101. Memorandum for the Record¹

Washington, June 2, 1965, 5:29–7 p.m.

SUBJECT

Meeting in the Cabinet Room at 1700 on 2 June 1965

PRESENT WERE

The President

For State: Messrs. Rusk, Ball, Mann, Bunker, and Vaughn

For Defense: Messrs. McNamara and Vance

For the White House: Messrs. Bundy, Moyers, and Bromley Smith

For CIA: Messrs. Raborn and Helms

- 1. The first action taken by the President when he joined the meeting at 1730 was to approve the Department of State telegram to Santo Domingo containing Ambassador Bunker's instructions. A copy of this cable is attached.²
- 2. Mr. Rusk introduced a discussion on the problem of an interim provisional government in the Dominican Republic with particular reference to when the United States would lose control of the situation and when, therefore, general election should be held. It was debated inconclusively as to whether sixty or ninety days would be too soon and whether some provisional arrangement should be established which would hold off elections for six months or so. There was concern expressed that an election coming too soon might give skilled Communist agitators the edge in a campaign. It was conceded that no one had any very clear idea on who the candidate would be or what their election prospects were.
- 3. The President spoke in some detail regarding his change of view with respect to a Bosch-Guzman solution to the Dominican politician problem. From having been in favor of Bosch, he indicated that he had become thoroughly disenchanted with him as to character, decency, behavior, and integrity. He said that he was now convinced that the establishment of a Guzman government would have been a disaster. He repeated that he had the gravest misgivings about Bosch and his followers.

¹ Source: Central Intelligence Agency, Executive Registry Files, Job 80–R01580R, Box 15, Dominican Republic, Folder 302. Secret. Prepared by Helms on June 3. The time of the meeting is from the President's Daily Diary. (Johnson Library)

² Not attached. Ellsworth Bunker arrived in Santo Domingo on June 2 to take part in the negotiations to resolve the Dominican crisis.

- 4. There was some informed discussion regarding the respective merits of the 1962–1963 Constitutions in the Dominican Republic. It was pointed out that the 1963 version had certain clauses which might be rather difficult to defend before an American congressional committee.
- 5. We were asked again to check on the number of weapons available to the rebels in the down-town area and also on the status of Radio Santo Domingo. [1½ lines of source text not declassified]
- 6. There was inconclusive discussion of how to handle the Dominican armed forces. It was recognized that they are the only stabilizing factor in the country. It was left to Ambassador Bunker to take a reading on this problem after he had been in the Dominican Republic for a few days.
- 7. At Ambassador Bunker's request, it was agreed that the Agency would provide him with daily intelligence from all sources. (DDI and DDP are together on this as of a.m. 3 June and will provide [less than 1 line of source text not declassified], for passage to Mr. Bunker, a full report, including FBI, COMINT, and other material.)
- 8. It was reported that CBS was broadcasting that Ambassador Bennett was to be replaced. The President authorized an oral statement to CBS to the effect that Ambassador Bennett would remain at his post.³

[Omitted here is discussion of operation Rolling Thunder XVII in Vietnam.]

Richard Helms⁴Deputy Director

³ Not further identified. Ambassador Bennett remained at post until April 13, 1966.

⁴ Printed from a copy that indicates Helms signed the original.

102. Record of Conversation Between the Director of the Office of Caribbean Affairs (Crockett) and Former President of the Dominican Republic Balaguer¹

June 4, 1965.

SUBJECT

Dr. Joaquin Balaguer's Views as of June 4, 1965

I met with Dr. Balaguer for several hours this evening. I gave him our line. I heard and discussed his views. The bare bones of the conversation can be summarized as follows:

Balaguer believes:

- 1. Bosch is no longer capable of being a constructive force—it is now clear his aims and ends can only be destructive.
- 2. Despite the risks involved, an electoral solution offers the only apparent way out at this time.
- 3. An apolitical interim government capable of winning general national support must be formed and installed as quickly as possible—preferably within the next few days.
- 4. Such a government will not be supported by Bosch or the Caamaño crowd in Ciudad Nueva.
- 5. It will not be possible to talk Caamaño and his crowd out of Ciudad Nueva—it would be a mistake to shoot them out.
- 6. During the interim period, they should be left alone, but contained in Ciudad Nueva. Time, attrition and the people will dissolve them in a matter of weeks once an interim government of national consensus is installed and has gained recognition.
- 7. At best, any interim government will be weak and capable of holding office for only a limited period—a year at the outside, but perhaps no longer than six months.

¹ Source: Johnson Library, National Security File, Country File, Dominican Republic, Vol. VII, Cables, 6/1–6/14/65. Secret; Exdis. Copies were sent to Vaughn, Bunker, and Ward P. Allen (ARA/RPA). Another June 4 memorandum by Crockett covers the transcript of a half-hour telephone conversation between Crockett and Balaguer, who was in New York City, on May 26. This memorandum explains that Vaughn, returning from a May 26 meeting at the White House (see Document 97), instructed Crockett to contact Balaguer to: "(1) bring him up to date; (2) sound him out; (3) ask him for additional names acceptable to him; (4) see if he has any new strategy to suggest and (5) keep our line to him open and active." Also attached to this memorandum is a May 27 FBI report of Balaguer's summary of the conversation sent from Hoover to the President. (National Archives and Records Administration, RG 59, Central Files 1964–66, POL DOM REP–US)

- 8. Elections should be delayed until the climate is more propitious—at the same time, elections must be held as soon as possible. The trick is to delay the holding of elections for a period which can be gauged as the probable effective life expectancy of the interim government.
- 9. There can be no assurance who will win when elections are held, but it seems highly unlikely Bosch will run. Barring a sudden and extreme surge of nationalism, the eventual winner will probably be someone capable of heading a government not unacceptable to the US.
- 10. Although illiterate and unsophisticated in politics, the Dominicans can learn and have learned a good bit from their unhappy experiences since Trujillo's death. This is reassuring.
- 11. The military establishment must be greatly reduced in size and completely restructured. This should be accomplished, to the extent possible, during the tenure of the interim government and while the IAF is still in the Dominican Republic.

Balaguer will take the following actions:

- 1. Support any movement which offers promise of gaining national acceptance and which is not unacceptable to the U.S.
- 2. Urge his contacts and followers to establish liaison with likeminded groups and come to the OAS committee with concrete proposals, including a slate of names from which a single interim Chief of State might be selected.
- 3. Impress upon all of those with whom he is in contact that they should make their views and proposals known to the OAS committee, regardless of whether they are able to agree on a common plan of action.
- 4. When and if a national consensus is judged by the OAS committee to have emerged, Balaguer will fall into line if it is at all possible for him to do so, regardless of whether his supporters have at the point in time thrown their lot in with the group heard by the OAS committee.

Balaguer estimates:

- 1. Viriato Fiallo² is no longer the power he once was, in the Cibao or elsewhere. He might capitalize on a wave of nationalism.
 - 2. Bonnelly 3 is an elder statesman—heard but no longer heeded.

² Dr. Viriato Fiallo, leader of the Union Civica National (UCN) party; hero of the struggle against Balaguer and Ramfis Trujillo.

³ Rafael F. Bonnelly, President of the Dominican Republic and the Consejo de Estado (Council of State) that governed the Republic during 1962 and in 1963 until February 27.

3. "Youth" in the Dominican Republic is restive and looking for a change. They want work and stability just as much. Both ends cannot be achieved fully and simultaneously—but the problem must be recognized. One way of partially dealing with it would be to include young, progressive but non-communist elements in both the interim and elected governments to the extent reasonably competent individuals can be identified and recruited.

Augusto Lora, who heads Dr. Balaguer's party in the Dominican Republic, is now in the U.S. He will carry Dr. Balaguer's message to the Partido Reformista faithful and other sympathetic groups in the D.R.

KMC

103. Telegram From the Embassy in the Dominican Republic to the Department of State¹

Santo Domingo, June 10, 1965, 1630Z.

2323. For Secretary from Bunker.

- 1. USUN telegram 4931^2 to Dept, rpt info Santo Domingo 73, raises fundamental considerations affecting outcome of my efforts here on which I want you to have my personal views.
- 2. I am convinced after intensive investigation on the scene during past week that political formula which would meet our requirements, be acceptable to Caamano/Bosch group, and at same time attract support of other key elements of Dominican body politic (e.g. church, armed forces, civic and professional organizations, business groups, and, I suspect, a not inconsiderable number of common peo-

¹ Source: National Archives and Records Administration, RG 59, Central Files 1964–66, POL 23–9 DOM REP. Confidential; Immediate; Exdis. Passed to the White House, DOD, and CIA.

² In telegram 4931 from USUN, June 9, Stevenson warned that the United States should not "cherish illusion that danger of further SC intervention is past or that those publicly or privately favoring greater UN role, including SYG himself, have been persuaded to contrary or permanently silenced." (Johnson Library, National Security File, Country File, Dominican Republic, Vol. VII) The United States believed that Caamaño's group had resisted compromise efforts with the OAS Ad Hoc Committee because of encouragement it had received from Mayobre who had sought an expansion of his mandate to intervene in the Dominican crisis. (Telegram 2232 from Santo Domingo, June 4; ibid., and telegram 1373 to Santo Domingo, June 5; National Archives and Records Administration, RG 59, Central Files 1964–66, POL 23–9 DOM REP)

ple, particularly in rural areas, who long for peace and stability) is virtually impossible to achieve.

- 3. I have reached conclusion that about only way to break present political impasse here and restore a measure of harmony is to let people decide for themselves through free and open elections supervised by OAS and the formation in the meantime of a provisional government of technicians who, governing under an institutional act with strong OAS support, could take country to elections. This formula should attract broad popular support in DomRep and international acceptance. I am working in this direction in ad hoc committee³ and I am hopeful that my Brazilian and Salvadorean colleagues will accept this formula.
- 4. Our prognosis is that electoral formula as I conceive it will not be acceptable to either Caamano or Imbert and that opposition of former will probably be stronger than that of latter, making it necessary for us to proceed without Caamano/Bosch consent and very possibly against their determined, active opposition.
- 5. Returning to USUN's cable, foregoing prospect raises in my opinion need to begin planning now how we can best deal with pressure for additional UN involvement anticipated in USUN's message. I recognize that given attitudes in UNSC this not easy assignment. Task of putting through electoral-provisional government-institutional act formula is going to be difficult enough without increased UN involvement here. This particularly true when involvement is in hands of a representative like Mayobre who is so clearly inclined toward camp which is likely to oppose our peacekeeping efforts most vigorously, with possible renewal of the hostilities and/or widespread demonstrations and protests which USUN says will immediately trigger pressure for greater UN intervention.
- 6. I trust that every effort will be made with sympathetic governments on UNSC, as well as with UN-SYG, to keep UN involvement from going beyond already uncomfortable level.

Bennett

³ On June 2 a resolution establishing an Ad Hoc Committee, composed of Ambassador Ilmar Penna Marinho of Brazil, Ambassador Ramon de Clairmont Duenas of El Salvador, and Ambassador Bunker of the United States, was adopted at the Tenth Meeting of Consultation of Ministers of Foreign Affairs of the American Republics in Washington. This committee was to continue the efforts of the OAS Special Committee to help find a solution to the Dominican crisis, to guide the Inter-American Peace Force, and to report to the Tenth Meeting as events arose in the Republic.

104. Memorandum for the Record¹

Washington, June 10, 1965.

SUBJECT

Dominican Task Force Meeting-June 10, 1965

PARTICIPANTS

Tom Mann, Kennedy Crockett, Robert Sayre, Richard Phillips,² Anthony Solomon, William Rogers,³ Cyrus Vance, Joseph Califano, Adam Yarmolinsky,⁴ Richard Helms, Desmond FitzGerald, Donald Wilson, McGeorge Bundy, Gordon Chase

- 1. *Economic Situation*—Mr. Yarmolinsky, who had just returned from Santo Domingo, reported to the group in writing (see Tab 1)⁵ and orally regarding the economic situation in the Dominican Republic.
- (a) *The Welfare Sector*—Mr. Yarmolinsky said that we are in pretty good shape and that there are no real problems.
- (b) The Private Sector—Mr. Yarmolinsky said that we are not out of the woods but that, generally speaking, the Dominican Republic is probably no worse off now than it was before the revolution. For example, credit is generally tighter than it was, but probably not much tighter than it ought to be. The port of entry problem is difficult but not insoluble. Major export activity is still going on.

Mr. Yarmolinsky said that, from an economic point of view, it is possible to operate the country for many months without the use of the rebel-held area. While Mr. Solomon agreed that the country could probably limp along for some time, there would be an unusually large number of people unemployed and there would be a heavy burden on

¹ Source: Johnson Library, National Security File, Files of Gordon Chase, Meetings on the Dominican Republic—Planning Group. Secret; Eyes Only. Drafted by Chase. Another record of this meeting is in a June 11 memorandum from Alexander M. Haig, Military Assistant to the Special Assistant to John T. McNaughton. (Washington National Records Center, OASD/ISA Files: FRC 330 70 A 3717, Dominican Republic 092, January–June 1965)

² Deputy Assistant Secretary of State for Public Affairs.

³ Deputy U.S. Coordinator for Alliance for Progress.

 $^{^{\}rm 4}$ Adam Yarmolinsky, Chief, U.S. Emergency Relief Mission to the Dominican Republic.

⁵ Attached but not printed. "Interim Report Emergency Relief Group," is a 3-page summary of the economic problems caused by the crisis in the Dominican Republic. The Emergency Relief Group arrived in the Dominican Republic on May 17 and proceeded to distribute food and medical supplies, establish emergency banking facilities in the International Security Zone, and pay the salaries of all public employees for April and May. These tasks were transferred to the USAID mission on June 9 when Yarmolinsky and others returned to the United States.

us. He added that the major offices downtown contain the books and records, and when a business does not have books and records, it is going to do less business. For example, banks will only make loans they are sure of; they will be very careful if they don't know what people owe them.

Mr. Solomon noted that the Embassy had recommended that the U.S. consider supplying Dominican business concerns with working capital. Both he and Mr. Yarmolinsky disagreed with this recommendation and felt that, instead, we should broaden guarantees to banks and push them harder to make loans. The U.S. should not start lending working capital. This would be a Pandora's Box; among other things, it would permit people to stay in business and send their own money out of the country. In this regard, there is a significant flow of money out of the country as well as a disturbing flow of people out of the country (400 per day).

(c) *The Public Sector*—There was considerable discussion about the problem of paying government servants on June 15. During the discussion, the following dimensions to the problem were noted: *First*, the total payroll is about 12 million pesos a month to 100,000 people (after the meeting, Mr. Solomon said the figure is probably closer to 90,000). *Second*, Imbert is now collecting between 5 and 7 million pesos of revenue per month. *Third*, normal revenue is between 12 and 15 million pesos per month. *Fourth*, last month we were paying full salaries; the average full salary is something below 200 pesos a month (after the meeting, Mr. Solomon said the figure is probably around 150 pesos a month).

The group discussed at length the question of what to pay government workers on June 15—nothing, one-half salary, a flat 50 pesos, full salary; the group finally decided, after much pulling and hauling, to pay the workers nothing on June 15 and to take another look at the problem in a few days' time. There were a multitude of considerations raised, such as the following: First, nothing terrible will happen if there is a delay; the workers are accustomed to irregular payment. Second, we should wait to see what Imbert is going to do on pay day. Third, a delay with a partial payment at a later date (or, for that matter, no payment at all) might increase the pressures for the government workers to get behind an OAS political solution. Fourth, the people are not working and, in general, it is bad practice to pay people for nothing.

Mr. Yarmolinsky favored an attempt to take Imbert's revenue away from him; it would weaken Imbert politically. The group did not agree. Mr. Solomon noted that one would need a huge administrative machine to do this. Mr. Mann did not favor rocking the boat this hard at a time when Bunker was approaching the time for decision. Mr. Bundy said that this step is not crucial to controlling Imbert at this time; we

have other and stronger forms of leverage in getting Imbert to go along with an OAS political solution.

- 2. The group discussed Bunker's recent cable recommending an interim government of technicians to be followed by elections. Some points:
- (a) The group agreed that there ought to be a reinstatement of the 1963 Constitution—with the controversial parts of it suspended until the people have had a chance to make a judgment on them. As a general rule, we should try to use as much of the downtown program as possible; while this will not be enough to win over the more extreme rebels, it will tend to bring some of the moderates along with an OAS solution.
- (b) Mr. Mann thought that there should be a constituent assembly in 12 months and elections 6 months afterwards. Most of the group disagreed with this timing. Generally speaking, the group doubted that a provisional government could hang together that long, even with an OAS presence. In this regard, the group agreed that, whatever the length of time of a provisional government, there should be an OAS presence which would be sufficient to keep the military in the barracks.
- (c) With regard to the cabinet, Mr. Bundy said that it should probably not be limited to technicians. There is considerable advantage in adding names which are respected by all groups even though they do have some political affiliation—e.g., Messina, ⁷ Pastoriza. ⁸
- (d) The group agreed to send some guidance to Bunker. An uncleared cable, drafted by Mr. Mann and Mr. Sayre after the meeting, is attached at Tab 2.9

GC

⁶ Document 103.

⁷ Milton Messina, Dominican Ambassador to the United States.

 $^{^8}$ Tomas A. ("Jimmy") Pastoriza, a young progressive Santiago businessman with ties to the oligarchy.

⁹ Not attached: see Document 105.

105. Telegram From the Department of State to the Embassy in the Dominican Republic¹

Washington, June 11, 1965, 9:54 p.m.

- 1427. For Bunker. We are in substantial agreement with ideas in your $2323.^2$
- (1) We conclude it would be extremely difficult to hold general elections within time available this year, but we await your best judgment on best target date both for possible elections for constituent assembly and elections of constitutional government.
- (2) Establishment of interim government at the earliest possible date is of highest priority. Economic problems of DR compounding at accelerating rate. Meaningful progress towards solution of economic problems impossible until political solution has been achieved. Positions of both USG and OAS (within DR and in world opinion) can be expected to become increasingly difficult as time passes and no political solution evolves. Danger of rapid emergence anti-US nationalistic sentiment in DR increases as time passes and no generally acceptable political solution is found. Same is true to lesser extent with respect OAS.
- (3) Our preference at this time, like yours, would be for an apolitical government of technicians if this could be achieved. Most important slot would of course be candidates for single or plural executive. Names which occur to us offhand as well known to Embassy are Alejandro Gruillon, Rafael Herrera, Nicolas Pichardo, Bishop Polanco and Tomas Pastoriza. You will undoubtedly have other individuals in mind as well. In reference to cabinet, there may be some advantage in moving toward a consensus in selecting names which are respected by all groups even though they do have some political affiliation. At time

¹ Source: National Archives and Records Administration, RG 59, Central Files 1964–66, POL 23–9 DOM REP. Secret; Immediate; Exdis. Drafted by Mann, Sayre and Crockett; cleared by Bundy and Vaughn; and approved by Mann. This information was sent under cover of a June 11 memorandum from Bundy to President Johnson. In this memorandum Bundy wrote: "Abe Fortas thinks less than nothing of the 'Bunker–Mann' plan. He just does not think that a government of 'technicians' can do the job, and his belief is that this phrase covers an intent to have a hard-nosed middle-of-the-road here, and that we have to be for progress, or against it, right from the start. That is why he strongly urges that we go back to the task of constructing a political government which would have the support of 'constitutionalists' and which would not be violently opposed by the others." Bundy closed the memorandum by asking if the President wanted the text sent in its current form. It was sent unaltered. (Johnson Library, National Security File, Memos to the President, McGeorge Bundy, Vol. II, 1965)

² Document 103.

Guzman formula was considered, following names appeared to fit this category: Milton Messina, Tomas Pastoriza, Hector Garcia Godoy. Here again you may have other individuals in mind.

- (4) Composition of either type government at cabinet level and below will present obvious difficulties given human resources on which Dominican nation may call. Many of these officials will probably require technical support, regardless of type of government which eventually emerges. Question: Should USG offer and/or attempt to provide this technical support or should other OAS member governments be called upon? We tend towards latter course because: (a) if USG technicians are provided, USG will bear ultimate blame for inability to "solve" long list of insoluble problems DR faces; and (b) a truly OAS "solution" to current crisis should have as much OAS flavor as possible.
- (5) The 1962 Constitution was reinstated at the time of the 1963 coup and is now in effect. However, one of the major conditions Bosch has established for political solution is reinstatement 1963 Constitution. This condition is unacceptable various Dominican groups including GNR. On the other hand there are obvious advantages from several points of view in using as much of 1963 Constitution as is feasible.
- (6) We do not see how 1963 Constitution could be accepted in toto for simple reason it would not work in present situation without considerable improvisation and twisting of some articles.
- (7) Possible alternative solutions would be (a) reinstate 1963 Constitution and then suspend all articles which are not applicable in present situation or which would present effective action against Communists, or (b) prepare basic law under which provisional government would operate until constituent assembly or group of experts could prepare new constitution which would become effective when promulgated, when approved by newly elected Congress, or approved by people in plebiscite. Require your comments on these alternatives. In meantime we will draft possible basic law using 1963 Constitution as point of departure.
- (8) Since Dominican military and police will have responsibility for law and order in country, adequate safeguards will be required to insure that Dominican military police establishment will be apolitical and under control of and responsive to will of interim government and elected government which succeeds it. Individual officers will require special treatment such as assignment or leave outside country. Query: Should efforts towards restructuring of Dominican military establishment be held in abeyance pending inauguration of elected government, or will it be feasible to begin this task earlier?

- (9) OAS presence would presumably continue in DR in some form until elected government is inaugurated. OAS supervision of elections taken for granted.
- (10) We continue to believe Imbert must step down. Once Dominican military establishment has acceptable alternative which it can rally, Imbert should be much easier to deal with. FYI We continue ready to offer and help provide safeguards for Imbert and his family, provided he goes along with us when time comes. END FYI
- (11) We agree that it is highly unlikely that Bosch and rebel group will accept solution mentioned above. Hopefully, once provisional government is established, non-Communist elements in the rebel group will find solution sufficiently attractive to cease organized resistance. We should be thinking now of proposals that can be made to non-Communist rebels to encourage them to accept provisional government including guarantees against reprisals if they remain in country, and safe departure for those who wish to leave. Best argument with rebels will be that they will have their chance to participate in free and fair elections. It will also be helpful to be able to show clear path to constitutional government and respect for as much as possible of 1963 constitution. We also believe there should be room in provisional government for non-Communists who have been sympathetic to rebels if they wish to serve.
- (12) Provisional government should be committed to deal effectively with Communist problem. The most important single safeguard for dealing with Communists is solid agreement on cooperation between provisional government and OAS experts with whom in turn our experts could cooperate. This close cooperation in identification and surveillance of Communists is an indispensable requirement for us. Within this cooperation, two steps are involved: (a) agreement should be reached on the definition of "a Communist"; and (b) agreement should be reached on method of dealing with individuals so identified. On question of definition, we tend towards identifying Communists as members or known collaborators with MPD, PSPD, and extreme left wing of 14th of June movement. Provisional government should consult with OAS and USG on this. On question of disposition, our position is that Communists should be allowed to depart country voluntarily. We also believe those unwilling to go voluntarily should be rounded up and deported to a country of their choice provided arrangements can be made for their entry into country of choice. Otherwise, they should be sent wherever they will be accepted. But we repeat that this particular preferred solution is less important than basic pattern of cooperation on this problem.
- (13) Once interim government installed and recognized, USG stands ready and eager to seek agreement with it on program aimed

at relieving short-term economic problems and promoting rapid long-term development. We expect OAS-CIAP to play leading role.

(14) Finally, we are anxious for your current estimate of prospects for formation of interim government and time frame within which you believe it will be possible to get agreements necessary for its installation.

Rusk

106. Telegram From the Embassy in the Dominican Republic to the Department of State¹

Santo Domingo, June 14, 1965, 0430Z.

2405. Ref: Deptel 1427.² From Bunker. I appreciate helpful reftel and wish offer further clarification of my current thinking.

- 1. As I see it: A) Neither side will negotiate with nor make any meaningful concessions to the other. B) Solution through mediation therefore not now possible. C) Resumption of fighting and solution through force of arms is unacceptable. D) OAS must therefore act independently to develop formula that will meet basic aspirations of Dom people, while satisfying responsible international opinion. E) An equitable solution proposed and strongly supported by the OAS should attract popular support and international acceptance to extent that ultimately only hardcore extremists would refuse go along.
- 2. A solution firmly based on free and honest elections open to all would seem to have best chance of success. Lack of identifiable national consensus makes it difficult for OAS to sponsor formula based on delivering power for any significant period of time to any particular individuals or groups, no matter how apparently apolitical they might be. On the other hand, OAS is in strong position to propose an electoral solution. It can draw on precedent of 1962 elections in making claim to possessing capability and prestige necessary to organize and guarantee genuinely free elections. It can insist with absolute im-

¹ Source: National Archives and Records Administration, RG 59, Central Files 1964–66, POL 23–9 DOM REP. Secret; Immediate; Exdis. Passed to the White House, DOD, and CIA.

² Document 105.

partiality that only equitable solution lies in exercise of people's fundamental right to choose their own government.

- 3. I believe initial emphasis in committee's proposals should therefore be on elections. Agree that satisfactory interim govt is high priority but believe groundwork can best be laid by obtaining widest possible understanding and agreement that basic solution will be reached through elections. Fear attempt push ahead and create yet another provisional govt without first establishing this principle would embroil committee in same disputes over personalities and politics that have plagued previous efforts in that direction.
- 4. In my judgment OAS proposal for elections must be highly specific to be credible. Plan should emphasize major role of OAS and IAPF in setting up machinery and creating proper climate for holding genuinely free elections. Preparations, such as establishment of new OAS electoral commission, should get under way soonest. Above all, proposal must envisage completion of electoral process within time span sufficiently short to convince Dom political groups and people as a whole that this is not just another scheme to postpone the day of reckoning indefinitely. In my judgment this means an electoral date set between six and nine months from now. Anything further off would, I fear, fail inspire confidence among Doms who are inclined to suspect that any provisional government will want to become entrenched.
- 5. In putting forward this proposal for elections, committee would at same time stress importance immediate establishment provisional government for interim period. To provide interim govt with necessary legal authority, and in order hold constitutional issue in abeyance, committee has been thinking of an "institutional act" spelling out governmental administrative prerogatives and functions. Drafting of such a document would not be overly difficult given substantial areas of agreement in this field between 1962 and 1963 constitutions. We would anticipate committee asking group of prominent Dom lawyers to sit down with OAS legal experts in order work out details. Dept's promised draft of "basic law" should be most helpful that regard.
- 6. Given foregoing assumptions, OAS can well take position that interim govt should logically be apolitical in character, with emphasis on technical capacity. As matter of procedure, committee could first ask broadly representative group of Doms to meet with them and work out composition of caretaker regime. My colleagues and I have been collecting suitable names and should be prepared issue invitations just as soon as OAS electoral plan is on the table.
- 7. In terms of timing, I would hope to have agreement of my colleagues on essential elements of plan by next Wednesday³ or

³ June 23.

Thursday; to lay it before Imbert, Caamano, and public in general the next day; to finish up necessary missionary work among various Dom groups soon as possible thereafter; and to commence promptly negotiations on interim govt. If all goes well we might be on the road to elections with an acceptable interim govt in office by end of month.

- 8. My prognosis is that resistance to plan will be strong from both sides. We can expect Caamano and company to reject it out of hand. However, emphasis on elections as only fair and practical way out of impasse should result in gradual erosion of domestic and internal support for their position. Goal would be to reduce group in large measures to hard-core extremists. I see no alternative but to go ahead on assumption moderates in rebel camp will come around sooner or later.
- 9. Imbert and his hard-line following can also be expected to make considerable trouble. Zeller's speech yesterday (Embtel 2378)⁴ makes it clear they mean to insist that GNR must stay in office until an elected government is installed. Extremely strong pressure will be required to break this position and I am not completely confident at this point that Ambs Penna Marinho and Clairmont Duenas are prepared to go along with the rough tactics we will probably need to employ, since they seem to have become increasingly impressed by Imbert and his approach to free elections. I plan explore this problem further with them.
- 10. In conclusion I would like to stress one point which appears to me fundamental. We cannot expect to manage the outcome of this affair as we might like. Attitudes and prejudices of my OAS colleagues, to say nothing of numerous other factors outside our control, will play too large a part. Best we can do—and we mean to do it—is assure that solution meets basic requirements of the national interest.

Next following cable⁵ contains comments on specific points raised in reftel.

Bennett

⁴ In telegram 2378 from Santo Domingo, June 12, Bennett reported that in Zeller Cocco's speech he indicated "renewed indications of GNR frustration," principally that of GNR's "forced inability attack rebel stronghold" "which is shielded by foreign 'Cordon Sanitaire.'" (National Archives and Records Administration, RG 59, Central Files 1964–66, POL 23–9 DOM REP)

⁵ Document 107.

107. Telegram From the Embassy in the Dominican Republic to the Department of State¹

Santo Domingo, June 14, 1965, 0515Z.

2406. From Bunker. Ref Embtel 2405.² Following are additional comments on points raised Deptel 1427.³ Numbers correspond to paragraphs in that tel.

1. Question of target date for elections covered in our reftel. We have not reached firm conclusion on best method of handling constitutional issue within electoral framework. Separate elections for Constituent Assembly prior to general elections do not, however, appear desirable under existing circumstances. Interim government is likely to be weak and assembly might well provide focus for agitation against it. Confusion as to where ultimate authority lay would also arise. If vote for Assembly did not indicate clear national consensus, country could again become caught up in bitter constitutional controversy without any better prospect of a final decision than we now have.

Other possibilities are: a. the 1962 formula of convoking Congress as a National Assembly after elections but prior to presidential inauguration; b. holding separate Assembly elections under the "institutional act" after inauguration of an elected govt; c. allowing the elected Congress to resolve the problem as it saw fit. As in 1962 (a) appears simplest and cleanest but (b) or (c) might represent wiser approach now.

2. Fully agree that political solution urgently needed to prevent further economic deterioration and to avert emergence here of strong nationalistic sentiments hostile to US and OAS. As Dept will readily appreciate, however, establishment of new interim govt will not of itself solve these problems. They will persist as long as rebels keep city of Santo Domingo divided and country as a whole on edge of political turmoil. Caamano and company have made it abundantly clear that they are no more prepared to accept "middle way" or "third-force" regime of type proposed by various civic groups than they were to accept Imbert. Time and internal dissensions may well be eroding their support but I believe it essential to assist this process by offering "constitutionalists" and their sympathizers the real alternative of elections

¹ Source: Johnson Library, National Security File, Country File, Dominican Republic, Vol. VII. Secret; Immediate; Exdis. Received in the Department of State at 2:28 a.m. and passed to the White House, DOD, and CIA.

² Document 106.

³ Document 105.

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to continuing the struggle. As explained reftel, firm commitment to elections represents best hope in this regard.

- 3. Names you suggest are on our lists, along with numerous others. Believe generally acceptable people will prove available once it apparent OAS and US have decided back specific solution based on elections.
- 4. Believe technical and economic support for interim government should be provided by and through OAS to maximum extent possible. Both PAU technical assistance program and CIAP facilities should prove useful this connection.
- 5. In essence constitutional issue is largely symbolic and not fundamentally concerned with specific provisions of 1963 Constitution or any other. (Guzman privately told Shlaudeman yesterday: "You could pick any constitution, call it the Constitution of 1963 and it would be acceptable.") It has been converted by rebel propaganda into a "mystique" which in minds Caamano followers really means economic and social justice. I do not believe it advantageous, as Dept suggests, to accept that 1962 constitution is still in effect. I believe preferable to adopt attitude that constitutional issue remains to be resolved by the people in a free vote.
- 6. Agree that 1963 Constitution would not at this point be acceptable. Reinstatement, even with subsequent suspension of articles not applying present situation, would meet most bitter resistance from Imbert and armed forces.
- 7. As indicated reftel, my view is that best way out of constitutional morass would be promulgation of "institutional act" on basis of which interim government could administer country. Would appreciate Dept's suggestions as to procedures that might give such action highest possible color of legality.
- 8. I doubt that efforts restructure military establishment would meet with much success under present circumstances. Use of kind of pressure necessary to force significant changes would only drive military back into Imbert's arms and present US with solid front in support of GNR as presently constituted. In any case, ranking military may now be dug in so far as to make real changes impossible until this crisis has passed. We should move on Wessin at first opportunity and this may be possible soon.
 - 9. Concur.
 - 10. Concur.
- 11. Agree that guarantee of free elections with way clearly open to restoration of constitutional, democratic government represents best possible appeal to rebels. I am not, however, overly sanguine about quick collapse of rebel movement under any circumstances except application of force. Believe substantial defections will occur as fact that

reasonable alternative is available sinks in. However, hard core of movement is made up of extremists, armed youngsters, and bitter men of one kind or another who seem convinced they little or nothing to lose by going on to the end. Prevalence also of romantic vision of revolution and willingness to go on even in a "lost cause" is psychological factor to take into account. Concept is obviously irrational but we believe it must be recognized as obstacle to peaceful solution.

- 12. Provisional govt can only deal effectively with Communist problem when rebels have laid down their arms. Should not be difficult obtain the cooperation on this problem Dept desires from type of provisional govt we envisage. Deportation has been standard practice here and will probably turn out again to be most practical method of dealing with known Communists.
- 13. Agree that we should move rapidly to get economic program underway soonest once interim govt in power. Also hope OAS–CIAP will play prominent role.
- 14. Our current estimate of time frame in which implemented contained in ref Embtel.

Bennett

108. Memorandum for the Record¹

Washington, June 14, 1965, 11:35 a.m.–12:25 p.m.

SUBJECT

Meeting With the President at 11:30 A.M., June 14, 1965

PARTICIPANTS

The President, Thomas Mann, Robert Sayre, McGeorge Bundy, Gordon Chase

The purpose of the meeting was to discuss the attached two cables from Ambassador Bunker regarding a political solution in the Dominican Republic.²

¹ Source: Johnson Library, National Security File, Files of Gordon Chase, Meetings with President Johnson on the Dominican Republic: Fallout. Secret. Drafted by Chase on June 15. The meeting was held in the White House Cabinet Room. The time and place of the meeting are from the President's Daily Diary. (Ibid.)

