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The Director of Central Intelligence  
Washington, D.C. 20505

National Intelligence Council

NIC-03639-84  
22 June 1984

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

THROUGH: National Intelligence Officer for Warning

FROM: [redacted]  
Acting National Intelligence Officer  
for Latin America

SUBJECT: Warning and Forecast Report for Latin America  
June 1984

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1. The following items were discussed at the Warning and Forecast Meeting held on 20 June 1984.

Debtor's Conference

2. The major Latin American debtor nations are holding a conference in Colombia which will likely result in a joint declaration on measures to be taken by lender countries and institutions to ease the debt burden.

-- While it is unlikely that a debtor's cartel will be formed, individual countries may follow the Bolivian lead of declaring temporary debt moratoriums until terms can be renegotiated.

-- The conference may also call for continued joint action by major debtors countries to negotiate with key lenders.

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El Salvador

4. A major insurgent offensive is expected in the August/September timeframe to regain the military initiative and enhance their negotiations posture.

- Rather than an all-out, short-term operation, the offensive is likely to be a lesser effort sustained over several weeks.
- The insurgents may be able to score some limited tactical success with more political/psychological than military value, although some spectacular operations cannot be ruled out.
- A key to guerrilla success will be whether sustained Army operations can keep them off balance and prevent sufficient coordination between the various factions.

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6. Another area of concern is that President Duarte appears to be ignoring the moderate right and forcing it to align with the far right in the Assembly.

- This may make it difficult to win approval for key reform measures.

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Nicaragua

8. The pace of construction at several Nicaraguan airfields, including Punta Huete, Puerto Cabezas, and Bluefields, has increased substantially over the past several months, and all may be ready to support limited fighter operations by September/October.

- This suggests that more Cuban construction workers have arrived, and that Havana may risk deploying MIG fighter aircraft prior to the U.S. elections.
- The increased pace of other military deliveries by the Soviet Bloc this year, particularly of tanks, raises the possibility that the Soviets and Cubans may be pre-positioning equipment in the expectation of major hostilities.
- It also suggests that Cuban combat units may be preparing to deploy to Nicaragua if necessary.

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