

Central Intelligence Agency



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### Colombia: Intelligence Overview

Foreign Policy: President Betancur is attempting to implement a nationalistic and Third World-oriented foreign policy that demonstrates Colombia's independence from the United States. Occasional bilateral strains will occur as Colombia requests formal membership in the Nonaligned Movement in 1983 and moves toward warmer relations with both Cuba and Nicaragua. Nevertheless, the President's actions to date--including Colombia's siding with the US in the UN on the Puerto Rican question and the attempted expulsion of Israel--suggest Betancur will not substantially alter Colombia's traditionally pro-Western orientation. [redacted]

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Insurgency: President Betancur recently signed into law a restricted amnesty, but it is unlikely to end Colombia's deeply rooted insurgent problem. Although some guerrilla leaders appear willing to form legal political parties, others have refused to lay down their arms. Cuba has supported some Colombian guerrilla groups since the 1960s, but aid levels have fluctuated. Cuban support to the M-19 apparently dropped off sharply after a large Cuban-trained rural strike force was overwhelmed by Colombian security forces in March 1981. Cuban support will undoubtedly continue, but will in our view remain cautious. [redacted]

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Drugs: An estimated 75 percent of the marijuana and cocaine used in the US during 1982 will either originate in, or transit through, Colombia. Current US-Colombian anti-narcotics cooperation probably will continue, but strong domestic opposition and Betancur's desire not to appear to be yielding to US pressure make it unlikely that Bogota will agree to any herbicidal eradication program. Drug exports from Colombia to the US have been linked to Cuba, but since the discovery of the Johnny Crump/Manny Guillot case last year, credible evidence of Cuban involvement with Colombian narcotics trafficking has been lacking. The Guillot case seemed to indicate that the main value to the Cubans of their link to Guillot was his ability to supply the M-19 with weapons and supplies. [redacted]

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The Economy: Betancur inherited an economy in recession, plagued with relatively high unemployment, 25 percent inflation, an unprecedented \$90-120 million fiscal deficit, and a \$1-1.5 billion current account deficit. Real GDP will be no more than 2.5 percent this year. Foreign debt will remain manageable at about \$10 billion by yearend. Betancur has not yet put together a coherent economic program, although he has established protectionist trade and investment policies, financial reforms to strengthen the banking sector, and a tentative wage and price support formula for austerity purposes. [redacted]

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