² Documents 106 and 107.

- 1. *General*—The group agreed that the best we can do is to give Bunker some general guidance; we should not try to outsmart him.
- 2. *Elections*—Mr. Bundy explained the various positions on the timing of elections. Bunker was in favor of a period from 6 to 9 months; Mr. Mann would ideally prefer a longer period but did not feel strongly about it. Mr. Bundy went on to say that he agreed with Bunker's proposal to use the elections as the initial and basic element of a political solution. The President said that we should tell Bunker that the elections should be held no sooner than six months and not later than a year. He added that we are in trouble if the Dominicans elect a Communist.
- 3. *Communists*—With regard to guidance for Bunker on this subject, Mr. Bundy said that we can stand on the guidance we gave to Bunker in our recent cable (Deptel 1427—attached).³
- 4. *Military*—Mr. Bundy and Mr. Mann said that we should let the regular military establishment produce a slate of names to fill the top command jobs; these should be professionals who are untainted by the present conflict and who will not be an easy propaganda mark for the rebels.

While we should treat the military with dignity, we should press to get something in exchange for permitting them to fill their top command posts. For example, they should support the provisional government and assist in bringing Imbert around to a conciliatory position.

Mr. Mann and Mr. Bundy said that we should try to drive a wedge between the military and Imbert. Mr. Mann added that, in general, we should try to drive a wedge between the moderates and extremists on both sides.

- 5. Constitution—Mr. Bundy said that the more we can show that the basic law is in response to the notion of constitutionalism, the better will be our chances of reducing the resistance downtown. Mr. Bundy went on to say that he and Mr. Mann differed slightly on the constitutional question. While Bundy would press the military not to fuss too much over a piece of paper, Mann would probably press less on the grounds that the issue is terribly emotional with the military. Mr. Mann interjected that his position was not really very far from Mr. Bundy's and that he would not mind seeing the basic act called something like the "1963 Constitution, as amended."
- 6. OAS Procedures—Mr. Bundy said that there is the question of whether or not we submit the Ad Hoc Committee's solution to the OAS so that it can take a vote on it. In this regard, the group generally pre-

³ Document 105.

ferred that the OAS be fully informed on the solution but that it not be given the opportunity to vote on it.

- 7. Rebel Resistance—The group discussed briefly the problem of rebel resistance after a political solution is found. In this regard, the group noted the recent reports of dissension and dissatisfaction in the rebel ranks.
- 8. Assistance to the Dominican Republic—The President said that we ought to put the remainder of the unobligated Alliance for Progress funds (\$23–\$30 million) into the Dominican Republic. He added that the remainder of AID's unobligated funds might also be used for the Dominican Republic. He said that, before we are through with the Dominican Republic, it is liable to cost us about \$250 million.
- 9. Communists and the Public Case—Mr. Mann said that he had recently spoken to 7 or 8 Congressmen about the Communist problem in the Dominican Republic; they were skeptical and feel we are hiding the facts. It would be helpful to give certain Congressmen a full rundown on the problem, including the whole spectrum of classified documents, FBI reports, CIA reports, etc. The President expressed reluctance on this plan. In general, we should be careful of investigations; investigators have a vested interest in finding fault. Congressmen should not get information acquired from wire taps; they will make wire taps the issue. Congressmen won't keep quiet on sensitive matters; they are liable to get sources killed. In sum, the President said that Congress should not get access to raw data and should get only summaries. Mr. Bundy added that, whatever we give to the Congress, it should be very hard information. If it isn't, it will get picked to pieces and we will get clobbered.

[Omitted here is paragraph 10, a discussion of four separate points: activities in Panama, an assistance package to Vietnam, a Fulbright speech, and a request by President Johnson that none of his advisers travel abroad while the Dominican Republic and Vietnam areas were "hot."]

109. Editorial Note

On June 18, 1965, the OAS Ad Hoc Committee met in Washington at the Pan American Union and proposed a solution to the crisis in the Dominican Republic. The Committee recommended general elections for the President and Vice President of the Republic, members of the National Congress, and for municipal authorities to be held no earlier than 6 months and no later than 9 months from the present date; an OAS technical advisory election commission to observe the entire electoral process; a general amnesty to all who participated in the civil strife provided that all arms be surrendered to the OAS; the establishment of a Provisional Government to assume all responsibilities for law and order; OAS technical and economic assistance once the Provisional Government was established: the creation of an institutional act drawn from provisions of the 1963 Constitution, and a constitutional assembly convoked within 6 months following assumption of office by the elected government. For text of the proposal, see American Foreign Policy: Current Documents, 1965, pages 993-995.

110. Memorandum for the Record¹

Washington, June 23, 1965, 5:50-8 p.m.

SUBJECT

Dominican Republic

PARTICIPANTS:

The President, Secretary Rusk, Mr. Ball, Mr. Mann, Mr. Vaughn, Secretary McNamara, Mr. Vance, Director Raborn, Mr. Bundy, Mr. Valenti, Mr. Busby, Mr. Cater, Mr. Chase

Discussion on the Dominican Republic began after a long meeting on Vietnam.² The Dominican discussion began at about 7:30 PM and lasted only a few minutes.

¹ Source: Johnson Library, National Security File, Files of Gordon Chase, Meetings on the Dominican Republic—Planning Group. Secret. Drafted by Chase on June 24. The meeting was held in the Cabinet Room of the White House. The place and time of the meeting are from the President's Daily Diary. (Johnson Library).

² See Foreign Relations, 1964–1968, vol. III, Documents 15 and 16.

- 1. Mr. Mann described various reactions to the OAS Ad Hoc Committee's proposal.³ First, in addition to a consensus in favor of a single executive, there is a general consensus in favor of delaying elections. The best plan seems to be the establishment of a Provisional Government, followed by a "cooling-off" period for 6 months; a constituent assembly would then follow in 3 more months which, in turn, would be followed by a campaign for elections. Second, there are indications that most Dominicans don't want the IAF to remain in the Dominican Republic for too long. Mr. Mann suggested that the IAF pull out 3 to 6 months after the Provisional Government is formed. Third, there are indications that the non-Communists in the Dominican Republic don't understand the Communist-front system; it is going to be very important to get a good non-Communist as President. Also, the rebels want the 14th of June people to participate in the elections and will probably reject any efforts to deport Communists from the country. Fourth, the rebels want to reinstate military people who have been cashiered since 1963. This would probably include Communists, as well as some of the old, corrupt generals. This is clearly unacceptable. Fifth, Caamano has not said anything about the control of the armed forces. Mr. Mann suggested that we ask the military to clean its own house.
- 2. The President interrupted to say that he was already late for an earlier appointment, and asked if there was any action he had to take. The group agreed that there was none. After all the significant reactions to the Ad Hoc Committee's proposal were in, Mr. Bundy and Mr. Mann would work out some guidance for Bunker.
- 3. After the President left the room, Secretary McNamara said that he would direct General Palmer to try to get General Alvim's agreement to a reduction of 1400 troops in the Dominican Republic. The Secretary did not feel that this step required Presidential clearance in view of the fact that the action was completely in line with previously-expressed Presidential thinking.

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³ See Document 109.

111. Telegram From the Embassy in the Dominican Republic to the Department of State¹

Santo Domingo, June 24, 1965, 0045Z.

- 2570. 1. Following presentation this morning by Caamano group of their reply to committee plan,² Ambassador Bunker and I went for private talk with Imbert. Our purpose was to advise him that reply had been received from other side and to talk with him regarding personal contribution he now in position to make to help in achieving settlement of Dominican crisis.
- 2. Imbert indicated he had had advance word of Caamano's reply and in brief comment asserted seemingly forthcoming attitude by "constitutionalists" was only a tactic to gain time. He said GNR reply would be ready for presentation to Ad Hoc Committee at meeting scheduled for 4 pm today.³ He did not attempt to anticipate discussion in GNR document and mentioned only one point, arguing that a constitution should be drawn up before elections are held. He expressed

¹ Source: National Archives and Records Administration, RG 59, Central Files 1964–66, POL 23–9 DOM REP. Secret; Immediate; Exdis. Received in the Department of State on June 23 at 9:51 p.m. and passed to the White House, DOD, and CIA.

² On June 23 at 10 a.m. the Ad Hoc Committee and the Secretary General of the OAS received the "Constitutionalist Government's" 7-page written reply to the Committee's June 18 proposal (see Document 109) for a solution to the Dominican crisis. Colonel Caamaño, Anibal Campagna, Arevalo Cedeno, Alfredo Conde, Salvador Blanco, Hector Aristy, and Jottin Cury signed the reply on behalf of the "Constitutionalist Government." The demands were: a reassertion that the U.S. military intervention was an illegal act; a condemnation of the OAS for ratifying the U.S. action; a call for the evacuation of the Inter-American Peace Force within 1 month of the installation of the Provisional Government; an insistence that the weapons controlled by its irregular forces be turned into the Provisional Government rather than to the OAS; an insistence that all regular military personnel on its side, as well as those who were dismissed after the September 1963 coup against Juan Bosch, be reinstated in their previous ranks, and a proposal that the "Institutional Act" be ratified by the "constitutionalist" congress. For text, see *The OAS Chronicle*, Vol. 1–2, 1965–1967 (Washington, D.C.: Pan American Union, August 1965), pp. 32–38.

³ The afternoon of June 23 the Ad Hoc Committee and the Secretary General of the OAS met with the "Government of National Reconstruction" and received a 4-page written reply of that government to the Committee's June 18 proposal. The GNR's key points included the following: a call for elections to be held in 9 months, subject to postponement by the OAS; the departure of the Inter-American Peace Force as soon as a plan is adopted; the exclusion of amnesty for common crimes unrelated to acts of war; the stipulation that only the military who did not violate the military code of justice be allowed to return to their barracks; arms surrendered to the OAS be transferred to the Dominican Armed Forces within 15 days of collection; the desirability of all Communists to leave the country; the approval of the concept of the "Institutional Act"; the installation of the constitution before the elected government takes office; the urgency of returning Santo Domingo to normalcy and allowing the government to exercise police functions, and the reservation of the right to modify its position. (Ibid., pp. 38–41)

opinion that Constituent Assembly provides an opportunity to measure popular and party feelings before elections and avoids danger, as with Bosch, of winning party then writing its own constitution.

- 3. We then got on to subject of visit. Ambassador Bunker spoke first, stressing US respect for Imbert as Dominican patriot who twice has stepped forward in moments of crisis to save his country, first against Trujillo and now against Communist threat. He would always deserve gratitude of his people for these acts and he would always enjoy high reputation in US for them. Now he was being called on to make a further sacrifice, i.e., voluntarily to renounce his position as chief of GNR and give way to broader-based provisional government which could repair deep cleavages in Dominican society and take country to elections. Such a gesture on his part at this time would be act of highest patriotism and would enshrine his name in Dominican history.
- 4. Imbert was obviously caught by surprise at this approach but recovered quickly and began to stress his own patriotic motives. He had assumed power for two reasons, and two only; one, his love of country, and two, because the United States, the country for which he has had life-long admiration above all others, had asked him to step forward, he "hates" politicians who have brought nothing but misery to country and looks forward to nine months of administration before elections as opportunity to clean house and to make a real fight on corruption which is such an enervating influence in this country. His own desire, he asserted with emphasis, is for real democratic government.
- 5. I then spoke in support of Bunker approach, putting remarks in personal framework. I reviewed events of critical days of late April and recalled very real contribution Imbert had made in keeping country from falling apart. I remembered his assistance in sending men from his own troops to guard foreign embassies which were in great danger of mob violence after police protection had dissolved. There was no doubt he had held the pass at critical moment and he would always be remembered and honored by my country for it. We had gone through two very hard months here and now we had arrived at new situation; an outstanding committee representing the entire hemisphere's concern in the Dominican situation was here finding a solution. Danger of Communist take-over, concern over which had brought him to fore, was not averted, and we could depend on committee to find reasonable solution with guarantees against Communists. Having saved his country for second time, progress of events now permitted his return to private life. This would not only be act of high patriotism and self-abnegation but in my convinced opinion it would serve his own personal interests best. He knew Dominican history better than I, and its tragic course in that even good men in power had never known how or when to step down. Even a leader so recent as Donald Reid

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had lost his footing largely because of public suspicions over his desire to continue. He, Imbert, had opportunity to serve his own interests as well as nation's by bowing out with appropriate statement and resuming his honored position as Dominican patriot anxious only for welfare of country as a whole. He could now with confidence leave the details to the OAS; his mission was accomplished. Shades of Duarte, San Martin and Cincinnatus as well were invoked during this part of our conversation.

- 6. While Imbert was noticeably moved by these two approaches, neither really convinced him. He came back to associate himself with national destiny and to stress his own high moral worth (all this said with the sincerity of a man who believes strongly in his own star) as compared with nearly all other Dominicans. To retire at this critical junction would be to "run away" before the problem is solved. Among other evidence, recently intercepted correspondence of Pablo Mella "proved" the link of Bosch with Communists and Caamano and his group were Bosch's stooges. Imbert said he could not leave now but we knew he wanted to work with US in every way. Just tell him which people to put in the government and it would be done. His only purpose of staying was to get the government going and give the country honest administration until election time. He would not leave except under force since that was the only kind of departure which would make it possible for him to live with his children in good conscience. He went on to say that all Dominicans knew that he is firmly committed to the United States and they know why he is in power today. He asserted parenthetically that at the time his government was being formed, he had been promised US recognition a few days later. If he should leave now, it would do US reputation in this country no good. Everyone would say US had used him and then dumped him. This would not redound to credit of the US. Our approach was really making him the main problem in the current situation. We were saying he had to go in order to have a solution. This was not the way to treat a friend. All Dominicans had rejoiced when the US troops came; the latter had saved the situation but then they had stopped short of finishing the job and the politics had begun.
- 7. Ambassador Bunker resumed the effort. He stressed the deep cleavages in the country and the need for a political truce to allow time for wounds to heal. The committee's talks with people from all sectors of population had convinced them the great majority who were not involved in the conflict above all wanted peace and a chance to work; but pacification was not peace. The need now was for an apolitical group to begin the work of restructuring the country and attacking the critical economic and military problems. Imbert had contributed greatly to saving the country; it was only natural that in taking vigor-

ous action one stirred animosities. A contribution in the greatest tradition of patriotism could be made by him.

- 8. Imbert replied once again in the negative; his job was not yet finished. His time estimate was different from ours and he knew his people best. It was necessary that he continue and lead the country to honest elections.
- 9. The conversation ended on that note. It was friendly, intimate and in low key throughout. Ambassador Bunker asked him to give further thought to our conversation and suggested that we meet again.

Bennett

112. Telegram From the Embassy in the Dominican Republic to the Department of State¹

Santo Domingo, June 27, 1965, 1216Z.

2628. From Bunker. Committee has now completed its round of talks with civic and political leaders. Responses to our proposal from both sides are on record and we have had opportunity test reactions among wide range of other groups and individuals. Believe we can gauge current situation and future prospects in following terms.

1. Committee's proposal in its essential elements still appears best available solution. Number of objections have been raised to single election and brief pre-electoral period but no consensus has emerged on alternatives. Furthermore, firm commitment to early elections is feature which obviously has greatest appeal to rebels, their supporters and, we believe, to country at large. Belief that elections will be held also promises be major factor in persuading at least a significant number of rebels to go along with peaceful solution. As result our talks I propose add following refinements: (a) election date will be set full nine months from date provisional government takes office; and (b) campaign period will be restricted to last three months, with six months of complete political truce preceding.

¹ Source: Johnson Library, National Security File, Country File, Dominican Republic, White House Cables, 4/65–7/65. Secret; Exdis.

- 2. I believe we must have solution here soonest. Country cannot support current situation much longer. I propose exert every effort push our proposed solution through next week.
- 3. Major difficulty we face at moment is attitude of Imbert and his supporters in GNR. He feels his pride is at stake and fears becoming object of ridicule if he were to step down now after, as everyone knows, we asked him to take the job in the first place. Appeals to reason and patriotism have so far failed and, while we should make preparations recommended Embtel 2617,² it seems likely considerable pressure will have to be used to get him out. Imbert is reinforced by hard-liners (including a few members of U.S. press corps) who insist that only "military solution" is adequate to meet Communist threat, and by various opportunists who see personal advantages in his remaining in office.
- 4. Attitude of military represents key factor in Imbert problem. I am encouraged by Penna Marinho's talk with De Los Santos and Wessin and by reports from Embassy Attachés that armed forces' leaders may be prepared accept a new provisional government. I am hopeful that this will prove case and that, once presented with firm proposal for interim government including names, they will exert pressure on Imbert to step down. I feel, however, that we have to be cautious in assessing this prospect. Military chiefs are as anxious as Imbert for a solution by force. They may also fear that his removal could open way for their own. These factors, along with increasing sense of frustration engendered by developments such as yesterday's incident in San Francisco, might in end make them strongly resistant to any compromise solution.

² In telegram 2617 from Santo Domingo, June 26, Bennett stated that he and Bunker believed the United States should encourage Imbert to "retire gracefully" in order to make way for a "moderate, middle-road provisional government." If Imbert stepped down, they recommended that the United States make several "gestures" that would boost Imbert's ego and demonstrate U.S. appreciation for his "service to non-Communist cause" during the past months of intense negotiations. Recommended were: a statement by President Johnson calling attention to Imbert's patriotic role; award Imbert the Legion of Merit or other decoration; and an invitation to visit with President Johnson in Washington. (National Archives and Records Administration, RG 59, Central Files 1964–66, POL 23–9 DOM REP)

³ According to telegrams 2613 and 2619 from Santo Domingo, both dated June 26, at approximately 4 a.m. an armed band of civilians with Communist involvement attacked the police headquarters, the army post, and a small police post in the city of San Francisco de Macoris. No clear reason for this uprising was cited other than it possibly being an effort to mount further violence in another part of island. The Constitutionalists suffered 8 dead and 30 wounded (1 GNR soldier wounded) before the Armed Forces brought the incident under control. (Johnson Library, National Security File, Country File, Dominican Republic, Vol. VIII)

In this regard, Ambassador Bennett and I are aware of and fully share Dept.'s view that restructuring of military establishment here is absolutely essential. However, I do not see much hope for radical changes in armed forces' leadership in near future if we are to have early solution. We need support of top military if solution is to be achieved and they, in turn, will require reassurances from US. Ambassador Bennett and I do anticipate that Wessin's early removal will prove possible. Other changes will probably have to come more gradually. I am confident we will be able to use our influence and work closely with provisional government to accomplish this objective.

- 5. Major leverage with Imbert and military lies in GNR's virtually complete dependence on our financial assistance. I hesitate to use it and will not unless absolutely necessary. However, if by next Tuesday night⁴ Imbert and company are not prepared step aside, I would propose inform him and military that no further aid for payment wages and salaries will be forthcoming. As I understand it, money for next round will not be available until Monday. We could easily hold off for two days, except perhaps for direct payments to municipalities which might be advantageous. I repeat hope use of this club will not be necessary. Explanation of facts of life to the military may be enough turn trick if Imbert continues adamant.
- 6. On Constitutionalist side there are also number of problems. Caamano and company still resisting on Communist issue, asking nodeportation guarantee, right of 14th of June to legal recognition and full range of public liberties without adequate provision to deal with subversion. Problem of constitutionalist military is also troublesome, as is proposal that Congress should pass on institutional act. However, I believe these can be effectively dealt with once satisfactory provisional government is at hand. We have impression large number in rebel camp are extremely anxious for solution and not prepared accompany Communists in self-immolation. Their major fear is that giving up fight would expose them to reprisals and repression. Provisional government headed by man in whom they have confidence plus firm assurance of elections should persuade these more moderate elements that time has come to end the struggle. Under these circumstances I would look forward to disintegration of movement at early date, even if rebel leaders for some reason should refuse to go along with our proposal at last minute.
- 7. Prospects for pushing through solution obviously depend on our ability come up with satisfactory provisional government. There is

⁴ June 29.

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surprisingly broad consensus here that new regime should be presidential, not collegiate in form. My colleagues and I agree. We have also about come to conclusion that Hector Garcia Godoy is best man available to head provisional government. He has broad support (Santiago group, Balagueristas and numerous independents); he is at least more acceptable than most to rebels; he is a good friend of ours; he is willing to serve and appears quite capable to us. As previously reported, we have asked Garcia to take appropriate soundings and come back Monday for specific discussions.

8. If Garcia returns with satisfactory answers I would propose push ahead in effort establish his provisional government during course of next week. Before doing so I would, of course, obtain firm commitments from him on handling of Communist problem. I anticipate no difficulties that regard.

Will appreciate your comments and instructions.

Ambassador Bennett concurs.

Bennett

113. Telegram From the Department of State to the Embassy in the Dominican Republic¹

Washington, June 28, 1965, 9:56 p.m.

1542. For Bunker and Bennett. Except as modified in this message we are in agreement with Embtel 2628.²

- 1. *Elections*. We are prepared to accept your judgment that most generally acceptable course would be six months moratorium on political activity to be followed by three months of campaigning and general elections nine months after Provisional Government inaugurated. However, our preference would be to delay elections for as long a period as would be generally acceptable, hopefully at least 12 months.
- 2. *Urgency of solution*. We agree time is of the essence and that every effort should be made to constitute a provisional government this week.

¹ Source: National Archives and Records Administration, RG 59, Central Files 1964–66, POL 23–9 DOM REP. Secret; Immediate; Exdis. Drafted by Mann on June 28, cleared by Bundy and Vance (both in draft) and Vaughn, and approved by Mann.

² Document 112.

- 3. Military. Agree that support of Dominican officer corps essential to having a viable provisional government. Believe direct conversations between OAS and military should be continued as appropriate. Restructuring of military establishment and changes in armed forces leadership desirable but agree that it is not practicable to achieve this now. We would hope provisional government could make a start but this is a problem for resolution later. Recent violence in the interior and OAS dependence on Dominican military for maintenance of order is additional reason for not introducing at this particular point in time conditions which would weaken and divide the military. We agree in this connection that reincorporation into armed forces of officers removed some time ago and some of those who went over recently to rebel side is impracticable. We are encouraged by Rivera's statement (Embtel 2635)³ that enlisted men and lower ranking officers in rebel camp can be reincorporated into armed forces.
- 4. *Caamano Group.* We agree that OAS should stand firm against demands for no-deportation guarantee, legal recognition of 14 June Movement and laws which would impede dealing with problem of communist subversion.
- 5. Question of Communism. The objective of preventing communist takeover in DR remains essential US objective. In view of weakness and division in non-communist ranks it is most important that person emerging as single President of provisional government clearly understand communist problem and that he be determined to deport or otherwise immobilize leading communist personalities in all three parties and prevent three communist parties from participating in electoral process. We therefore consider selection of provisional President as most important.
- 6. President of Provisional Government. Hector Garcia Godoy would be acceptable to us if OAS committee decides to propose his name. OAS Committee should however get clear and detailed commitment from him or any other alternative provisional presidential candidate on question of communist subversion. Principal members of provisional cabinet should likewise be selected with need for clear-cut anticommunist posture in mind. USG can and should help in identifying communists.
- 7. *Inter-American Force*. Agree that decision on when to withdraw Force should be left for negotiation with Provisional Government.

³ Telegram 2635 from Santo Domingo, June 28, reported a private meeting held on June 27 between Bunker and Rivera Caminero, GNR Secretary of State for Armed Forces. Caminero assured Bunker that the Armed Forces were interested only in the welfare and future of the Dominican Republic and were prepared to stay out of politics. (Johnson Library, National Security File, Country File, Dominican Republic, Vol. VIII)

Timing would obviously depend on circumstances not yet clearly foreseeable.

8. *Imbert*. We share your estimate of value of Imbert's services at a critical moment in crisis and agree with approach Bunker is taking in trying to get Imbert to understand he can now step aside with honor and dignity for himself and his family. Better than USG making statements, giving decorations and issuing invitations, from Imbert's point of view, would be for OAS to obtain commitment from Provisional Government to issue as its first official act statement about Imbert's services similar to approach already made by Bunker in his conversations with Imbert. Provisional Government's statement could also make reference to any equally helpful effort by rebel side.⁴

114. Telegram From the Embassy in the Dominican Republic to the Department of State¹

Santo Domingo, July 9, 1965, 2150Z.

96. From Bunker. State of our negotiations as of afternoon July 9 may be summarized as follows:

1. Rebels have apparently accepted Garcia Godoy–Read Barreras ticket to head provisional government and will presumably so indicate in written reply to UR letter (Embtel 88),² which we understand they plan deliver at meeting later today. At moment we do not know how reply will be couched. Guzman told Shlaudeman that Cury has been pressing for inclusion impossible conditions as part of final effort block Garcia–Godoy candidacy. Committee could not, of course, proceed on basis of acceptance bound up in conditions.

⁴ Printed from an unsigned copy.

¹ Source: National Archives and Records Administration, RG 59, Central Files 1964–66, POL 15 DOM REP. Secret; Immediate; Exdis. Passed to the White House, DOD, and CIA.

² Telegram 88 from Santo Domingo, July 9, transmitted the translated text of a July 8 letter from the Ad Hoc Committee to Caamaño. The principal point of the letter was that the Committee believed a provisional government must be set up as soon as possible in order for elections to be successful. The Committee considered the best candidates to lead the provisional government to be Hector Garcia Godoy as President and Eduardo Read Barreras as Vice President. (Johnson Library, National Security File, Country File, Dominican Republic, Vol. IX)

- 2. If response is reasonably forthcoming we can move ahead, first requesting Caamano group to avoid publicity until next steps can be worked out with Garcia Godoy and GNR-military side. We would first inform latter and ask their acceptance of provisional government to be headed by Garcia and Read Barreras. I anticipate resistance from Imbert and friends. In meeting with committee this morning they indicated opposition to Garcia and gave us list of 21 other candidates for top spot in provisional government. However, if military backing for Garcia remains firm it should be possible overcome this obstacle in reasonably short order.
- 3. As Dept. is aware, Imbert and civilian members of GNR yesterday were threatening withdraw and turn govt. over to military. In today's meeting they said this possibility still under consideration. It is our hope that Imbert and company will in fact resign before public announcement is made that provisional government under Garcia is to be formed. This would be face-saving gesture for Imbert and would facilitate negotiations by eliminating one side to this complicated situation. (However it is done, I am afraid we can expect some rather unpleasant publicity when Imbert finally does step down.) Unfortunately, there can be no assurance that this script will be followed. Too many factors over which we have no control are involved.
- 4. Acceptance in principle by Caamano and military of Garciaheaded provisional government will still leave difficult problems to be resolved before new govt. can be installed. Caamano and company are apparently going to insist on negotiating out problems of institutional act, armed forces leadership, future of constitutionalist military and general amnesty provisions before going through congressional process they regard as necessary to give new government "legality". They want President-designate Garcia to participate in these negotiations as means of committing him to agreements reached. Number of difficult issues are involved here and we do not look forward to an easy time in thrashing them out.
- 5. There are also problems on other side. Military are still opposed to naming a vice-president and continue favor electoral formula providing for prior Constituent Assembly elections. Rivera Caminero and his chiefs presently have no intention step aside as rebels insist they must. Re problem of constitutionalist military, we understand they now believe solution is to deport Caamano officers, and keep them out of country for five years. Needless to say, rebels are scarcely thinking in these terms.
- 6. As Dept. will appreciate from foregoing, I am not presently in position offer any realistic projection of time frame in which final solution might be reached. Committee hopes there will soon be agree-

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ment on provisional govt. and that this will serve to move things ahead rapidly. However, range of problems still to be resolved suggests caution in that regard. I will continue keep Dept. informed of our progress and will endeavor provide as much advance warning as possible as to when key developments can be expected.

Bennett

Telegram From the Department of State to the Embassy in the Dominican Republic¹

Washington, July 31, 1965, 1:11 p.m.

164. For Bunker and Bennett. We have been closely following negotiations and development of political situation in Dominican Republic. We have also been continually assessing attitude of public and government officials and other American Republics as well as public opinion in the United States. It is becoming more apparent than ever that we must move quickly to a definitive solution in the Dominican Republic before the situation deteriorates beyond repair.

Our assessment overall situation (Dominican Republic, hemisphere, world) is that it is reaching boiling point much the same as you encountered in Dominican Republic in middle of June when OAS Committee felt compelled make its proposal on June 18 before you had opportunity fully review it in Washington.

When you departed Washington after reporting MFM² you thought solution could be obtained in approximately two weeks. Request your current assessment.³

Rusk

¹ Source: National Archives and Records Administration, RG 59, Central Files 1964-66, POL 15 DOM REP. Secret; Immediate; Exdis. Drafted and approved by Sayre on July 31.

² Bunker departed the Dominican Republic for Washington the morning of July 16 for consultations at the White House and to report to the OAS. No record of Bunker's meeting at the White House has been found. Bunker returned to the Dominican Republic on Monday, July 19.

³ See Document 117.

116. Telegram From the Department of State to the Embassy in the Dominican Republic¹

Washington, July 31, 1965, 4:20 p.m.

165. For Bunker, Bennett and Palmer. Assuming provisional government is installed with agreement of Caamaño what is your estimate of action that would have to be taken, if any, to restore order in rebel zone? If action is required could this be done entirely by administrative measures of provisional government, that is stopping food deliveries, cutting off utilities, permitting egress but no ingress and waiting out those who resist? Or would there be only pockets of resistance which would rule out general measures such as cutting off utilities?

If some pacification is required should this be done by (1) IAPF, (2) regular Dominican military or (3) a combined operation?

Assuming provisional government is restored without Caamaño's approval what is your estimate?

What is your estimate if provisional government installed without Imbert approval?

Request your combined judgment on military strength of both sides. Both Imbert and Caamaño suggested in United Nations that IAPF be withdrawn. What would be the effect of such action? In your estimate we desire particular attention be given to report received here in Washington that 14th of June and other extremist elements have had considerable success in penetrating enlisted and junior officer ranks in regular armed forces. Also desire your comments on what we understand to be Brazilian view that forces in Caamaño area have shown greater strength and discipline over last few weeks and that their position continues to improve.

Request foregoing by 9:00 AM August 2.²

Rusk

¹ Source: National Archives and Records Administration, RG 59, Central Files 1964–66, POL 15 DOM REP. Secret; Immediate; Exdis. Drafted and approved by Sayre and cleared by Colonel Greenleaf (DOD).

² See Document 117.

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117. Telegram From the Embassy in the Dominican Republic to the Department of State¹

Santo Domingo, August 1, 1965, 2321Z.

310. From Bunker and Bennett. Deptel 164;² Embtel 306.³

We fully share Department's impatience for definitive solution and concern over attitudes of government officials and public in OAS, as well as over trend of public opinion in U.S. Unfortunately, it is difficult convey to those not intimately involved here just what a slippery and complex situation this is and what a cross-hatching and interrelation of competing pressures there are. As Department is aware from previous attempts settle the Dominican problem, there are key elements on both sides who do not want a solution. They are looking for victory and/or satisfaction of personal pride at any cost, up to and including complete ruin of the country. Bringing people like Imbert and Aristy to accept any compromise, let alone bargain in good faith, is no easy job.

Problem is particularly complicated by fact we are limited in means with which to achieve settlement. As we see it, our options are as follows: (1) We can use force or allow Imbert to use force against Caamano and company. (2) We can bring about Constitutionalist collapse by making life unbearable in Caamano zone—turning off water, closing checkpoints, etc. (3) We can cut GNR off from virtually all funds, using IAPF to close Banco de Reservas and lock up Central Bank. (4) We can continue as we are doing, forcing pace of negotiations in order reduce issues to essentials and then come forward with proposed final solution. (Our strategy and timing are covered in ref Embtel.)

In our judgment use of first two alternatives would create worse problems than we now face. OAS and world opinion in general would presumably react strongly against such measures. In addition, we

¹ Source: Johnson Library, National Security File, Country File, Dominican Republic, Vol. X, 8/65–9/65. Secret; Immediate; Limdis. Passed to DOD, CINCLANT, CIA, CINCSO, and the White House.

² Document 115.

³ Telegram 306 from Santo Domingo, August 1, described the current status and future course of the negotiations that Bunker believed had been reduced to dealing with the "hard essentials," i.e., the composition of the Armed Forces' high command, future of constitutionalist military personnel, and amnesty/disarmament procedures. Bunker felt the situation was further complicated by Imbert's continuing "resistance to formation of a provisional government," but that he nonetheless intended to move ahead quickly on obtaining as many concessions as possible from both sides. Bunker concluded that a "combination of pressures accompanied by a reasonable proposal for a final solution would turn the trick and allow [the United States] to install a provisional government by the middle of [August] at the latest." (Johnson Library, National Security File, Memos to the President, McGeorge Bundy, Vol. XIII)

would be left with Imbert. Neither Garcia Godoy nor anyone else we have found acceptable to liberal opinion here or abroad would be likely to take job under circumstances, even if Imbert could be forced out.

Suddenly cutting off all funds for government salaries (which we could have done early in game) might be just as bad from point of view our own vital interests. Unless GNR collapsed rapidly, allowing quick installation provisional government, we could have situation in which military would go without pay for some time. If this were to happen there is impression armed forces would not hold together for long. It is our understanding that maintenance of armed forces in being and continue integrity of officer corps are prime objectives, particularly in view arms distribution by rebels to all and sundry and extremist exploitation of that distribution. At least we clearly do now want to leave that field to Caamano and friends.

We realize that fourth alternative—one ad hoc committee is now pursuing—takes time and offers no hard guarantee of final success. Nevertheless, there seems no other feasible way to proceed. As explained in reftel, negotiating process should be completed by end of this week. Committee will then come forward with final proposal, at same time exerting maximum pressure by all means available and with full support of Embassy. In order force acceptance it may finally be necessary to threaten or even use measures comprehended with our first three alternatives. Before doing so, however, it is important to be certain that our proposal is before Dominican and world opinion and that both sides have a chance to accept it.

