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National Intelligence Estimate

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# Colombia: Prospects for the New Government

## Key Judgments

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*NIE 88-86W*  
*September 1986*

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**THE NATIONAL FOREIGN INTELLIGENCE BOARD CONCURS, EXCEPT AS NOTED IN THE TEXT.**

*The following intelligence organizations participated in the preparation of the Estimate:*

The Central Intelligence Agency, the Defense Intelligence Agency, the National Security Agency, and the intelligence organizations of the Department of State.

*Also Participating:*

The Assistant Chief of Staff for Intelligence, Department of the Army

The Director of Naval Intelligence, Department of the Navy

The Assistant Chief of Staff, Intelligence, Department of the Air Force

The Director of Intelligence, Headquarters, Marine Corps



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**COLOMBIA: PROSPECTS FOR THE  
NEW GOVERNMENT**

**KEY JUDGMENTS**

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is being published separately  
with regular distribution.

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**SCOPE NOTE**

Colombia, which has the third-largest population in South America and the fourth-largest economy, has suffered heavily in recent years from a persistent insurgency and a growing narcotics industry. This Estimate examines the prospects for the new Colombian Government of President Virgilio Barco over the next four years. It focuses on the problems posed by increased drug trafficking and continued insurgency and their impact on Colombia's economy and political stability. It also addresses Colombia's likely foreign policies, particularly toward Nicaragua and Cuba, as well as their implications for the United States.

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## KEY JUDGMENTS

Colombia's newly elected government of President Virgilio Barco has been given a strong mandate by the voters and has a solid majority in Congress. We believe Barco intends to follow generally moderate domestic and foreign policies over his four-year term, but he is likely to be strongly tested by a *growing insurgency* and a *thriving illegal narcotics industry*:

- The insurgency has grown steadily over the past several years despite former President Betancur's efforts to arrange a peaceful settlement as a model for Central America.
- Thus, Barco's primary domestic concern will be the 6,500- to 10,000-man insurgency, which, if not contained, may eventually threaten political stability.

*The next year will be crucial for the continuance of the government's nominal truce* with Colombia's largest insurgent group, the Revolutionary Armed Forces of Colombia (FARC), as well as Bogota's efforts to draw other groups into peace talks.

- The government has used the truce to try to weaken the insurgency by bringing moderate insurgents into the political process and concentrating resources against guerrilla hardliners.
- The FARC has participated in elections under a Communist-backed alliance, the Patriotic Union, but has exploited the truce by refusing to give up its arms and continuing to grow in strength. Meanwhile, the Soviet Union probably continues to provide some political direction and limited financial support to the FARC through the Moscow-line Communist Party of Colombia.
- Colombia's other major insurgent groups remain outside the peace process and have formed a loose alliance to better coordinate their efforts. Led by the 19th of April Movement (M-19), they have received significant assistance from Cuba, Nicaragua, and Libya, including arms, training, and financial support; and have formed a multinational guerrilla unit, the America Battalion. Such aid is likely to continue over the next several years as these countries seek to influence Barco's domestic and foreign policies.

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Barco intends to take a harder line against the insurgents and will attempt to improve the counterinsurgency capabilities of the military and security forces, with US assistance. He also has announced a plan that would eventually require the FARC to disarm and accept verification of compliance with the truce.

Barco would like to strengthen the truce and make it more effective. He will want to keep the FARC in the peace process—even if he cannot ensure compliance—to buy time to contend with other guerrilla groups while gradually improving the military's counterinsurgency and counterterrorist capabilities.

On balance, we believe that the insurgency will remain a major threat to Barco, and he will make little progress in defeating the guerrillas over the next few years. Nevertheless, the situation will not deteriorate rapidly unless there is a complete breakdown in the truce:

- Should the truce break down completely—especially if the FARC becomes dissatisfied with its political gains or believes Barco is pushing too hard on compliance efforts—fighting between the government and the insurgents will escalate sharply.
- Nevertheless, a more serious conflict probably would not threaten Barco's tenure in office, particularly if he is able to get sufficient US aid to bolster his military and security forces.

