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DIRECTORATE OF  
INTELLIGENCE

# Intelligence Memorandum

*Guatemala's Political Transition*

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CENTRAL INTELLIGENCE AGENCY  
Directorate of Intelligence  
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INTELLIGENCE MEMORANDUM

Guatemala's Political Transition

Summary

If he is installed in office on 1 July, Colonel Arana will be the first opposition candidate in Guatemala ever to receive the reins of government from another elected president. Guatemala's long search for stability and political maturity, however, is far from over. Arana will begin with more assets than his predecessor, but his prospects in office depend on the unpredictable future course of action and reaction among Guatemala's intensely antagonistic subversive and political forces. The Communist terrorist threat is likely to increase, and the new political line-up promises to revive the raucous politics not seen in the country since the 1963 coup.

Note: This memorandum was produced solely by CIA. It was prepared by the Office of Current Intelligence and coordinated with the Office of National Estimates and the Clandestine Service.

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### The Present Situation

1. Two phases of Guatemala's political obstacle course have been hurdled clumsily but successfully now that the campaign is over and the elections have been held. The campaign was marred by Communist terrorism and partisan mudslinging, and the vote on 1 March was indecisive. There remain several pitfalls between this immediate post-electoral period and the presidential succession, but right-wing standard bearer Colonel Carlos Arana is expected to take office as Guatemalan president on 1 July.

2. Government presidential candidate Mario Fuentes Pieruccini, who came in second in the popular vote, has publicly released the deputies in congress from partisan responsibility in the second-stage legislative election required when no candidate attains a popular majority. Some factions of his governing Revolutionary Party were tempted earlier to use their legislative majority to vote Fuentes into office, but general recognition that a chaotic, violent reaction would follow such a move has prompted acquiescence to Arana's victory.

3. The thorniest problem during the inter-regnum is security. The kidnaping of the foreign minister on the eve of the election and the abduction last week of a US Embassy officer testify to the capability of Communist terrorists to engage in bold acts that weaken public confidence in the government. In view of Guatemala's history of political instability and the extended time frame between the elections of 1 March and the succession on 1 July, subversive activity could yet sabotage a transfer of power. If he is installed in office, Arana will be the first opposition candidate ever to receive the reins of government from another elected president.

### Arana and his Assets

4. Arana will take office with advantages that outgoing President Mendez lacked--firm military support and the backing of those who control most of the country's wealth. These assets, along with rightist control of the new legislature, give Arana

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a real opportunity to achieve a forceful administration and executive independence. His own personal resources and political experience, however, are limited. He seems to combine a tough, caudillo image, strong nationalism, and a reputation for relentless anti-Communism with political naivete, a simplistic point of view, and a willingness to adopt extremist solutions when he feels they are necessary.

5. Colonel Arana, running on a law-and-order platform, received nearly 43 percent of the popular vote despite continued wrangling within his rightist coalition, lack of funds, his own political inexperience, and his notoriety in center and left circles as the strongman of Zacapa. No one dismissed his law-and-order campaign as rhetoric, because he had been in command in the heavily infested Zacapa area during the violent campaign against the Communist guerrillas in 1967-68. To clear the area of subversives, Arana had employed an extralegal army of rightist civilians, whose cutthroat methods terrorized "suspects" as well as known guerrillas.

6. A number of these civilian extremists remain part of Arana's entourage and act as his security force. They tend to see an identity of interest between themselves and Arana. With their history of violent, irrational activity, they could become an embarrassment to Arana as president or, worse, an encouragement to other parties to organize their own private security forces. The young secretary general of the outgoing government party has already organized a band of partisan toughs. Despite his strong influence over civilian followers, Arana will probably be unable to control all of them.

7. It seems unlikely that Arana will be comfortable in the presidential role. As a participant in political discussions during the campaign, he displayed little political acumen and seemed generally out of his element. His instincts often serve him well, however, and his behavior in victory has been generous, nonpartisan, and reassuring to the legal opposition parties.