During recent visit to Washington, Bunker estimates solution could be reached in two to three weeks. Committee has been delayed by arrival of Latin American colleagues here a week late, by withdrawal of Read Barreras and by hardening attitude on part of Imbert and company. Despite these and other difficulties we are still hopeful we can finish up soon. As explained in ref Embtel, we hope see provisional government installed by middle of month at latest.

We would, of course, welcome any suggestions Department might have as to how we can move process along faster.

Bennett

118. Telegram From the Embassy in the Dominican Republic to the Department of State¹

Santo Domingo, August 2, 1965, 0321Z.

- 311. From Bunker, Bennett and Palmer. Ref Deptel 165.² Dept please pass CINCLANT from Palmer.
- I. Following are answers to questions posed Deptel 165 under three stated hypotheses:

A. PG Installed with Agreement Caamano

- 1. This is of course assumption which OAS committee has been going on all along; it is extremely difficult to envisage how PG could be established, except by imposition, unless this assumption is fulfilled. Certainly it could not be under proposed leadership of Garcia Godoy who has made his acceptance office contingent on Caamano's agreement.
- 2. Once Caamano agrees to installation PG, many rebels who are opposed to OAS formula will nonetheless decline to fight to prevent it from being carried out. Probably, however, there will remain some sporadic resistance by hard core extremists. It is doubtful that such resistance will be grouped in major geographical concentrations.
- 3. We doubt that administrative measures, if unaccompanied by use of military force, would provide appropriate means for reducing any resistance remaining. Since such resistance is likely to be scattered rather than concentrated, administrative measures would be difficult to apply. Moreover, even if it proved possible to discriminate, such measures would be slow and insufficient, given considerable stocks of food and other supplies still available in rebel zone. If area or areas holding out contained important economic assets, such as commercial banks, delay would inhibit country's return to normalcy.
- 4. Military action would probably be required to overcome sporadic resistance of hard core of rebels who refuse to accept any agreement which fails to include their demands. In any event, these actions must be accomplished: positive turn-in of arms; positive check of critical facilities for mines, booby traps, etc. provision of normal police protection—traffic control; prevention of crime; protection of citizens and their property; security of public buildings and utilities. Restoration of utilities. Fire prevention and protection. Clean-up garbage and trash.

¹ Source: National Archives and Records Administration, RG 59, Central Files 1964–66, POL 23–9 DOM REP. Secret; Immediate; Exdis. Passed to DOD, CIA, and the White House.

² Document 116.

- 5. If significant pockets of rebel resistance should remain, these could be subjected to psyops and selective denial measures, including, if feasible, administrative ones. But these efforts would be supplementary and designed not to substitute for military force but to minimize need for its use.
- 6. It is possible that, if some rebels continued to resist after Caamano had agreed to PG, Caamano himself might take action against them. Indeed he himself has said as much. In such case, we believe it would be desirable for IAPF to remain outside rebel zone for reasonable time to allow him to establish control over his forces. In event he unable to do so, or is held up for unreasonable time, then IAPF should move in to ensure that job is done.
- 7. Any pacification which may be required beyond what Caamano himself undertakes should be done only by IAPF. Use of regular Dom-Rep forces and/or national police would only exacerbate hatreds and harden resistance. Combined operation would have same disadvantages. OAS committee contemplates that upon installation of PG present ISZ would be extended to include rebel zone. Thus it appropriate that order should be established and initially maintained there by IAPF. Later, after IAPF forces had been in area for some time, joint IAPF-national police patrols could be used, with eventually national police taking over entirely.

B. PG Installed Without Caamano's Approval

1. As stated above, this hypothesis is difficult to envisage under present circumstances. In event it should become reality, force would have to be applied by IAPF to degree necessary to restore order and unite capital under PG. Appropriate psyops, designed to weaken popular support of rebel forces, should be conducted in connection with denial measures which, under this hypothesis, would be feasible. Military operations should then be initiated, exact nature and scope depending in part on results of first psychological and denial phase. For example, if only light resistance were expected and encountered, operations should be conducted rapidly to clear rebel zone in its entirety. On other hand, if as events developed heavy resistance were expected and met, operations could be conducted by phases with appropriate psyops and denial measures conducted in between phases.

C. PG Installed Without Imbert Approval

1. We believe provisional government could be installed without Imbert, although this would probably require that present Minister of Defense, military chiefs of staff and Chief of national police be retained (in view probability their cooperation would be necessary in removing Imbert). Without support of armed forces and police, no provisional government could govern, unless US and/or OAS are prepared introduce military forces on massive scale.

2. Lack of Imbert's approval would not basically affect actions required in rebel zone as described in section A this message. As practical matter GNR could not continue to exist if Imbert deprived of support of chiefs of staff.

[Omitted here is a detailed estimate of the military strength of both sides: the Embassy estimated that Caamano's forces totaled 1,000 and Imbert's totaled 11,500.]

Bennett

119. Telegram From the Embassy in the Dominican Republic to the Department of State¹

Santo Domingo, August 3, 1965, 0120Z.

324. From Bennett and Bunker. We plan handle Communist problem through private agreement with Garcia Godoy. As basis for this agreement we have prepared following draft memorandum of understanding.

Begin Text (unnecessary words omitted):

- 1. Provisional government will be anti-Communist and will associate itself with OAS and the USG in opposing communism on basis of that doctrine's incompatibility with representative democracy. Provisional government will exercise all powers and resources at its disposal to check growth and eliminate influence of communism and Castro-communism in DR.
- 2. No Communists, Castroites or Castro-Communist sympathizers will hold critical positions in provisional government. If there is doubt with regard a particular individual being considered for an important post, information will be supplied confidentially on basis of which provisional president can make his own determination.

¹ Source: National Archives and Records Administration, RG 59, Central Files 1964–66, POL 23–7 DOM REP. Secret; Immediate; Exdis. Passed to DOD, CIA, and the White House. This telegram and Document 120 were sent to McGeorge Bundy under cover of an August 3 memorandum from Bowdler who wrote: "Telegram 324 explains how they [Bunker and Bennett] propose to deal with the communist problem. I think is the best way to go about it. It represents a tall order and I hope Garcia Godoy will buy it." (Johnson Library, National Security File, Country File, Dominican Republic, Vol. X, 8/65–9/65)

- 3. National Department of Investigations will be given responsibility for organizing and coordinating all anti-subversive intelligence and operational activities. Best available man will be chosen to head department after appropriate consultations with representatives of OAS and USG. Appointments to department will be made on sole basis of merit; use of these appointments as political favors will not be permitted.
- 4. Appropriate agencies of USG will provide assistance to department in training of personnel. Assistance will also be given in establishing an adequate police communications system, as well as in such other technical fields as may be necessary.
- 5. Important information on subversive activities will be furnished directly to provisional president by Ambassador of US or by representative designated by him. Provisional president will instruct Director of National Department of Investigations to make himself and members of his staff available to representatives of USG agencies for purpose of exchanging information. These agencies will supply information on identities, whereabouts and activities of Communists and other subversives. Provisional president will endeavor to assure that necessary action is taken when information supplied indicates a danger to his government, the Dominican nation or to other friendly governments.
- 6. National Department of Investigations will assure that Communists, Castroites and Castro-Communist sympathizers are kept under close observation. Those found breaking law will immediately be arrested and held for trial.
- 7. Provisional president will be furnished list of Dominican Communists and Castroites who have entered country illegally after receiving training in Communist countries. Immediately on taking office provisional president will order the arrest of these individuals in accordance with existing law prohibiting use of false identification documents.
- 8. On taking office provisional president will also issue decree-law (or propose one to cabinet, depending on vesting of WA [Washington?] legislative power in institutional act) providing heavy penalties for illegal possession of weapons. Assistance in drafting law will be furnished by OAS if so desired. First priority in enforcing law will be given to apprehending Communists and other subversives who may possess unregistered weapons.
- 9. Within thirty days of taking office provisional president will issue a decree-law implementing Article 27² of Institutional Act which

² The final version of Article 27 of the Institutional Act reads: "The right of all citizens is recognized to join political parties, which may be freely established, the only requirement being that they be organized for peaceful purposes consistent with the principle of representative democracy." (*The OAS Chronicle*, October 1965, p. 28)

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prohibits organization of political parties whose aims are not compatible with principle of representative democracy.

- 10. On taking office provisional president will issue a decree-law creating special presidential committee on freedom of speech and press. Prominent representatives of press and radio industry will be included in committee's membership. Committee will be charged with formulating a code of conduct for press and radio during political truce to be established in accordance with Article 49³ of Institutional Act. Committee will be responsible for reviewing content of newspapers, periodicals and other printed matter, as well as of radio broadcasts, in order to assure compliance with code. Violations of code not corrected through voluntary compliance will be publicized by committee and reported to provisional president with recommendations as to possible corrective action. Committee will also consult with provisional government on drafting of legislation under Articles 30⁴ and 31⁵ of Institutional Act designed to prevent use of radio and press for slander and incitement to subversion.
- 11. Provisional president and Ambassador of United States will periodically review terms of this memorandum. Changes, modifications or additions will be in accordance with these consultations.

End Text.

We would plan present memorandum to Garcia Godoy for discussion as soon as authorized by Dept. Once agreed upon single copy of memo could be initialed for retention in Embassy files.

Request Dept's views ASAP.

Bennett

³ The final version of Article 49 reads: "The provisional government pledges to hold elections within a period of no less than six and no more than nine months from the entry into force of this Institutional Act, to elect a President and Vice President of the Republic and members of the national congress for a period of four years and mayors and councilmen of municipalities for a period of two years. In order that a climate of peace and tranquility may be established, the provisional president will urge political groups and parties and the citizenry in general to refrain from all political activity until three months before elections are held." (Ibid., p. 30)

⁴ The final version of Article 30 reads: "All persons may, without any prior censorship, freely express their thoughts by the spoken word, in writing, or by any other graphic or oral means of expression, provided that the thoughts so expressed are not contrary to morality, the public order, or good customs, in which cases the penalties provided by law shall be imposed. All anonymous propaganda, war propaganda, or any other aimed at inciting disobedience of the laws is prohibited, although this latter does not restrict the right to analyze or criticize legal precepts." (Ibid., p. 28)

⁵ The final version of Article 31 reads: "The press may not be subject to any kind of coercion or censorship. The only limitation on freedom of the press is that imposed by respect for private life, morality, the public peace, and good customs." (Ibid., p. 28)

120. Telegram From the Embassy in the Dominican Republic to the Department of State¹

Santo Domingo, August 3, 1965, 0301Z.

325. From Bunker. Ref: Embtel 306.² Following is informal translation of text of draft "Act of Dominican Reconciliation" now under consideration by ad hoc committee:

Begin Text (unnecessary words omitted).

Convinced of absolute necessity restore peace and unity to Dom family, to promote economic recovery of nation and reestablish its democratic institutions;

Conscious of their patriotic duty to foreswear all personal ambitions and interests for benefit of the nation;

Determined to achieve their high purpose of assuring a climate of peace and conciliation in which all Dominicans can live under system of freedom and social justice;

Parties signing below who declare that they represent respectively, in capacities indicated, "Constitutional Government", "Government of National Reconstruction" and Provisional Government of D.R. hereby make it known that they have reached following agreement as result of negotiations carried out by ad hoc committee of the tenth meeting MFM whose members also sign present act as further testimony that parties have agreed to comply with its terms:

1. "Government of National Reconstruction" and "Constitutional Government" accept the Provisional Government presided over by Hector Garcia Godoy as sole and sovereign Government of Dominican Republic. Members of "Government of National Reconstruction" and "Constitutional Government" will offer their fullest cooperation to Provisional Government in re-establishment and consolidation of political peace, as well as in rehabilitation of national economy.

¹ Source: Johnson Library, National Security File, Country File, Dominican Republic, Vol. X, 8/65–9/65. Secret; Immediate; Limdis. Repeated to DOD, CIA, CINCSO, CINCLANT, and the White House for McGeorge Bundy. This telegram and Document 119 were sent to McGeorge Bundy under cover of an August 3 memorandum from Bowdler who wrote: "Telegram 325 contains the text of the draft 'Act of Dominican Reconciliation.' This also looks okay to me. I do not know how realistic it is to think that Caamano and Imbert will sign the same piece of paper, but I think it is absolutely essential to have a clear understanding in writing as to what the ground rules of the settlement are." (Johnson Library, National Security File, Country File, Dominican Republic, Vol. X, 8/65–9/65)

² See footnote 3, Document 117.

- 2. Parties accept institutional act resulting from this agreement as the constitutional instrument under which Provisional Government will exercise its functions. No previous constitution will have effect during existence of Institutional Act whose text is annexed to this agreement.
- 3. Provisional Government will, on day it takes office, proclaim general amnesty provided for in Article 11 of institutional act and will take necessary measures to release all political prisoners.
- 4. Immediately following inauguration of Provisional Government, constitutionalist forces will withdraw all defenses and check points in and around zone presently under their control. This zone will, at same time, become part of security zone established by "Act of Santo Domingo". Security zone will be maintained for period of 30 days, at end of which period it will disappear unless provisional president should consider it necessary to postpone this step.
- 5. Provisional Government will have responsibility for assuring that public order is maintained within security zone. In discharging this responsibility, it may call on Inter-American Peace Force for assistance.
- 6. Provisional Government will, as soon as it has taken office, establish special centers for collection of arms in possession of civilian population. These centers will be located in security zone and under direction of persons designated by Provisional Government after previous consultation with Colonel Francisco A. Caamano Deno. These arms will be delivered to Inter-American Peace Force for safekeeping until Provisional Government shall decide that they should be returned to arsenals of the nation.
- 7. Persons who presently form "Constitutional Government" and its military command will take all necessary measures so that all arms now in possession of civilians under their jurisdiction are delivered within 48 hours after installation of Provisional Government to centers established in accordance with foregoing article. At conclusion this period, Provisional Government will take such measures as may be necessary to recover all arms that have not been surrendered voluntarily.
- 8. As soon as Provisional Government has been installed, armed forces will return to their barracks and place themselves under orders of their commander in chief, the provisional president. All members of armed forces who have participated in present conflict on "Constitutionalist" side will rejoin their units without discriminations or reprisals at rank they held on April 23, 1965. All such military personnel will be

³ "The Act of Santo Domingo," signed May 5, 1965, by members of the "Constitutional Government," "Government of National Reconstruction" and by members of the Special Committee of the Tenth Meeting of Consultation of Ministers of Foreign Affairs ratified the April 30 cease-fire agreement that had not been observed. For text, see *American Foreign Policy: Current Documents*, 1965, pp. 973–974.

subject to orders of their respective superior officers in accordance with organic law of armed forces.

- 9. In accordance with declaration of general amnesty, no officer or enlisted man of armed forces will be submitted to court martial or subject to punishment of any kind for acts, except common crimes, committed since April 23, 1965. Any officer or enlisted man who wishes to retire will be permitted to do so in accordance with prescribed procedures and corresponding retirement benefits set forth in organic law of armed forces. Any officer or enlisted man who desires to leave the country may do so under appropriate guarantees and with assistance provided by Provisional Government.
- 10. During thirty-day period in which security zone will remain in being, Provisional Government and unified command of Inter-American Peace Force will work out plans for relocation of the force. At same time, Provisional Government will initiate negotiations with tenth meeting of MFM re gradual evacuation of force.

In witness whereof etc.

End Text

Department's comments will be appreciated.

Bennett

121. Telegram From the Department of State to the Embassy in the Dominican Republic¹

Washington, August 4, 1965, 4:38 p.m.

- 181. For Bennett and Bunker. We all appreciate fine job you are doing under unusually difficult circumstances. This telegram is limited to aspects of communist problem covered in Embtel 324:²
- 1. We assume that any "private agreement" along the lines described in reftel would eventually leak. This would place United States in interventionist light and might destroy usefulness Garcia Godoy. Suggest consideration (a) memo be shown and discussed with Garcia

¹ Source: National Archives and Records Administration, RG 59, Central Files 1964–66, POL 15 DOM REP. Secret; Exdis; Priority. Drafted by Mann on August 3; cleared by Bundy, Leonard Meeker (L), Vaughn, Read, and Ball; and approved by Rusk and Mann.

² Document 119.

Godoy by both of you making it clear to him this is course we would like to see him follow; (b) verbal understanding covering high points problem between OAS Committee and Garcia Godoy; and (c) agreement on text of a letter from Garcia Godoy as Provisional President to his Minister of Interior and to Director of Investigations.

- 2. Key offices on communist problem will presumably be the Minister of Interior and Director of Investigations. Suggest there be an oral understanding between OAS Committee and Garcia Godoy on who will be appointed to these two key positions. They should be anticommunists by conviction.
- 3. We believe that no communist should hold any position whatever in provisional government. (Communists defined as members of one or more of the three communist parties or those who are subject to control of one or more of these parties.) Furthermore, we doubt any positions in provisional government should be given communist "sympathizers", however recognize this may not be feasible.
- 4. Agree that National Department of Investigations should be given responsibility for organizing and coordinating anti-subversive activities. How soon do you estimate recruiting could be accomplished and Department made a going, efficient operation once provisional government is established? We agree USG should provide assistance to this department but doubt this should be put in any written form until provisional government is set up. Same comment re paragraph five of reftel.
- 5. We agree that Department Investigations should keep communists and their sympathizers under close observation but we doubt that as practical matter this can be done if communists are at large.
- 6. We agree that Dominican communists who entered country illegally after receiving training in communist countries should be arrested for violation of existing law prohibiting use of false identification documents. Is it clear that proposed amnesty to rebels will not be construed as preventing this? We also agree that Provisional President should promptly issue decree-law making it possible to arrest and convict for illegal possession of weapons. We also agree that Provisional President should issue decree-law prohibiting organization of political parties whose aims are incompatible with principles of representative democracy. Is this intended to supplement existing laws making the three existing communist parties illegal? Can we assume these existing laws will be in effect during provisional government period? We also agree that Provisional President should issue decree-law designed to prevent use of radio and press for slander and incitement to subversion. However we doubt wisdom of attempting to formulate code of conduct for press and radio or anything smacking of censorship. Would not strict enforcement of carefully drafted decree-law relating

to slander, incitement to subversion and promotion of unrest accomplish desired objective?

- 7. While we assume from reftel those possessing false identification documents or unregistered weapons would be subject to arrest and conviction, it is not clear to us whether existing decrees and other laws which we assume would remain in force after provisional government established are adequate in sense of enabling authorities promptly and effectively to arrest and convict those who are engaged in various forms of subversion. We are reviewing information available to us here re existing laws on this subject and request report with detailed information re specific laws and comments re their adequacy. Dominican courts have a reputation for having been very ineffective in the past. Is there any reason to believe they will be more effective in the future even assuming the legal provisions are adequate for dealing with communist problem? Perhaps even more important is question of whether Institutional Act, particularly Article 2,3 will vest in provisional government broad powers to issue such additional decrees as may be necessary to deal adequately and effectively with communist activities. We are reviewing draft of Institutional Act here with this question in mind and would also appreciate your views on this.
- 8. We are backing away from suggestion that decree-laws should be approved by majority of Cabinet for fear that this may introduce same kind of indecision, lack of leadership and paralysis as exists in collegiate Uruguayan government today. We now believe Garcia Godoy should have authority to issue decrees as President of provisional government. If safeguards are deemed desirable or would facilitate your negotiations suggest provision to effect President will "consult" with Cabinet before issuing decree but making it plain that majority support in Cabinet is not necessary. Additional possible safeguard could be that a two-thirds majority of Cabinet could veto any decree issued by Provisional President.

³ The final version of Article 2 reads: "The provisional president shall legislate on any matter not contrary to the provisions of this Institutional Act but approval by two thirds of the members of the cabinet shall be required when laws on the following questions are concerned: a. changes in the legal money and banking system; b. election of judges of the supreme court of justice; c. changes in the political boundaries of the national territory; d. approval or denunciation of international treaties; e. declaration of war against other states; f. sending Dominican troops abroad; g. establishment or abolition of courts of any nature; h. declaration of a state of siege in the event of disturbance of the public peace and, as a result thereof, suspension of the exercise of human rights set forth in Articles 16, 20–23, 30, 33 and 34 of this Institutional Act; and i. declaration of a state of national emergency, suspending the exercise of human rights with the exception of the inviolability of life." (*The OAS Chronicle*, October 1965, p. 25)

- 9. We continue to be concerned about Article 26⁴ of Institutional Act and Garcia Godoy's statements that no Dominican will be deported by Provisional Government. In addition to doing everything we can to make sure that laws are adequate and courts will enforce them, we think there should be understanding with Garcia Godoy about internment of communists if this should prove to be necessary. Internment could be on some Dominican island as Bosch suggested or at some place on Dominican mainland. This would be safeguard against possibility that communists will be clever enough to avoid possession of illegal weapons or false documentation and, since they will presumably have amnesty except for common crimes, it will be difficult to prove that they have violated some specific Dominican law.
- 10. Obviously ability of Provisional Government to deal with communists will depend to large extent on will of Garcia Godoy. Are we satisfied that he has made no commitments which would impede his ability effectively to deal with whatever communist problem arises and that he has the will to act? Would appreciate resume of your conversations to date with Garcia Godoy on handling communist problem.
- 11. Question of command of armed forces is also intimately related to this problem. We should take every precaution to insure that not only Minister of Defense but Commanders of Army, Navy, Air Force and Training Center are anti-communist by conviction.

Rusk

122. Telegram From the Department of State to the Embassy in the Dominican Republic¹

Washington, August 11, 1965, 11:25 a.m.

216. For Bunker. Your reports on Dominican reactions OAS proposals reviewed by highest authority. Recognizing that you are in fast-

⁴ The final version of Article 26 reads: "No Dominican may be expelled from the country. The deportation or expulsion from Dominican territory of any alien shall take place only by virtue of a sentence rendered by a competent court, after compliance with due legal formalities and procedures." (Ibid., p. 28)

¹ Source: National Archives and Records Administration, RG 59, Central Files 1964–66, POL 15 DOM REP. Secret; Flash; Exdis. Drafted by Sayre, cleared by Bowdler, and approved by Vaughn. Repeated to Rio de Janeiro.

moving situation where man on the spot in best position determine most effective tactics, believe from our vantage point that it would be best proceed with signature Act of Dominican Reconciliation² (ADR) on basis your original schedule of signature today, if Garcia Godoy and Imbert willing do so, with installation of Provisional Government by August 14. This will provide government which we can recognize, carry on relations and work out programs for rehabilitation Dominican economy. We believe any delay will lead only to deterioration of situation, indicate lack of firmness and will, without any particular assurance Caamano would sign in any event.

We agree with your general disposition make no changes in substance of solution OAS Ad Hoc Committee has proposed. We also agree that change in form of agreement acceptable if it will in fact result in signature of ADR by Caamano. We read your messages as indication Caamano does not intend sign any document and we also gather this is policy line of Bosch.

Act could be left open for signature by Caamano any time before installation Provisional President say on Saturday, August 14. After that date PG would deal with Caamano and could for example set deadline after which amnesty would not apply. Such a solution might not be unmixed blessing but could provide firm legal basis for dealing with Communist holdouts.

After specified date rebel area could be sealed off with people permitted leave area but no one permitted to enter. If IAPF used it could lead to sticky situation in MFM. If Dominican Forces used decision could be made by PG.

Request your views on foregoing course of actions and your plans for carrying out OAS Committee proposals. You should have in mind that we are trying mount major effort give renewed vitality to Alliance for Progress starting with speech by President on August 17³ fourth anniversary Charter of Punta del Este.

Rusk

² See Document 120.

³ President Johnson spoke on August 17 at 10:25 a.m. in the East Room at the White House. For text of his remarks, see *Public Papers of the Presidents of the United States: Lyndon B. Johnson, 1965, Book II, pp. 884–889.*

123. Telegram From the Embassy in the Dominican Republic to the Department of State¹

Santo Domingo, August 12, 1965, 0440Z.

416. From Bunker. Committee's meeting with Caamano group this afternoon brought negotiations down to what has always been gut issue here: makeup of armed forces high command. We came away with impression that other problems could be handled. Objections to Article 4^2 might well be worked out through memorandum of understanding or protocol re procedures for dismantling and disarming constitutionalist zone. Also, in our opinion, Article 8^3 difficulties (i.e. future of various types of constitutionalist military) are susceptible to treatment through some kind of compromise formula, perhaps involving a special board to review individual cases of officers involved. Article 10^4 was not even mentioned.

On other hand, it is difficult see where immediate solution to problem of armed forces' leadership might lie. Caamano's group made the point very clearly. (Up to now they have been avoiding issue but our proposal and public declaration has forced it into open.) Aristy and Jorge Blanco insisted that Provisional Government could not be installed with Rivers, de los Santos, Martinez Arana and Wessin still at their posts. I pointed out that constitutionalists had previously agreed

¹ Source: National Archives and Records Administration, RG 59, Central Files 1964–66, DEF 6 DOM REP. Secret; Immediate; Exdis. Passed to the White House, DOD, and CIA.

² The final version of Article 4 reads: "The provisional vice president of the Republic, who shall have under his direction one of the ministries, shall take the place of the provisional president in case of his temporary or permanent absence. The vice president shall be chosen from among the members of the cabinet, upon nomination of the president, through the affirmative vote of the two thirds of the cabinet. In case of the permanent absence of the provisional president, and in case the provisional vice president is also temporarily or permanently absent, the duties of provisional president of the Republic shall be discharged by the following persons in this order: The presiding judge of the supreme court of justice; the deputy presiding judge of the supreme court of justice, and then the other judges of that court in descending order of age." (*The OAS Chronicle*, October, 1965, p. 26)

³ The final version of Article 8 reads: "The national district and the municipalities of the Republic shall be governed by the provisions of Title X of the 1963 Constitution, which is based on the corresponding provisions of the 1962 Constitution, except that the council chairmen, mayors, and councillors of the municipal governments shall be appointed and may be removed from office by the provisional president of the Republic. Likewise, the provisional government shall be governed by the provisions of Title XI of the said Constitution." (Ibid., p. 26)

⁴ The final version of Article 10 reads: "The provisional government shall in no way jeopardize the sovereignty of the Republic nor in any way alienate the property of the state." (Ibid., p. 26)

leave all such matters to Provisional President and said that Garcia Godoy, who is fully aware of problem, could be trusted to work out satisfactory solution. They, however, firmly maintained their position.

Tonight we again discussed situation with Garcia Godoy. He is most reluctant go ahead without at least minimal agreement on part of rebels. Does not believe that provisional government could function (or even be formed, given timidity of his potential colleagues) without rebel acceptance. He also shares our impression that Imbert is only prepared to sign "act of reconciliation" if other side also signs and if four points put forward by armed forces (Embtel 405)⁵ are explicitly understood to be binding. Nevertheless, Garcia Godoy did say that he would be prepared go ahead and take office without final agreement if rebels (and presumably armed forces) would agree to installation under such condition. He urged, however, that we first make determined effort persuade Caamano and company accept our proposal as it stands.

We intend make this effort. First step will be private approach to Guzman tomorrow morning in effort use him to enlist Bosch's aid. Emphasis will be on fact that this may well be last chance for solution favorable to PRD electoral ambitions and that party will ultimately lose if Aristy and extremists are allowed continue insist on impossible conditions. Garcia Godoy plans talk to Jorge Blanco in same vein. After these soundings have been made we will decide on strategy for next meeting with Caamano group, probably to take place tomorrow afternoon. Will keep Department informed as we go along.

Re suggestions in Deptel 216,⁶ I agree that we must continue efforts persuade Garcia Godoy take over without firm agreements on all outstanding issues. It is clear, however, that he will not assume office solely on basis GNR acceptance of "act of reconciliation". It also clear, in my opinion, that he would not be prepared—at least at outset—to acquiesce in use of coercive measures such as sealing off rebel zone. I think best we can hope for is that he would take over on basis simple agreement of both sides that he do so, with negotiations for final settlement to continue thereafter.

⁵ Telegram 405 from Bunker in Santo Domingo, August 10, lists the Armed Forces' four points: "1. All military who are abroad and who deserted shall remain outside of armed forces; 2. All officials who rebelled and who meet retirement age and conditions will be retired with pensions; 3. All rebel officers who in judgment chiefs of staff may constitute danger or may be in personal danger will be designated to post abroad; and, 4. Decisions of retirement board in accordance with organic law of Armed Forces, will be maintained as well as decisions of competent tribunals." (Johnson Library, National Security File, Country File, Dominican Republic, Vol. X, 8/65–9/65)

⁶ Document 122.

Time frame is still difficult predict but it seems likely at least a few more days will be necessary to complete our efforts. We are very conscious of risk that delay will give Imbert an opportunity back away from his commitment. We are also aware that with self-serving politicians now rising to the attack, Garcia Godoy's candidacy is in jeopardy. Nevertheless, I believe we must continue along line we have set.

Foregoing may be repeated to AmEmbassy Rio at Department's discretion.

Bennett

124. Intelligence Memorandum¹

OCI No. 2305/65

Washington, August 13, 1965.

THE OUTLOOK FOR INSURGENCY IN THE DOMINICAN REPUBLIC

Summary

The pro-Chinese Communist Dominican Popular Movement (MPD) will probably initiate a program of terrorist activity in the Santo Domingo area and an elementary form of guerrilla warfare at one or more points in the interior. The pro-Castro 14th of June Political Group (APCJ) is divided on whether or not to launch a major guerrilla effort in the interior, but it is better prepared and enjoys greater capabilities than the MPD for this type of insurgency. Because Communist-affiliated groups lack popular support in the Dominican Republic, the Dominican military and police could probably severely limit such insurgent activity to a degree where it would not pose a serious threat. If however, harsh repressive measures are carried out indiscriminately and the economic situation does not improve, the leftist extremists might then gain enough support from non-Communist groups to threaten the provisional government.

[Omitted here is the body of the memorandum.]

¹ Source: Johnson Library, National Security File, Country File, Dominican Republic, Vol. X, 8/65–9/65. Secret. Prepared in the Office of Current Intelligence, Directorate of Intelligence, CIA.

125. Telegram From the Embassy in the Dominican Republic to the Department of State¹

Santo Domingo, August 18, 1965, 2200Z.

461. Refs: Deptels 181² and 209;³ Embtels 373,⁴ 385.⁵

- 1. Ambassador Bunker and I met with Garcia Godoy 15 August for further discussion on provisional government's handling of Communist problem. Embassy had prepared rough draft of memorandum (Deptel 181, para 1) and we discussed it point by point, agreeing that it should be put in final form for approval and verbal agreement. Garcia Godoy was in general agreement with our proposals, with one or two indefinite points as noted below.
- 2. Garcia Godoy emphasized his determination that PG would be anti-Communist and aligned with United States in opposing communism in all facets. He indicated his intention take every opportunity to eradicate movement's growth and check its influence in DomRep and said he will issue instructions to this effect to his Minister of Interior and Security Chief. We will discuss those at subsequent meeting. Garcia Godoy reiterated intention to take police out of Armed Forces Ministry and put them back under Interior.
- 3. Garcia Godoy was unequivocal in stating he would invoke emergency powers and, if necessary, order internment of dangerous Communists under authority of institutional act should his government, Dominican nation or friendly governments need such protection against Communist subversion.

³ Telegram 209 to Santo Domingo, August 9, commented on certain draft articles of the Institutional Act. (National Archives and Records Administration, RG 59, Central Files 1964–66, POL 15 DOM REP)

¹ Source: National Archives and Records Administration, RG 59, Central Files 1964–66, POL 15 DOM REP. Secret; Priority; Exdis. Passed to the White House, DOD, and CIA. On August 19 McGeorge Bundy sent President Johnson a 1-page memorandum summarizing this telegram. It ended: "Garcia Godoy's response is moderately encouraging. This type of arrangement is about the best we can get under the circumstances. For it to work, we will have to keep after Garcia Godoy with material and moral support. We are in a position to do this with CIA, FBI and AID people down there." (Johnson Library, National Security File, Memos to the President, McGeorge Bundy, Vol. XIII)

² Document 121

⁴ Telegram 373 from Santo Domingo, August 8, responded to the Department's comments on the Institutional Act. (Ibid.)

⁵ Telegram 385 from Santo Domingo, August 9, reported on a working lunch Bunker and Bennett had with Garcia Godoy on August 8 on the problem of Dominican Communists. (Ibid.)

- 4. Garcia Godoy agreed that no Communists, Castroites or Castro/Communist sympathizers should hold critical positions in PG. He stressed his interest in receiving confidential information on candidates for position. He agreed that members of PCD (recently the PSPD) and MPD should automatically be kept out of government. He was somewhat less firm on tricky question of APCJ. He readily admitted that members of "hard line" of 14 of June Party should be unacceptable for any position in PG. He stated, however, he had contemplated using some "soft line" APCJ members in PG—not in critical positions, but in non-critical areas, apparently referring to such activities as forestry and public health. His thinking here is to draw away non-Communist members APCI and cut its appeal by offering non-Communist elements opportunity to participate in legitimate activities. Garcia Godoy also raised question of possible APCJ participation in elections, is stressed [sic] our view that, while there may still be some non-Communists in party membership, APCJ now clearly controlled by Castro/Communist elements and should not be allowed to participate in elections or any other important phase of political life in DomRep. Our view continues to be that policy and thrust of APCI now so clearly apparent that no individual currently active in movement should be given government position. Former or recent membership need not necessarily be a bar, and there is some persuasiveness in Garcia Godoy reasoning of providing alternatives to non-Communist but frustrated youth who have been attracted to APCJ. We plan continue discussion with Garcia Godoy along above lines.
- 5. Garcia Godoy said he proposed to use moderate number of PRSC such as Guido d'Allessandro in his government. He expressed distrust of hard line PRSC leaders.
- 6. In discussing function of DNI and secret police in organizing and coordinating anti-subversive intelligence and operational activities, Garcia Godoy was frank in stating he would depend on USG for support and advice. He seems desirous complete cooperation in this field and said he would not only wish consult with US on choice of top personnel, but would welcome suggestions in selection of personnel. We discussed present state of disintegration of DNI and ways to get it organized and operating. Garcia Godoy welcomed our assurance that appropriate assistance would be provided DNI and secret police in their operations against Castro/Communist subversion. He agreed that such assistance would be subject of continuing consultations between us.
- 7. We found ready agreement on his part that Marxist subversives and their sympathizers would be kept under close observation and that those breaking law should be apprehended and held for trial. He expressed full awareness of difficulties in nature of public disorder and

strikes that will be mounted against control efforts but said he was quite resigned to being called a dictator and other names.

