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THE DIRECTOR OF CENTRAL INTELLIGENCE

WASHINGTON, D. C. 20505

National Intelligence Officers

NFAC-4463-80/1 23 June 1980

MEMORANDUM FOR: See Distribution

FROM

: National Intelligence Officer for Latin America

SUBJECT

: Monthly Warning Assessment: Latin America

- 1. Attached is a copy of the Latin America Warning Assessment based upon our discussion of 17 June 1980.
- 2. The next warning meeting will be held on 22 July 1980 at 1100 hours in room 5G00 CIA headquarters. Tentative agenda for the meeting is as follows:
 - -- Cuba and Latin American revolutionaries
 - -- Jamaica
 - -- El Salyador
 - -- Nicaragua
 - -- Guatemala
 - -- Bolivia
 - -- Soviet intervention in Latin America

Please call
by noon on 21 July to give her the name of the individual participating from your office.

Jack Davis

Att: (1)

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THE DIRECTOR OF CENTRAL INTELLIGENCE

WASHINGTON, D. C. 20505

National Intelligence Officers

NFAC-4463-80 23 June 1980

MEMORANDUM FOR: Director of Central Intelligence

Deputy Director of Central Intelligence

THROUGH : Deputy Director for National Foreign Assessment

National Intelligence Officer for Warning

FROM : National Intelligence Officer for Latin America

SUBJECT : Monthly Warning Assessment: Latin America

1. Action Requested: None; for your information only.

2. Cuba

The Impact on domestic policy of the growing influence of hard-line advisors to Castro is clear: greater repression; intensified efforts to raise revolutionary fervor. The impact on foreign policy is not as clear. The increasing stream of invective against governments Castro's pragmatic advisors tried to cultivate (Venezuela and Costa Rica in particular) can probably be attributed to the rise in hard-line influence. Less concern about Cuban image in these countries would support other evidence of stronger Cuban support for Latin American revolutionaries—a long time hard-line position. Castro's frustration over US unwillingness to negotiate bilaterally could strengthen his incentives for stepping up support to revolutionaries. On the other hand, if Castro really is concerned about a growing danger of a US attack on Cuba (apparently one key reason for seeking US talks), stepped up support to Latin American revolutionaries would seem a risky business.

3. Jamaica

The greater backbone shown by the Jamaican police force (in attacking government political manipulation of the force) and the increased public and special interest support of the opposition JLP

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would argue against the chances for success of an attempt by radicals in Manley's entourage to cement themselves in power through illegal action. However, in an increasingly tense and disorderly environment, a serious attempt by the radicals cannot be ruled out (perhaps 20-25 percent likelihood). Nor can its success, if attempted (perhaps 10-15 percent likelihood). Under the circumstances, and considering the important US stakes in danger should a successful strike for power take place; prompt attention to contingency planning for US action in a possible crisis would seem prudent.

4. El Salvador

So far the military and security forces are holding their own against the military forces of the extreme left. But there is no evidence that the will or the power of the extreme left is diminishing. And there are increasing signs of preparations for greater arms supplies from abroad. Also, the government is not doing well at all on the political front, where unbridled rightwing violence (with the complicity of government forces) continues to undercut the Junta's legitimacy at home and abroad. Also, the economic situation worsens steadily. We thus could face over the next couple of months a stronger extreme left confronting a weaker and possibly unravelling government.

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6. Brazil

We still are not confident that the Brazilian government will be able to pull itself out of its imposing economic difficulties and

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stick to its promised political liberalization program. Should the government lose confidence in its pragmatic corrective policies, it might-some months down the road-give vent to the considerable hypernationalism in some sectors (e.g., attacks on multinationals, demands for debt relief or selective default). This would likely make matters worse in Brazil and create special difficulties for the US.

Jack Davis

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NFAC-4463-80

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