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8. Arana's views on administration appear to favor limiting the government's role in public affairs to promoting order, ensuring personal safety, and protecting private property. He believes in free enterprise, the unrestricted play of economic laws, and a restoration of "old moral values." His intended tax reform calls for the prosecution of a few prominent tax evaders in order to encourage the majority to pay. He seems unlikely to make any significant moves against the massive and entrenched socioeconomic problems of the nation. Throughout the campaign and as president-presumptive, he has spoken on a variety of domestic issues, but his interest clearly focuses on the need to end the rampant crime and subversion in the country. The political experts on whom he will probably lean are unlikely to be interested in reform outside the spheres of law enforcement and the judicial process.

The Communist Threat

9. Arana will almost surely find the Communists more difficult to handle from the presidency than from the command of the Zacapa brigade. The extra-legal military and police operations against the subversives were staged with the protective connivance of the Mendez administration and the approval of the rightist forces then in opposition. Arana's present opposition, the center Revolutionary Party of the outgoing government and the leftist Christian Democratic Party (DCG), fear persecution from a rightist regime and will loudly protest any unleashing of the civilian counterterrorists. Arana will probably find that his support from the armed forces is not so wholehearted when he is in the presidential chair as it was when he was a military commander.

10. The Communists consider Arana their primary enemy. If Arana becomes president, they will be sure to harass his administration severely and may become less selective in their violence. Should he carry out his plan to suppress them and those who he believes support them, the perennially divided Communist movement may be forced into a semblance of unity. He will remain a prime target for assassination during his tenure.

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11. The Cuban-oriented Rebel Armed Forces, one of the two major Communist factions, seems fairly well organized for a significant guerrilla effort. Its members have displayed willingness to take the risks involved in spectacular acts of terrorism, and their motivation will be higher with Arana as national leader. They have small but well trained contingents in most regions of Guatemala and have been preparing to engage the security forces on more than one front. Having learned the near impossibility of penetrating the political apathy and fear of involvement of the illiterate, withdrawn Indian peasantry, they have stressed the development of self-sufficiency. They appear to be well armed, and they have been highly successful in collecting large ransoms for the release of wealthy kidnap victims. They cannot threaten the government's stability directly, but they are capable of serious disruption.

12. The other main group, the Communist Party, has traditionally preferred quasi-legal activity, such as infiltration of registered political parties. Its current penetration target is the Christian Democratic Party, which appears to have won about five seats in the congress. The DCG's strong dependence on far-left groups in last week's elections will probably make it vulnerable to any strong anti-Communist program that develops. The Communists will receive a strong psychological boost if they can incite government persecution of an ostensibly legitimate political organization.

#### Politics

13. Aside from the problem of subversion, the new political line-up promises to bring forth the kind of active, polemical partisanship not seen in Guatemala since a coup ousted President Ydigoras in 1963. The outgoing Revolutionary Party's forte is opposition, and its old vigor is likely to revive in its more traditional role, particularly with the prodding competition of the now legal and participant DCG.

14. The euphoria of achieving an unprecedented succession will not sustain stability for long. A return to the old raucous politics will test Arana's

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promise of nonpartisanship and his desire for free democratic political play. Broad tolerance on Arana's part could easily lose him the respect of the military and put him under pressure from his own rightist coalition.

15. The Communist threat, which is likely to increase with Arana's accession to office, will be difficult to eliminate without resorting to heavy-handed political persecution. Arana is and will remain restricted in his personal movements and isolated by the need for tight physical security. His assassination before the transfer of power or early in his term could create chaos in the country.

16. The room for slippage as Guatemala gropes for a workable political system and effective nationhood remains great. The Mendez administration primarily wanted to survive and thus provide at least a constitutional base on which to build. President Mendez opened a real opportunity for a new political beginning by holding honest and open elections, and especially by permitting victory to the opposition. Arana seems to understand the significance of this development and obviously wants to be an effective leader who can provide his successor with a more bountiful store of political assets. His prospects for doing so, however, depend on the unpredictable future course of action and reaction among Guatemala's intensely antagonistic subversive and political forces.

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