- 8. Garcia Godoy showed less enthusiasm over suggestion for arrest of Dominican Communists and Castroites who have entered country illegally. He emphasized again his objection to deportation as a control method and was not disposed consider those returning from deportation as illegal entrants. I made point that these individuals were subject to detention and trail on purely legalistic, non-political grounds, but he did not commit himself definitely on this point.
- 9. Garcia Godoy is in favor of and plans issue decree-law similar to Sullivan act,⁶ to provide for penalties for persons found to be possessing weapons illegally. He agreed that the arrest of Communists and other subversives would have first priority in this respect.
- 10. Third point on which Garcia Godoy displayed some hesitancy was proposal for decree-law implementing Article 17 of Institutional Act for the purpose of regulating political parties incompatible with principle of representative democracy (Deptel 209 para 1). Godoy appeared have some trouble grasping the intent or objective of this proposal, and it is admittedly rather sophisticated legislation for this primitive political Communist. He wishes to discuss this further and has asked for copies of pertinent U.S. laws in order to study them.
- 11. Garcia Godoy spoke of interest to create "council of information" to deal with abuses of freedom of speech and press. He has already approached Herrera of Listin and Ornes of Caribe, with latter predictably turning him down. He remarked on this score that he was ready to be called a dictator if necessary. But reiterated desire to put main responsibility on media owners for self-regulation. His sincerity on this point is unquestioned; we all agreed it will be difficult.
- 12. In closing it was apparent Garcia Godoy shares our desire to cooperate closely on Communist question, and wants regular consultation in this field. He said he would welcome written memorandum specifically outlining our understanding and we have that under preparation.

Bennett

⁶ Reference is to a New York state handgun licensing law concerning the possession of a concealed weapon.

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126. Telegram From the Embassy in the Dominican Republic to the Department of State¹

Santo Domingo, August 25, 1965, 2130Z.

525. From Bunker. Re Deptel 278.2

- 1. I am fully in agreement on necessity apply maximum pressure to induce Imbert fulfill his commitment sign "act of reconciliation." Excuse that GNR only accepted "act" on basis that not one word would be changed is patently phony and we have no intention allow him use that line.
- 2. Revisions in "act" were worked out by committee, not by CG, and we believe they have improved and strengthened act as a whole without altering its basic substance or objectives. New language of Article 4³ is stronger and more precise from point of view Imbert's own frequently reiterated concern as to future of "Communist focus" in CG. Perimeter around zone will now be maintained until Communists and others have given up their arms. The other changes in "act" should also be welcomed by Imbert and armed forces chiefs as strengthening PG's authority to deal with problems of constitutionalists and their zone free of hampering prior commitments. Article 8⁴ in particular is now more favorable from that standpoint.
- 3. Revised text has been accepted by CG and committee is now using all avenues of persuasion and pressure open to it in effort obtain agreement from other side. Principle external pressure is economic, represented in committee's decision withhold financial assistance and retain OAS control of Central Bank. Other pressures, means of persuasion—individual and group—are being employed to fullest extent possible.
- 4. I believe problem of Imbert is complicated by fact he continues receive bad advice from friends, hangers-on, self-serving politicians and professional anti-Communists—all of whom put personal interest

¹ Source: National Archives and Records Administration, RG 59, Central Files 1964–66, POL 23–9 DOM REP. Secret; Immediate; Exdis. Passed to the White House, DOD, and CIA.

² Telegram 278 to Santo Domingo, August 23, informed Bunker: "With Caamano forces on board highest authority feels now is time apply maximum persuasion get Imbert carry out his commitment sign Reconciliation Act." It "seems to us GNR simply stalling for reasons which are not clear and we believe ad hoc committee should now use all available bargaining levers force acceptance. We think public opinion throughout hemisphere would support such pressure." (Johnson Library, National Security File, Country File, Dominican Republic, Vol. X, 8/65–9/65)

³ See footnote 2, Document 123.

⁴ See footnote 3. Document 123.

ahead of country. (Imbert is a rather unsophisticated man and his attitude often seems to be influenced by what the last person he saw had to say.) In addition, it must be recognized that he himself has never fully accepted necessity for establishment of provisional government.

I am hopeful, however, that appeals to Imbert's patriotism and pride, combined with pressures on both him and the military chiefs will obtain desired results.

- 5. Problem of armed forces' chiefs is more difficult and more important. They apparently entertain some suspicions about Garcia Godoy's intentions and are reluctant put too much of their future or that of their institution in his hands. They also seem to suspect—completely without reason as far as we know—that he has made secret commitments to Caamano and company. With valuable assistance of Embassy attachés, we are making intense effort reassure chiefs of our own and Garcia Godoy's firm intention to preserve integrity of armed forces. (Embtel 520)⁵
- 6. In event GNR/armed forces acceptance of "act" not forthcoming within few days, Committee contemplates issuing another declaration to Dominican people reporting on status of negotiations. Because virtually all communications media are in hands of CG and GNR, this step may be necessary in order further mobilize public opinion. Fortunately, there obviously now is mounting public pressure for a settlement which should have its effect.
- 7. I am aware of feeling exasperation and frustration on part of USG at delays caused by constant manuevering for advantage by both CG and GNR and by childish refusal of each side to deal with or even recognize existence of the other. This is a feeling fully shared by myself and my colleagues. However, given mandate under which we are operating, I see no alternative to continuing along course we have set, combining patience with pressure and persuasion to achieve our objectives.

Bennett

 $^{^5}$ Telegram 520 from Santo Domingo, August 25, recounted Bunker's efforts during a 1% hour meeting with Rivera Caminero and three service chiefs of the GNR to convince them that Garcia Godoy intended to carry out the three objectives supported by the Ad Hoc Committee and the United States: 1. "To deal effectively with the Communist problem; 2. to maintain the integrity of the Armed Forces; and, 3. to establish a stable government that could lead the country to free elections and the re-establishment of democratic institutions." (Johnson Library, National Security File, Country File, Dominican Republic, Vol. X, 8/65-9/65)

127. Memorandum From Bromley Smith of the National Security Council Staff and the President's Special Assistant for National Security Affairs (Bundy) to President Johnson¹

Washington, August 30, 1965, 10:30 p.m.

- 1. I talked to Ambassador Bunker at about 10:00 PM tonight. Bunker passed on the following information.
- (a) General Imbert has resigned in favor of the Provisional Government, but says he will not sign the agreement. This should not hold up a settlement, however. *First*, we don't need his signature. *Second*, Rivera Caminero says he will sign if necessary for the GNR. The Armed Forces are definitely in favor of the settlement.
- (b) The signings will probably take place on Tuesday² with the installation of the Provisional Government on Wednesday or Thursday.
- (c) The situation is still somewhat touchy and we should definitely *not* make any public statements at this time.
 - (d) The security situation is quiet at the moment.
 - 2. There is nothing to do before morning.
 - 3. It looks as if we are just about home.

GC McGeorge Bundy³

128. Editorial Note

On August 31, 1965, the "Act of Dominican Reconciliation" was signed by Francisco Caamaño Deno, Jottin Cury, Hector Aristy, Salvador Jorge Blanco, S. Antonio Guzman, and Anibal Campagna for the "Constitutionalist Government," Hector Garcia Godoy for the Provisional Government, and the three members of the Ad Hoc Committee of the Tenth Meeting of Consultation of Ministers of Foreign Affairs: Ilmar Marinho (Brazil), Ramon de Clairmont (El Salvador), and Elsworth Bunker (United States), and accepted by Antonio Imbert Bar-

¹ Source: Johnson Library, National Security File, Country File, Dominican Republic, Vol. X, 8/65–9/65. Secret. The handwritten notation "L[yndon]" appears on the memorandum indicating President Johnson saw it.

² August 31.

 $^{^{3}\,\}mathrm{Although}$ Bundy's typewritten signature appears on the memorandum, he did not initial it.

rera for the "Government of National Reconstruction." By signing this Act, the parties agreed to "accept the Constitutionalist Government led by Hector Garcia Godoy as the sole and sovereign government of the Dominican Republic." The parties also agreed to accept: the Institutional Act resulting from this agreement as the constitutional instrument under which the Provisional Government would exercise its functions; a general amnesty provided for in Article 11 of the Institutional Act; an immediate withdrawal of contending forces from their zones of defense; the Provisional Government's responsibility for maintenance of public order; the establishment of special centers to collect arms held by civilians; the return of the Armed Forces under the Provisional President's control without reprisal or discrimination for past actions in the Dominican conflict; and a negotiation with the Tenth Meeting of Consultation of Ministers of Foreign Affairs to decide the withdrawal date and form of the Inter-American Peace Force. For text, see American Foreign Policy: Current Documents, 1965, pages 999–1001.

129. Memorandum of Conversation¹

Washington, September 1, 1965, 4 p.m.

WITH

Director Raborn, Mr. FitzGerald, Mr. Broe, Mr. Vance, Mr. Mann, Mr. Sayre, Administrator Bell, Mr. Engel, ² Director Hoover, Mr. Bundy, and Mr. Chase

SUBIECT

Communists in the Dominican Republic—Meeting at $4:00~\mathrm{p.m.}$ on September 1, $1965~\mathrm{cm}$

1. General Situation in the Dominican Republic

(a) Director Raborn described the situation in the Dominican Republic as a mess. There are caches of arms up country, there is training of Communist groups, and there are numerous other signs of Communist activity. We are going to need plenty of help to cope with this problem.

¹ Source: Johnson Library, National Security File, Country File, Dominican Republic, Vol. X, 8/65–9/65. Secret; No Distribution. Drafted by Chase. William V. Broe of the CIA drafted another account of this same meeting on September 4. (Central Intelligence Agency, Executive Registry Files, Job 80–R01580R, Box 15, Dominican Republic, Folder 303)

² Byron Engle, Director, Office of Public Safety, AID.

- (b) Mr. Hoover confirmed Director Raborn's analysis. He said that four or five emotional candidates running around the country stirring up the candidates will provide excellent fodder for the Communists. He added that, conservatively speaking, there are probably 200–300 hard-core, skilled, trained Communists in the Dominican Republic who will try to recruit malcontents. The Provisional Government must identify these Communists and take them out of circulation right away; they have no guts if you pick them up and lock them up.
- (c) Mr. Mann noted that the election will present a special problem in that we can probably expect the candidates to court the Communists for political support.

2. Police Needs

(a) The group agreed that the job of dealing with the Communists is a police job and not a military job. In this regard, Director Hoover commented that, generally speaking, the military in Latin America are too heavy-handed and ill-trained for this type of work; a strong national police is the answer.

[3 paragraphs (20 lines of source text) not declassified]

3. Relations With the Provisional Government

- (a) Mr. Bundy said that it is crucial that we treat our relations with the Provisional Government very carefully. The Provisional Government, by instinct, will not be brave on the Communist issue and we want to be in a position of doing more than simply telling them that they should be brave. We want to be able to show the Provisional Government specifically how they can do what needs to be done.
- (b) Mr. Mann said that we should make it plain to the Dominican military that we are building a police force that will be anti-Communist and not anti-military; the group agreed that this should be done. In this regard, it was noted that there have been indications from certain members of the military already that they are not instinctively opposed to a vigorous police force in the area of handling Communists.

4. Coordination in the U.S. Government

[3 paragraphs (25 lines of source text) not declassified]

5. Summary of Decisions Taken

- (a) A special informal committee, [less than 1 line of source text not declassified], should be set up in Washington to handle the Communist problem. In the Dominican Republic, a similar committee should be set up [1 line of source text not declassified] and which would be under the general direction of the Ambassador.
- (b) There should be one voice to Garcia Godoy from the U.S. Government on the Communist problem. [less than 1 line of source text not

declassified], under the general direction of the Ambassador. Mr. Mann agreed to send a cable to Ambassador Bennett advising him of this decision.³

- (c) [name not declassified] will coordinate with AID on a plan for the development of the Dominican police. In this regard, Mr. Bell agreed to send immediately to the Dominican Republic an AID man, [less than 1 line of source text not declassified], to do some work on planning.
- (d) FBI agreed to provide training and other facilities as needed for use in the Dominican effort.
- (e) The group agreed that, at an appropriate time, an effort should be made to talk Garcia Godoy out of the establishment of the DNI.
- (f) The group agreed that, at an appropriate time, the Dominican military should be reassured that the build-up of the police forces does not constitute a move against the military.
- (g) Mr. Bundy agreed to clear with the President the Government's organization plan for dealing with the Communist problem in the Dominican Republic.

GC

130. Telegram From the Embassy in the Dominican Republic to the Department of State¹

Santo Domingo, September 3, 1965, 2027Z.

616. Ref: Embtel 541.² Following is copy of memorandum of understanding on handling Communist problem as agreed on with Garcia Godoy this morning:

Begin Text

1. The Provisional Government will be anti-Communist and will associate itself with the OAS and the US Government in opposing

³ Not further identified.

¹ Source: Johnson Library, National Security File, Country File, Dominican Republic, Vol. X, 8/65–9/65. Secret; Immediate; Exdis. Passed to the White House, DOD, and CIA.

² In telegram 541 from Santo Domingo, August 27, Bunker informed the Department that he and Garcia Godoy met on the evening of August 26 to "further discuss the handling of the Communist problem" and to review a draft of the memorandum of understanding which Godoy subsequently agreed to. (Ibid.)

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communism on the basis of that doctrine's incompatibility with representative democracy. The provisional government will exercise all powers and resources at its disposal to check the growth and eliminate the influence of communism and Castro-communism in the Dominican Republic. On taking office, the Provisional President will provide instructions to the Minister of the Interior and the Director of the National Department of Investigations regarding the general policy to be followed in dealing with the Communist problem.

These instructions will follow consultation with the Ambassador of the US.

- 2. The Provisional President will take all appropriate action to protect his government, the Dominican nation, and friendly foreign governments from Communist and Castro-Communist subversion. In the event of a real and present danger from Communist subversive activities which cannot be coped with by existing law, he will invoke emergency powers under the Institutional Act. (Articles 2 and 48.) If necessary, he will order the internment of dangerous Communists and Castroites.
- 3. No Communists, Castroites or Castro-Communist sympathizers will hold critical positions in the Provisional Government. If there is doubt with regard to a particular individual being considered for an important post, information will be supplied confidentially on the basis of which the Provisional President can make his determination. Individuals who are known to be present members of the PCD of the MPD will not be accepted into government service in any capacity during the term of office of the Provisional Government. Some flexibility is indicated with respect to the APCJ in view of the fact that certain non-Communist followers (as opposed to the leadership) are anxious to break their ties to the movement, and should be encouraged in this regard. Information regarding members of those parties presently in government will be made available to the Provisional President. He will take whatever action may be possible to remove them from the government service.
- 4. The National Department of Investigations will be given the responsibility for organizing and coordinating all anti-subversive intelligence and operational activities. The best available man will be chosen to head the department after appropriate consultations with representatives of the US Government, as will other key officials of the organization. Appointments to the department will be made on the sole basis of merit. In order to deal effectively with the Communist problem, the department will require the close cooperation of the Minister of Interior and Police. It is agreed that the man to head that Ministry must be anti-Communist by conviction.
- 5. The US Government will provide appropriate assistance to the Provisional Government in dealing with Castro-Communist subversion. The form and extent of this assistance will be the subject of con-

sultations between the Provisional President and the Ambassador of the United States or his designated representative.

- 6. The National Department of Investigations will ensure that Communists, Castroites and Castro-Communist sympathizers of Dominican nationality are kept under close observation. Those found breaking the law will immediately be arrested and [brought to] trial. The Provisional Government will take necessary steps to send out of the country all Communists, Castroites and Castro-Communist sympathizers of foreign nationality.
- 7. The Provisional President will be furnished a list of Dominican Communists and Castroites who have entered the country illegally after receiving training in Communist countries. The Provisional President will take appropriate action to submit these individuals to legal process and trial in accordance with Articles 153, 154, and 155 of the penal code which apply to the use of false or altered identification documents, or Article 439 of the code dealing with the destruction of official documents, including passports.
- 8. On taking office, the Provisional President will issue a decreelaw providing heavy penalties for the illegal possession of weapons. Assistance in drafting the law will be furnished if so desired. First priority in enforcing the law will be given to apprehending Communists and other subversives who may possess unregistered weapons.
- 9. Within thirty days of taking office, the Provisional President will issue a decree-law implementing Article 27 or the Institutional Act with the purpose of setting up procedures for identifying political parties which are not eligible to participate in the elections because they are organized on the basis of doctrines or goals not in accordance with the principles of representative democracy, and with the purpose also of regulating and controlling the activities of parties so identified. The Provisional President and the Ambassador of the United States will consult on the scope and form of this law. Suggested language will be provided if so desired.
- 10. On taking office, the Provisional President will issue a decree-law creating a "Council of Information" to deal with abuses of freedom of speech and the press. The council will be charged with formulating a code of conduct for the press and radio consistent with Articles 30 and 31 of the Institutional Act. The council will also report to the Provisional Government on the advisability of promulgating laws designed to prevent use of the radio and the press for slander and incitement to subversion.
- 11. The Provisional President and the Ambassador of the United States will periodically review the terms of this memorandum. Changes, modifications or additions will be in accordance with these consultations. *End Text*.

With respect para. 1 of memorandum, Garcia Godoy prefers provide oral directives to Minister of Interior and Director NDI, due his experience that anything in writing in this country has a way of becoming public in short order. He states he has full confidence that Castillo is anti-Communist by conviction and will serve reliably and effectively as Minister of Interior. NDI Director not yet chosen, with selection subject of consultation [less than 1 line of source text not declassified].

Re para 3: Department will note some flexibility is provided for in case APCJ. This is in line Garcia Godoy's interest in enlarging political center and providing alternatives for all non-Communist followers APCJ (Embtel 461).³ He agrees Castro-Communist leadership of APCJ now complete. He, however, cites cases of individuals who have been active in APCJ, but who are anxious to break away and have asked his help by way of jobs abroad or some other means. He would like to assist such individuals to make the break and we believe this in both Dominican and our interest.

Re para 7: Garcia Godoy continues have reservations about reaching back to arrest former deportees who returned to DomRep illegally. He argues number involved is small and he would be accused of political persecution, a charge which would affect unfavorably his broader effort against Communists. He agrees to necessity of keeping these and other Communists under close observation and to intern them in event of clear and present danger (para 2). We have recalled to him Bosch's consideration of Beata Island as secure internment site. He says he is prepared detain Communists and Castroites who enter country illegally from now on.

Re para 9: Garcia Godoy indicated his understanding that law in effect prior to April 24 outlawing three Communist parties will still be in effect. However, he is prepared issue decree law in line that discussed para 10 Embtel 461. He would be glad to have suggestions on this.

Re para 10: Garcia Godoy now believes Council of Information should be primarily keyed to radio industry. He said editors of three principal newspapers had agreed to self-regulation (he hopes they will honor promise), but are opposed to joint press radio council. He believes now it would be better to handle the two media separately.

Throughout these conversations and consideration of memorandum, Garcia Godoy has shown sound, realistic attitude on control of communism. He has indicated full awareness of problem and readiness to act on it, at same time coupling controls with efforts to save those frustrated youth who are salvageable. We are convinced he will exert his best efforts in this vital field of security.

Bennett

³ Document 125.

131. Memorandum From the President's Special Assistant for National Security Affairs (Bundy) to President Johnson¹

Washington, September 7, 1965, 6:45 p.m.

SUBJECT

Report on Dominican Republic

Garcia Godoy weathered a flurry of problems over the weekend and in general continued the painfully slow process of consolidating his position. Progress was more in evidence on the international front than at home. Fifteen countries have recognized the Provisional Government. This includes eleven OAS members including Argentina, Brazil, Mexico, and Venezuela (we have unconfirmed press reports that Chile has recognized) and four non-OAS states, including France.

On the domestic front, implementation of the Act of Reconciliation is moving very slowly. The rebels have dismantled some of their defenses, but the collection of arms has not started in earnest. The regular military continue to regard Garcia Godoy with doubt and uncertainty. Among the problems bothering the military are: (1) the premature issuance of a decree, without prior consultation, subordinating Wessin's force to the Army, (2) the failure to confirm the chiefs in their positions and to appoint a Minister of the Armed Forces, (3) the appointment of persons sympathetic to the rebel cause, particularly the manager of Radio Santo Domingo (RSD).

Over the weekend Garcia Godoy moved to allay the fears of the military. He removed the RSD manager (although he transferred him to his own press office). He met with 100 top officers to explain his policies, including his anti-communist posture, and received the endorsement of the chiefs. He went to see Wessin with Bunker to appeal to him on patriotic terms to leave the country, but not to threaten him. When the Dominican radio stations engaged in inflammatory broadcasts threatening to provoke public disorder, he ordered that they suspend operations and obtained prompt compliance.

The most immediate problem is how to get Wessin to leave the country. Wessin was not swayed by Garcia Godoy's appeal to his patriotism. Bunker's suggestions did not seem to move him. Bunker has counselled Garcia Godoy to wait a few days until he confirms the chiefs and Armed Forces Minister Rivera Caminero in their positions before taking up the issue again with Rivera Caminero.

 $^{^1}$ Source: Johnson Library, National Security File, Country File, Dominican Republic, Vol. X, 8/65–9/65. Secret. The memorandum indicates the President saw it.

I believe you are aware of the Jules Dubois story published yesterday that the Embassy tried to bribe Wessin to leave the country. Contacts made by Embassy personnel with Wessin during the past two weeks were of such a nature as to make it inadvisable to issue a flat denial of the story. The State–White House press line is one of *no comment* if questions are asked.

McG. B.

132. Memorandum From Director of Central Intelligence Raborn to Secretary of State Rusk¹

Washington, September 8, 1965.

The United States Government has undertaken responsibility for vetting personnel appointed by Hector Garcia Godoy, Provisional President of the Dominican Republic, in order to assist Garcia Godoy in preventing the appointment of Communists and extreme leftists to responsible positions in the Provisional Government. This United States function is spelled out in a secret "Memorandum of Understanding of Handling the Communist Problem" which was agreed to by Garcia Godoy during a meeting with Ambassador Bennett on 3 September 1965. Paragraph 3 of the Memorandum reads as follows:

[Omitted here is paragraph 3 of Document 130.]

On the instruction of Ambassadors Bennett and Bunker, [less than 1 line of source text not declassified] has been in contact with Garcia Godoy for the past two months to make arrangements for this screening process. Garcia Godoy has made a total of 31 appointments to date; of these 18 were not submitted to us in advance. Of the 13 candidates whose names were submitted by Garcia Godoy and screened [less than 1 line of source text not declassified], five had been appointed in spite of the fact that derogatory information on them had been given to Garcia Godoy and Ambassador Bennett [less than 1 line of source text not declassified]. One case of particular importance is that of Manuel Ramona Morel Corda, who was appointed to the critical post of Attorney General. Basic biographic data on the five appointees on whom there is derogatory information are included in the attachment to this memo-

¹ Source: Central Intelligence Agency, Executive Registry Files, Job 80–R01580R, Box 15, Dominican Republic, Folder 303. Secret. Prepared on September 7. Copies were sent to McNamara, Bundy, and Mann.

randum together with the names of the other eight appointees who were vetted.²

It should be noted that Garcia Godoy has had to act quickly in making these appointments. He has been under tremendous pressure to accommodate both sides, particularly the Rebels, and this is undoubtedly one of the reasons why he has appointed several undesirables from the Rebel side. In addition, there may be some genuine misunderstanding as to the definition of an "important post." However, a continuation of this practice could bring into the upper and middle echelons of the Provisional Government a number of persons inimical to the best interests of the United States.

[less than 1 line of source text not declassified] will continue to screen Garcia Godoy's appointees and to make information and recommendations available to Garcia Godoy and to Ambassador Bennett. Should there be a difference of opinion between Garcia Godoy and the U. S. Government regarding the acceptance of these recommendations, it is recommended that they be received and enforced by diplomatic representations in accordance with the criteria set forth in the secret Memorandum quoted in paragraph 1 above.

W. F. Raborn³

133. Memorandum for the Record¹

Washington, September 16, 1965, 10 a.m.

SUBJECT

Meeting Called by McGeorge Bundy on 16 September 1965 at 10:00 A.M. to Discuss the Dominican Republic Situation

PRESENT

White House Chaired by McGeorge Bundy Mr. William Bowdler

² Attached but not printed.

³ Printed from a copy that indicates Raborn signed the original.

¹ Source: Central Intelligence Agency, Executive Registry Files, Job 80–R01580R, Box 15, Dominican Republic, Folder 303. Secret. Drafted by Broe on September 17.

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State
Ambassador Bunker
Mr. Robert Sayre
FBI
Mr. J. Edgar Hoover
AID
Messrs. Bell, Engle and Lauren Goin²
CIA
Messrs. FitzGerald and Broe

- 1. Mr. Bundy opened the meeting stating that the two subjects for discussion were (1) the vetting of proposed members of the Provisional Government of the Dominican Republic and (2) a report of the [less than 1 line of source text not declassified] AID team which recently traveled to the Dominican Republic.
- 2. Mr. [name not declassified] was requested to report on the team's findings. He began reviewing the United States program to assist the Dominicans to combat and control subversion and insurgency that had been agreed upon at the last meeting,³ [9 lines of source text not declassified].
- 3. In regard to the DNI it was explained that it was not possible to persuade Garcia Godoy from reconstituting the DNI as he strongly desired to have such an organization and, in addition, the agreement reached between Garcia Godoy and Ambassador Bunker was for the most part based on having this specific organization. The Country Team had approved the planned development of the DNI. [1 line of source text not declassified] no complete action could be taken until a Chief of the DNI was appointed. Garcia Godoy had advised [less than 1 line of source text not declassified] that his choice was Enrique Rafael Valdez Vidaurre, Chief of Staff of the Navy. [3 lines of source text not declassified]
- 4. [4 lines of source text not declassified] It was pointed out that although the Country Team had approved the overall AID [less than 1 line of source text not declassified] approach to the National Police it had taken exception to the establishment of a mobile group. The objection to the mobile group was twofold: (a) United States military were basically against placing a unit they firmly believed performed a military function in the police and (b) the general consensus was that due to the current sensitivity of the Dominican military aggravated by the Wessin y Wessin affair it would be impolitic to request Garcia Godoy to place in the police a function that the Dominican military considered a military function. This would appear to them as additional den-

² Lauren J. Goin, Chief, Operations Division, Office of Public Safety.

³ See Document 129. The [text not declassified] AID team departed for Santo Domingo on September 8.

igration. It was explained that a compromise plan had been proposed to use the personnel of a 300-man Air Force paratroop unit which had been trained by the United States Special Forces building into it a channel for [less than 1 line of source text not declassified] National Police intelligence input by the participation of some police with the unit. The Country Team has been discussing this proposal and a report was expected momentarily.

- 5. [6 lines of source text not declassified]
- 6. While the meeting was in progress two Country Team reports arrived. One giving final approval to the whole program except the mobile force and the second discussing the Country Team's approach to counterinsurgency, i.e., the first line of defense lies with the police and military garrisons and when they cannot cope and a military situation arises the "Mella" Battalion would be used. The second message was discussed and not found satisfactory. It was decided efforts should go forward to insure a fast reacting force in the pre-military phase of the counterinsurgency situation in the Dominican Republic.⁴
- 7. Mr. Bundy then introduced the subject of vetting. Ambassador Bunker described his discussions with Garcia Godoy re vetting and pointed out the variety of difficulties surrounding this subject. Mr. Bundy raised the question as to the soundness of the information furnished Garcia Godoy pointing out that the Dominican Republic was a small community and character assassination prominent. He requested Mr. FitzGerald's views concerning the information that can be furnished. Mr. FitzGerald reviewed the criteria the Agency had prepared (copy attached) and stated in category A (active membership) information would be hard but in the other gradations of involvement of leftist activity it would be more difficult to have hard information. Mr. FitzGerald discussed the Agency's concern as to the trend of the Garcia Godoy appointments pointing out that the pattern in the Judiciary is extremely worrisome.
- 8. The subject of criteria was discussed at length. Mr. Bundy agreed there should be a set of criteria, not for Garcia Godoy, but as a guide for the United States team in the Dominican Republic to assist them in their efforts with Garcia Godoy. Mr. Bundy asked that a set of criteria be established by CIA in conjunction with State and FBI. Mr. Broe was asked to have such a list drawn up and coordinated with State and FBI.

⁴ Neither one of these reports was attached; however, a "Summary Report of the AID [text not declassified] Study Team," September 15, 1965, lists the team's recommendations including an overall expansion of the public safety program, improved police service prior to the Presidential elections, and the establishment of a quick reacting counterinsurgency group within the police force. (Johnson Library, National Security File, Country File, Dominican Republic, Vol. X, 8/65–9/65)

- 9. Mr. Hoover expressed his concern regarding the leftist elements being accepted by Garcia Godoy especially the appointment of three cabinet members with questionable background. He also stated that he had had his people contact Wessin y Wessin in Florida. He read a report concerning this contact.⁵ (The only information not already surfaced concerning Wessin y Wessin was fact that he was planning to move to Puerto Rico and establish himself in San Juan.) He also stated he had another report of Juan Bosch returning to the Dominican Republic, this time on September 25.
- 10. Ambassador Bunker queried whether it would not be wise to prevent Wessin y Wessin from settling in San Juan. Mr. Sayre suggested that steps be taken to keep all such type individuals out of San Juan. Mr. Bundy was of the opinion this was not feasible.
- 11. Mr. Bundy spoke to Ambassador Bunker stressing the fact that it was most important that the Communists do not gain a prominent position in the government. He stated he would be looking forward to the Ambassador's return from the Dominican Republic (he leaving that P.M.) next week for his views concerning what is being done to keep communists out of the government and suggestions as to other steps that might be taken.
- 12. Mr. Bundy commented on (a) the importance of not allowing the three major communist elements to coalesce and join forces and (b) his concern regarding the situation in the University in Santo Domingo.

William V. Broe⁶
Chief
Western Hemisphere Division

Attachment⁷

CRITERIA

Degree

A. Membership in either the Movimiento Popular Dominicano (MPD), the Partido Comunista Dominicano (PCD), or the Agrupacion Politica Catorce del Julio (APCJ) [current membership in latter]⁸ will serve as a bar to governmental employment in all levels of the government.

⁵ Not attached and not further identified.

⁶ Printed from a copy that indicates Broe signed the original.

⁷ Secret.

⁸ Brackets in the source text.

- B. A significant range of Communist affiliation and association (including family ties) but no known membership will serve as a bar at all levels of sensitive ministries, i.e., Defense, Interior, Justice, Propaganda, Education, and the Judiciary, but may be permitted in limited quantity in non-sensitive ministries.
- C. Where there are some reports of limited reliability of Communist associations and/or attachments balanced on whole or in part by favorable reporting, individuals would be barred only from the top echelon of sensitive ministries.

It should be clearly understood that as we get government employees beyond the second level in ministries, there will be less likelihood that our files will contain traces.

134. Telegram From the Embassy in the Dominican Republic to the Department of State¹

Santo Domingo, September 26, 1965, 0219Z.

826. Joint State–Defense message. We have had several conversations with Garcia Godoy today on military problem. He invited Allen² and me separately this morning and we went together to his house this afternoon accompanied by Connett. There have been other exchanges by telephone.

Garcia Godoy told us again this morning he considered resolution of arms collection and reintegration downtown area as his fundamental problem—until that resolved nothing else can go forward. Arrival of Bosch has given matter even more urgency than before,³ since he wants to stay ahead of Bosch's maneuvering which he is convinced will go on unceasingly and to deny Bosch "refuge" of downtown section from which to operate. He considers Bosch's presence can easily contribute to the perpetuation of separate zone downtown. When I pointed out that we had feeling not much had been done to prevent

¹ Source: Johnson Library, National Security File, Country File, Dominican Republic, Vol. XI, 9/65–10/65. Secret; Immediate; Limdis. Passed to the White House, DOD, CIA, CINCSO, and CINCLANT on September 27.

² C. Allen Stewart, Director, Office of Caribbean Affairs.

³ Juan Bosch, in exile in Puerto Rico, arrived in Santo Domingo on September 25. The Embassy's account of his arrival is in telegram 820 from Santo Domingo, September 26. (National Archives and Records Administration, RG 59, Central Files 1964–66, POL 23–8 DOM REP)

Bosch's return at this time despite Bunker's and my urgings, he admitted Bosch's return inopportune but said he had no real way of stopping him, particularly in view provisions institutional act and his public position which is very much his personal philosophy that no Dominican should be barred from return to his country except in few extreme cases.

He expressed conviction that there will shortly be set in motion nationwide demand for action to be taken re military. He said he would prefer to stay ahead of this anticipated wave of public feeling rather than be forced by it. From practical point of view he made it clear he is convinced that arms collection and reintegration of rebel military will not be achieved as long as Rivera Caminero is Armed Forces Minister due unacceptability of latter to rebel leadership.

He therefore had in mind "package deal" to be announced in TV address this evening which would involve announcement of replacement of Rivera Caminero by Colonel Juan Esteban Perez Guillen, orders to Caamano to reintegrate rebel military officers tomorrow in accordance with formula to cover several categories involved; arms would also be turned in immediately and way would thus be opened for reestablishment normal police authority over downtown area.

