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LATIN AMERICA REVIEW



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Nicaragua: Factors Affecting Sandinista Military Strategy



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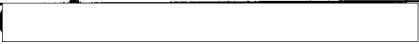
The principal FSLN faction is strong enough to launch major attacks against the government at any time, but a variety of constraints suggest that guerrilla leaders will follow a hit-and-run policy at least as long as the mediation effort continues.



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Victory



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The Social Christian Party's new President-elect has promised an "austere" administration, but he is not likely to embark on any major shifts in domestic or foreign policy.



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The recent public airing of British-Guatemalan differences over the future of Belize has made the negotiating process even more difficult, but the Guatemalans are still unlikely to move toward a major confrontation.



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The government has stepped up its efforts to restrict narcotics trafficking, but ultimate success depends on Bogota's willingness and ability to implement an overall program to solve Colombia's complex socio-economic problems. 

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Argentina-Chile: Plans for Military Action



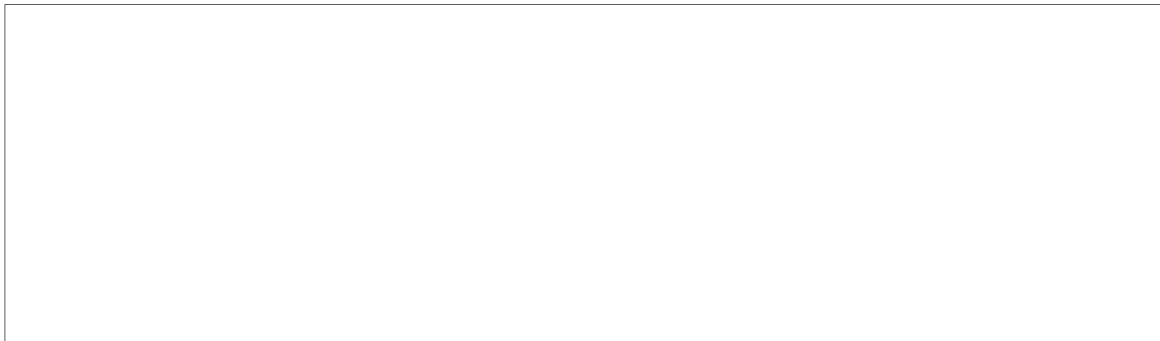
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 Argentina's armed forces plan to initiate a military confrontation in mid-December if Chile does not make a substantial territorial concession in the Beagle Channel area at the Foreign Ministers' meeting scheduled for 12 December. Argentine President Videla, who has been making efforts to reach a peaceful settlement, could lose control of the situation if the Foreign Ministers' meeting breaks down. 

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The Argentine high command reportedly has ordered all operational units of the armed forces to be fully deployed and ready for combat by 15 December. The US defense attache in Buenos Aires reports that all warships in Puerto Belgrano--the main Argentine naval base--are already in a 24-hour readiness posture and that their hull numbers have been painted out--generally regarded as an indicator of preparation for battle. 

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Both Argentina and Chile are continuing to purchase more arms and materiel. Since late 1977, Argentina has contracted for an estimated \$550 million to \$750 million worth of military equipment and ammunition. During the same period, Chile has probably spent about \$25 million. The difference suggests that Chile still does not believe it will have to engage in a protracted conflict. For

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its part, Argentina is not only preparing for any contingency in the current dispute, but also apparently intends to upgrade its military inventory for more general defense purposes. [redacted]

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Although Argentina and Chile have agreed to the Foreign Ministers' meeting, they still differ on the purpose of the talks. Argentina apparently intends to press for continued substantive bilateral discussions as a prerequisite to third party mediation. Chile has agreed only "to review the diplomatic record" and wants immediate mediation. These differences over how to proceed could cause the talks to break down before a mediator can be selected. [redacted]

1, 6
Both nations seem to attach more importance to their jurisdictional claims than they do to a peaceful settlement. Fundamentally, Argentina wants Chile's oceanic control limited to the Pacific, with no "minor" intrusions into the South Atlantic that might later be expanded. To defend its unencumbered control in the South Atlantic, Argentina insists on ownership of a specific landmark as a boundary point. Chile, on the other hand, refuses to give up its proprietary rights to islets located in the South Atlantic--which are not part of the juridical dispute--and insists that mediation be limited to fixing a maritime boundary determined by meridians instead of territory. [redacted]

