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CENTRAL INTELLIGENCE AGENCY
OFFICE OF NATIONAL ESTIMATES

28 September 1966

SPECIAL MEMORANDUM NO. 15-66

SUBJECT: The Danger of a Military Coup in Guatemala*

The National Intelligence Estimate on prospects for the Méndez government in Guatemala (NIE 82-66, dated 24 June 1966) noted that the first order of business for the new president would be to solidify his working relationship with the military and to establish a modus vivendi with the country's right-of-center groups. We pointed out that to accomplish this he would have to demonstrate convincingly his determination to proceed vigorously against Communist terrorism. And we judged that he would probably make enough progress on these matters to maintain himself in power at least for the balance of this year. In fact, however, during nearly three months in office he has not made such progress; suspicion of his intentions has grown within the military establishment; and the danger of a coup has increased.

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1. President Julio César Méndez Montenegro won election as the candidate of the leftist Revolutionary Party (PR) with a

* Prepared in ONE, coordinated with OCI, which is undertaking a longer paper on the Guatemalan situation, with a target date of 6 October.

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plurality in a contest in which the rightist vote was divided between two retired military officers. His inauguration on 1 July was possible only because outgoing President Peralta (also Minister of Defense) insisted that the election results be honored and forced the anti-Méndez rightists and military officers to acquiesce.

2. The election caused dissension in the military establishment which has not been repaired. The naming of a successor to Peralta as Defense Minister was delayed when the military leadership had difficulty in agreeing on Méndez' choice, Col. Rafael Arriaga.^{1/} Thus Arriaga, one of the more effective and enlightened leaders in a military establishment that does not boast many, began his new job without the cooperation of some of his subordinates. His efforts to restore military unity under his control have not been successful. Indeed, military discontent with Arriaga has increased due to his efforts to stay within the military budget by slashing allowances of officers and certain offices and units, including their operational funds.^{2/}

^{1/} Méndez had agreed to select his nominee from a list of three names provided by the military. Arriaga was on that list.

^{2/} The military budget had been depleted by use of half a million dollars for additional security forces in the tense pre-inaugural period.

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3. At the same time, the capabilities of the country's police forces for preventing violence or apprehending extremists -- never very impressive -- have sharply deteriorated. In late 1965, when their incompetence was highlighted by the ease with which the Communist insurgent bands kidnapped prominent Guatemalan citizens, the task of coordinating the operations of the various police forces was given to Col. Arriaga. The limited progress that he made has largely been lost since 1 July. The police forces have been disrupted by investigations dealing with charges of murdering Communists; police officials have been removed and replaced by even less competent, if more humane, individuals; and the methods used by the police under the military dictatorship have been publicized and condemned by the Mendez administration.

4. In the three months since his inauguration Mendez has visited the principal military bases in an effort to improve his relations with the military leaders who are still the final arbiters of Guatemalan politics. Those efforts, however, have not overcome their basic concern that Mendez would permit a Communist infiltration of the government and a resurgence of Communist influence to the levels reached under Arbenz in the 1951-1954 period. That concern has been heightened by Mendez'

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offer of amnesty to the Communist insurgents and by his appointment of a prominent Communist writer to the plush assignment of Ambassador to France. An even more serious source of concern has been Mendez' refusal to undertake a strong new campaign against the Communist insurgent groups and his emphasis on condemning rightist extremists. This is a particularly touchy point because the military and the Guatemalan right are traditional allies and the insurgents are continuing to assassinate rightists and former military officers.

5. Consequently, we think that many of the Guatemalan military leaders are approaching the point of no return with the Mendez administration. Plotting between them and civilian rightists seems to be reaching an advanced stage. Unless Mendez takes steps to reassure these elements -- by ordering an offensive against the Communist insurgents, for instance -- they are likely to move soon to displace him.

6. The development of this situation depends importantly on the attitude of the Minister of Defense. None of the military leaders would willingly precipitate an armed conflict between elements of the military establishment. If Colonel Arriaga remains firm in his support of the civil government, the plotters

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would probably be deterred, at least for the time being. But Colonel Arriaga is not personally committed to Mendez -- he was named Minister of Defense only as the best choice among the three men nominated by the military. If strongly pressed, Arriaga might acquiesce in the plot in order to preserve the unity of the military establishment, which is more important to him than the fate of the Mendez government -- or might stand aside, as did the Dominican high command when the Reid Cabral government was overthrown.

FOR THE BOARD OF NATIONAL ESTIMATES:

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ABBOT SMITH
Acting Chairman

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