I told him we all shared his view that reestablishment of control over downtown was essential. We also agreed on desirability of military changes. However I told him emphatically that timing gave us great concern. We had backed him and assisted in removal of Wessin, not without some embarrassment to USG. Wessin's removal while agreed on as a necessary step, had further unsettled military whose morale already low. Following conversation with him, word had been passed to military by Bunker of his understanding that President planned no further changes in leadership just now. Only this morning Rivera Caminero had met with other chiefs and large group of officers at San Isidro to quiet military concern by stressing leaders' full support for PG and intention to make every effort to see it through to elections. On both above accounts, abrupt change of Rivera now would be regarded throughout military as sell-out.

I question timing on additional ground involving Juan Bosch's return yesterday. Bosch had made a violent speech demanding removal of 8 to 10 top officers of armed forces. If Bosch's demagogic demand were followed on very next day by removal of Minister of Armed Forces, this would be regarded in US as simple cave-in to Bosch's demand and would in my opinion merely stimulate further demands from Caamano side.

Further, and perhaps most important as regards effective settlement, this seemed to us an arrangement without any enforcement provisions as regards Caamano's side of bargain. Caamano had made many promises and was already in substantial default on carrying out provisions of Act of Reconciliation. To make public sacrifice Minister Armed Forces in loose agreement which could not be enforced seemed to me to be a step which had considerable danger (in terms of effect on local and international opinion and on possible reaction armed forces) without any real assurance of obtaining objectives sought.

I went on to stress that my government, while sympathetic to his very difficult problems, was nonetheless concerned over some of trends developing. I mentioned again Washington concern over changes in the sugar industry for example. There had been little balancing action to numerous appointments made as result of pressures from constitutionalist side in both military and civilian posts. He acknowledged that he was unhappy about number of appointments but insisted the situation could be rectified once he had turned corner by dismantling rebel zone and establishing his authority therein. He continued express view that removal of Rivera Caminero was necessary to this end.

In afternoon meeting we argued that if he were determined to remove Rivera Caminero we must urge strongly that it be preceded by some fulfillment of obligations on constitutionalist side. We recommended specifically that Rivera Caminero's removal be made contingent upon completion of arms collection process, reintegration of constitutionalist military into armed forces, and establishment of provisional government's authority over rebel zone. A phased operation was discussed, with idea of achieving it in two or three days time. Caamano could be given assurance in advance that change would be made when operation completed and Rivera Caminero's cooperation to program might even be obtained. President prepared to assign Rivera to post in Washington in line latter's desire.

Garcia Godoy seemed to give considerable weight to our argument although still obsessed with his downtown problem.

On learning later in afternoon of Bunker's planned return, Allen and I telephoned him separately to urge that no action be taken to put plan in action until there were chance for discussion with Bunker. He said he had already talked with Perez Guillen and Caamano but had made no definitive agreements. We have learned later [less than 1 line of source text not declassified] that Perez Guillen told Army Chief of Staff that he had been called to President who had discussed with him ways to dispose of rebel military problem. Perez told Martinez Arana he had not been offered any post. Rumors have circulated downtown this afternoon, presumably through Caamano, of Rivera Caminero's ouster. However, we believe we have pulled Garcia Godoy back for moment and there will be opportunity for further discussion.

135. Telegram From the Department of State to the Embassy in the Dominican Republic¹

Washington, September 29, 1965, 5:39 p.m.

431. For Bunker. We share your view²—also repeatedly expressed by Garcia Godoy—that most pressing problem confronting PG is reopening of downtown and that the longer this is delayed, the greater the erosion in public support for and authority of PG.

What we do not see clearly is how he plans to achieve this objective. He moved resolutely against Wessin but he has not acted with same determination in arms collection and reintegration of rebel zone. In our judgment further concessions to the rebels at expense of military will not do the trick without upsetting delicate balance of forces essential to his maintaining moderate, middle-of-the-road position. If he looks upon prior reintegration of rebel military into regular units as key to dismantling of downtown area, we think he is following mistaken course. Probably most of rebel enlisted men, non-coms and junior officers could be put back into their units without major difficulties. But trying to reintegrate 20–25 key officers into their regular units is a most difficult, if not impossible, enterprise given deep-seated animosity which exists between two camps at this level. We wonder whether with respect to key officer groups some quick solution might not be found which will permit prompt reopening of downtown area. It would be preferable, of course, to give these officers foreign duty or training assignments, both for their own security and to get them out of country until passions cool. If they want training maybe we could help. If they are unwilling to accept such assignments, would it be possible to place them in some appropriate installation outside rebel zone or disperse them individually in garrisons around country, with personal security guaranteed, until Garcia Godoy can work out with each officer and military services appropriate assignment? Request that you explore this matter thoroughly with Garcia Godoy in effort break impasse on dismantling rebel zone.

Another matter which is of deep concern to us is failure of Garcia Godoy to strike more of balance between right and left. Image which he is projecting is one of greater and greater concessions to rebels at expense of moderate and conservative elements. If he is to maintain his authority throughout country, it seems to us that he must move

 $^{^{\}rm 1}$ Source: National Archives and Records Administration, RG 59, Central Files 1964–66, POL 15–1 DOM REP. Confidential; Immediate. Drafted by C. Allen Stewart, cleared by Bundy, and approved by Sayre.

² See Document 134.

with equal energy against both extremes when they get out of line. In failing to act decisively (as he did in Wessin case) against strong-arm methods of extremists at government offices, business enterprises and university, he is running serious risk of undermining public confidence in his impartiality and ability to steer middle course against pressures from both extremes. Request that you discuss this matter again with Garcia Godoy and stress importance of his redressing balance both from domestic and international standpoint.

We understand his desire to bring about basic changes in military establishment as rapidly as possible. We think it would be serious mistake, however, to take any further action along this line until situation downtown resolved. Once this is accomplished, we believe political and economic picture will be substantially improved and his hand strengthened to take further steps in dealing with military problem. Request you also convey foregoing to him, pointing out that he can count on our support in his subsequent efforts to reorganize military establishment.

We will be interested in what you bring back on these points when you return Friday.³

Ball

136. Intelligence Memorandum¹

OCI No. 2328/65

Washington, September 29, 1965.

THE DOMINICAN REPUBLIC: PROSPECTS FOR STABILITY—A BALANCE SHEET

A. Garcia Godoy's actions as Provisional President have roused the expectations of the left in the Dominican Republic and created bitter resentments among the military and moderate political elements. During his first weeks in office he has continually made concessions

³ October 1. Bunker was scheduled to meet with President Johnson at the White House on Wednesday, September 29. (Memorandum from Bowdler to Bundy, September 28; Johnson Library, National Security File, Country File, Dominican Republic, Vol. XI, 9/65–10/65) Bunker, however, remained in Santo Domingo to monitor the situation.

¹ Source: Johnson Library, National Security File, Country File, Dominican Republic, Vol. XI, 9/65–10/65. Secret; Background Use Only. Prepared in the Office of Current Intelligence of the Directorate of Intelligence, CIA.

to the rebel camp—concessions that have been seen by the military chiefs as threatening to their position and by the moderates as insuring institutional advantages which would bring about an election victory for the left.

- B. Garcia Godoy has made no progress on re-integration of the rebel zone and little on arms collection. He apparently feels he must go "softly" with the rebels on these issues so as to be able to solve them without resort to force. As time passes, however, the rebels have felt encouraged to depict themselves as the victors in the civil war and to make increasing demands on Garcia Godoy at the expense of their opponents.
- C. In these circumstances the outlook for political stability will change rapidly when IAPF leaves the country. Departure of the IAPF is already becoming a heady political issue. Garcia Godoy is suspicious and distrustful of the military and unwilling to become dependent on them for fear of seriously compromising his political future. This leaves him no alternative but to solicit voluntary cooperation from the left, an almost hopeless task, and the formulation of policies calculated to develop popular support.
- D. Unless the provisional regime makes an effective effort to resolve the bitter enmity existing between the contending factions, longer term political stability is unlikely. Neither side is presently reconciled to accept the results of elections if the other wins and both are bent on insuring that the "suspended revolution" reaches a conclusion.

[Omitted here are sections entitled: "Introduction," "Garcia Godoy as President," "Garcia Godoy's Motives and Tactics," "Concessions to the Rebels," "Appointments," "Opposition," and "Insurgency."]

Outlook

- 16. The outlook for political stability will change drastically when the IAPF leaves the Dominican Republic. This provisional government will be under increasing domestic pressure to effect the IAPF's departure in the next few months. In the meantime, the extreme left can be counted on to create incidents to embarrass the provisional government over the IAPF presence. Even moderate politicians will use the presence of the IAPF as a campaign issue. The demonstrations of 27 September over IAPF occupation of school buildings were the first of such incidents. Bosch has already indicated that the IAPF presence will be a major campaign issue and has called for strikes to bring about its withdrawal. Even relatively conservative Joaquin Balaguer has said the continued IAPF presence offends national "sovereignty."
- 17. If the provisional government were to ask for the IAPF's removal it would be difficult for Latin American nations in the OAS, many of them still sensitive over the US intervention, to fail to comply. Garcia Godoy might exploit such a request in order to win popu-

lar backing. He has already displayed a sensitivity over the OAS resolution calling for joint OAS-provisional government determination of the date of IAPF withdrawals. He has said that domestic politics demand a statement that the provisional government would prefer to make the decision on withdrawal. In a recent interview with a Mexican magazine, Garcia Godoy reportedly said that he hopes the IAPF will leave "soon" and that the election campaign should be conducted without the presence of foreign troops.

- 18. Until some decision is reached on the IAPF, the paramount problem relating to security and stability will be the conduct of the provisional government. The present trend is toward further concessions to the rebels. Garcia Godoy clearly is reluctant to resort to any action that might entail use of force. He is suspicious and distrustful of the military and unwilling to become dependent on them for fear of seriously compromising his political future. This leaves him no alternative but to solicit voluntary cooperation from the left, an almost hopeless task, and the formulation of policies calculated to develop popular support.
- 19. Unless the provisional regime makes an effective effort to resolve the bitter enmity existing between the contending factions, longer term political stability is unlikely. Neither side is presently reconciled to accept the results of elections if the other wins and both are bent on insuring that the "suspended revolution" reaches a conclusion.

137. Memorandum From the President's Special Assistant for National Security Affairs (Bundy) to President Johnson¹

Washington, October 6, 1965, 9:50 a.m.

RE

Dominican Republic Peace Corps Programs

I know you have been cautious on this, but I believe myself it is now time to act. The Peace Corps is popular in Santo Domingo, and if it behaves with proper discipline, it can be a very useful balance to

¹ Source: Johnson Library, National Security File, Country File, Dominican Republic, Vol. XI, 9/65–10/65. No classification marking. Bundy sent this memorandum under cover of an October 6 memorandum to Moyers with the following comments: "The attached memorandum and the President's comment give you one more job. I have told Mankiewicz to go ahead and to keep in touch with you on all aspects of what he does, especially any public announcement. Having been through this once before, he is fully alert to the need for discretion among P[eace] C[orps] V[olunteer]s in the DR."

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more hardheaded activities which clearly will be necessary as we go ahead. Bunker is for it, and so are Mann and Vaughn.

I have talked to Mankiewicz,² who is the Peace Corps expert here in Washington, and I find him smart and good on the political problems involved. I have his assurance that he will make a special effort himself to insure that volunteers understand the sensitive nature of their work. After all, it is quite simple: if they start criticizing U.S. policy down there, they will simply shut down the Peace Corps in the Dominican Republic and give the whole operation a bad black eye.

The programs involved would include about 210 people divided in 4 categories—

rural elementary school teachers—50 Public health volunteers—50 Community development organizers and technicians—80 town administration technicians—30

Can we go ahead?

 Yes^3

No

Speak to me

McG. B.4

138. Memorandum of Conversation¹

Santo Domingo, October 14, 1965.

PARTICIPANTS

President Hector Garcia Godoy Ambassador Ellsworth Bunker Harry W. Shlaudeman, ARA/CAR

² Frank F. Mankiewicz, Peace Corps Regional Director for Latin America.

³ The President checked this option and wrote: "Subject to Bill M[oyer's] supervision."

⁴ Printed from a copy that bears this typed signature.

¹ Source: National Archives and Records Administration, RG 59, Central Files 1964–66, POL 15 DOM REP. Confidential. Drafted by Shlaudeman. The meeting was held in the National Palace.

Ambassador Bunker called on President Garcia Godoy to pay his respects before leaving and to discuss the following matters of interest:

- (1) Ambassador Bunker suggested that the time has now come for the Provisional Government "to redress the balance." The impression is widespread both in the Dominican Republic and abroad that the Constitutionalists and their extremist allies have had all the best of it since the installation of the new government. Concessions to the rebels were obviously necessary as long as their zone remained intact but, with that problem now resolved, it should be possible for Garcia Godoy to make it clear that his administration will be impartial and free of extremist influence. Ambassador Bunker pointed out that the Provisional Government's unfavorable image resulted in large part from a few specific situations: i.e., the appointment of Morel Cerda as Attorney General, the presence of Franklyn Dominguez in a key position in the National Palace, the strong MPD influence in the immigration service at the airport, and the extremist, pro-rebel line being followed by the government-owned *Radio Santo Domingo* and *La Nacion*.
- (2) President Garcia Godoy said he was fully aware of the doubts raised by certain of his appointments and by other concessions he had made to the Constitutionalists. However, he strongly believed that his conciliatory strategy and the moves resulting from it had been absolutely correct. For example, the appointment of Domingo de la Mota as Director of Sports was open to justifiable criticism on political grounds but de la Mota took 300 men with him out of the rebel zone and kept them out. Similarly, the new governor of Puerto Plata—a Constitutionalist—persuaded two commandos of men from his region to leave and return home. Garcia Godoy said he gave people in this category jobs only to help restore peace and that some of those involved were aware of his purpose and expected to be replaced in time.
- (3) Regarding the specific situations mentioned by Ambassador Bunker, Garcia Godoy said he intended to handle the airport immigration situation by undertaking a complete reorganization of services at the airport. *Radio Santo Domingo* presently infested by several hundred undesirable and/or useless employees would also be reorganized. The government would shut down *La Nacion*, putting its presses to work printing low-priced school textbooks. Garcia Godoy also stated that he planned to move Dominguez out of his present sensitive position in the Palace.
- (4) Ambassador Bunker suggested as a further step in the effort to improve the government's image that Garcia Godoy take advantage of the reunification of Santo Domingo to issue a strong public statement calling for maintenance of law and order throughout the country. Garcia Godoy said he was planning to make a speech within the

next few days in which he would stress this aspect of the situation. Ambassador Bunker also suggested that it would be desirable for the government to reassure the country regarding its intention to hold elections on schedule. Garcia Godoy agreed and said he intended in the near future to call in all the political leaders for consultations on the composition of the Central Electoral Board and other questions relating to the elections.

- (5) Ambassador Bunker expressed the opinion that Garcia Godoy should pay careful attention to the problem of his relations with the military high command. Maintaining good communications with Rivera Caminero and the chiefs should be a matter of principal concern to the President. Ambassador Bunker thought relations had improved in that quarter recently and urged Garcia Godoy to make every effort to keep them good.
- (6) Garcia Godoy, returning to the problem of his government's image, said he hoped the doubts raised by his handling of the Constitutionalists would not prevent the United States from providing the generous assistance his government so badly needs. It was his impression that the amount of aid required had been seriously underestimated. Imbert's regime issues \$19–20 million of checks covering payroll and other expenses in July and August for which funds were not available. The Provisional Government was forced to come up with this money. Now, additional assistance over and above the \$20 million grant would be needed.
- (7) Ambassador Bunker replied that he had not been aware of the large shortfall left by the Imbert regime. He said we realized more assistance would be needed and were prepared to treat the Provisional Government's requests sympathetically. Ambassador Bunker reminded Garcia Godoy of the Provisional Government's commitment to provide \$10 million to the recovery program from its own resources. He emphasized the importance of meeting this obligation. He also asked that Foreign Minister-designate Rodriguez be informed of the facts regarding United States assistance. Rodriguez recently approached officers of our United Nations Mission with the complaint that the United States had given "nothing."

Mr. Shlaudeman expressed the hope that the Provisional Government would make every effort to furnish balance of payment, budgetary and other financial data requested by the Embassy, AID and the OAS. Comprehensive information would help speed consideration of requests for additional assistance.

139. Central Intelligence Agency Special Memorandum¹

No. 24-65

Washington, October 27, 1965.

SUBJECT

Some Perspectives on the Dominican Problem

SUMMARY

The Dominican Republic is in a state of suspended revolution, and the provisional government headed by Garcia Godoy has the task, in effect, of reconciling irreconcilables. If he seems to be favoring the rebel cause, he risks intervention by the armed forces; if he leans to the other side, he risks new outbursts of rebel violence. The underlying political trend in the D.R. is to the left, which enhances the prospects of a left-of-center candidate, if elections are held as planned. If such a candidate won, his government would probably be anti-US and Communist-influenced. The military would likely seize power to keep out this kind of regime, but a military take-over would cause sizeable elements of the left to turn to systematic terrorism and guerrilla activity.

[Omitted here are sections entitled "Background," "Political Tendencies," and "Tribulations of the Provisional Government."]

What Might Come Out of Elections

- 12. It is, of course, too early to make any very specific election predictions. Indeed, the elections may not be held on schedule at all. If they are held, it is not yet clear who the candidates would be or what party combinations may be worked out. Although there may be a candidate or two of the extreme right (for instance, the exiled General Wessin y Wessin has been talking about throwing his hat in the ring), most rightist backing will probably be for Balaguer, running on the ticket of his Reformist Party as a center-conservative candidate. Similarly, although one of the Communist parties may produce a nominee of its own, most leftist backing will probably go to the candidate of Bosch's PRD party. It might be Bosch himself, Caamaño, leader of the revolution, or perhaps a party figure not so well known.
- 13. Some observers believe that Balaguer would win such a contest over any man the PRD could put up. They argue that much of Bosch's old magic is gone—particularly because of his failure to return to the D.R. while the fighting was going on. They dismiss Caamaño as not politically shrewd enough. They note that Balaguer still has

 $^{^1}$ Source: Johnson Library, National Security File, Country File, Dominican Republic, Vol. XII, 10/65–11/65. Secret.

much prestige and is widely respected, and predict that many Dominicans will vote for him as the man who might bring back order and tranquillity.

- 14. These are all points of some merit. But there are some broader considerations certain to have impact. We think, for example, that the expansion in size of the electorate—those who have politically awakened during the past few years and the large additional number of young people now qualified to vote—will strongly favor the left. We believe that many will vote for the "candidate of the revolution" because they see this movement as their only hope for rapid improvement in their depressed living conditions. The insistence by the PRD party and the leaders of the revolution of their determination to reinstate the Bosch constitution of 1963, with its provisions for agricultural reform and various other measures to improve the lot of the masses, provides a powerful initial issue for the campaign. Nationalistic resentment against the US intervention is also likely to favor the parties of the left. On balance, we think the candidate of the left will be in the stronger vote-getting position.
- 15. If such a candidate won the election, his government would probably be anti-US and Communist-influenced. The Dominican military leaders would be likely to seize power to prevent the installation of such a government. Indeed, if the election of a leftist candidate seemed likely, the military would probably intervene before voting took place.
- 16. In the event of a military takeover, or even if Balaguer or someone like him won the presidency, sizeable elements of the left (and not only the Communists) would probably turn to systematic terrorism and guerrilla activity. Although the military might be able to cope with this development initially, their repressive actions would tend to antagonize the people and to lead eventually to another round of revolution.

For the Board of National Estimates: **Sherman Kent** *Chairman*

140. Memorandum for the Record¹

Washington, November 3, 1965, 9:30 a.m.

SUBJECT

Meeting Called by McGeorge Bundy on 3 November 1965 at 9:30 A.M. to Discuss the Dominican Republic Situation

PRESENT

White House

Chaired by: McGeorge Bundy

Mr. William Bowdler

State

Ambassador Ellsworth Bunker Under Secretary Thomas C. Mann Assistant Secretary Jack H. Vaughn

C. Allan Stewart, Director, Caribbean Affairs

Mr. David Bronheim, Counsel to the U.S. Coordinator

Assistant Secretary Anthony M. Solomon

Defense

Deputy Assistant Cyrus R. Vance

AID

Mr. William S. Gaud

CIA

Director of Central Intelligence

Chief, WH Division

- 1. Ambassador Bunker reviewed the situation in Santo Domingo during the period from the night of 22 October to the present. His review covered the activities of Garcia-Godoy, the OAS Committee and the military which had been reported in detail by Embassy and Agency reporting. Items of interest that had not come out clearly in the previous reporting were as follows:
- a. Ambassador Bunker is of the opinion that the military (CEFA, the Air Force and specifically the Chief of Staff, General Jacinto Martinez Arana) had a connection with the clandestine radio that attacked Garcia-Godoy on the night of 22 October.

b. Garcia-Godoy had requested the use of the IAPF to support him against the military chiefs and Ambassador Bunker had refused.

- c. Commodore Emilio Jimenez exhibits the most sense of all military chiefs and was mainly responsible for keeping the military chiefs within bounds.
- d. Garcia-Godoy especially distrusts the Chief of Staff, Arana as he claims Arana has lied to him on more than one occasion.

¹ Source: Central Intelligence Agency, DDO Files, Job 78–3805, Box 1, Folder 29, Dominican Republic. Secret. Drafted by Broe on November 8.

- 2. Ambassador Bunker believes that Garcia-Godoy will carry through with the "package deal" i.e., removal of the military chiefs, the moving out of Colonel Caamano, Manuel Montes Arache, Hector Lachapelle, Hector Aristy and Franklin Dominguez, removal of the Attorney General Morel Cerda and Judge Abelardo Vicioso and the closing of Radio Santo Domingo. The Ambassador stated the timing is the significant problem. It cannot be done by November 3rd, the date planned, but he expects it will be done in "about a week to ten days." According to the Ambassador, he further expects that Garcia-Godoy will agree to the use of the IAPF in conjunction with the National Police to attempt to pick up the arms, as it is obvious that current arms sweeps are in no way successful. The thorniest problem is still the reintegration of the rebel military into the Armed Forces. No accepted solution has been reached as yet. The Ambassador stated it was most important that the camp housing the rebel military be closed out as it is a source of potential trouble.
- 3. Ambassador Bunker stated the securing of the rebel zone was well done. In this connection, he described General Alvim as a continuing serious problem saying that, "everyone is a Communist to him." The tanks have been removed, the two daily newspapers have opened as well as the banks and other business establishments. Balaguer and Bosch have now come in with statements endorsing the Provisional Government's actions.
- 4. Ambassador Bunker described the Dominican Ambassador to Washington, Messina, as a problem. He changes the text of statements to the OAS after Garcia-Godoy and Ambassador Bunker have agreed on them. The Foreign Minister, who serves in New York with the UN, may come to Washington to take his place.
- 5. Secretary Mann raised the point that Agency and FBI reporting from Santo Domingo indicated that the Leftists could win an election. He advised it was his opinion that, if there was a strong possibility the known Leftists could come into the government through an election, we should take steps to postpone the election especially as we are behind schedule anyway. He asked Ambassador Bunker for his opinion. The Ambassador agreed that we are behind schedule. He stated Garcia-Godoy is "too good" to be President, really has no supporting cabinet as all the worthwhile people refuse to take jobs and Garcia-Godoy is "killing himself." The Ambassador stated that he is of the opinion we should make no decision now in regard to postponing the election. We should wait until the "package deal" is completed, at

² The components of this "package deal" were transmitted in telegram 531 to Bunker in Santo Domingo, October 26. (National Archives and Records Administration, RG 59, Central Files 1964–66, POL 15 DOM REP)

which time he expects things will approach normalcy and then we can make up our minds regarding the election.

- 6. The DCI presented and discussed a list prepared by the Agency of persons with varying degrees of Leftist connections who should be removed from the government.³ He advised he would furnish the list by memorandum to the interested agencies. Secretary Mann asked Ambassador Bunker if he thought Garcia-Godoy would really take action against the Leftists, such as action on the subject of the University. Ambassador Bunker stated he hoped so but he really didn't know. McGeorge Bundy asked whether the appearance of so many suspect individuals in the Judiciary was a part of a definite plan to take control of the Judiciary. Ambassador Bunker stated, in his opinion, it was not a definite plan. The Director pointed out that many of the persons on the list that he had previously mentioned were employees of the Judiciary.
- 7. Secretary Mann stated that he was generally concerned that the military will be neutralized. He wondered if Jimenez, if he replaced Admiral Rivera Caminero, could find capable military leaders. McGeorge Bundy stated the hardest single job is "getting the military set up." He asked if there was any way we could force worthwhile people to work for Garcia-Godoy. The DCI stated Garcia-Godoy had been steadily making concessions in favor of the Left. It is time he redressed the balance and put pressure on the Left to reach the desired and necessary agreements.
- 8. Ambassador Bunker pointed out the Papal Nuncio is a problem as is the UN Representative, Mayobre. The Ambassador stated the most important issue is the completion of the "package deal" as soon as possible and he was of the opinion he should return to Santo Domingo as soon as possible to do everything he can do to aid in its completion.
- 9. The remainder of the meeting was taken up with a discussion of the immediate economic steps that should be taken to put the Dominican economy on its feet.

William V. Broe⁴
Chief
Western Hemisphere Division

³ See Document 141.

⁴ Printed from a copy that indicates Broe signed the original.

141. Memorandum From Director of Central Intelligence Raborn to President Johnson¹

Washington, November 5, 1965.

I submit herewith a memorandum which I believe will be of positive interest to you. It concerns twenty-six appointments to important government positions made by Garcia-Godoy since the formation of the Provisional Government.

[1 line of source text not declassified] While these appointments represent a relatively small percentage of President Garcia-Godoy's total appointments to date they are highly significant because of the power to influence and shape policy accorded these positions. Also, these positions are important because those occupying these high offices control to a large degree the employment of others within their respective organizations. [5 lines of source text not declassified] Reliable information on these men and/or their immediate families cited in the attached list² throws grave doubt on the likelihood of their conducting their affairs with political impartiality.

W.F. Raborn

142. Letter From the Ambassador to the Dominican Republic (Bennett) to the Under Secretary of State for Economic Affairs (Mann)¹

Santo Domingo, November 6, 1965.

Dear Tom:

While I would not want to go too far out on a limb, I do feel a certain qualified optimism at the end of this week.

The move of the IAPF into the city has without question provided the personal security for the population at large which has made other

 $^{^{\}rm 1}$ Source: Johnson Library, National Security File, McGeorge Bundy, Memos to the President. Secret.

² Attached but not printed.

¹ Source: Johnson Library, National Security File, Country File, Dominican Republic, Vol. XII, 10/65–11/65. Secret; Official–Informal.

forward steps possible. The opening of the banks and the two regular newspapers this week are the longest strides towards normality yet taken.

The failure of the general strike which the communists were trying to organize was a heartening thing. It lends credence to my own conviction that the rank and file of Dominicans want nothing more desperately than peace and a chance to work, notwithstanding the noise made by the extreme left which is all too often pumped up out of proportion by some of our enterprising and not very judicious press reporters. It was also helpful that Bosch spoke out against the strike, and the Secretary General of his party, who lunched with me today, told me that instructions have been sent out to all the PRD branches to fight the communists on the labor front. This is a new and welcome sense of reality on Bosch's part. I think Garcia Godoy made a mistake in leaving the play, and thus the credit, on dampening down the strike to Bosch. He could have gained some kudos by going on the radio himself, but he chose not to do so. At any rate, any time something bad does not happen means one step forward. Further in the labor field, our own labor movement and the international units to which it is affiliated now have a whole raft of people here. They are moving about actively and have shown some of their muscle both in meetings with the President and in the Labor Ministry. This should be all to the good, although the labor picture here is involved and the fight will not be an easy one.

As for Garcia Godoy, he really seems at last about to move on some of the bad appointments. He has asked agreement of the Uruguayans to receive Attorney General Morel Cerda as Ambassador in Montevideo. We hope to press on to get that accomplished in short order. He seems on the point of moving also on the radio and information sector. There have been other deplorable appointments, but these are the two fields in which the most danger has been done.

Reintegration of the military still remains a major problem and Ellsworth will be pressing on that, with our help there useful. At least Garcia Godoy now accepts the need for people like Caamano to leave the country, (he had already agreed on Montes Arache) and he has talked with them. That will make possible some balancing off with the pressure on the other side in the regular military leadership. My own view is that Caamano should leave first, *before* any more of the regular military. This will be a delicate operation but it ought to be possible to bring it off. At least the fever is out of the situation for the moment.

On the economic side the Dominicans, despite general disorganization, are pulling together better and we are getting a few things going.

The far right is plotting, as is the extreme left. There could of course be further killings at any time. There was one today, this time perpetrated by the rebel Chief of Intelligence, in a restaurant patronized by our own people. Taking out people like Morel Cerda will go a long way to disarming rightist excitement and we can move forward from there. For the first time I believe we may have turned the corner.

There is hard work ahead, and no solution in this country is likely to be wholly satisfactory, but at least we are perhaps on the way.

With warm regards as always,

Yours very sincerely,

W. Tapley Bennett, Jr.²

P.S. I have also had a private meeting recently with Balaguer. He and his party continue to urge early elections.

143. Memorandum From Administrator of the Agency for International Development Bell to President Johnson¹

Washington, November 10, 1965.

I request your authorization to begin negotiations immediately with the Provisional Government of the Dominican Republic for the provision of \$30 million of assistance to reduce political and economic pressures so that we can move toward the installation of an elected government and our withdrawal. We presently estimate that \$50 million is the minimum needed for the balance of FY 1966. An additional amount of \$25 million ought to be set aside now in case our estimates of financial and political needs and Dominican capabilities are proven wrong.

To meet these financial requirements \$25 million can be made available from previously appropriated funds. This will exhaust the Contingency Fund. The balance would be dependent upon obtaining a supplementary appropriation. The \$25 million currently available will meet our needs through December 31.

² Printed from a copy that bears this typed signature.

¹ Source: Johnson Library, National Security File, Country File, Dominican Republic, Vol. VIII, 11/65–1/66. Confidential. Drafted by William P. Stedman (ARA/ECP), and cleared by C. Allan Stewart and Shlaudeman.

Since it will take until December 1 to establish procedures tying dollar disbursements to U.S. exports, assistance provided for November will have adverse effects on our balance of payments. Not more than \$12.5 million will be disbursed in November. All assistance over this amount will be tied to procurement of goods and services in the U.S. The Treasury Department has stated that it will not object to this arrangement.

Since the overthrow of the Dominican government in April the U.S. has made large amounts of supporting assistance available to reduce potential economic complications and elements of political instability by helping meet government payrolls and provide for employment. The Provisional Government has proven to be weaker than feared. President Garcia-Godoy's financial advisers, who appear to be intelligent and conservative men, have reported serious budgetary problems now and into next year.

In an effort to ascertain the full extent of the Dominican financial problem, Assistant Secretary Anthony N. Solomon recently visited Santo Domingo to discuss the financial situation with U.S. and Dominican officials.² The estimates of external assistance needed are the result of his findings which are concurred in by the Country Team. Mr. Solomon, Ambassador Bunker, and the Country Team further believe that the weakness of the Provisional Government prevents our insisting on a commitment to devaluation of the exchange rate when shown necessary as we have when we negotiated program loans with Colombia, Chile, and Brazil. Therefore, the negotiating strategy will be to tell the Dominicans that our maximum assistance through FY 1966 will be \$50 million and that requirements beyond that will have to be met by their own resources. This is intended to limit our financial help and force the Dominicans to reduce their expenditures, increase their revenues, or utilize domestic means of covering deficits.

Our assistance will continue to be focused on playing down possible political problems by helping the government pay government employees their salaries and providing emergency employment on important public works projects. The government needs at least an estimated \$20 million for wages and salaries before the end of 1965 and cannot be expected to obtain this amount from other sources. Although we estimate that it can eliminate the deficit in ordinary budget operations in 1966, it will need an estimated \$15 million for wages and salaries in 1966 before this occurs.

² Assistant Secretary Solomon visited the Dominican Republic October 29–November 2 to examine food distribution problems and assess economic assistance needs for FY 1966.

The additional \$15 million in this \$50 million package includes \$5 million for the balance of 1965 and \$10 million for early 1966 to finance port reconstruction, irrigation, road maintenance and other high priority employment giving activities. These serve more importantly to siphon off potential dissidents from political activity.

Our best judgment is that \$50 million will be required for the achievement of a political climate within which to pursue our aims but that an additional \$25 million should be available since accurate projections of the Dominican situation are not possible to make. We will attempt to negotiate for the maximum self-help possible, subject to existing political circumstances. The negotiation of this package is a desirable alternative to the present situation where we receive piecemeal requests from time to time. Furthermore, we believe the Dominicans are prepared in connection with the U.S. assistance to impose increased taxes on imports and restrict internal credit.

David E. Bell³

144. Memorandum From the Representative to the Organization of American States (Bunker) to President Johnson¹

Washington, November 15, 1965.

SUBJECT

Current Situation in the Dominican Republic

During the last two weeks encouraging progress has been made toward restoring normal conditions in the city of Santo Domingo and establishing a better political climate in the Dominican Republic as a whole.

The commercial banks located in the former Constitutionalist Zone have been open and in full operation since November 2. As of the same date, the country's major newspapers, *El Caribe* and *Listin Diario*, resumed publication. Shops and stores in the former Zone are now conducting business in a normal manner. The port of Santo Domingo is

³ Printed from a copy that bears this typed signature.

¹ Source: Johnson Library, National Security File, Country File, Dominican Republic, Vol. XIII, 11/65–1/66. Confidential.

open and servicing ships—seven were discharging cargo on November 12—and preparation for the rehabilitation of the port's facilities, extensively damaged during the revolt, will begin this week under the supervision of a representative of the Bureau of Yards and Docks.

Since the securing of the former Constitutionalist Zone by the IAPF on October 25, the situation of public order in Santo Domingo has improved markedly. The National Police has gradually increased its strength and effectiveness in the former Constitutionalist Zone and now maintains 24-hour foot and motor patrols in the area. The Inter-American Peace Force has been able to reduce its presence in the former Zone to one U.S. Battalion and three Latin American companies.