Barco also intends to pursue an aggressive drug control program, relying on continued US assistance in an attempt to reduce Colombia's role as the major drug center in South America:

- Barco is especially concerned about the link between the insurgents and drug traffickers. The drug trade offers the insurgents access to large amounts of money to buy arms and to finance other operations. This is best documented in the case of the FARC but has been demonstrated with all major guerrilla groups.
- Government efforts to suppress drug trafficking have led to clashes with insurgents and have forced the lightly armed National Police, responsible for drug enforcement, to call for assistance from the military, which is tasked with the counterinsurgency effort. The government, moreover, has had little success in bringing major drug traffickers to justice, despite tougher laws, and the drug overlords have responded with stepped-up attacks on police and judicial officials.

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We believe that further gains against marijuana production are likely, but that Barco will be unable to significantly reduce the flow of cocaine to the United States, even if he should upgrade police and military capabilities:

- The vast financial resources available to the traffickers will enable them to undermine enforcement efforts through bribes and intimidation.
- Furthermore, Barco is likely to be reluctant to endanger the truce with FARC by authorizing aggressive military drug enforcement efforts in regions controlled by the guerrillas.

High unemployment and persistent social inequities have fostered discontent and provided fertile ground for guerrilla recruitment efforts. Barco has inherited an economy strengthened by two years of successful stabilization efforts and increased revenues from coffee, petroleum, and coal exports. His greatest fiscal challenges will be to reduce unemployment, limit inflation, and prevent mismanagement of the recent coffee bonanza while—at the same time—sustaining growth, accelerating development, and attracting new foreign investment:

- Barco's economic program includes job creation and a variety of social programs. A major focus will be on agrarian reform and efforts to improve agricultural production in rural areas, designed to reduce support for the insurgency.
- Bogota has been able to service its \$12 billion foreign debt without rescheduling, and coffee earnings and capital repatriation have pushed up reserves to \$2.5 billion. We believe Barco will continue sound economic policies but will seek larger loans and more favorable terms from international lenders.
- Despite the prospect of continued economic growth through 1990, the government is likely to have problems in distributing the benefits to the lower classes and appreciably raising the standard of living.

On foreign policy matters, we anticipate that Barco will be a reliable US ally, particularly against the Sandinista government. Colombia has played a major role in the Contadora peace process for Central America, but Barco appears less dedicated to the effort than was President Betancur:

- Barco favors Cuba's eventual readmission to the Organization of American States (OAS). Although he would prefer to maintain his distance from Castro, he may come under pressure to

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reestablish diplomatic relations. Cuba, for its part, would like to restore relations and gain more direct access to Colombia's new leftist political alliance.

- Barco is upset with Nicaragua's continued claim to the San Andres and Providencia Archipelago in the Caribbean, and relations with the Sandinistas are likely to remain cool. If the Contadora process achieves no results, his government may recommend referral of the Central American peace talks to the OAS.
- The new government's relations with other regional governments will probably be cordial, and Barco is likely to encourage bilateral drug control and counterinsurgency efforts with neighboring countries.

Barco will probably be more positively inclined toward Washington than his predecessor—he attended universities here and is married to a former US citizen. Nonetheless, as a forthright nationalist, he is sensitive to issues concerning Colombia's sovereignty and will not hesitate to assert independent views:

- He reportedly sees good relations with the United States as the cornerstone of Colombia's political and economic well-being. Colombia is the third-largest US export market in Latin America.
- Barco will look to Washington for financial aid for his social programs, and for trade concessions and intercession with international lenders.
- He also will want increased US support for his counterinsurgency, counterterrorist, and antinarcotics programs, but is unlikely to favor in-country training by US military advisers.
- Failure to obtain adequate US security assistance would hinder Barco's efforts to ensure guerrilla compliance with the truce. It would also weaken the government's antinarcotics and counterterrorist programs.

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