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The Director of Central Intelligence

Washington, D.C. 20505

National Intelligence Council

NIC 04026-86  
29 August 1986

MEMORANDUM FOR: Director of Central Intelligence  
Deputy Director of Central Intelligence

VIA: National Intelligence Officer for Warning

FROM: Robert D. Vickers, Jr.  
National Intelligence Officer for Latin America

SUBJECT: Latin America Warning and Forecast Meeting  
August 1986

1. The following items were discussed at the Intelligence Community's Warning and Forecast Meeting held on 27 August 1986.

Jamaica

2. Despite the severe defeat that Prime Minister Seaga's ruling party suffered at the polls in recent local elections from the left opposition party of Michael Manley, there is little prospect that Seaga will be forced to call national elections soon.

- Given Jamaica's serious economic problems, Manley appears content to bide his time and let Seaga struggle with the IMF over new loan commitments.
- Seaga wants to promote economic growth to regain popular support, and is resisting new IMF austerity measures, particularly a currency devaluation.

WARNING ISSUE: Seaga appears unwilling to compromise with the IMF, but he would face serious economic problems if an agreement on conditions for new lending are not reached in the next few months.

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Chile

3. CIA and DIA disagree strongly on the degree of military support for Pinochet.

- CIA believes that Pinochet has become increasingly isolated, and that unless he makes some basic compromises to speed up the transition process, he risks efforts to remove him by other officers, even within the Army.
- DIA believes the armed forces basically support the constitutional transition and will support Pinochet as long as he abides by the constitution.
- There is also disagreement over whether an escalation of violence strengthens Pinochet or weakens him, but both agencies agree that protests and violence tend to polarize opinion in the military in support of or against a speeded up transition process.

WARNING ISSUE: There is some danger that increased protests and violence planned by the Communists and radical left may precipitate a crisis in the next several months and exacerbate differences within the ruling junta.

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Mexico

4. The ruling party appears to have successfully contained opposition protests against the recently-rigged elections in the north, and is likely to be undeterred from manipulating results in additional state elections over the next few months.

- The opposition has little choice but to mount peaceful protests, but these are likely to have little effect.
- Over the longer run, however, the ruling party risks further alienation of public opinion and disgust with the overall political process.

WARNING ISSUE: There is little prospect of near term political crisis in Mexico despite likely future protests of rigged local elections.

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Nicaragua

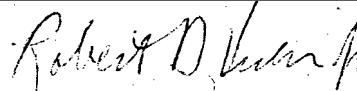
5. Despite concerns by Honduran military and Contra leaders that the Sandinistas may launch a major cross-border offensive before 1 October, DIA sees little evidence that such action is imminent.

- There has been no buildup of forces on the Nicaraguan side of the border, and newly-conscripted troops have yet to be adequately trained.

WARNING ISSUE: Despite the lack of indications that a major attack is imminent, a sabotage raid could be launched on short notice.



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Participating in the NIO/Latin America Warning Meeting of 27 August 1986 were representatives of the following agencies:

- DIA: DIO/DIA
- DIAC/DB3C3
- DIA/DB3C2
- DIA/DC4A
- DIA/DB6D2
- JSI-4B
- DIA/AT-5

US SOUTHCOM

Department of the Navy

US Marine Corps

National Security Agency

National Security Council

Vice President's Office

CIA Participants:

- ALA
- OGI
- OIA
- CRES
- LDA
- OIR
- OSWR
- DO/LA
- NIO/W
- ICS/HC
- NPIC
- FBIS
- JPRS

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