Despite the generally quieter atmosphere, isolated incidents of shooting and other forms of violence continue to occur frequently in Santo Domingo. Significant improvement in police morale and effectiveness is needed, as are more vigorous measures to disarm the civilian population. The house-to-house search for arms conducted by civilian-military-police teams has produced very little. As a further effort toward disarmament, President Garcia Godoy on November 14 issued a decree offering monetary rewards for arms turned in voluntarily during the last half of this month. A graduated schedule of payments according to type and condition of weapons was established.

An improvement in the political climate was reflected by the lastminute decision of Communist elements—particularly the Dominican Popular Movement (MPD)—to cancel their call for a general strike scheduled to take place November 4. Ex-Presidents Bosch and Balaguer had come out against the strike, both issuing constructive statements urging support for the Provisional Government. Garcia Godoy followed up this small success by initiating a series of conferences with leaders of the non-Communist political parties in order to lay the groundwork for next year's elections and as a means of reaching agreement on the pre-campaign political truce stipulated in the Institutional Act. During the consultations, and in recent statements to the press, Garcia Godoy reiterated his firm intention to hold elections within the nine-month period set by the Institutional Act. A further helpful political development occurred on November 13 when a group of prominent leaders, including Bosch and Balaguer, publicly subscribed to the terms of a "moral commitment" repudiating all acts of violence and calling for the suspension of demonstrations that might affect public tranquillity during the period of the political truce.

Unfortunately, several of the more important rightist political leaders refused to join in this commitment. Rightist plotting against the Provisional Government continues and we have reports of various schemes promoted by this sector to overthrow Garcia Godoy. However, success would depend on the cooperation of the Armed Forces

and there are presently no indications that such cooperation would be forthcoming. Relations between the President and the military chiefs have improved substantially of late. Garcia Godoy has assured the chiefs that he will make no changes in the high command without consulting them, while they, for their part, have pledged support for the Provisional Government and respect for civilian authority. A further strengthening of these relations may be expected when Garcia Godoy makes the changes he has planned in his administration. He intends shortly to replace his Attorney General and Chief Information Officer, both of whom are rebel sympathizers of pronounced leftist tendencies. He has promised additional moves, including reorganization of the governmentowned radio and television station, designed to bring the Provisional Government back toward the center of the political road.

The most critical problem at the moment results from the failure so far to make significant progress toward the reintegration of the Constitutionalist military into the regular Armed Forces. The concentration of rebel officers and men at the 27th of February Camp is a factor of continuing uncertainty and a threat to the process of stabilization. Reintegration has been stalled by the question of what to do with those exmilitary men in Caamaño's forces who were not on active service as of April 24. We are pressing Garcia Godoy to make the necessary decisions and get on with reintegration.

Ellsworth Bunker²

Telegram From the Department of State to the Embassy in the Dominican Republic¹

Washington, November 16, 1965, 9:07 p.m.

586. For Bunker. Joint State/AID message. You are authorized begin negotiations immediately with GODR for the provision of \$50 million of assistance during FY 1966 to reduce political and economic

² Printed from a copy that bears this typed signature.

¹ Source: Johnson Library, National Security File, Country File, Dominican Republic, Vol. XII, 10/65–11/65. Confidential. Drafted by Richard E. Lippincott (ARA/CAR); cleared by C. Allan Stewart, Reuben Sternfeld (AA/LA), Charles N. Goldman (GC/LA), Sayre, Donald K. Palmer (ARA), Harrison M. Holland (S/S-O), and Bowdler; and approved by Gaud. Repeated to Rio de Janeiro for Vaughn and David Bronheim (AA/LA).

pressures so that we can move toward the installation of an elected government and our withdrawal.² In conducting these negotiations you should be guided by following:

- 1. Requirements and negotiating strategy set forth in November 10 Memorandum for the President from AID Administrator and Country Team/Solomon memorandum entitled "Supporting Assistance Needs—and negotiating guidelines for Dominican Republic—FY 66" is approved as modified below.
- 2. You should attempt secure GODR agreement accept maximum proportion of additional assistance on a loan basis with terms and conditions of loan (subject to NAC clearance) similar to last supporting assistance loan to DR. An AID lawyer will accompany "Hassman-Kosters" team (see 3 below) assist preparing loan documents.
- 3. You should attempt secure GODR agreement accept maximum proportion of additional assistance on "tied" basis, through Special Letter of Credit or similar procedure. In no event should amount assistance made available on cash transfer basis exceed \$12.5 million. Hassman, Kosters and Cameron of AID/W will arrive Santo Domingo promptly to assist with procedural matters connection establishment SLC or other tieing procedure. You should appreciate that Dominican Republic has extremely bad record compliance with U.S. 50/50 shipping requirements and U.S. shipping interests are pressing strongly for strictest possible enforcement this requirement.
- 4. You should attempt secure GODR agreement delay receipt AID dollars as long as possible with particular emphasis on minimizing number dollars either loaned or granted during balance 1965.
- 5. \$25,400,000 from Contingency Fund. Of this sum, \$.6 million is for grants in aid CARE, CARITAS, and community development program proposed by Papal Nuncio. This \$.6 million should be subject separate negotiations by USAID with local reps charitable groups. Balance \$24.8 million consists \$19.8 million estimated in basic memorandum to be "hardcore" budgetary support requirement needed for last two months 1965 and \$5 million for work projects. Additional \$25 million

² On November 13, while spending the weekend with the President at his ranch in Texas, Marvin Watson received telegram CAP 65703 from McGeorge Bundy. In it Bundy wrote: "Secretary Fowler has approved the balance of payments aspects of the Bell-to-the-President memorandum on assistance to the Dominican Republic [see Document 143] which I left with you on Thursday [November 11]. Ambassador Bunker is in Washington and will be returning to Santo Domingo on Tuesday [November 16] morning. I would appreciate your trying to obtain a Presidential decision on the Dominican paper by the close of business on Monday if at all possible." This telegram indicates the President saw it. (Johnson Library, National Security File, Country File, Dominican Republic, Vol. XIII, 11/65–1/66)

³ See Document 143.

estimated in basic memorandum to be required during first six months 1966 will have to be obtained from Congress by special appropriation to be requested early in 1966. Subject to caveat that \$25 million of \$49.8 million must be "subject to future appropriation by the U.S. Congress" you may commit full \$49.8 million if negotiations so require.

6. Assume cash transfer would be made available via OAS.

Ball.

146. Letter From the Ambassador to the Dominican Republic (Bennett) to the Under Secretary of State for Economic Affairs (Mann)¹

En route Santo Domingo-Atlanta, November 20, 1965.

Dear Tom,

I had planned to write you a proper letter this morning, but word came at dawn of my mother's death last night, and I am accordingly en route to Georgia—hence this paper will have to do.

You will recall that we have been in the midst of taking another poll as to local reactions and opinions, similar to the one done last winter. The interviewing was to be finished today, with tabulations, collations, etc. to take about six weeks—final results scheduled for early January, a little earlier if possible. The director of the field work came in to see me late yesterday, stressing that his impressions and conclusions were *preliminary*, but based on experience elsewhere which, as you know, has been amazingly accurate in measurements of public opinion in several Latin American countries.

First of all, the poll-takers find that Dominicans favor U.S. intervention at a rate of 6 to 1. This, by coincidence, is extremely close to the Harris poll finding American opinion 84% in favor. Garcia Godoy put it the other way 'round two days ago when he remarked to Congressmen Roybal and Fraser² that 85% of the Dominican people do not want the IAPF to leave—notwithstanding the noise made by the agitators and so played up by the press. The poll director found that the

 $^{^1}$ Source: Johnson Library, National Security File, Country File, Dominican Republic, Vol. XIII, 11/65-1/66. Personal. An "L" on the letter indicates the President saw it.

² Edward R. Roybal (Democrat–California) and Donald M. Fraser (Democrat–Minnesota).

overwhelming majority want the force here through elections, and he anticipates that when that time comes, they will not want them to leave then either. Most expect the "big fight" to come later, to put this year's events in the shade.

If I remember correctly, last winter's poll³ showed Balaguer 46%, Bosch 28%. The Director said it is his opinion on the basis of the unprocessed data that Balaguer will be shown now to be somewhat, perhaps considerably, stronger than he was before. People in general think of Balaguer as one of them, honest, stable and steady, and the man who put price controls on basic commodities. Bosch is regarded as erratic and unstable, a man who says one thing one day and something quite different the next day, a leader who "let the people down." The director commented wryly that Trujillo would run a good race if he were back.

The polling was done first in the rest of the country, Santo Domingo city the last and just now being finished up. There was the warning that the city polling might cause some change in the above, but not to any great extent. Balaguer himself is hopeful of carrying as much as 50% of the city.

Although youth finds stimulation in the idea of revolution—not surprisingly—the revolution itself seems hardly to have penetrated beyond the city, except for some evidence of support in San Pedro de Macoris (depressed sugar town in the east). The American image as the source of all that is good, true and wise (as well as responsible for everything that happens—good or bad) seems not to have been dented at all. We are still regarded as honest, generous and well-intentioned—a generally beneficent image—but at the same time as bumbling and not very careful of the money we offer too open handedly—not sharp enough, or not caring enough in view of our "unlimited" resources, to keep the rascally Dominican politicians from making off with the money we so generously make available and preventing it from reaching the people. We are still thought of everywhere as those people who can make all things possible and who can cause the milk and honey to flow.

Food—and presumably work—is the principal concern and problem around the country. The food program is much criticized, but not the United States. Here again, the U.S. is thought of as the generous provider (although we often send food to which they are unaccustomed, don't want and don't know how to prepare), with the local officials and priests considered the villains who play favorites or steal the food and sell it. I suspect that just enough of this does go on to

³ Not further identified.

provide the basis for the widespread and exaggerated charges. Poor quality foodstuffs are not blamed on the United States, which is considered to have such high standards of quality that it would not stoop to send inferior materials—obviously it is the local handlers who have kept the best for themselves and pawned off shoddy seconds on the people.

The above tends to show the great dependence—the over-dependence—which characterizes Dominican attitudes towards the United States. The trust in us is what I have seen everywhere—including this week's trip with the Congressmen—and it is heartwarming and at the same time rather pathetic. The obverse of this coin is that when anything goes wrong, it is our fault because we are so all-powerful that we could have kept it from going wrong had we only wanted to. A front-page article last week in one of the newspapers sustained that "the Dominican Republic could have peace and stability if only the United States wanted it that way"! Even the far left expects us to pay for their programs, once they achieve power.

Both the political findings and the psychological attitudes largely confirm my own views. At several points in the conversation I remarked to the poll director that he was taking the briefing right out of my mouth. After all, I am now in my fifth year in this country, which means, I believe, that I have spent more of my adult life in this Republic than has Juan Bosch! I await the confirmed results of the poll with great interest.

Yours very sincerely,

Tap4

⁴ Printed from a copy that indicates Bennett signed the letter.

147. Memorandum From the Deputy Director for Coordination of the Bureau of Intelligence and Research (Koren) to the Director (Hughes)¹

Washington, December 8, 1965.

SUBJECT

ARA-Agency Meeting December 8, 1965

PARTICIPANTS

ARA–Mr. Sayre, Ambassador Stewart, Mr. [Charles H.] Thomas CIA–Mr. Broe, Mr. Phillips, [name not declassified] INR/DDC–Mr. Gardner

Dominican Republic

Phillips [*less than 1 line of source text not declassified*] and who is back in Washington for three days' consultation, gave a run-down of the situation in the Republic. With Garcia Godoy, he said, we have come full circle. We originally had supported him to lead the Provisional Government, then had become gravely concerned over the nature of his appointments, and now had become convinced once more that out of the entire field he was the only man who possibly could have done the job. The key here lay in Garcia Godoy's having rid the government of Attorney General Cerda.² This man had to be the first to go and now that he in fact was gone the future looked considerably brighter.

Phillips said there now were solid grounds for confidence that the Provisional Government would last and that there would be elections as scheduled. The broad underlying question now is: will both parties, i.e., Bosch and Balaguer, run—or will the PRD boycott the elections? Bosch has already hinted that he will not stand for election if the IAPF is still present, and that there is no use in his running anyway because the Pentagon would never let him take office. If Bosch did refuse to run it would make things very bad for us.

In reply to Sayre's question, Phillips said that he did not believe that the Dominican military would let Bosch hold office for more than a week. In response to Gardner's question, Sayre said that it would be bad if Bosch refused to run, but it would be worse if he did, won, and then got tossed out.

¹ Source: Department of State, INR/IL Files, 303 Committee Files, Subject File, Dominican Republic 1965. Secret. Drafted on December 9 by James R. Gardner. The memorandum was also addressed to the Deputy Director for Research Allan Evans.

² Godoy removed Manuel Morel Cerda as the Attorney General on November 17.

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Later in the meeting there were murmurings about the [less than 1 line of source text not declassified] poll in the Dominican Republic. I gathered the results thus far indicate that Bosch stands no chance at all. According to these same murmurings, 64% of the Dominican Republic thinks it a good idea that the US troops came in. This percentage seems unreal; it is possible that it refers only to rural vote. Gardner did not press for clarification [3 lines of source text not declassified].

The discussion then turned to the quality of the Dominican security forces. Phillips said that police morale had not been good but that Cerda's removal had brought on almost immediate transformation. [less than 1 line of source text not declassified] interest in the police lay in having them a) become an effective intelligence-gathering outfit and b) evolve an effective rural program with good and rapid lateral and vertical communications. The officers of the new rural police force have all been chosen and are undergoing training, as have 85% of the enlisted personnel. The training is emphasizing civic action and public relations, and an excellent augury for the future is the enthusiasm which the police command itself is showing for the program.

As far as urban riot control capability is concerned, there is some distance yet to travel. The former riot control organization had been of first-class quality, but most of its personnel had been liquidated during the troubles. Training was going ahead, but essential equipment was slow in arriving from the United States. The fault here, both Phillips and Broe indicated, lay with AID Washington.³

The DNI (National Intelligence Service) was starting from scratch, but there were grounds for confidence. It had a good leader, and furthermore Garcia Godoy was its firm supporter because of the very good and accurate information it had given him on the recent rightist uprising in Santiago.

In sum, it looked as if the Dominican security forces would be able to keep control of the situation when the IAPF pulled out. It was almost sure that there will be some re-action from the Communist Party if Balaguer wins the election, but it presumably can be contained.

Arms collection: Phillips said that the potentials of the buying-up phase had been about exhausted; [3 lines of source text not declassified]

[Omitted here are sections on Mexico, Costa Rica, and Venezuela.]

 $^{^3}$ At this point the words "with AID" are underlined and "To be expected of CIA!" was handwritten in the margin.

148. Intelligence Memorandum¹

OCI No. 2954/65

Washington, December 11, 1965.

THE DOMINICAN REPUBLIC: AN ASSESSMENT

- 1. The provisional government in the Dominican Republic has achieved a fragile stability after a turbulent break-in period. Many moderates and conservatives both in civilian and military life have developed a degree of confidence in the regime—confidence that was badly lacking in mid-October. The continuing series of concessions made to the left appear to have helped achieve Hector Garcia Godoy's purpose—the bloodless elimination of the rebel-held zone. The government now controls the country and most politically minded Dominicans feel it will survive until the elections slated for 1 June. Under these circumstances, Garcia Godoy will probably pursue more balanced policies designed to reconcile the two still hostile factions that contested the civil war.
- 2. Nevertheless, the provisional government remains a government without popular support, bolstered largely by the Inter-American Peace Force. The regime's mode has proven to be compromise but extremist forces of both the left and right remain willing and probably able to mount widespread terrorism if they feel threatened. The Communists have made inroads—most notably in the labor field and among students—from which they may prove difficult to dislodge. The same animosities which tore the country apart in April 1965 remain—magnified by the revolt itself, but now muted at least temporarily. It remains to be seen whether the present government can provide the conditions necessary for holding elections in June of 1966 and whether if such elections are held the results will be accepted by the Dominican people without a fresh outburst of violence.
- 3. In mid-October the regime was on shaky ground. The appointment of a number of leftists to leading positions in the government and Garcia Godoy's responsiveness to rebel demands alienated

¹ Source: Johnson Library, National Security File, Country File, Dominican Republic, Vol. XIII, 11/65–1/66. Secret; No Foreign Dissem; Background Use Only; Limited Distribution. Prepared in the Office of Current Intelligence of the Directorate of Intelligence, CIA. Sent to McGeorge Bundy under cover of a December 14 memorandum from CIA Director Raborn, who wrote: "A review of recent developments in the Dominican Republic indicates that the provisional government there has achieved a fragile stability, and most politically minded Dominicans feel the government will survive until the elections slated for 1 June. We are by no means yet out of the woods there, but Garcia Godoy appears to be dealing with the worst problems on the left and also to have composed, at least temporarily, his principal differences with the military."

moderates, the military and other conservative elements whose dismay was fanned by the slow pace of collecting arms and reducing the rebel zone in Santo Domingo. Rumors that the military chiefs were to be replaced, coming after the ouster of General Wessin, brought the military to the point of rebellion. Both the extreme left and right attempted to exacerbate civil-military tension.

- 4. Since then, the short-term outlook has improved—a development not all directly attributable to the provisional government. During the last 60 days the "unity of the left" has come undone. The Communists have failed to mount effectively large demonstrations and strikes, in part because non-Communist left-wing politicians have judged that for the time being, at least, support of the provisional regime is in their best interest. The failure of a disorganized rightist attempt to set up in Santiago an alternative to the provisional government has reduced the appetites of conservatives for conspiracy. The firm action of the Inter-American Peace Force in opening up the rebel zone capped Garcia Godoy's torturously slow approach to the enforcement of the peace terms. This and the quick end of the Santiago conspiracy contributed to the public consensus that the provisional government will remain in power until elections.
- 5. Garcia Godoy is now demonstrating that his regime is capable of governing and at the same time is increasingly confident of his own abilities. He also appears to be exercising a closer degree of control over many of his appointees and is injecting himself into policy making in such areas as labor relations. Garcia Godoy's actions in setting elections for 1 June 1966 and filling vacancies of the three man electoral board with two moderates have contributed to a psychological atmosphere in which many politicians look to the future.
- 6. In the field of government staffing, Garcia Godoy has taken the step of removing the most influential and objectionable appointee, former Attorney General Manuel Morel Cerda. Morel's successor, Gustavo Gomez Ceara, has begun to moderate the influence of leftists in the legal area. In addition, Garcia Godoy has given assurances that Gomez will remove many of Morel's undesirable appointees. Garcia Godoy has promised other staffing changes that will prove beneficial—such as the removal by the Supreme Court of several extremists it appointed to judgeships and the transfer of Franklin Dominguez, a militant rebel who is now the President's Press Secretary. It should be recognized, however, that continued confidence in the regime by conservative civilians and the military will be to some degree dependent on Garcia Godoy's fulfilling these promises and closely supervising those undesirable appointees who remain in office.
- 7. A heartening development has been Garcia Godoy's interest in developing effective security services designed to control and combat

internal subversion. He has appointed two competent officers to head the Department of National Investigations (DNI), the organization charged with internal security and the Department of Special Operations in the National Police responsible for counterinsurgency. The heads of the two organizations were chosen by Garcia Godoy on the recommendation of US officials and he has adopted US ideas for their organization and mission. The DNI has already begun checking on the loyalty of some 1,500 government employees and will hopefully serve as a channel to alert Garcia Godoy to the extent of extremist penetration of his government.

- 8. The Dominican military appears to be united behind the present armed forces' chiefs. Relations between President Garcia Godoy and the military leaders have improved but remain tenuous. However, both right and leftwing political groups have and will probably continue their attempts to exacerbate tension between the president and the military. The military's opinion of the president has steadily improved since late October as Garcia Godoy has demonstrated his ability to govern and shown himself not subservient to leftist forces. Garcia Godoy has also apparently realized that he has little to gain by precipitously replacing the present service chiefs and secretary of the armed forces who have proved relatively effective and loyal under the circumstances. In any event the presence of the Inter-American Peace Force, now numbering about 7,000, supporting the provisional government, severely limits the Dominican armed forces' freedom of action.
- 9. The country's two leading political parties, the Reformist Party (PR) and the Dominican Revolutionary Party (PRD) are warming up for the national elections. Although campaigning is supposedly limited to the period three months prior to elections, according to the governing Institutional Act, most Dominican politicians have now turned their efforts toward the election. Former President Joaquin Balaguer, who heads the PR, announced his candidacy in July and has begun making public appearances and speeches throughout the country. Juan Bosch's PRD has still to announce its candidate but it is probable that if the party takes part in the elections, Bosch will be its candidate. The PRD is presently undergoing internal strife as former party leader Angel Miolan and Bosch feud over party leadership. The third ranking National Civic Union (UCN) appears moribund and the numerous micro-parties are jockeying for alliances. The outlawed Communist parties will probably not be allowed to participate in the elections.
- 10. Living conditions, never satisfactory for the greater majority of Dominicans, have already returned to normal. Santo Domingo's shops, restaurants, and commercial institutions most of which are located in the former rebel zone, are now open, but prices are high.

Business concerns which adopted pro-revolutionary titles during the revolt have now reverted to their original names. The populace in Santo Domingo, however, appears restless and without direction. Unemployment and underemployment are high. Ship traffic to Santo Domingo, the country's principal port, has resumed but a shortage of storage space is causing some problems. The demand for consumer goods, pent up during the revolt, can be expected to return the country's trade balance to a deficit despite the government's efforts and lead to a shortage of foreign exchange. Living conditions in the interior of the country were largely unaffected by the revolt except for temporary shortages of food and imported goods. Unemployment, estimated at one third of the labor forces before the revolt, increased as some business concerns suspended operations and the United Fruit Company terminated its banana operations.

11. Many of the basic social economic problems which beset the provisional government would have existed even if there had not been a revolt. They were exacerbated by the recent strife. It is unlikely that in the time remaining to him, Garcia Godoy will be able to do more than make a modest start toward solving some of them. Nor will the holding of free elections provide a panacea.

149. Intelligence Memorandum¹

OCI No. 3100/65

Washington, December 22, 1965.

PROSPECTS FOR THE DOMINICAN SITUATION

- 1. The dismal events of last Sunday² in Santiago have gravely sharpened existing animosities in the Dominican Republic. President Garcia Godoy's efforts to create an atmosphere conducive to national elections in the spring have received a severe jolt. Indeed, the restoration in Santo Domingo and maintenance of tranquility will continue to depend almost entirely on the presence of the Inter-American Peace Force (IAPF). No change in this grim prospect is likely for months to come.
- 2. It is still not clear who set off the bloody battle in Santiago—that is, to say who fired first. Both the ex-rebel lieutenants and the local military units were clearly spoiling for a fight after almost a week of tensions and country-wide labor disturbances. The President has appointed a commission of respected and moderate members of his cabinet to determine the facts in the matter. The commission is to report to him on 23 December. What the commission can usefully recommend in the current circumstances is open to question; so, too, is Garcia Godoy's ability to act on the facts (if they are indeed ever ascertained) rather than on the basis of the political imperatives of the moment as he sees them.
- 3. Rooting out the guilty party or parties at this point is in any event probably irrelevant. Both the rebels and the military are convinced of each other's culpability and more suspicious than ever that the other side is capable of the most sinister machinations.

¹ Source: Johnson Library, National Security File, Country File, Dominican Republic, Vol. XIV, 1/66–4/66. Secret. Prepared in the Office of Current Intelligence of the Directorate of Intelligence, CIA. On the title page Bundy wrote: "Bill Bowdler: the Agency is damned close to policy making here. But it may be pretty good policy. What do you think? McG." Another copy of the memorandum indicates it was sent to McGeorge Bundy under cover of a December 23 memorandum from Richard Helms, Acting Director of Central Intelligence. Helms wrote: "The events in Santiago last week-end have considerably lessened the chances for keeping the situation in the Dominican Republic under control. For this reason I want to invite your attention to the attached memorandum, which contains our latest assessment." A note attached to this cover memorandum indicates that the memorandum was also sent to Vaughn, Mann, Rusk, McNamara, and Vance. (Central Intelligence Agency, Executive Registry Files, Job 80–R01580R, Box 15, Dominican Republic, Folder 303)

² On the morning of December 19 fighting broke out between Dominican Republic Air Force troops and Constitutionalist troops in the city of Santiago, about 80 miles northwest of Santo Domingo; a number of troops on both sides were killed, but no civilians were hurt. In a December 20 memorandum to the President Bundy deplored the "senseless shooting" for threatening to "endanger the fragile—yet growing—confidence which was developing between Garcia Godoy and his military chiefs." (Johnson Library, National Security File, Country File, Dominican Republic, Vol. XIII, 11/65–1/66)

- 4. The rebels will be less willing than ever to divest themselves of their weapons, to break up their still-sizable military stronghold at the 27th February camp, or to place themselves at the mercy of former comrades in arms by accepting reintegration. They will appeal, and probably with some success, to other elements of the left to join them in demands for changes in the military high command, and in other actions which will exacerbate, rather than relieve, tensions.
- 5. The military commanders have recently come to a working understanding with Garcia Godoy. But after the events in Santiago they will regard any effort to effect command changes as a vindication of earlier fears that the provisional President is a prisoner of the left. And they are now likely to feel that the demonstrated untrustworthiness of the rebels has justified their prolonged resistance to Garcia Godoy's efforts toward reintegration.
- 6. In this atmosphere of renewed tensions, Garcia Godoy's effort to resolve problems by persuasion and ingenuity rather than by force and bluntness is seriously endangered. He may try to make concessions all around to resolve the furor—say, by trying to relieve some of the military commanders and perhaps by finding foreign assignments for some of the top rebels. The consistently optimistic President would then probably return to the painstaking task of integrating the rebels into the military establishment. In current circumstances, however, such moves by Garcia Godoy are not likely to solve the basic problems; even the mere decision to make them could provoke resistance.
- 7. We do not foresee any change in this grim prospect for months to come. There may be a pause in violence until the presidential investigatory commission has reported its findings and the President attempts to make concessions. But given the existing underlying bitterness, strikes and violence are likely in any of the larger cities—Santo Domingo in particular. The extreme left, along with the young toughs, will attempt to exacerbate these incidents through pillage, vandalism, and terror. To control these outbreaks Garcia Godoy will be obliged to rely increasingly on the Inter-American Peace Force to back up his own military and police. This will pose the danger that Garcia Godoy will become more identified in the popular mind with both the "foreign invaders" and the "reactionary" military. No other responsible, democratically oriented Dominican is likely to be willing to take up Garcia Godoy's burden for him if for any reason he should depart the scene.
- 8. An election is possible only because of the presence of the IAPF, but will resolve nothing so long as the armed rival groups still exist. Like most Dominicans, both the rebels and the military believe that there are only victors and vanquished. They will continue to subordinate Garcia Godoy's larger purpose of preparing the country for meaningful elections to settlement of what they regard as the principal is-

sue: "who won that April rebellion." If Bosch or some other PRD candidate is the victor the military is not likely to let him take office. If the victor is Balaguer the chances for a return to stability would be slightly better. Some elements of the left would probably reconcile themselves to his rule, but the more extreme groups would not accept his election and would be likely to turn to insurgency.

- 9. The foregoing analysis suggests three possible conclusions: a) The Dominican civil war is not over, merely contained, and not very well contained at that. b) In a context of barely suppressed violence, Communist exploitation of bitter national animosities is the only constant; its effort clearly is to polarize the political situation by turning as many non-Communists of the left against the military and police as possible. c) The policy pursued so far of attempting to unify antagonistic peoples needs the essential ingredient of time.
- 10. After elections and for some time thereafter conditions probably will not be such as to permit the withdrawal of the IAPF. A prolonged IAPF presence would have to be requested by the new president. In its present composition the IAPF would inevitably become the target of local resentments. However, if the new president were to find himself in a position where he felt obliged to call on other Latin American countries for sufficient contingents to change the preponderant US complexion of the force, these resentments would be allayed to some extent.

150. Editorial Note

During the Johnson Presidency, the U.S. foreign affairs leadership reviewed and approved a covert program to help the candidate favored by the United States Government win the 1966 Dominican Republic presidential election. Having intervened militarily in April 1965 officially to "protect American lives" and unofficially to prevent a "second Cuba" in the hemisphere, the Johnson administration approved a program in 1966 to provide covert financial support and electoral information to Joaquin Balaguer of the Partido Reformista, a moderate, pro-American party. The objective was to ensure a political climate conducive to democratic principles and simultaneously to discourage a potential Communist take-over. The 303 Committee provided interagency coordination for the covert action. Substantial financial support was passed to Balaguer without him knowing the true source of the funds. Fearful of possible widespread criticism that its pro-Balaguer bias might be rigging the election, the Johnson administration encouraged Juan Bosch, Balaguer's principal opponent to run and even

considered giving Bosch covert financial support although on a much smaller scale than what was authorized for Balaguer. For the United States, the operation was hugely successful—Balaguer won by a decisive margin and most observers attested that the election was conducted fairly, with the voting process unmarred by violence and fraud.

151. Memorandum From Acting Director of Central Intelligence Helms to the Deputy Director for Plans of the Central Intelligence Agency (Fitzgerald)¹

Washington, December 29, 1965.

SUBJECT

Presidential Election in the Dominican Republic

- 1. Mr. Spera² called this office yesterday in an effort to locate some written document describing the President's wishes with respect to our activities in the upcoming Dominican presidential election. To be frank, I thought I had written on this subject to you back in early June, but I am unable to find any record of such a memorandum among my papers. Therefore, I want to reiterate, for the record, that the President told the Director and me on more than one occasion between May and mid-July, he expected the Agency to devote the necessary personnel and material resources in the Dominican Republic required to win the presidential election for the candidate favored by the United States Government. The President's statements were unequivocal. He wants to win the election, and he expects the Agency to arrange for this to happen.
- 2. If you are finding road blocks in the way of getting on with this operation, I would appreciate being advised, so that the difficulties can be identified to the President with the aim of securing his influence on the side of financial allocations in support of the appropriate candidate.

RH

¹ Source: Central Intelligence Agency, DDO Files, Job 78–3805, Box 1, Folder 29, Dominican Republic. Secret. A copy was sent to the Chief of the Western Hemisphere Division (CIA).

² Not further identified.

152. Memorandum Prepared for the 303 Committee¹

Washington, December 30, 1965.

SUBJECT

Presidential Election in the Dominican Republic

1. Summary

On several occasions between May and July 1965 higher authority informed [less than 1 line of source text not declassified] that the presidential election in the Dominican Republic simply must be won by the candidate favored by the U.S. Government [2 lines of source text not declassified]. Subsequently, the question of covert election support has been under continuing discussion [1 line of source text not declassified] to ascertain which candidate the U.S. Government wanted supported and [1 line of source text not declassified]. As of this writing, policy guidance is not yet available on whether or not there should be an election operation nor in whose favor such an operation should be conducted.

This memorandum solicits 303 Committee action to determine, first, the identity of the candidate favored by the U.S. Government and second, whether a covert operation should be undertaken on his behalf. Since barely five months remain before the election which is set for 1 June 1966 and since any covert operation would require considerable lead time, a 303 Committee decision is needed [4½ lines of source text not declassified].

2. Problem

To determine whether the U.S. Government should engage in a covert operation designed to support the presidential candidate most likely to be able to establish and maintain a stable government in the Dominican Republic which is friendly to the U.S. and which is capable of carrying out essential domestic reforms.

3. Factors Bearing on the Problem

a. Origin of the Requirement

On several occasions between May and mid-July 1965 higher authority unequivocally told senior representatives [less than 1 line of source text not declassified] that the Dominican presidential election must be won by the candidate favored by the U.S. Government [2 lines of source text not declassified].

¹ Source: Department of State, INR/IL Historical Files, 303 Committee Records, Dominican Republic, 1966. Secret; Eyes Only. Sent to Helms under cover of a January 4, 1966, memorandum on the "Presidential Elections in the Dominican Republic" from Broe.

[1 paragraph (11 lines of source text) not declassified]

Since barely five months remain before the elections, which are scheduled for 1 June 1966, and since any covert operation would require considerable lead time, it is important that a decision be reached now. [6 lines of source text not declassified]

b. Political Background

The issues which divided the Dominican Republic at the outset of the rebellion have not been resolved, but the Provisional Government of Hector Garcia Godoy has made some progress in its task of reconciliation. It has reopened the divided city of Santo Domingo, eliminated the rebel zone, and established machinery for the peaceful reintegration of the rebel military and for the collection of arms. On 1 December the Provisional Government announced Law No. 69, which sets 1 June 1966 as the date for general elections for president, vice-president, both houses of congress, mayors and members of city councils, and establishes a central electoral board with appropriate dependencies to direct the electoral process. The Provisional Government has also asked the OAS to appoint a commission to supervise the elections and this commission has now been formed. It now appears probable that the Provisional Government will complete its nine-month term and that elections will be held on schedule. Pre-election activities are already under way, although formal political campaigning cannot legally begin prior to 1 March.

Although the holding of peaceful elections is of great importance to the United States as well as the Dominican Republic, real security can come only from fundamental changes in the Dominican society and economy. In looking forward it is clear that two ingredients are essential: stability, to heal the scars of a violent and lingering revolution; and reform, to correct social inequities and rigidities and to develop national resources.

In November a nation-wide survey of Dominican public opinion was conducted² [2 lines of source text not declassified] indicated that 64% of all Dominicans believe that the arrival of American troops helped rather than hurt them, and also provided an assessment of the relative popularity of political parties and potential presidential candidates. The poll shows that only two political parties have sufficient popular support to compete for the presidency: the Partido Reformista (PR), headed by Joaquin Balaguer, which was preferred by 42% of the population, and the Partido Revolucionario Dominicano (PRD), headed by Juan Bosch, which was selected as "best party" by 28% of the people. The ratings of the two leading individual candidates showed Balaguer

² See Document 146.

preferred by 51% of the country and Bosch by 22%. (A similar poll taken in February 1965 showed Balaguer preferred by 42% and Bosch by 25%.)

c. Presidential Candidates

Bosch remains silent on whether he will be a candidate. He fears assassination, and prefers to remain under the protection of his armed bodyguards rather than to tour the countryside. Bosch also believes that the Dominican military would try to prevent him from taking office if he were elected. He must therefore make up his mind whether to run himself, to select another candidate to carry the party banner, or to order the PRD to boycott the elections. Since an electoral boycott would be unpopular and could weaken the PRD considerably, and since no PRD leader loyal to Bosch has emerged who appears capable of rallying the party behind him, internal party pressures may force Bosch to campaign. If he does, he will be a formidable candidate, whose charisma and forensic ability may enable him to regain much of the popularity he lost when he failed to return to lead the rebellion launched in his name.

