CLASSIFICATION SECRET CONFIDENTIAL 25X1A Sanitized - Approved For Release : CIA-RDP82-00457R005200 'Ormation report CD NO. COUNTRY Ecuador DATE DISTR. 19 JUL 50 SUBJECT Stability of the Plaza Regime NO. OF PAGES 2 25X1A PLACE NO. OF ENCLS. **ACQUIRED** DATE OF 25X1A SUPPLEMENT TO INFO. 25X1X REPORT NO. 25X1X 1. Ecuador have reported that the greatest individual threat to the Plaza regime continues to be the movement led by Carlos Guevara Moreno, Guayaquil revolutionary whose congressional candidates won an impressive victory in the coastal area in the 4 June congressional elections. He and his henchmen have quietly continued the organization of their movement on the basis of a six-man cell system, in anticipation of an eventual militarycivilian revolution. The six-man groups are made up principally of thugs and hired gunmen who have no political interest in the venture and will merely attack pre-assigned objectives at a given moment. 2. Guevara's strength in Guayaquil is now a recognized and publicized matter counterbalanced only by Colonel Octavio Ochoa, commander of the second military zone, who is strongly anti-Guevara. He has recently reorganized the intelligence section under his command and is reported to have Guevera and his chief conspirators under twenty-four hour surveillance. 3. The Guevara movement in the Quito area is still in the early developmental stages, however, Gonzalo Jacome and his brother Luis, who appear to be the principal Guevara agents there, have been holding frequent meetings with Humberto and Cesar Fenaherrera in the homes of Alberto Febres Cordero and Guardia Civil Major Manosalva. These individuals are interested primarily in enlisting army support for the movement. 25X1X 4. contacts in political circles has expressed the opinion that the government's recent effort to nullify Guevara's subversion of troops in the Guayaquil area by exchanging the Guayaquil and Ambato infantry believes that some of the men in 25X1X battalions will have little effect. the Ambato batallion have already been won over to the Guevara cause and that most of the rest will be won over or bought off in a comparatively short time. 25X1X 5. believes that Guevara will not attempt a revolution in the near future because the revolutionary pattern of Ecuadoran history proves that successful revolts are accomplished either with country-wide army support or on the basis of a popular issue supported by the civilian population of the nation. At the present time Guevara's support is largely in the Guayaquil area. CONFIDENTIA CLASSIFICATION STATE NAVY NSRE DISTRIBUTION Date By: <u>6/9</u> This document is hereby regraded to CONFIDENTIAL in accordance with the letter of 16 October 1978 from the Director of Central Intelligence to the

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However, he may attempt to gain nationwide popular support by conducting a propaganda program in the forthcoming session of congress.

25X1X 6. believes that there is a fair chance that Guevana could stage a successful revolution in the near future. He has stated that Guevara's party, the Concentracion de Fuerzas Populares (CFF), is gaining support in Quito, Esmeraldas, Ambato, Cuenca and Riobamba.

25X1X 7. states that there is still a possibility of a strictly military coup and the establishment of a military junta. The military would take over the government if the present administration fails to ameliorate the economic ills of the country or if some other revolutionary force tries to unseat the administration. Some reports indicate that a military junta would be formed by the following officers:

Colonel Cesar Alfaro Colonel Carlos Mancheno Colonel Jose Felix Vega Davila General Ricardo Astudillo (retired)

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Comment. Cf. which reported that these four officers would have cabinet positions in the event of a successful coup establishing Defense Minister Manuel Diez Granados as semi-dictator.

25X1A Comment.

The recent congressional elections which gave the pro-administration (Conservative Farty and Flaza's Movimiento Civico Democratico Nacional) a substantial majority in congress have virtually eliminated the possibility of loss of control of congress by the administration. It is likely that the administration will not receive continuous or complete support from the Conservative Party, but the Conservatives will probably support Plaza to the extent they believe necessary to keep him in power until 1952, knowing that the establishment of a Guevera administration or a military junta might well eliminate their chances for acquiring the presidency at that time.

It is very much doubted that President Plaza will assume semi-dictatorial powers in order to halt the tide of such movements as the CFP, although it has been rumored that he will do so.

Rising living costs and an increase in the seriousness of the unemployment problem might provide the CFP with a popular issue for nationwide support.

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