2, 6
Videla's failure to obtain any significant concessions from the Chileans has further weakened his position, especially with several influential military commanders who seem increasingly disposed to force a resolution of the channel issue through armed confrontation. Videla's government in recent months has been ineffective in handling a broad range of policy matters, [redacted]

If hostilities ensue, Videla's apparent inability to take command could result in his being pushed aside by more aggressive military leaders. [redacted]

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Nicaragua: Factors Affecting Sandinista Military Strategy

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The principal Sandinista National Liberation Front (FSLN) guerrilla faction, the Terciario, is strong enough to launch major attacks by itself against the Somoza regime and, given the flow of new armament and other preparations, a new guerrilla offensive could still come at any time. Guerrilla leaders, however, are evidently weighing potential constraints, several of which appear to recommend only hit-and-run attacks, at least as long as the international mediation effort continues.

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The guerrillas' major offensive has been expected, and in fact repeatedly announced, for weeks. The Terciario faction in particular has the advantages of substantial foreign backing-

3 It has also had success in recruiting--the armed force in Costa Rica alone may number 700 or more.

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Sandinista guerrillas during fighting in Esteli last September

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1 A number of factors, however, currently seem to favor an FSLN policy of hit-and-run attacks rather than an all-out offensive. The principal Terciario faction reportedly has denounced the mediation effort and the proposal for a national plebiscite, but the bulk of Terciario leader Pastora's rank-and-file followers--newer recruits presumed to be motivated more by anti-Somoza sentiment than by revolutionary ideology--may prefer giving the plebiscite a chance. Pastora certainly needs active popular backing inside Nicaragua, which would be less likely if his offensive were perceived to be undermining a promising and peaceful alternative way to oust Somoza. Moreover, among the Sandinistas' international backers, Fidel Castro and perhaps Venezuelan President Perez, for different reasons, are counseling against a major attack. [redacted]

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1 The guerrillas also are certainly weighing military factors. They have more men and better arms than ever before, but so does the National Guard. The FSLN may have 2,000 armed followers, while the Guard probably has over 10,000 men. Moreover, the Guard has reinforced the Costa Rican border area, and within the next few weeks the Organization of American States could post observers along the border as well. The Terciarios, who operate largely out of Costa Rica, are generally not fanatics, and they recognize that another defeat like the one suffered in September could demoralize all of the anti-Somoza forces and strengthen the government's overall position. [redacted]

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1 The military balance is unlikely to change significantly, unless the guerrillas acquire aircraft or receive much greater, direct, foreign military support. Several vague reports have suggested that the FSLN has acquired some planes, but we have no details or corroboration. [redacted]

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1 Tomas Borge, the Popular Prolonged War (GPP) faction leader, opposes Pastora's strategy of uniting various anti-Somoza forces to promote immediate popular insurrection, because he believes it would be a premature and "nonideological" move. The GPP favors an authentic revolution achieved through prolonged guerrilla action beginning in the mountains and culminating in a general

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insurrection to establish a socialist state.



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Venezuela: Implications of Herrera's Election Victory

President-elect Luis Herrera Campins' victory in the general election on 3 December brings his Social Christian Party to power for only the second time in its 32-year existence. He has promised an austere administration, and his election will not result in any major shifts in domestic or foreign policy. Unofficial returns in one of the largest voter turnouts in Venezuelan history give Herrera a 100,000 vote margin, but this is not large enough to ensure his party's control of the concurrently elected bicameral congress. The results of the congressional elections will not be known until late this week, when seats are assigned to the contending parties through a system of proportional representation.

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Together, the Social Christians and the governing Democratic Action Party won approximately 85 percent of the vote, a fact that continues the trend toward an institutionalized two party system in the country--a healthy sign of political and democratic stability.

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Leaders of a number of badly trounced leftist parties are again calling for the formation of a postelection united front. This tactic has been tried many times during the past 20 years, but has failed because the parties and leaders were unable to resolve personal and ideological differences.