An assessment of Balaguer's character, motivation, past performance and campaign platform indicates that he is, by local standards, a good executive and administrator, politically astute, in favor of democratic processes, opposed to violence, and moderate in his comments on and attitudes toward the U.S. His recent speeches, including the 28 November address which launched the PR's first major political rally in Santiago de los Caballeros, have stressed the need to extinguish the fires of hatred lit by the revolution so that the country can embark on much needed social reforms. The PR's campaign slogan and party motto is "Neither injustices nor privileges." Although Balaguer's campaign stresses the responsibility of government to fight unemployment, hunger and other social ills, he is believed to feel that any lasting social reforms must be based on renewed popular respect for civil authority and that his first and most difficult task, if elected, will be to restore law and order.

4. Coordination

On 29 December [less than 1 line of source text not declassified] submitted a formal memorandum to the Department of State requesting policy guidance on the problem stated in para 2 above³ and asking that this matter be discussed during the regular weekly CIA/State meeting on 30 December. On 30 December Department representatives advised CIA that they had not yet reached a decision but that they were prepared to consider a 303 Committee paper and to take the matter under immediate advisement.⁴

³ Not found; but see Document 150.

⁴ No other record of this meeting has been found.

5. Recommendation

It is requested that:

- (a) the 303 Committee identify the presidential candidate favored by the U.S. Government;
- (b) a decision be taken as to whether a covert election operation is necessary and thus should be undertaken on this candidate's behalf.

[1 paragraph (3½ lines of source text) not declassified]

153. Telegram From the Department of State to the Embassy in the Dominican Republic¹

Washington, January 5, 1966, 3:55 p.m.

711. For Bunker, Bennett, and Palmer. Your reports and those of CIA indicate deteriorating political and military situation. We would appreciate urgently your recommendations on arresting deterioration and views on following questions and ideas:

Would it help if Garcia Godoy were told he would have full cooperation and assistance of IAPF in carrying out his plan as was done in case of Wessin? Would persons whom Garcia Godoy plans to send abroad depart peacefully if they knew Garcia Godoy had full support IAPF?

Would it assist in departure of de los Santos if we could arrange VIP visit to United States? De los Santos could join the group going to Israel after visit to U.S. as Chief of Dominican Air Force. Would it help if we could arrange VIP visit for any of the other military chiefs understanding that they would return to the Dominican Republic at end of short visit to United States? Likewise, would Caamano's departure and possibly that of Montes Arache be facilitated if they were to receive appropriate invitation for short orientation visit to U.S.? We think that political risks of having Caamano come here would probably outweigh advantages of invitation for short orientation visit but do you think such invitation would make it easier for him to leave Dominican Republic?

Rusk

¹ Source: National Archives and Records Administration, RG 59, Central Files 1964–66, POL 15 DOM REP. Secret; Flash; Exdis. Drafted by Sayre; cleared by Vaughn, Vance, and Bowdler; and approved by Mann.

154. Telegram From the Embassy in the Dominican Republic to the Department of State¹

Santo Domingo, January 6, 1966, 0420Z.

1581. From Bunker.

- 1. President called me to palace late this afternoon and, in grim mood, informed me that he had decided take drastic action to break impasse over departure of military from both sides. He said that after considerable reflection he had reached conclusion it absolutely essential to remove three armed forces' chiefs as well as constitutionalist military leaders. He therefore planned issue decrees tomorrow assigning Rivera Caminero, De Los Santos and Martinez Arana to posts abroad. Simultaneous decrees would also order Caamano, Montes Arache et al. to foreign assignments. Jimenez would be named MOD, Colonel Enrique Perez y Perez Army C/S, Captain Amiama Castillo Navy C/S and Colonel Beauchamps Javier (reportedly now in Lima) Air Force C/S.
- 2. Garcia Godoy insisted that only way for PG effectively to govern and take country to elections is through thorough shake-up of top level armed forces. President asserted that, in fact, he is unable to govern outside of limited economic areas. Chiefs ignore his wishes, operate armed forces as "independent power" and obstruct other officials of government in their duties. Attorney General Gomez Ceara finding that he is powerless act in any matter that touches military or involves persons protected by the military, has offered his resignation. Mendez Nunez, "best man in cabinet," also will resign if armed forces not brought under control. Others, it was indicated, could probably be expected take this position. If he does not move, President claimed, PG will collapse.
- 3. Garcia Godoy then listed a number of grievances against chiefs—duplicity by Rivera Caminero in responding to orders for transfer of troublesome local commanders, apparent stealing by Martinez Arana, inflicting of indignities by military on visitors to President's office and house, and generally arrogant attitude all around. Principal complaint, as before, was that chiefs seemed to be protecting terrorists in and out of military ranks.
- 4. Larger political issues also involved. According to President, responsible moderates and conservatives have been urging him make

¹ Source: National Archives and Records Administration, RG 59, Central Files 1964–66, POL 23–9 DOM REP. Secret; Flash; Exdis. Received at 12:09 a.m. and passed to the White House, CIA, and DOD.

clean sweep of leading military on both sides. (In addition to Cabinet members of this category, he mentioned in this connection Salvador Ortiz and Virgilio Perez Bernal, a prominent local builder.) President said he convinced Balaguer shares this view and may even so state publicly. (We have conflicting reports on this question.) Finally, in Garcia Godoy's opinion, country looks to him to open way to elections. Under present circumstances elections would be impossible, as Central Electoral Board President Liz has allegedly stated in private. President concluded, therefore, that only by solving country's major problem—that of the contending military factions—could he create climate for elections.

- 5. Garcia Godoy conceded that it might appear he was acting in response to pressure from Bosch and extreme left. Nevertheless, he thought removal from scene of constitutionalist military would ultimately weaken Bosch's hand. As matters now stand, he said, PRD can be expected to reap maximum advantage from anti-military sentiment in country. This would obviously no longer be case if issue of military leaders resolved. (I pointed out that these are highly debatable points; that, in particular, we have evidence Bosch himself has put forward idea of trading Caamano and company for chiefs.)
- 6. In conclusion, President said he fully realized possibly grave consequences of his decision. Chiefs might simply ignore or refuse obey his orders when decrees published. He would then have no choice but to resign, offering turn government over to armed forces in event Vice President Castillo and other cabinet officers followed his lead. Outcome, President thought, would depend to large degree on attitude of IAPF and ad hoc committee. It was his opinion that with these behind him chiefs would not challenge orders.
- 7. I responded to this presentation with observation that President's scheme obviously held certain attractions in theory but question had to be answered as to how it would work out in practice. His objective—and ours—is to hold free elections. Great progress had been made in preparing way until unfortunate events in Santiago. Did this setback, I asked, mean that President should abandon gradualist approach that had achieved so much before December 19? Would it not be better part of wisdom to take action re military on both sides in at least two stages as we had previously suggested? President's reply, in effect was that his decision now made and could not be changed.
- 8. I did prevail on Garcia Godoy to hold off until my colleagues could be brought down from Washington, promising him that we would do utmost have them here by noon tomorrow. I have not so far been able to reach either Penna Marinho or Duenas but hope schedule can be met. Few minutes ago, when I reassured Garcia Godoy by telephone on this point, he informed me that Cabinet meeting now in session and it appeared "decision final".

9. Ambassador Bennett and I are meeting with President early tomorrow to resume discussion. We plan explore possibility of less drastic approach to problem, drawing on excellent suggestions in Deptel 711.² We will have additional comments and recommendations following tomorrow's session with Garcia Godoy.³

Bennett

155. Memorandum From the Deputy Director for Coordination of the Bureau of Intelligence and Research (Koren) to the Assistant Secretary of State for Inter-American Affairs (Vaughn)¹

Washington, January 6, 1966.

SUBJECT

Minutes of the 303 Committee Meeting January 6, 1966

The minutes of the meeting of the 303 Committee held on January 6, 1966 contain the following items:

"Dominican Republic—Presidential Election

"a. On the [less than 1 line of source text not declassified] paper requesting a decision on whether the U.S. will covertly back any presidential candidate² (with an ensuing plea to get cracking since the target date was 1 June), Mr. Broe said that past experience indicated covert political action in any country should have a minimum of six months advance work to ensure a sound operation. It was noted at the meeting that a series of urgent messages currently arriving indicated the possibility that the situation in the Dominican Republic was deteriorating so rapidly that the paper under study might be rendered academic.

"b. It was also apparent that the only visible candidate to support is Balaguer, [1½ lines of source text not declassified]. Ambassador Johnson

² Document 153.

³ See Document 156.

¹ Source: Department of State, INR/IL Historical Files, Dominican Republic, 1966. Secret; Eyes Only. Drafted on January 7.

² Document 152.

made the point that Balaguer was coming up in popularity through his own momentum. Mr. Broe indicated that there were a number of built-in obstacles in Balaguer's way. It was decided [less than 1 line of source text not declassified] to outline a plan immediately with those aspects needing the longest lead time so that they could be approved at the next meeting. Ambassador Johnson was anxious to see the plan so that he could discuss the matter with Ellsworth Bunker.

"c. [5½ lines of source text not declassified]"

[Omitted here is discussion unrelated to the Dominican Republic.]

156. Telegram From the Embassy in the Dominican Republic to the Department of State¹

Santo Domingo, January 7, 1966, 0049Z.

1587. From Bunker.

- 1. Full ad hoc committee met with Garcia Godoy for more than two hours this afternoon. President had just concluded session with Rivera Caminero at which he made "one last appeal" for cooperation in making changes in military high command. According Garcia Godoy, Rivera's answer was flat no. MOD explained that even if he might personally wish to cooperate, other officers would not permit him do so. Rivera warned that if President changed so much as one chief, armed forces would act throughout country and not "a single Communist would remain alive". This reaction would be contrary to desires of chiefs but allegedly they would not be able control armed forces. Rivera added that chiefs had no choice but stay in office until after elections.
- 2. Garcia Godoy said he could see no way out of impasse. Rivera had refused his offer turn government over to armed forces. MOD also insisted there would be no military golpe. Chiefs would simply ignore president's orders. Meanwhile, best cabinet ministers, governors and other government officials prepared resign at any moment. President said he could find himself without a government tomorrow morning. He would not act as mere "figurehead for military" and could, therefore, only resign. Garcia Godoy suggested that committee might wish discuss with Vice President Castillo possibility of forming new ad-

¹ Source: Johnson Library, National Security File, Country File, Dominican Republic, Vol. XIII, 11/65–1/66. Secret; Flash; Exdis. Received on January 6 at 8:30 p.m. and passed to the White House and DOD.

ministration. He indicated, however, that he doubted Castillo would take over with chiefs still in place.

- 3. Garcia Godoy dwelt at length on alarming possibilities of anarchy and violence if satisfactory solution not found. (Only solution he will so far admit to be satisfactory is removal of chiefs.) He recognized that resignation of PG would bring grave risks in that regard but thought this step would be better than permitting PG to become identified with military repression of civil populace. President repeatedly emphasized his conviction that rising wave of anti-military sentiment (Embassy [less than 1 line of source text not declassified] lack reports of such tidal wave in general populace) makes it impossible to continue status quo.
- 4. We explored various possibilities with Garcia Godoy, including proposal that committee sit down with Bosch and Balaguer (with President perhaps present) to attempt hammer out agreement of two major parties to back PG and help devise formula to resolve crisis. President seemed lukewarm to that idea. In his view, committee could best help by trying to persuade Jimenez, Perez y Perez and Beauchamps to accept respective posts in replacement of Rivera, Martinez Arana and De Los Santos. Jimenez, according to Garcia Godoy, had first let it be known that he would accept but later sent word that his "brotherly" relations with chiefs made it impossible. We indicated our intention talk to military leaders but made no other commitments.
- 5. There followed prolonged discussion with President covering same ground as in most recent conversations with Ambassador Bennett and me. We continued urge President hold back but apparently made no headway. Garcia Godoy said decrees had been sent to Radio Santo Domingo and broadcast of their contents could be expected this evening. (Decrees are presently—6:30pm local time—being read on radio.) If designated replacements refuse to take posts, President said he might buy time by delivering speech explaining situation and urging calm. As we left palace, Garcia Godoy was going back into session with cabinet.

Bennett

157. Memorandum Prepared for the 303 Committee¹

Washington, January 11, 1966.

SUBJECT

368

Contingency Plan for the Dominican Elections

REFERENCES

- A. Memorandum to the 303 Committee dated 30 December 1965 and entitled "Presidential Election in the Dominican Republic" 2
- B. Minutes of the Meeting of the 303 Committee held on 6 January 1966³

1. Background

On 6 January a paper entitled "Presidential Election in the Dominican Republic" was presented to the 303 Committee. This paper requested that the 303 Committee identify the presidential candidate favored by the U.S. Government and that a decision be taken as to whether a covert election operation should be undertaken on this candidate's behalf. The minutes of the 303 Committee meeting indicate agreement that the only visible candidate to support is Joaquin Balaguer, president of the Partido Reformist (PR). The 303 Committee decided to [less than 1 line of source text not declassified] to prepare a contingency plan for an election operation in support of Balaguer, stressing those aspects needing the longest lead time, for presentation at the next 303 Committee meeting. The following contingency plan is submitted in response to this request.

2. Concept of the Operation

The purpose of the projected operation is to provide essential support to Balaguer's campaign; its implementation must be guided by certain basic considerations.

First, it is essential that the operation be carried out in such a way that United States sponsorship cannot be proven in any way. Two factors enter here: (a) the U.S. is already believed to favor Balaguer and will be accused of supporting him regardless of its real actions; (b) the exposure of actual facts of U.S. support would be nonetheless damaging both to the U.S. and to Balaguer. Normal operating conditions in the goldfish bowl environment of Santo Domingo present difficult se-

 $^{^1\,\}rm Source:$ National Security Council, Special Group/303 Committee Files, Meeting File, Dominican Republic. Secret; Eyes Only. A handwritten notation on this memorandum reads: "Approved by the 303 Committee on 20 Jan 1966."

² Document 152.

³ Document 155.

curity problems. Such problems will be further complicated by the international attention and interest which will be focused to an unprecedented degree on the Dominican elections.

Second, while Balaguer will need financial help as well as assistance in other forms in order to overcome certain handicaps, the amount of assistance given him must be controlled to avoid overweight. His campaign should be lean and hungry and his party organization should exert itself to the utmost in order to achieve the necessary degree of efficiency and at the same time hold to a minimum the inevitable accusations that he is getting help from non-Dominican sources.

In addition to money, Balaguer will need help in the form of advice and information. [7 lines of source text not declassified]

[1 paragraph (11½ lines of source text) not declassified]

In sum, three kinds of support to Balaguer are envisioned: (1) funds to be provided [2 lines of source text not declassified]; (2) information, expertise and political guidance relayed through reliable intermediaries whom Balaguer trusts; (3) development of media and other assets having a natural bias toward Balaguer or toward his platform. In the application of this support the guiding principle will be to tightly control the amount of aid and the manner in which it is given in order to prevent the aid from becoming apparent and to keep Balaguer's campaign organization lean and aggressive.

3. Implementation

A. Existing PR Campaign Machinery

[6 lines of source text not declassified] No direct contact with Balaguer has been authorized or established.

Through the second-rank PR leaders [less than 1 line of source text not declassified], Balaguer has indicated need for U.S. financial support in his election campaign. He has expressed growing concern over the number of adherents of the Partido Revolucionario Dominicano (PRD), the opposition party led by Juan Bosch, who occupy government positions at all levels. Balaguer has pointed out that these positions enable the PRD to influence the thinking of the campesinos, who traditionally do as they are told by the government, as well as to buy votes with jobs and to use government money, transportation and equipment for partisan political purposes. He said that the PR has limited financial resources and is finding itself unable to compete with the PRD under these conditions. Balaguer has also told his party leaders that the PR may not be able to compete effectively in the elections unless additional funds can be acquired.

Balaguer began to lay the groundwork for his campaign as early as 2 October 1965 when teams of party leaders began travelling to

population centers throughout the interior. Although formal campaigning cannot begin prior to 1 March, Balaguer is already touring the countryside and has held one major political rally in Santiago de los Caballeros on 28 November 1965. He intends to devote the early stages of his campaign to the interior, ending with a strong finish in the capital during the final 45 days prior to the election. His party has had considerable success in its efforts to increase its membership through inscription drives and to lay the organizational groundwork for the coming campaign, but is having difficulty in raising new funds and even in collecting financial pledges on which it had relied. Propaganda and public relations mechanisms as well as other campaign necessities such as transportation are still lacking, are expensive to acquire, and obviously need time to develop and coordinate if they are to contribute effectively to the party campaign.

B. Proposed Measures

[6 paragraphs (2½ pages of double-spaced source text) not declassified]

4. Security Considerations

Since the United States is already believed to favor Balaguer and will probably be accused of supporting him regardless of its actions, it is more than ever essential that any support provided to Balaguer be sophisticated, and entirely covert. [less than 1 line of source text not declassified]

[5 paragraphs (9 lines of source text) not declassified]

5. Lead Time Requirements

[5 paragraphs (1 page of double-spaced source text) not declassified]

6. Conclusion

- A. This paper outlines [less than 1 line of source text not declassified], if so instructed by the 303 Committee, support the candidacy of Balaguer, and highlights the reason why sufficient lead time is important.
- B. A sum of [less than 1 line of source text not declassified] would be needed; this amount should cover Balaguer's minimum financial needs while keeping the PR essentially lean and aggressive. [1 line of source text not declassified]
- C. The security aspects are calculated risks which appear acceptable under the circumstances.
- D. Implementation of this plan will await a 303 Committee decision.

158. Memorandum From the Chief of the Western Hemisphere Division of the Central Intelligence Agency (Broe) to the Assistant Secretary of State for Inter-American Affairs (Vaughn)

Washington, February 2, 1966.

[Source: Department of State, INR/IL Historical Files, Dominican Republic, 1966. Secret. 2 pages of source text not declassified.]

159. Memorandum From William G. Bowdler of the National Security Council Staff to President Johnson¹

Washington, February 11, 1966.

SUBJECT

Report from Bunker on Dominican Situation

Ellsworth Bunker called from Santo Domingo to report that during the course of the night the negotiations took a very good turn and Defense Minister Rivera Caminero agreed to step down. A new man—Colonel Enrique Perez Y Perez—who is quite acceptable to the military leaders, was sworn in this morning as the new Minister of Defense. Bunker expects Rivera Caminero to leave for his assignment in Washington as Naval Attaché either today or tomorrow. After six weeks of very hard bargaining, this is a major, and most welcome, achievement.

Bunker said that Garcia Godoy is planning to make a nationwide TV speech tomorrow night to explain to the Dominican people the understandings which made possible the departure of Rivera Caminero. At this time, he will state that the Army and Air Force Chiefs will remain in their positions provided they obey orders and refrain from political action. Garcia Godoy is hoping, of course, that this decision will be accepted and not lead to further disturbances.

 $^{^1}$ Source: Johnson Library, National Security File, Country File, Dominican Republic, Vol. XIV, 1/66-4/66. Confidential. An "L" on the memorandum indicates the President saw it.

Bunker indicated that assuming the change in Defense Ministers leads to a prompt calling-off of the general strike, and Garcia Godoy's decision to maintain the chiefs does not produce a sharp reaction, he plans to return to Washington early next week to report to you. He mentioned specifically his interest in discussing with you the need for withdrawing Tap Bennett as rapidly as possible.

WGB

160. Memorandum From the President's Special Assistant for National Security Affairs (Bundy) to President Johnson¹

Washington, February 19, 1966, 2 p.m.

SUBJECT

Dominican Situation

Ellsworth Bunker says that the situation in the DR continues to improve. The strike is for all purposes over.

Garcia Godoy's success in breaking the strike seems to have given him new courage. In rapid succession he:

- 1. Warned extremists of the left and right that they face deportation if they continue their disruptive activities.
- 2. Issued decrees removing 91 provincial and municipal officials who are Bosch partisans. Twenty more changes are due today. Balaguer had complained that there was a serious political imbalance in governmental appointments which put him at a disadvantage in the electoral campaign. The changes are designed to redress the balance and improve the electoral climate.
- 3. Prepared a decree to be issued today prohibiting private security forces. This hits at some "constitutionalist" leaders, like Hector Aristy, who maintain a small army of personal body-guards. Ex-presidents are exempted to take care of Bosch, but their guards are to be regular policemen.

 $^{^2\,\}rm On$ January 8 rebel elements headed by Caamaño and Aristy called for a general strike beginning January 10 to force the ouster of armed forces leaders and to prevent the departure of "Constitutionalists."

¹ Source: Johnson Library, National Security File, Country File, Dominican Republic, Vol. XIV, 1/66–4/66. Confidential. The President wrote "good" with his initial at the bottom of the memorandum.

Ellsworth attributes the sudden change in Garcia Godoy's willingness to act like a President to the stern two and a half hour lecture he gave him last Wednesday² morning. Ellsworth thinks the three measures listed above are designed to soften up the military. By reassuring them that the left will be curbed, Garcia Godoy hopes to ease the task of persuading the Air Force and Army Chiefs to leave voluntarily. Only time will tell whether it works.

McG. B.

161. Memorandum From the President's Special Assistant for National Security Affairs (Bundy) to President Johnson¹

Washington, February 24, 1966, noon.

SUBJECT

DR Situation

Ellsworth Bunker reports that Garcia Godoy is making slow but continuing progress in persuading the Army and Air Force Chiefs to step down. In talks yesterday, Army Chief Martinez Arana indicated his willingness to retire rather than to accept a post on the Armed Forces General Staff, as Garcia Godoy had offered. Air Chief de los Santos is still holding out, but his confidence may have been shaken. Behind Garcia Godoy's progress has been his success in winning the support of an important group of ranking officers who are far-sighted enough to see that the interest of the Armed Forces are better served by meeting Garcia Godoy's wishes rather than by risking a clash.

Talks with the two Chiefs are continuing this morning. Ellsworth, as of noon, did not have a reading on how they had gone. Garcia Godoy cancelled his radio-TV speech last night in the hopes that he can go on

² Reference is to a meeting between Bunker and Garcia Godoy held the morning of February 16. In a February 16 memorandum Bowdler informed Bundy of this meeting which dealt with Godoy's February 15 decision to resign and Bunker's efforts to convince him not to do "anything precipitous." (Ibid.)

¹ Source: Johnson Library, National Security File, Country File, Dominican Republic, Vol. XIV, 1/66–4/66. Secret.

the air tonight and announce that the problem of the Chiefs has been resolved. Ellsworth is not at all sure that he will be able to do this.

Garcia Godoy told Ellsworth last night that he will shortly be taking additional measures to improve the electoral climate. He mentioned:

- 1. A request to the Supreme Court to replace extremist judges.
- 2. Removal of some governmental legal functionaries, including prosecuting attorneys.
- 3. A request to the OAS Electoral Commission to return to the DR and remain during the electoral period (March 1–June 1).

As we approach the start of electoral period, our [less than 1 line of source text not declassified] FBI sources in Santo Domingo are picking up an increasing number of reports that Bosch would like to see the elections postponed for several months because of what he describes as the existing state of political insecurity. We have also received several reports that Garcia Godoy would be interested in a plebiscite to extend the life of the Provisional Government for a couple of years, believing that neither Bosch nor Balaguer could provide stability. It is very likely that Bosch would like to have more time in which to recoup some of his losses. We have nothing directly from Garcia Godoy, but as he sees his term drawing to a close, he may be thinking that the taste of power is not so bad after all.

McG. B.²

162. Memorandum From the Representative to the Organization of American States (Bunker) to President Johnson¹

Washington, March 9, 1966.

SUBJECT

Current Situation in the Dominican Republic

² Printed from a copy that bears these typed initials.

¹ Source: Johnson Library, National Security File, Country File, Dominican Republic, Vol. XIV, 1/66–4/66. Confidential. An "L" on the memorandum indicates the President saw it. Bunker departed the Dominican Republic and arrived in Washington for consultations on March 4.

In my judgment there are now grounds for cautious optimism with respect to the chances of holding satisfactory elections in the Dominican Republic on June 1 as scheduled.

Garcia Godoy has made it clear that he considers the politicomilitary crisis which began December 19 with the Hotel Matum incident to have ended February 26 on the swearing-in of new Army and Air Force Chiefs.² In his view, these and the previous changes in the high commands of the Armed Forces and the Police will make it possible to ensure an attitude of impartiality and obedience to civil authority during the campaign period on the part of the military establishment. I see no reason why this should not be true, particularly given the qualities of leadership and political moderation already displayed by the new Minister of the Armed Forces and the new Chief of the National Police.

Another encouraging development is the fact that political leaders and the people as a whole have obviously become increasingly convinced that the elections will be held. Right-wing parties (including notably the National Civic Union) which previously specialized in conspiracies to overthrow the Provisional Government have now announced plans to participate in the elections. Balaguer's Reformist Party is already engaged in full-scale campaigning and the rightist group behind the candidacy of ex-President Bonnelly has begun canvassing in the northern part of the country. We are presently completing arrangements to assure that the OAS Electoral Advisory Commission is on the ground during the entire campaign period. The Inter-American Human Rights Commission will also maintain a presence and is considering a plan to bring all its members to the Dominican Republic for the month of May.

The two principal problems remaining are the threat of Juan Bosch to boycott the elections and the continuing danger that violence and terrorism will disrupt the campaign. These two problems are closely related. Bosch asserts almost daily that a systematic campaign of violence is being carried out against his followers. Although there is a strong element of exaggeration in his charges, it is true that members of his party and other "Constitutionalists" have been harassed, beaten and even killed for their political beliefs. In addition, there appears to be little doubt that members of the Armed Forces and National Police have been involved in these outrages.

² In telegram 1994 from Santo Domingo, February 25, Bunker reported that Garcia Godoy and high-level military officers had agreed to a formula to solve the military composition problem. The formula called for De Los Santos and Martinez to be "promoted" to Vice Ministers of Armed Forces and for Osiris Perdomo to be the new Army Chief, and Juan Folch Perez to be the new Air Force Chief. (National Archives and Records Administration, RG 59, Central Files 1964–66, DEF 6 DOM REP)

We believe it most important that Bosch's party, the PRD, participate in the elections in order to make them meaningful and acceptable to the largest possible number of Dominicans. (In our view it would be satisfactory and perhaps even desirable if someone other than Bosch were to be the presidential candidate, although there seems to be little chance of his giving way. It might also be possible to live with elections in which there was no PRD presidential candidate but in which the party did participate on the local and congressional levels.) Garcia Godoy is also anxious to have the PRD go to elections and, while recognizing that Bosch may continue threatening abstention as a political tactic, wants to do what can be done to eliminate legitimate causes for alleging that a proper electoral climate does not exist.

Shootings and other acts of violence will, of course, continue. With so many weapons in the hands of civilians and such a large residue of hate from the civil war, nothing else can be expected. Nevertheless, I believe Garcia Godoy can establish, with our cooperation and that of his military leaders, minimal conditions necessary for free campaigning. We are presently working with him on arrangements to ensure adequate Armed Forces' backing for the National Police in the event the extreme left is again able to provoke serious disturbances in downtown Santo Domingo. (It is our hope that the Inter-American Peace Force can ultimately be relegated to the role of a backup only to be called upon in extreme emergencies.) We will also continue to press him on the need to take decisive action to end right-wing terrorism.

If all goes well and we get to election on schedule, I estimate Balaguer's chances to be good. Although Bonnelly will obviously take votes away from him on the right, the former's entry into the campaign gives Balaguer the opportunity to come out as the candidate of the center where most of the votes are probably to be found. In any event, I believe we must continue our intensive efforts to bring off the elections on schedule. There is no other acceptable way to resolve our short-term problems in the Dominican Republic. I also believe that our interests will best be served by the earliest possible withdrawal of the Inter-American Peace Force following the installation of an elected government.

Ellsworth Bunker³

³ Printed from a copy that bears this typed signature.

163. Memorandum for the Record¹

Washington, March 12, 1966, 11 a.m.

SUBJECT

At 1100, 12 March, Meeting was held in The Office of Deputy Under Secretary U. Alexis Johnson to Discuss the Election Situation in the Dominican Republic

PRESENT

Deputy Under Secretary U. Alexis Johnson

Ambassador Ellsworth Bunker

Ambassador Lincoln Gordon

Ambassador Henry Koren

Mr. Robert Sayre

Mr. Robert Adams

Mr. William Bowdler

Mr. William V. Broe

- 1. Mr. Sayre opened the meeting with a presentation describing the political parties and entities that are or could be involved in the June election.
- 2. A lengthy discussion was then held regarding U.S. Government support to Balaguer [1 line of source text not declassified]. Ambassador Gordon raised the point that Ambassador Stewart was not in favor of any U.S. participation in the election, but that he, Gordon, had read all the papers and was of the opinion we should support Balaguer. The writer reviewed the past discussions regarding U.S. Government participation including the President's statements to the DCI and the DDCI. The writer emphasized the risk involved due to the sensitive political milieu of the Dominican Republic. [2 lines of source text not declassified]
- 3. The writer raised the point that the most important basic aspects of the election were to be sure that Garcia-Godoy carried out the election in line with the Institutional Act and; secondly, the need to get out the vote, especially in the rural areas. The writer discussed the voting situation in great detail including the election carnet problem; need for use of indelible ink; lack of support to the OAS Election Commission; the personality of Angel Liz,² need for a Dominican civic group to support the government's efforts in the election, etc. The need to put continual pressure on Garcia-Godoy was emphasized as it was quite

¹ Source: Central Intelligence Agency, DDO Files, Job 78–5505, Box 4/4, Folder 79. Secret. Drafted by Broe on March 14 and a copy was sent to the CIA Deputy Director for Plans.

² Secretary of State for Justice under the Council of State that governed the Dominican Republic from 1962 until February 27, 1963.

evident Ambassador Bunker believes the election procedures are on track and Garcia-Godoy has the situation in hand. Ambassador Bunker advised that there would be fifty observers to supervise the actual elections.

- 4. There was a detailed discussion concerning the necessity for Bosch and the PRD to participate in the election. It was agreed the most important issue was to have PRD participation in any event. It was agreed that probably Bosch could not get the PRD out of the race but a boycott by him or a partial boycott by the PRD would be highly undesirable. The writer stressed all of the unfortunate aspects of a Bosch victory to the U.S. and to the future stability of the Dominican Republic. It is interesting to note that, not in rebuttal to the above, but later in the conversation, Ambassador Bunker opined that if Bosch was elected the new military could work out a modus vivendi with him. The Ambassador also stated he believed Bosch had "learned from a previous experience" and would comport accordingly, if elected.
- 5. There was a general discussion as to methods to be used to keep Bosch in the presidential race. Approaches to Venezuela, Oduber, Figueres, the Mexican Government and possibly Frei to ask them to urge Bosch to stay in the race were discussed. The writer pointed out that this was dangerous business, especially to the Venezuelans as they could get the impression we favored Bosch and pour in substantial support. Up to now, the Venezuelans had kept hands off as they have been disgusted with the Bosch/Miolan bickering. ARA will consider such approaches. Ambassador Bunker suggested that we pay Bosch to stay in the race. He felt that a sum in the neighborhood of [less than 1 line of source text not declassified] would suffice. Mr. Sayre and the writer opposed this. Ambassador Bunker stated that he would like to explore the feasibility of this [1 line of source text not declassified].³
- 6. Deputy Under Secretary Johnson reviewed the situation and stated that, in his opinion, there were four main elements concerning the Dominican Republic election:

³ In an April 7 memorandum to the Deputy Director for Intelligence, Helms clarified this issue: "I agree with you that the minutes of the 303 meeting of 28 March 1966 are somewhat unclear on the question of support to Bosch. 'On the problem of Bosch, it was agreed that ARA would sound out the possibility of soliciting the support of other countries to keep him from pulling out.' This reference overtook the previous suggestion that Ambassador Bunker would explore the possibility of getting some money to Bosch. In sum, there is no question of the United States Government clandestinely funding Bosch's campaign." Helms continued, "I am aware of the dangers a Bosch victory would entail, but every effort is being made to see this does not happen. There is general agreement that the best course is to have Bosch run initially, and if he withdraws with a cry of fraud, there is nothing that can be done about it." No record of the March 28 303 Committee meeting has been found. (Central Intelligence Agency, Executive Registry Files, Job 80–R01580R, Box 15, Dominican Republic, Folder 302)

- a. Get out the vote, especially the rural vote;
- b. Participation of Bosch and the PRD in the election;⁴
- c. Keeping Garcia-Godoy from backsliding on holding the election in accordance with the Institutional Act; and
 - d. Support to Balaguer.

He stated that he felt from the conversations that there are definite lines of endeavor either in being or proposed to push forward on the four elements and that he agreed with the current efforts and those contemplated.

William V. Broe⁵
Chief
Western Hemisphere Division

164. Memorandum of Telephone Conversation¹

Santo Domingo, March 17, 1966.

SUBJECT

Visit to Bosch of Ambassadors Bunker and Bennett

PARTICIPANTS

Ambassador Bunker

C. Allan Stewart, Director of Country Affairs, CAR

Ambassador Bunker telephoned on the morning of March 17 to report on a conversation with Juan Bosch last night at the latter's home outside Santo Domingo.² The Ambassador said that the meeting he and Ambassador Bennett had with Bosch late yesterday afternoon was cordial, with Dr. Bosch conducting himself with dignity.

 $^{^4\,\}mathrm{At}$ this point the following handwritten notation appears on the right margin: "Not too important in my view."

