

Central Intelligence Agency Office of the Deputy Director for Intelligence



2 August 1985

NOTE TO: Admiral James D. Watkins Chief of Naval Operations

dmual -

Attached is the paper we spoke about on

the telephone.

Sol

Robert M. Gates
Deputy Director for Intelligence

25X1

Central Intelligence Agency



Washington, D. C. 20505

DIRECTORATE OF INTELLIGENCE

15 July 1985

Peru: The Garcia Administration and Prospects for Communist Inroads

Sumary

The 36-year old Alan Garcia, who takes office on 28 July, parlayed a magnetic personality, youthful dynamism, and a vision of a more egalitarian society for Peru into electoral victory. The leftwing social democrat can count on widespread popular support in the early going, but the severity of the country's economic difficulties, increasingly lethal leftist terrorism, and a rapidly expanding illicit narcotics industry are formidable challenges. Garcia's slowness in elaborating concrete programs to deal with these problems and in selecting a team to help him govern suggest that Peru may face considerable political uncertainty in the months ahead.

25X1

The congressional majority obtained by Garcia's American Popular Revolutionary Alliance (APRA) gives him an edge in attempting to implement new programs to ease Peru's problems. His major opposition will come from the Marxist-Leninist dominated United Left coalition and from a Communist-controlled labor confederation whose membership comprises some 40 percent of organized workers. We judge that moderate center-right opposition parties, tarred by President Belaunde's poor performance and their own failure to present a unified electoral slate, are likely to have little impact in the early stages of the Garcia administration. By carefully cultivating the military, Garcia has been able to overcome the officer corps' longstanding antipathy toward APRA.

25X1

This typescript was requested by the National Security Council, and prepared by the Office of African and Latin American Analysis with contributions from other analysts in that office as well as from the Office of Central Reference, the Office of Global Issues, and the	25 X 1
Office of Soviet Analysis. It responds to specific questions posed in the	
tasking memorandum.	25 X ′

ALA-M-85-10075

25X1

SECRET