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The New Government

During the election campaign, Herrera relied on a number of close advisers who are now expected to play influential roles in his administration. Gonzalo Garcia Bustillo, former Ambassador to the Organization of American States, is expected to become foreign minister; and Humberto Calderon Berti, an expert on oil technology is likely to take over the Ministry of Energy and Mines.



Until the party's legislative lineup is settled, Herrera will defer action on whether to initiate talks with smaller political parties, or even with the defeated Democratic Action Party, on a coalition that could ensure passage of needed economic and social legislation. During the campaign, Herrera turned down suggestions by his Democratic Action opponent that both parties agree beforehand to a legislative coalition in the event neither won a majority in the new congress. Former Social Christian President Rafael Caldera's refusal to agree to a coalition after his narrow win in 1968 resulted in a legislative stalemate that lasted nearly two years and that was broken only when military leaders began to voice their concern over the situation.



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Prospects

The somewhat enigmatic figure of former President Rafael Caldera hovers over the Herrera presidency. Caldera's hold on the Social Christian Party is stronger than that of Romulo Betancourt on the governing Democratic Action Party, if only because Caldera is regarded as his party's presidential candidate for 1983 when the required 10-year period after his former presidency will have elapsed. Until Herrera won his party's nomination--against the strenuous efforts of Caldera to install his own choice--the two have been political antagonists. Their differences were papered over during the hard-fought campaign, but they may break out again if the President-elect sets his Social Christian government on a course that disregards Caldera's views. [redacted]

Unlike Caldera, Herrera is unlikely to govern by committee. He will have a greater temptation to strike out on his own, since he has fewer political debts to pay to his party. Herrera's candidacy was the result of his hard work outside of the party organization; indeed, he won the nomination despite the opposition of the party machine. As an outsider to party politics, Herrera may thus have better credentials for resisting the demands of special interest groups, but his lack of experience in the machinery of government is likely to make the vital process of coordination between a president and his legislative followers a difficult one. [redacted]

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[REDACTED]

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Guatemala-UK: Stalemate Over Belize [REDACTED]

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The recent public airing of British-Guatemalan differences over the future of Belize has made the negotiating process even more difficult. [REDACTED]

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On 28 November, the British revealed their proposals--initially made in secret last September--to demonstrate to the UN General Assembly's committee on decolonization that the UK had kept its promise to work for the "early independence" of Belize. The UK is offering the Guatemalans an economic development package and a modest reconfiguring of territorial waters but no cession of Belizean territory--far short of Guatemala's expectations. The move reflects London's determination to resolve the issue as soon as possible and its view that Commonwealth nations and most nonaligned states would not oppose the refusal to cede land. [REDACTED]

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Guatemalan Foreign Minister Castillo Valdez responded to the British disclosure in a vitriolic speech on 30 November that included a direct attack on UK Foreign Secretary Owen. Although Castillo Valdez categorically rejected the British proposals, he noted that his government is willing to continue negotiations with the UK and--in a new gambit--to have direct talks "with the people of Belize." [REDACTED]

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The Guatemalan Foreign Ministry is now reported to be reviewing policy options. President Lucas and Castillo Valdez have discussed reinforcing garrisons near the border with Belize, but the Foreign Minister continues to favor drawing out the negotiating process in the hope that--in time--both the UK and Belize will have more accommodating governments. Short of a precipitate, unilateral British move to grant independence to Belize, the Guatemalans--in part because of their preoccupation with events in Nicaragua--are likely to avoid taking steps toward any major confrontation. [REDACTED]

