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POLITICAL STABILITY IN CENTRAL AMERICA AND THE CARIBBEAN THROUGH 1958

Submitted by the

DIRECTOR OF CENTRAL INTELLIGENCE

The following intelligence organizations participated in the preparation of this estimate: The Central Intelligence Agency and the intelligence organizations of the Departments of State, the Army, the Navy, the Air Force, and The Joint Staff.

Concurred in by the

INTELLIGENCE ADVISORY COMMITTEE

on 23 April 1957. Concurring were the Special Assistant, Intelligence, Department of State; the Assistant Chief of Staff, Intelligence, Department of the Army; the Director of Naval Intelligence; the Director of Intelligence, USAF; and the Deputy Director for Intelligence, The Joint Staff. The Atomic Energy Commission Representative to the IAC, and the Assistant Director, Federal Bureau of Investigation, abstained, the subject being outside of their jurisdiction.

Approved for Release
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POLITICAL STABILITY IN CENTRAL AMERICA AND THE CARIBBEAN THROUGH 1958

THE PROBLEM

To estimate probable developments in the Central American and Caribbean republics¹ through 1958 with particular reference to the prospects for political stability throughout the area.

CONCLUSIONS

1. For the period of this estimate, the military, together with the landed gentry and wealthy merchants, are likely to dominate the internal politics of all the Central American and Caribbean republics except Costa Rica. Reformist and popular elements, whose influence has been checked for the past few years, are unlikely to upset the status quo. However, palace revolutions may occur. (Para. 47)

2. The Communists, whose influence has been declining over the past few years, do not now constitute a serious threat to any regime in the area. Communist capabilities are unlikely to increase except in Cuba, and possibly in El Salvador. However, non-Communist subversion involving exiled groups will continue to disturb the stability of the area. (Paras. 36-37, 48, 52)

3. Inasmuch as we do not believe that the Cuban government can fully restore public order or check the emergence of new civilian opposition elements, there is only an even chance that the Batista regime will survive the period of this estimate. A military-dominated junta would be the most probable successor.

¹ Cuba, Haiti, the Dominican Republic, Guatemala, El Salvador, Honduras, Nicaragua, Costa Rica, and Panama. The foreign possessions in the Caribbean are not included.

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regime, remained loyal, and the opposition was disorganized and ineffectual. During the past 18 months, however, Batista's position has been considerably weakened by the growing political and military unrest. In late 1955, intensified student disturbances and demonstrations began to take place, and in April 1956, Batista, confronted with a conspiracy within the military, was forced to carry out an army purge. In the aftermath of this purge, there occurred an organized civilian assault on an army barracks, sporadic antiregime terrorist acts throughout the country, and widespread rumors of revolt and invasion.

20. Fidel Castro, youthful leader of a self-styled reformist, anti-Batista revolutionary group, has become the regime's chief antagonist. From exile in Mexico he apparently directed domestic underground opposition to Batista, and in September 1956, he signed an agreement with an anti-Batista student organization to collaborate in overthrowing the present regime. On 2 December 1956, Castro, with approximately 80 men and a small vessel, landed in eastern Cuba, and today he maintains a guerrilla force [REDACTED] which the Cuban government has thus far been unable to dislodge from the eastern mountains. [REDACTED]

21. Ex-President Prío has a considerable potential for increased subversive operations. [REDACTED]

13 March 1957, Cuban Insurrectionists, apparently including followers of Prío and possibly Castro, staged a spectacular but unsuccessful assault on the Presidential palace in an attempt to kill Batista.

22. The failure of the regime to crush Castro's guerrilla operations, the intensification of antigovernment acts and ruthless counter-

The Political Situation in the Island Republics

19. Cuba is ruled by a military "strong man," Fulgencio Batista, who returned to power in the 1952 army coup. Until late 1955, though the Batista regime was generally unpopular, the army, the key to the stability of the

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terrorist activities, the repeated suspensions of constitutional guarantees, and finally, the shifting of the revolutionary activity to the capital itself, have placed the regime in real jeopardy. Some responsible elements, - including some wealthy businessmen and professionals, are apparently sympathetic to the insurrectionists. Furthermore, there are reports of disaffection within the armed forces, particularly among the lower echelon personnel of the army. However, at the moment Batista appears still to have the loyalty of the leaders of both the military and the police. He is also favored by Cuba's current economic prosperity and by an absence of alternate political leadership with wide popular support.

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37. The Communists do not now constitute a
serious threat to the stability of any regime
in the area. Communist Parties are illegal in

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every country, and all governments have taken a public position against Communism. However, only Guatemala has demonstrated real concern over the Communist menace; the other governments have tended to view their non-Communist opponents as more immediate threats and therefore more dangerous. As a result, the Communists have been able to carry on their activities through a variety of front organizations. By this means they exert an influence out of proportion to their limited numerical strength. This is the chief potential danger from Communism in the area.

38. Except in Guatemala, where there has been a sharp across-the-board decline, there have been no radical alterations in the pattern of Communist operations over the past three years. Urban and plantation labor are the key sectors to which the Communists are directing their attention. Their success in this respect has been most marked in Cuba, Costa Rica, Honduras, and most recently in El Salvador. They also wield influence in the educational systems, perhaps most significantly in Cuba and Panama. Control of student, youth, and women's groups is a prime target, most importantly in Cuba.

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Communist infiltration of government is not quantitatively significant anywhere, though Communists and pro-Communist intellectuals apparently continue to hold official or advisory positions in Cuba and Panama. The Communists have not penetrated the armed forces to any significant extent.

39. Communist strategy over the long-term is to attempt to create a united opposition front and within that framework to discredit the group in power. They identify themselves where possible with progressive and nationalistic movements and attempt to convert non-Communist demand for social, economic, and political reform to Communist purposes. They attempt to discredit anti-Communist governments and to transform popular dissatisfactions into antagonism toward the US. Except in the case of Guatemala, the Communists in the area have generally eschewed

deep involvement in the subversive activities of non-Communist exiles.

40. The Communists of the area maintain their international contacts through the Communist-controlled Latin American Confederation of Labor (CTAL) and World Federation of Trade Unions (WFTU), and other front organizations. Over the past several years, there has been a notable increase in travel by local Communists and selected sympathizers to Soviet Bloc countries and to Communist-sponsored international conferences. Affiliations of local Communist Parties with front organizations are most fully developed in Costa Rica and Cuba.

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APPENDIX I

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APPENDIX II

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TABLE 4 - NATIONAL INCOME PER CAPITA, in
US Dollars (estimated 1957)

<u>Country</u>	<u>\$/Capita</u>
Cuba	840

TABLE 5 - US DIRECT INVESTMENTS IN CARIB-
BEAN AREA, 1955 (Million Dollars)

<u>Country</u>	<u>Total</u>	<u>Agri-</u> <u>culture</u>	<u>Public</u> <u>Utilities</u>
Cuba	723	376	305

TABLE 6 - SELECTED COMMODITIES AS
PERCENT OF TOTAL EXPORTS

<u>Country</u>	<u>1955 Figures</u>			
	<u>Sugar</u>	<u>Coffee</u>	<u>Bananas</u>	<u>Cotton</u>
Cuba	80	-	-	-