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THE DIRECTOR OF CENTRAL INTELLIGENCE

WASHINGTON, D. C. 20505

National Intelligence Officers

NFAC-5803-80
20 August 1980

MEMORANDUM FOR: Director of Central Intelligence
Deputy Director of Central Intelligence

THROUGH : Deputy Director for National Foreign Assessment
National Intelligence Officer for Warning

FROM : Assistant NIO for Latin America

SUBJECT : Monthly Warning Assessment: Latin America

1. Action Requested: none; for your information only.
2. Jamaica

The preelectoral scene remains largely unchanged: Manley and his PNP party are expected to lose the approaching elections, giving way to the moderate Labor Party. Election-related violence, a Jamaica tradition, is virtually certain to continue, but we doubt that it will reach levels that could derail the election process. Even so, we believe that PNP radicals will continue to probe for an opening to lock on to power and we anticipate disruptive actions such as attacks on US property or personnel, or on prominent Jamaicans.

3. El Salvador

There has been no fundamental change, but there are some mildly encouraging signs. Last week's leftist-led general strike was largely unsuccessful, and this is apt to bolster the junta's confidence. Moreover, the government has shown some modest signs of growing adroitness: of late it has made more effective use of the media to take its case to the public, and skillfully handled a ticklish diplomatic problem with Mexico. The regime until now has largely failed to project a favorable image, crucial to gaining international support, and may be starting to make progress in that front. But the junta is being tested by greatly stepped-up guerrilla military operations. If sustained, this leftist offensive could strain the military's fragile unity, as conservative

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officers push for all-out retaliation, undermining the efforts of moderates to rein in indiscriminate violence. Further rightist excesses, of course, would wipe out whatever small public relations gains the junta may have begun to make.

4. Cuba-Latin America

El Salvador remains the most likely candidate for stepped-up Cuban support. Havana probably still believes a leftist victory is inevitable, though the junta's staying power has undoubtedly caused Castro and his advisers to revise the timing of their expectations. If the Salvadoran guerrillas' current offensive continues, the Cubans may be tempted to step up their support significantly, lest they be criticized for braking revolutionary momentum.

5. Cuba-US

Castro would have to balance that goal against his stated desire to avoid provoking the US as it approaches elections. We continue to believe that Castro wants to establish a basis for talks--albeit on his own terms--with Washington. To this end he has adopted a relatively conciliatory line. He is facilitating the departure of asylum seekers in the US Interests Section (admittedly a problem he himself contrived); he has allowed boat departures to regain pre-hurricane Allen levels (500-700 a week), but not the massive numbers recorded months ago (up to several thousand a day). We do not expect revival of last month's aborted effort to send us a "mother ship" loaded with thousands of "undesirables".

6. Suriname

We view the recent bloodless coup by the ostensibly moderate army commander with mixed feelings. On the one hand, it was a blow to civilians and military men with leftist views--several of whom lost positions of influence. On the other hand, the constitutional president was obliged to resign and parliament suspended. The country has experienced several abrupt--and still largely unexplained--political changes in recent months. Further sudden changes of direction could prove more inimical to US interests.

7. Bolivia

The Garcia Meza regime appears to have strengthened its hold on power, but its extraordinarily brutal tactics could in time provoke serious civilian resistance or dissension within the military. At least

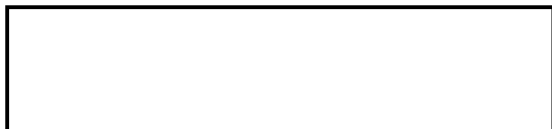
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some of the nation's miners are still off the job and the economy is suffering. We see no imminent threat to Garcia Meza, but he could be supplanted at some point by a more sophisticated, if not necessarily more moderate, general. We see little likelihood that Argentina will reverse its policy of strong backing for the Bolivian military regime.

8. Brazil

There has been an upsurge in acts of rightwing violence, many apparently committed by elements of the security services. This type of activity, which has occurred intermittently before, again raises the question of the regime's ability--or willingness--to rein in local security officials, who often operate with virtual impunity. The rightwing acts may be the work of freewheeling officials opposed to the government's modest political liberalization program. But the acts may also be discreetly sponsored, or at least tolerated by Brasilia, and intended as a warning to the left and politicians in general, lest they make undue political demands. The government probably remains committed to gradually opening the political system, but is concerned that rising popular expectations and serious economic problems--inflation has topped 100%--may produce heavy pressures for rapid changes.



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