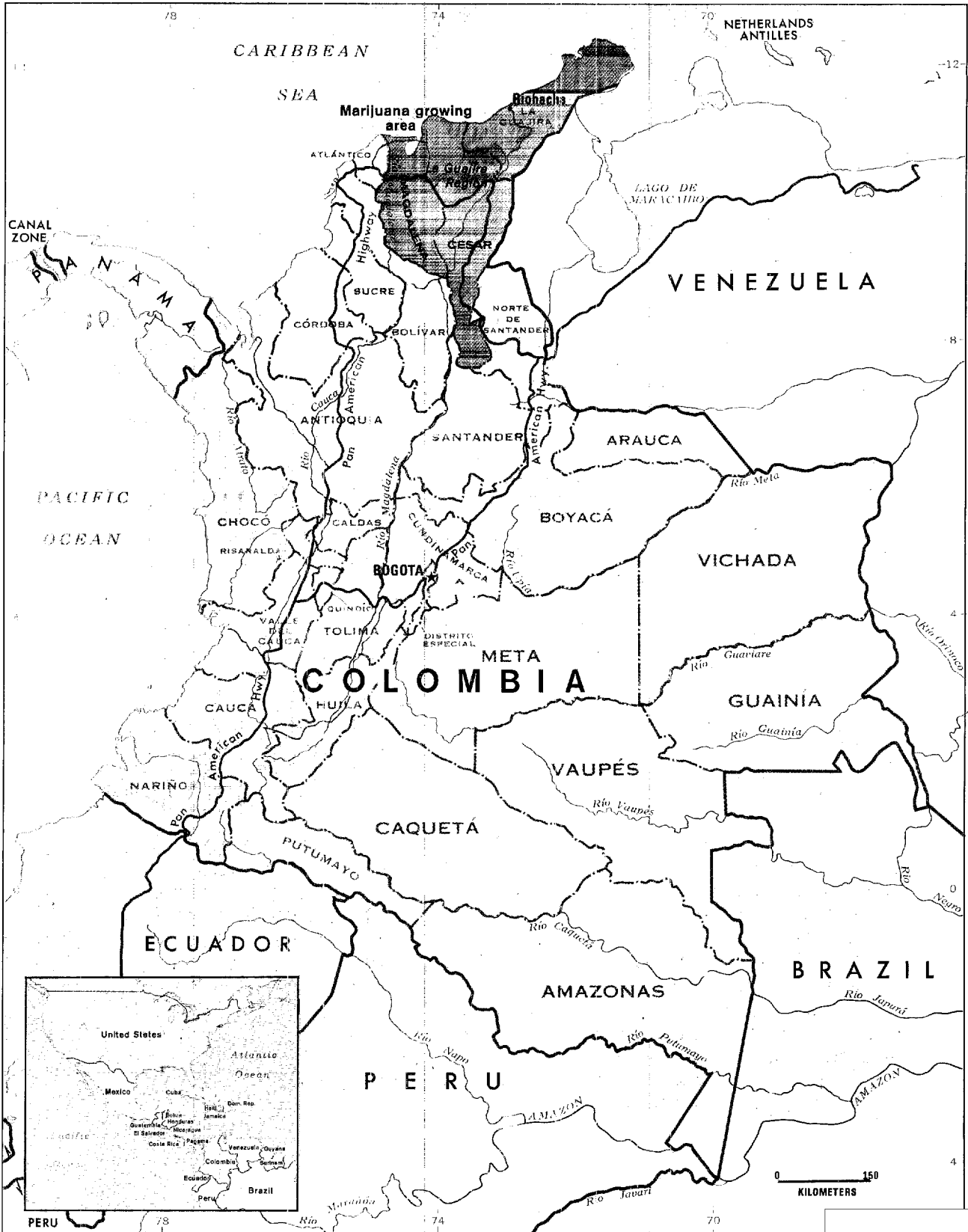
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Colombia: Major Drug Production and Smuggling Area



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Colombia: Narcotics Control in the Guajira

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2 The Colombian Government is stepping up its drug enforcement efforts, particularly in the cultivation and smuggling center of the Guajira Peninsula. Enforcement, however, is only one aspect of the overall program needed to solve Colombia's complex narcotics problem.

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1, 2 "Operation Fulminante"--an intensive, albeit temporary, campaign begun last month by military and police units against marijuana and cocaine traffickers--is producing positive results in the Guajira area. Air patrols, roadblocks, and news reports of arrests, seizures, and stiff penalties have already diminished narcotics trafficking in the area--at least for the present. The operation is scheduled to end in two to three months, however, and when the restrictions are eased many of the traffickers will undoubtedly resume their operations.

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2 Ultimate success in the Guajira Peninsula will depend on Bogota's willingness and ability to implement a socioeconomic program that provides incentives to abandon the illicit but profitable drug industry. This will not be an easy task, however, in view of the poverty and distrust of the central government that prevail among the people of the Guajira.

