

SECRET

THE DIRECTOR OF CENTRAL INTELLIGENCE

NIO/W

WASHINGTON, D.C. 20505

National Intelligence Officers

NFAC-3873-79  
25 July 1979

MEMORANDUM FOR: Director of Central Intelligence

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

FROM : Acting National Intelligence Officer for Latin America

SUBJECT : Monthly Warning Assessment: Latin America

1. Action Requested: None; for your information only.

Nicaragua:

2. With the overthrow of Anastasio Somoza and the installation of a junta dominated by the FSLN, Nicaragua is entering a new era. It is anticipated that the junta will maintain a facade of moderation to ensure the necessary flow of foreign aid into Nicaragua. While some retaliatory killings will doubtless take place, the presence of foreigners in Nicaragua -- the first time Latin Americans have spontaneously become involved -- will tend to keep unbridled violence to a minimum.

3. Initially, aid from Cuba will take the form of humanitarian assistance. Cuban security advisers in Nicaragua will keep a low profile. It is not anticipated that Venezuela, Honduras, or Guatemala will commit troops to Nicaragua. The junta might, however, accept security advisers from the Venezuelan Directorate of National Intelligence.

4. After a short-term lull while foreign emergency aid is distributed, factional infighting among the Sandinistas will begin. Over the next 60 to 90 days there will be considerable maneuvering for power. Provincial control of the country is now held by diverse factions of the FSLN. We have seen no evidence of long-range planning on which FSLN faction will control what sector in the future. The cabinet seems professional, but effective executive talent on the junta is lacking.

25

25

25

25

25

25X1

SECRET

SECRET

5. Eventually, the Marxist elements will prevail; but for the reasons noted above, they will be constrained in the short term. The appointment of Tomas Borje as Minister of the Interior shows that the Marxists are already laying the groundwork. [redacted]

[redacted]

Central America:

7. Elsewhere in Central America political tensions will increase, but it is unlikely that any other governments will be overthrown in this region during the next two to three months. If any government were to collapse, it would be that of El Salvador where economic and social pressures are enormous. We anticipate that there will be increased Cuban activity in the region as Castro tries to eliminate fractionalism among terrorist groups in order to develop a cohesive opposition force to which he can channel support. [redacted]

Paraguay:

8. The political situation in Paraguay bears watching because events in Nicaragua are likely to have an effect in that country. Stroessner's power base is similar to that of Somoza, and there are some indications that Stroessner's opposition sees a parallel. It is unlikely that serious instability will occur during the time frame of this memorandum. [redacted]

Bolivia:

9. If Paz Estenssoro is declared the winner of the recent elections in Bolivia, it is possible that there will be a coup d'etat within the next 90 days. [redacted]

Mexico:

10. In his next meeting with President Carter, President Lopez Portillo intends to adopt a hard bargaining position. He believes he holds a strong hand and is becoming impatient with the United States. [redacted]

Eastern Caribbean:

11. During the period of this assessment, the Eastern Caribbean will likely be unaffected by Bishop's overthrow of Gairy in Grenada or the leftist electoral victory in St. Lucia. [redacted]

[redacted]

SECRET

SECRET

NFAC-3873-79

Distribution:

- 1 - DCI
- 1 - DDCI
- 1 - D/NFAC
- 1 - NIO/W
- 1 - NIO/AF
- 1 - NIO/CH
- 1 - NIO/EAP
- 1 - NIO/CF
- 1 - NIO/NESA
- 1 - NIO/NP
- 1 - NIO/PE
- 1 - NIO/SS
- 1 - NIO/USSR-EE
- 1 - NIO/WE
- 1 - Senior Review Panel
- 1 - NSC Coordinator
- 1 - D/OCR
- 1 - D/OER
- 1 - D/OGCR
- 1 - D/OIA
- 1 - D/OPA
- 1 - D/OSI
- 1 - D/OSR
- 1 - D/OWI
- 1 - ER
- 1 - NFAC Reg
- 2 - NIO/LA

SECRET