

B/FAC, Deputy Coordinator for Foreign Assistance, Office of the Under Secretary of State for Economic Affairs
BG, British Guiana
BWIS, British West Indies dollar
CA, Central America
CAS, Controlled American source
CI, counter insurgency
CIA, Central Intelligence Agency
CIAP, Inter-American Committee on the Alliance for Progress
CINCARIB, Commander in Chief, Caribbean
CINCLANT, Commander in Chief, Atlantic
CINCSO, Commander in Chief, Southern Command
Cirtel, Circular telegram
COAS, Council of the Organization of American States
COMAP, Commerce Committee for the Alliance for Progress
COMIBOL, Corporacion Minera de Bolivia
Contel, Consulate telegram

DCM, Deputy Chief of Mission
Deptel, Department of State telegram
DOD, Department of Defense
DOD/ISA, Department of Defense, Office of the Assistant Secretary for International Security Affairs
DR, Dominican Republic

ECLA, United Nations Council on Latin America
Embdes, Embassy despatch
Embtel, Embassy telegram
EUR/WE, Bureau of European Affairs, Office of Western European Affairs
Eximbank, Export Import Bank of the United States

FBI, Federal Bureau of Investigation
FM, Foreign Minister
FY, fiscal year
FYI, for your information

GAWU, Guiana Agricultural Workers Union
GOA, Government of Argentina
GOB, Government of Bolivia; Government of Brazil
GOC, Government of Chile; Government of Colombia
GODR, Government of the Dominican Republic
GOH, Government of Haiti
GOP, Government of Panama; Government of Peru
GUS, Government of the United States

HMG, His/Her Majesty's Government

IA, Inter-American
IADB, Inter-American Development Bank
IA-ECOSOC, Inter-American Economic and Social Council
IAPC, Inter-American Peace Committee
IBRD, International Bank for Reconstruction and Development (World Bank)
ICA, International Cooperation Administration
IDB, Inter-American Development Bank
IFC, International Finance Corporation
IMF, International Monetary Fund
INR, Bureau of Intelligence and Research, Department of State
INR/DDC, Bureau of Intelligence and Research, Deputy Director for Coordination
INR/RAR, Bureau of Intelligence and Research, Office of Research and Analysis for American Republics
IFC, International Petroleum Company
ITT, International Telephone and Telegraph Corporation

LA, Latin America
LAFTA, Latin American Free Trade Association
LAPC, Latin American Policy Committee

MAAG, Military Assistance Advisory Group
MAP, Military Assistance Program
MATS, Military Air Transport Service
MFM, meeting of Foreign Ministers
MPCA, Man Power Citizens Association, British Guiana
MPD, Movimiento Popular Dominicano, Dominican political party

niact, night action, communications indicator requiring action by the recipient at any hour of the day or night

NIE, National Intelligence Estimate

NSC, National Security Council

NSAM, National Security Action Memorandum

NSP, National Security Paper

OARS, ocean area reconnaissance satellite

OAS, Organization of American States

OASD/ISA, Office of the Assistant Secretary of Defense for International Security Affairs

ODECA, Organizacion de Estados Centro-Americanos

OIC, Office of International Conferences, Bureau of International Organization Affairs

P.L.-480, Public Law 480, Food for Peace

PNC, People's National Congress, British Guiana political party

POLAD, Political Adviser

PPP, People's Progressive Party, British Guiana political party

PR, proportional representation

PRD, Partido Revolucionario Dominicano, Dominican political party

PRSC, Partido Revolucionario Social Cristiano, Dominican political party

PWO, People's Women Organization (sic), suborganization of the People's Progressive

Party (This should be WPO, Women's Progressive Organization)

PYO, People's (sic) Youth Organization, suborganization of the People's Progressive Party (This should be Progressive Youth Organization)

SCCS, Special Consultative Committee on Security

SIM, Trujillo's secret police

SNIE, Special National Intelligence Estimate

S/P, Policy Planning Council, Department of State

S/S, Executive Secretariat, Department of State

SUDENE, Superintendency for the Development of the Northeast (Brazil)

TTM, Ton Tons Macoutes (Haiti)

TWI, The West Indies

UF, United Front (sic), British Guiana political party (This should be United Force)

UCN, Union Civica Nacional, Dominican political party

UCRF, Union Civica Radical del Pueblo, Argentine political party

UN, United Nations

UNCLA, United Nations Economic Commission on Latin America

UNCRI, Union Civica Radical Intransigenta, Argentine political party

UNCTAD, United Nations Conference on Trade and Development

UNESCO, United Nations Educational, Scientific and Cultural Organization

USAID, United States Agency for International Development

USG, United States Government

USIA, United States Information Agency

USIS, United States Information Service

USMC, United States Marine Corps

USUN, United States Mission to the United Nations

UWI, University of the West Indies

WAT, Washington Assessment Team

WIROM, telegram indicator for Department of State administrative telegrams

YPF, Yacimientos Petroliferos Fiscales (national petroleum company of Argentina)