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Background on the Region

2 The Guajira Peninsula's geographic isolation is reflected in its historic separation from the economic and political mainstream of Colombian life. The sparsely populated region is characterized by arid, largely barren plains and scattered high hills. Narrow unsurfaced roads and tracks provide virtually the only transportation links between the small towns, although there are also numerous clandestine airstrips used for drug smuggling. Conditions in the Guajira have imbued the people with an independent, separatist mentality that combines resentment toward Bogota for having neglected the region and pride for having survived despite this neglect.

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2 Opportunities for economic improvement are linked to the region's emergence as a major source of marijuana and, to a lesser extent, as a transshipment point for cocaine. "Operation Fulminante" not only threatens that prosperity, but also fosters the local peoples' alienation from and resentment of the central government because of what they regard as Bogota's heavyhanded tactics in the antidrug enforcement program. [redacted]

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1 The citizens of Riohacha--the capital of Guajira Department--are reportedly carrying out civil strikes and demonstrations against the allegedly repressive measures employed in the enforcement action. Notices are also said to be circulating in the region that describe the central government as the Guajira's "principal enemy." Some persons in the Guajira reportedly believe that Bogota's antinarcotics drive is no more than a self-serving move by President Turbay to improve his public image and cleanse his name of rumors that he is involved in drug traffic. [redacted]

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The Problem for Turbay--and the US

2 President Turbay recognizes the deeper socioeconomic causes behind the proliferation of drug trafficking in Colombia. He is aware that while stringent enforcement may temporarily curtail the flow of narcotics, what is needed over the long term is an economic development program to provide people in the Guajira with a legitimate means of earning a living. His administration is currently studying programs that will provide sufficient infrastructure in the Guajira and other less-developed areas to support industrial activity and to increase legitimate agricultural output. Actual construction of new roads and development of labor-intensive manufacturing, however, are years away. Meanwhile, the drug-oriented illicit economy could become so entrenched in the area--if this is not already the case--as to be essentially impervious to control measures. Indeed, at least some of the population will perhaps never become part of a productive work force. [redacted]

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5 Significant reduction of marijuana cultivation in the Guajira will result only when Colombia embarks on an eradication program similar to the one undertaken in Mexico. Even current levels of drug control in Colombia

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EL SALVADOR: Guerrilla organizations are focusing greater attention on multinational corporations in El Salvador. On 25 November, bombs placed by the guerrillas caused extensive damage to one of the principal laboratories of the West German Bayer conglomerate. The preceding day, the director of the Dutch Philips corporation was kidnaped by guerrillas, and Philips is likely to have to pay a large ransom to secure his release. The corporation has already published the guerrillas' statement of grievances in some 40 newspapers in 32 countries. On 30 November, two British citizens employed by the Bank of London and South America were kidnaped. The Armed Forces of National Resistance has claimed credit for all three kidnapings.

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Church-state relations, already at what may be an all-time low, may deteriorate further in the wake of the killing of a priest at his home during a five-hour shoot-out between security forces and alleged guerrillas on 28 November. The military maintains that the priest was identified by "a fellow guerrilla" as the head of some 32 cells of the Popular Liberation Forces, the country's largest guerrilla organization. Archbishop Romero, a persistent critic of the regime, has formed an investigatory commission that seems likely to challenge the official version of these events. Romero's activism has been regarded by some as going beyond what the Vatican would favor, but his recent ouster of Vicar General Revelo--widely viewed as a conservative imposed on Romero by the Holy See--implies that no diminution in the archbishop's criticism of the government can be expected.

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can be maintained only if such intensive enforcement campaigns as "Operation Fulminante" are institutionalized and conducted full time. Either approach would require a substantial commitment of money and material from the US and would, particularly in the case of an eradication program, invariably lead to diplomatic difficulties between Washington and Bogota similar to those that have affected US-Mexican drug-control efforts. [redacted]

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Colombia appears to be at the same stage in its decisionmaking process regarding drug control as Mexico was in the early 1970s, that is, whether or not to launch a costly and concerted effort. Unlike Mexico, however, Colombia probably will not be able to pay its share of the bill. As seen from Bogota, therefore, the issue for the US is that the more it promotes drug control in Colombia, the more it will be expected to pay. [redacted]

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[redacted]

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