⁵ Printed from a copy that indicates Broe signed the original.

¹ Source: National Archives and Records Administration, RG 59, Central Files 1964–66, POL 23–9 DOM REP. Limited Official Use. Drafted by Stewart.

² In telegram 2126 from Santo Domingo, March 16, Bunker summarized for the President his meeting with Bosch earlier that day. (Ibid., POL 14 DOM REP)

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Ambassador Bunker went into considerable detail about the forth-coming elections. He explained that the United States Government and the OAS were doing their utmost to assist Provisional President Garcia Godoy in creating a climate which would permit all candidates to campaign freely. He said that the President, the vice-president, the chiefs of the armed forces and police are eager to see that the proper conditions can be established and are working to this end, especially in impressing upon the armed forces the necessity of being impartial and aloof from political activity. Ambassador Bunker said this could not be done overnight, but that great progress had been made. Dr. Bosch agreed that conditions had improved.

Ambassador Bunker informed Dr. Bosch that the OAS electoral commission will return to the Dominican Republic on Monday³ and that full membership of the OAS Inter-American Human Rights Committee would be arriving in May with considerable additional personnel.

It is the policy of the United States Government, Ambassador Bunker said, that it will recognize and support a freely elected government, and he was certain that he spoke for all OAS members in declaring this too was their policy. He said the United States had no favorite among the presidential candidates and fully expected that the voters could make their choice on June 1 without fear or hindrance. It is our hope, the Ambassador added, that a democratic, constitutional government will be installed on July 1.

Dr. Bosch, while admitting progress, did not think there was time enough to achieve the necessary climate for elections by June 1. For instance, he was not certain that his PRD could safely hold a convention of 500 people in Santo Domingo to choose their candidates. Asked why the convention could not be held elsewhere, Dr. Bosch said other cities did not have adequate convention facilities. Ambassador Bunker expressed the belief that if it were made a matter of pride in carrying out their responsibilities, the Provisional President and Secretary of the Armed Forces would provide the necessary security, even if it involved use of the IAPF. Dr. Bosch said the holding of the convention was a great responsibility for him and he feared the communists might resort to violence with the large quantity of weapons they have in their possession. Ambassador Bunker reminded Dr. Bosch that part of the responsibility for the large number of loose weapons rested with Col. Caamano, who had deceived the Provisional President when the latter tried to collect them.

Bosch did not commit himself the one way or the other about the chances of PRD participating in the campaign.

³ March 21.

(Ambassador Bunker reported, however, that the PRD is campaigning all over the country at present. He also reported that President Garcia Godoy had issued a decree last night cancelling the commissions of a number of civilians "assimilated" into the military. Among the persons affected is Maximo Fiallo. He also stated that the government had begun to replace with police private guards who have been protecting Manolo Bordas, PRD, and Hector Aristy, promoter of the 24th of April movement. This is the first step in replacing private armed personnel with police for other prominent Dominicans.)

165. Memorandum From William G. Bowdler of the National Security Council Staff to President Johnson¹

Washington, March 25, 1966, 1:30 p.m.

SUBJECT

Preliminary Readout of Dominican Poll

The preliminary results of the February–March poll in the Dominican Republic show few differences with the November poll, and the differences which do occur do not affect the standing of the main candidates.

- —Balaguer still leads Bosch by better than 2 to 1 (50.4% to 21%). This represents a drop of .6% for Balaguer from the November poll and 1.0% for Bosch.
- —In party strength, Balaguer's PR party leads Bosch's PRD party by 41.6% to 21.6%. This represents a drop of 0.6% for the PR from the November poll and 7.4% for the PRD.
- —On the issue of our military intervention, 63.2% of the Dominicans continue to think that it helped. In November the figure was 65%.
- —On the IAPF departing, 46.1% of the people now think that the Force should stay beyond elections, an increase of 7.5% over the November poll.

Two important factors must be borne in mind in assessing the figures on the candidates and their parties:

—The poll does *not* cover a period when Bosch was actively campaigning—and he is a formidable campaigner.

¹ Source: Johnson Library, National Security File, Memos to the President, McGeorge Bundy, Vol. 21. Secret; Eyes Only. An "L" on the memorandum indicates that the President saw it. A copy was sent to Bill Moyers.

—The poll's percentages are based on the assumption that the population of actual voters does not differ significantly from the population of *eligible* voters.²

A large voter turnout—particularly in rural areas where Balaguer's strength is concentrated—is essential to Balaguer's chances. CIA, State, Bunker and the Embassy are keenly aware of this and know that a substantial portion of their homework lies in this direction. I am satisfied that they are hard at it, and Garcia Godov is cooperating fully. But a reminder by you to Ellsworth when you next see him would not be amiss.

A copy of the [less than 1 line of source text not declassified] report is attached.

WGB

166. Memorandum From the Representative to the Organization of American States (Bunker) to President Johnson¹

Washington, March 26, 1966.

SUBJECT

Current Situation in the Dominican Republic

A number of factors have contributed to a gradual but steady improvement in the situation since the date of my last report, March 7.² I believe that the grounds for cautious optimism with respect to the chances of holding elections on June 1 which I then expressed have been further strengthened.

Acts of terrorism and violence have markedly declined. The new Minister of the Armed Forces and the Chief of the National Police have

² Komer commented on this paragraph and wrote the following note at the bottom of the page: "I'm asking Bowdler to look at pros and cons of surfacing this."

³ Attached but not printed.

¹ Source: Johnson Library, National Security File, Country File, Dominican Republic, Vol. XIV, 1/66–4/66. Confidential.

² Bunker originally dated his memorandum March 7. (National Archives and Records Administration, RG 59, S/S Country Files: Lot 70 D 209, Dominican Republic) An identical copy that went to the President was dated March 9; see Document 162.

made it clear, through their public pronouncements and their actions, that they are determined that their respective Services shall maintain an attitude of strict impartiality and discipline throughout the electoral period, that they shall remain aloof from political activities of any kind, and shall be responsive to civil authority. Changes in local commands have been made where there has been evidence of lack of adequate cooperation. The National Police have initiated and continue a search for weapons in the hands of civilians and almost daily report recoveries of weapons and ammunition. I believe that, barring some now unforeseen acts of violence by the extremes of either Left or Right, the atmosphere of tranquility which now prevails can be maintained.

There is growing evidence that the people as a whole not only want to see elections take place on June 1 but have become increasingly convinced the elections will be held. Despite doubts expressed by Bosch a short time ago that the climate in the city of Santo Domingo was sufficiently tranquil to enable his Party (PRD) to hold its convention,³ he announced on March 18 that the Party convention would be held in Santo Domingo on April 9–10 and would then determine whether or not to participate in the elections. It is my opinion that pressure building up within the PRD will lead to a decision to participate in the elections with or without Bosch as a presidential candidate. I believe that it is important that it should do so in order to make the elections meaningful and acceptable to the largest possible number of Dominicans. Another Party, the PRSC (Social Christian Revolutionary Party) has also announced that it intends to participate in the elections and will hold its convention on April 3 to decide on its candidates.

A further development which has contributed to stability and tranquility is the departure of a substantial number of ex-constitutionalist military either to posts or training abroad. By the end of this week all of the high-ranking ex-constitutionalist officers with the exception of the Camp Commander will have left the 27th of February Camp for posts abroad. Garcia Godoy hopes to be able to close out the Camp, the personnel of which now consists almost entirely of enlisted men and non-commissioned officers, by offering the remaining personnel pay with leave of absence until the elected government takes office, and seems confident that the offer will be accepted.

Within a generally more optimistic frame for the country as a whole, the University remains a matter for concern, the new Rector and Administration having confirmed a substantial number of extreme leftist professors. Because of the University autonomy, established both by law and generally by tradition in Latin America, the problem of cor-

³ See Document 164.

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recting the situation will be a difficult one for the incoming Administration. It is possible, however, that since a new Constitution must be written after the elected government takes over, the problem can be coped with at that time.

If the present climate prevails and we get to elections on schedule, I continue to estimate that Balaguer's chances are good. He remains, I believe, more than ever the candidate of the center where most of the votes are probably to be found. While Bonnelly will take votes away from him on the right, the PRSC, if it runs an independent ticket as now seems probable, should detract from the votes of Bosch's party (PRD). The 14th of June Movement, declared illegal in December, 1963, has petitioned the Central Electoral Board for recognition as a political party. The Board has declared a decision outside its competence and has referred the matter to the President.

In view of the favorable electoral climate created by the situation described above, I believe that we must continue our intensive efforts to bring off the elections on schedule. Toward this objective, members of the OAS Electoral Commission are already in the Dominican Republic, OAS observers who will witness the voting process are being recruited and, at the invitation of Garcia Godoy, we are cooperating in the preparation and dissemination of publicity directed toward getting out the largest possible vote.

As mentioned in my previous memorandum, I believe that our interests will best be served by the earliest possible withdrawal of the Inter-American Peace Force. Depending on the outcome of the elections, it may be possible to withdraw the IAPF before the elected government is installed. If this is not possible, we should look toward its withdrawal as soon as possible following the installation of the elected government.

Ellsworth Bunker

167. Memorandum From Director of Central Intelligence Raborn to President Johnson

Washington, March 31, 1966.

[Source: Central Intelligence Agency, Executive Registry Files, Job 80–R01580R, Box 15, Dominican Republic, Folder 302. Secret; Sensitive. 2 pages of source text not declassified.]

168. Memorandum From the Deputy Director for Coordination of the Bureau of Intelligence and Research (Koren) to the Deputy Director (Denney)¹

Washington, April 6, 1966.

SUBJECT

Regular CIA-ARA Meeting, 6 April 1966

PARTICIPANTS

ARA—Ambassador Gordon and Messrs. Fitzgibbons and Kubisch;² CIA—Messrs. Broe, Esterline and Phillips; INR/DDC—Mr. Gardner

Most of the meeting was spent on the Dominican Republic. The remainder was taken up with a discussion of the situation produced by Brazil's arrest of 4 Americans on smuggling charges. Mr. Kubisch, Director of the Office of Brazilian Affairs in ARA, was present during this part of the discussion only.

Dominican Republic

The exchanges on the Dominican Republic were materially enriched by the presence of Phillips, [less than 1 line of source text not declassified]. The following emerged:

- 1) Gordon noted ARA's concurrence with Phillips' point that the return from London of Caamano would be dangerous principally because of the disturbances it would provoke, and not because of the possibility that Caamano might decide to enter the election contest in some capacity. There was some talk about how Caamano might be prevented from returning, but no really helpful thought was advanced.³
- 2) Another pre-election poll has been run. [2 lines of source text not declassified] Gardner gathered during the discussion the poll still puts Balaguer ahead by almost the same measure as before, and that the

¹ Source: Department of State, INR/IL Historical Files, Dominican Republic 1966. Secret. Drafted by James R. Gardner on April 8. Also addressed to Allan Evans, INR Deputy Director for Research.

² Jack B. Kubisch, Director, Office of Brazil Affairs, Bureau of Inter-American Affairs.

³ In an April 4 memorandum Rostow informed the President of Caamaño's interest in returning to the Dominican Republic and Bosch's statement to a U.S. source that he intended to propose to the PRD that it nominate Caamaño to run for President in his place. Rostow discounted Bosch's statement and thought the danger of Caamaño's running would be the "disruptive influence that it would have on the presently good and improving electoral climate." In terms of the elections themselves, he would adversely affect Balaguer's chances only if he were to become Bosch's running mate. President Johnson wrote: "I'd stop [Caamaño]. Don't let him back. L." (Johnson Library, National Security File, Country File, Dominican Republic, Vol. XIV, 1/66–4/66)

conservative movement for National Integration (MIN) candidate, Raphael Bonnelly, had moved up from 1% to 3½%. Bonnelly is probably stronger than these figures indicate, because a substantial part of the poll in rural areas was taken before Bonnelly's candidacy had been announced.

- 3) There was concern voiced by both sides about getting out the vote. Garcia Godoy is cooperating in the effort to arouse people to vote, and there is some prospect that the cumbersome election process will be simplified, thus enhancing the prospects of substantial rural voting.
- 4) Phillips spoke with admiration of Bunker, saying that Bunker was for a time the only man on the island who thought the Provisional Government would make it. Bunker was in fact largely responsible for the Government's survival. Garcia Godoy is in consequence grateful to Bunker and amenable to his advice and guidance.
- 5) Phillips said that there had been an almost overnight cessation of terrorism and that the pause had lasted now for 5 or 6 weeks. The principal reason for the break in the series of terroristic attacks was the new chief of police, who had clamped down firmly on the rightists. Phillips pointed out that the rightists had consistently directed their attacks against the PRD; there was not one instance of an attempt against a Communist.
- 6) Phillips noted that during the past week there had been a marked upsurge in vocalized sentiment that Bosch was a sure winner. Gordon noted with some distaste that this might well create an important band wagon psychology for Bosch, and urged that something be done to promote countervailing assertions that Balaguer was a certain winner.
- 7) There was agreement that we were working with a delicate problem—giving substantial support to a candidate (Balaguer) who did not know that he was getting it.
- 8) Phillips said that he had no doubt that the vote would be large enough to be meaningful, and that the PRD would field a candidate. The uncertain point was whether Bosch would run himself. It was impossible to forecast who or which party would win—the polls might be accurate enough as of now, but the Dominican Republic was a never-never land and anything might happen.
- 9) Broe suggested, and Gordon concurred, that there should be a united effort by the members of the massive country team that we have in the Dominican Republic to keep a timely temperature chart on what was happening in the Dominican Republic, especially in regard to the elections.
- 10) In response to Gordon's question, Phillips said that if Bosch were to win it would produce a very sticky situation for us, but not one as sticky as many people feared. We could live with him.

[Omitted here is brief discussion of Brazil.]

169. Memorandum From the President's Special Assistant (Rostow) to President Johnson¹

Washington, April 11, 1966, 3 p.m.

SUBJECT

Recent Dominican Developments

In the past four days these favorable developments have taken place in the DR which should help in maintaining a stable electoral climate and in encouraging a heavy voter turnout:

- 1. The Electoral Tribunal formally eliminated the troublesome special electoral card as a voting requirement. The identity card, which all Dominicans are required to have, will be used instead.
- 2. The Provisional Government waived usual fees for first-time applicants for identity cards and for replacement in certain cases. It will also permit voters to vote at their actual precinct of residence, even though the required changes of residence has not yet been entered on their identity card.
- 3. The PRD convention nominated Juan Bosch and Antonio Guzman to head the ticket. Both accepted. (Bosch was not successful in persuading Caamano to be his running-mate. Caamano has not returned to the DR.)
- 4. Garcia Godoy issued a public appeal for a peaceful celebration of the anniversary of the revolution on April 24. He warned extremists that the Government knows who is behind planned "acts of agitation." (Bunker has been urging him not to allow the "Constitutionalists" to pre-empt the anniversary celebrations and to make it clear to agitators of both extremes that he will not tolerate disturbances.)

Walt

¹ Source: Johnson Library, National Security File, Country File, Dominican Republic, Vol. XIV, 1/66–4/66. Confidential. Notations on the memorandum indicate it was received at the LBJ Ranch in Texas on April 12 at 4:30 p.m. and that the President saw it. President Johnson flew to his ranch April 7 and stayed there until he departed April 14 for a visit to Mexico City where he dedicated a statue of Abraham Lincoln. President Johnson returned to Washington April 15 at 7:40 p.m. (Ibid., President's Daily Diary)

170. Paper Prepared by the Under Secretary of State (Mann)¹

Washington, April 26, 1966.

- 1. Assistant Secretary Gordon should orally inform his staff not to make any statements which would be helpful to Bosch. The best thing for State Department officers to do between now and the June 1 elections is to clam up. If it is necessary for the Department to comment, we should say in essence that we support the efforts of the OAS to bring about free elections and do not wish to speculate on the results. We are also being asked whether this means that we would support whoever is elected. Our response should be that our assistance to Latin American countries is based on the Charter of Punta del Este, especially the self-help provisions of that Charter. Any assistance to the Dominican Republic would be governed by the same criteria.
 - 2. [11 lines of source text not declassified]
- 3. The flow of funds to Balaguer should be kept under close review by Mr. Gordon and Mr. FitzGerald and such additional sums supplied as may be necessary.
 - 4. [2½ lines of source text not declassified]
- 5. Election procedures in the Dominican Republic should be constantly and carefully reviewed to make certain that rural voters will have a chance to get to the polls and vote and that there are adequate safeguards at the polls to avoid manipulations adverse to Balaguer's interests.
 - 6. [8 lines of source text not declassified]

¹ Source: Johnson Library, National Security File, Intelligence File, Dominican Republic Elections—1966. Top Secret. An attached covering note from Bromley Smith indicates this paper was from Mann and that Smith put it in the President's file.

171. National Intelligence Estimate¹

NIE 86.2-66

Washington, April 28, 1966.

PROSPECTS FOR STABILITY IN THE DOMINICAN REPUBLIC

The Problem

To estimate the situation in the Dominican Republic and the prospects for stability during the next year or two.

Conclusions

- A. Prospects in the Dominican Republic are discouraging. Long-standing social, economic, and political problems have been exacerbated by the events of 1965, and no easy solutions or sure roads to progress are in sight.
- B. Even so, conditions have stabilized enough so that chances of holding the scheduled elections on 1 June 1966 are good. If Bosch and Balaguer remain in the race to the end, as now seems likely, the voters will have a representative choice. The contest between the two men appears close at present, and we cannot predict the outcome with any confidence.²
- C. The winner will probably face major elements on the other side who remain unreconciled to the outcome even if the elections are relatively fair and free. Balaguer's prospects for being inaugurated and for surviving in office under these circumstances would probably be better than those of Bosch. But in either case, we believe the political prospects are for further tension, instability and disorder.

¹ Source: Johnson Library, National Security File, National Intelligence Estimates, Dominican Republic. Secret. According to a note on the cover sheet this estimate was prepared in the Central Intelligence Agency with the participation of the intelligence organizations of the Departments of State and Defense and the National Security Agency. The United States Intelligence Board concurred in this estimate on April 28. In an April 28 memorandum to Raborn, Helms wrote: "I seriously question whether the Estimate on 'Prospects for Stability in the Dominican Republic' should go before the Board today. a) The election is only a little more than a month away, i.e. 1 June. b) NIE's have not been used traditionally to predict elections, and this one certainly does not. c) The basic instability, economic, political, etc., will still be present in the country after the election." Helms continued, "I suggest, therefore, that this paper be held until some time in June." (Central Intelligence Agency, DCI (Helms) Chron Files, Job 80–B01285A, January 1–June 30, 1966, Box 11)

² Mr. George C. Denney, Jr., for The Director of Intelligence and Research, Department of State, believes that the net balance of advantages and weaknesses of the candidates as described in paragraphs 18–30 of this paper gives the edge to Bosch. [Footnote in the source text.]

- D. The continued presence of the Inter-American Peace Force (IAPF) would serve to stabilize the situation; on the other hand it would tend to promote exaggerated nationalism and anti-US feeling, and over time might become a factor for instability. After the elections and inauguration of the new president, we believe that pressures for removal of the IAPF will increase on the part of elements within the D.R., the Latin American governments whose troops are involved, and public opinion in the hemisphere.
- E. Balaguer would probably provide the country a steadier and abler group of administrators than Bosch would. But whatever government comes to power will be faced with social, political, and economic problems so intractable that any significant progress over the next year or two will be extremely difficult—and without foreign aid, impossible. Even with continuing infusions of US aid and other external credit assistance, the Dominican economy in 1966 and 1967 is unlikely to do much more than regain pre-1965 levels. The government will almost certainly take some tentative steps toward agricultural development, improved education, and more efficient operations in the large state-owned sector of the economy; however, reform measures of the type required for sustained economic growth can hardly be implemented without a prolonged period of political stability.

Discussion

I. Background

- 1. The Dominican Republic is a benighted nation—politically primitive, economically and socially backward, and full of fear and hate. Inevitably the burdens from its past weigh heavily on the prospects for its future.
- 2. Since the end of Spanish colonial rule in 1821, the Dominican people have passed nearly a quarter of their history under occupations by foreign military forces (Haitian, Spanish, US). When the country has been independent, it has known only turmoil and civil war or military dictatorship. Repressive and brutal rule have been the norm, and life has been held cheap. The currents of social change and cultural enlightenment which have swept across many Latin American countries have scarcely touched the Dominican Republic.
- 3. The last dictatorial rule—the 30 years of Trujillo which ended only with his assassination in 1961—left a particularly deep imprint. The Trujillo reign not only prevented the development of political leaders and normal political life; it bred fresh hatreds and held back progress in nearly every sphere, except the economic, where there was modest growth. Much of the economic progress was designed for show, however, or was for the benefit of the Trujillo family or close associates, and did little to improve the welfare of the average Dominican.

Partly as a result of the Trujillo era, the political fabric is permeated with mutual distrust, and there is a wide gulf between the small upper-class minority and the great bulk of the population, which is ignorant and poverty-stricken. Dissatisfaction has increased as the Dominican peasants and workers have become more aware of their underprivileged condition.

- 4. Some two-thirds of the people live in the countryside, most of them scraping a mere subsistence from small plots of land. Less than half the Dominicans are literate, only about 10 percent have managed to complete elementary school, few have acquired any technical training, and there is a marked shortage of skilled workmen. Moreover, there is an acute shortage of managerial and executive talent, and generally a lack of energetic, persistent application to problems, particularly those of a routine and undramatic nature. Although almost all Dominicans have some mixture of Negro and Spanish blood, there is nevertheless a strong tendency for those of lighter skin to look down on the darker ones. The poor of the city streets are often called *negritos*, and political movements seeking mass appeal sometimes refer to upper-class political groups as "the whites."
- 5. The Dominicans have had one of the highest sustained rates of population growth in the world.³ This, of course, greatly complicates any efforts to promote economic or educational progress. It also may have political effects, especially over the longer term. More than half the population is now less than 18 years old; the young people, many of them not reconciled like their parents to docile acceptance of minimal living standards, are likely to be a major force for political change.
- 6. The Dominican military establishment, though it has recently been undergoing change, is still essentially a conservative force, which in the post-Trujillo period has tended to align itself with elements of the civilian elite. Under Trujillo the armed forces had become a praetorian guard ensuring the dictator's absolute control over almost every aspect of life. In return they received certain perquisites, including a share in Trujillo's institutionalized system of graft. Over the past several years a number of the most reactionary and corrupt senior officers have been displaced, and some of the younger, US-trained officers seem to be developing a sense of professionalism and responsibility. Even

³ Their reproductive rates have been close to the limits of human fertility. The 1960 census recorded a total population of 3,013,525, an increase of 42 percent over 1950. The current population is estimated at 3.7 million. The growth rate is 3.5 percent a year; given some improvement in present low standards of health and sanitation, this may go still higher. [Footnote in the source text.]

 $^{^4}$ Personnel strength of the Dominican military is approximately as follows: army 11,600, navy 3,750, air force 3,750. The national police have about 7,830 men. [Footnote in the source text.]

so, the military—or major groups within it—will probably continue to regard themselves as the arbiters of Dominican politics and remain ready to intervene if they think the occasion requires it.

II. The Economic Predicament

- 7. The Dominican Republic is one of the poorest countries in Latin America, depending chiefly on agriculture, which accounts for 40 percent of GNP and employs two-thirds of the labor force. Its assets include some of the most fertile land in the Caribbean, a climate suitable to the cultivation of a wide range of crops, a primary road system linking all major agricultural regions, and an extensive, though poorly maintained, irrigation system in the arid western part of the country. Bauxite deposits are being mined, and there are small deposits of iron ore and nickel. The stock of other physical resources, however, is small. There are no exploitable deposits of petroleum or coal, and the hydroelectric power potential is limited. Moreover, arable land is limited in extent, and the ratio of population to arable land is one of the highest in the hemisphere. Output of the economy has been kept low by a small stock of capital (including a general lack of transportation facilities in rural areas, a lack of storage facilities at market centers, and little manufacturing capacity), by the application of only rudimentary forms of technology throughout much of industry and most of agriculture, and by a general lack of technical and managerial skills.
- 8. Dominican foreign exchange earnings and general economic activity are heavily dependent on agricultural exports, principally sugar. About two-thirds of the sugar industry is government-owned. Production costs in these state-owned sugar enterprises are so high that exports would be profitable for them only when world prices are extraordinarily high. Prices have been low since the end of 1964 and seem likely to remain so. The country's vulnerability to fluctuations in export prices is increased by its heavy dependence on imports, including many important staple foods such as rice and beans, and almost all capital goods, fuels, industrial raw materials, and consumer durables.
- 9. In terms of standard of living, the Dominicans are better off than the Haitians. With that exception they rank with the poorest among the inadequately fed, housed, doctored, and educated Latin American populations.⁵ There has been a modest improvement in consumption standards over the past several years, but the D.R. has been plagued by a consistently high level of unemployment and underemployment.

⁵ In 1964 per capita gross national product (GNP) in the Dominican Republic was some \$245 or about \$100 below the average for Latin American countries. While a considerable number of Dominicans are well-off as compared with this low standard, there are no longer many families who are very rich. [Footnote in the source text.]

- 10. The Dominican economy, which had shown generally rapid growth in the period after World War II, has done badly since 1958. Initially, this was caused by Trujillo's use of an austerity program to gain foreign exchange to build up the Trujillo family fortune outside the country. The policy actions of post-Trujillo governments, which included governmental efforts to reduce unemployment by means of increased budgetary expenditures and hiring by state-owned enterprises and which permitted a rapid rise in real wages, generated demand for goods far beyond the economy's capacity to produce or buy abroad. Political instability caused private investors to be reluctant to increase capacity in response to this demand. Moreover, the use of state enterprises as a "national patrimony" to provide increased employment led to sharp reductions in public sector savings and investment. A sustained period of rapid price rises and increasingly severe balance of payments difficulties ensued.
- 11. The rebellion in April 1965 made these problems more acute at the same time that it lessened the ability of the government to deal with them. The GNP dipped some 15 percent in 1965; the drop in per capita GNP was 18 percent, though the decline in individual welfare was not that severe. This was partly because of the US emergency feeding program which for several months reached 18 percent of the Dominicans. Even so, unemployment increased from perhaps 20 percent of the labor force to about 30 percent. The deficit in the government's budget rose somewhat over its level in 1963 or 1964.
- 12. A particular difficulty in 1965 which augurs ill for the future was a sharp decrease in earnings from Dominican exports—down \$58 million from the \$180 million total of 1964. About half the drop was caused by a decline in sugar production as a result both of the rebellion and of the low world market price. Sugar output fell from 910,000 short tons of raw sugar in 1964 to only 620,000 in 1965. However, the combination of US aid⁷ and a reduction in the level of Dominican imports prevented further deterioration in the balance of payments.

⁶ State enterprises in the D.R.—most of them former holdings of the Trujillo family—account for about half the country's industrial capital and perhaps a fourth of the most productive agricultural land. Cuba is the only country in the hemisphere which has a higher concentration of means of production in the hands of the state. In the D.R. this has meant that government policy is the decisive factor in most economic matters and that politics and economics are more thoroughly intertwined than generally is the case. [Footnote in the source text.]

 $^{^7}$ About \$96 million in US aid to the D.R. was disbursed in 1965. This was slightly more than twice the level of 1964. Small amounts of assistance from other sources brought the total for the D.R. in 1965 to \$105 million. [Footnote in the source text.]

III. The Political Arena

- 13. The D.R. has had no experience in achieving political compromise through representative institutions. Its political attitudes and organizations have not progressed far; the parties are generally young and highly personalistic. A large proportion of the people, especially of the rural peasantry, is not politically conscious. In the D.R.'s first free elections in December 1962, Juan Bosch polled some 58 percent of the vote; yet when the Dominican military leaders ousted Bosch in September 1963, there were no significant public demonstrations of protest. In fact some Dominicans continue to yearn for the old days of stability under Trujillo, "the Benefactor."
- 14. The rebellion accelerated the process of political awakening in the D.R. and widened the gulf between the various conservative groupings on the one hand and the various parties of the left on the other. The senior military leaders did not oppose the overthrow of the Reid Cabral government at the outset of the revolt on 24–25 April. But when they realized that the coup was leading toward a restoration of President Bosch and the constitution of 1963, their reaction swiftly transformed the situation into a civil war, pitting the most militant elements of the left and right against each other. There is no doubt that the extreme leftists played a key role on the side of the "constitutionalists" when the fighting was at its height and that subsequently they have engaged in terrorist activities. Nor is there any doubt that elements of the extreme right have conducted terrorist operations in recent months, which have been particularly directed against members of Bosch's Dominican Revolutionary Party (PRD) and against former "constitutionalist" military figures.
- 15. Garcia Godoy, President of the Provisional Government which came to power in September 1965, has given top priority to efforts to reconcile the adversaries of the conflict. An experienced diplomat and a man of decent, liberal instincts, though not particularly forceful, Garcia Godoy quickly came under fire from political conservatives and military chiefs for his responsiveness to the demands of the "constitutionalists" and his appointment of a number of men of various leftist hues to important government posts. Indeed the strong support of OAS officials and of the Inter-American Peace Force⁸ was required to prevent a military coup against the provisional president within his first two months of office. The IAPF likewise played a key role in opening up the zone of the city previously controlled by "constitutionalist" forces and in supporting other measures aimed at restoring order.

⁸ IAPF troop strength at its peak was about 23,000. It is now about 7,500 of whom 5,750 are US personnel and most of the remainder Brazilian. The Force Commander is Brazilian General Alvaro Alves da Silva Braga. [Footnote in the source text.]

16. In a sense, the primary contribution of the provisional government has been to provide a "cooling-off" period. That it could undertake few policy initiatives and that it could not manage a complete restoration of civil order was of less immediate importance than its ability simply to survive one crisis after another. Even to send a number of "constitutionalist" military leaders and some top-ranking officers of the regular military establishment to assignments outside the country involved a protracted struggle. Garcia Godoy was unable to work this out according to his original plan. He did, however, succeed in sending abroad the key "constitutionalist" officers and in making enough change in the command of the regular military to permit the installation of a new Minister of Defense, General Perez y Perez, in whom he has some confidence, and new chiefs of the army, the air force, and the police.

17. By no means all the improvement in the situation has been attributable to the provisional government. Certain of the military have shown an increasingly responsible attitude. Both Balaguer and Bosch have on occasion provided needed endorsement for Garcia Godoy or at least have refused to participate in irresponsible or destructive acts of opposition. Perhaps as important as anything else has been the breaking apart of the "unity of the left" which had been responsible for much of the strength of the "constitutionalists" in the wake of the rebellion. Not only did the PRD and the parties of the extreme left pull away from each other, but the latter resumed quarreling among themselves about whether to use political tactics or terror and violence. The net effect of all these things has been to permit restoration of a fragile equilibrium.

IV. The June Elections

18. The provisional government has made good progress in setting up the machinery for the 1 June elections, in which the voters are to choose a new four-year administration. Specialists from the Organization of American States have been serving as advisors to the Dominican Central Elections Board since early January, and there are plans to bring in some additional OAS technicians and observers for election day. The electoral law specifies that except as directed by the Elections

⁹ The president and vice presidential candidates of each party run on the same ticket for a four-year term. Election of the president, vice president and of senators is by simple plurality. Twenty-seven senators and 74 members of the Chamber of Deputies are to be elected for four-year terms; 77 mayors and 417 municipal councilmen, for two-year terms. No member of the provisional government can be a candidate for any of the elective offices. Members of the armed forces and police are forbidden to vote; other citizens (Dominicans over 18 years old or of any age if they are or have been married) are required to vote and may be fined if they do not. [Footnote in the source text.]

Board the security forces will remain in their barracks. Thus the framework will be in place for relatively free and fair elections, if the political climate does not seriously worsen.

- 19. Such a change of climate could come about in any of a number of ways. Because of the depth of political animosities, small incidents involving the security forces and students or workers could turn into major confrontations. The return to the D.R. of such controversial figures as Francisco Caamano or Wessin y Wessin could provoke new trouble. Assassination of one of the leading political figures on either side is a continuing possibility—and one which terrifies Bosch. There has, however, been a marked decrease in the number and seriousness of violent incidents since early this year.
- 20. Elements of both extremes find the two major candidates, Joaquin Balaguer and Juan Bosch, unacceptable alternatives. As elections approach, extremists of the right or left may attempt to disrupt them by undertaking terrorist acts or, in the case of the far left, trying to provoke incidents involving the police, military or IAPF. In recent weeks the pro-Castro 14th of June Revolutionary Movement (MR-1J4) and the orthodox Dominican Communist Party (PCD) have indicated that they accept elections as one possible solution to the present crisis, and they are likely to devote their energies to seeking support for Juan Bosch. However, the militant Dominican Popular Movement (MPD) has expressed opposition to the elections. It may try to stir up trouble in Santo Domingo, but its limited capacity for independent action will be countered by improved police and military capabilities and the presence of the IAPF. Although we anticipate some increase in trouble and violence, we think the situation will probably remain orderly enough so that elections can take place as scheduled.
- 21. Balaguer served Trujillo for years and was president when the dictator was assassinated in 1961. He retained this position for about eight months, undertaking a number of measures designed to appeal to the lower income groups. Today he heads the large and personalistic Reformist Party (PR), composed of moderates, conservatives, and some Trujillista elements. His program is populistic, reformist and designed to appeal to the peasantry and other low income groups. Francisco Augusto Lora, the PR vice presidential nominee, is a leading PR organization man but has little popular support.
- 22. Juan Bosch, who for years was a leader of the anti-Trujillo exiles, was elected President in 1962 by an overwhelming majority, but he was then running against a much weaker opponent than Balaguer. Barely seven months after taking office, he was swept from power by a military coup. Bosch is the undisputed leader of the well organized Dominican Revolutionary Party (PRD) which is united behind his candidacy. He is clearly the candidate of the "constitutionalists." He is sup-

ported by the radical Revolutionary Social Christians (PRSC), by the pro-Castro MR–1J4, and by the Moscow-oriented Communists (PCD). However, Bosch has sought to disassociate himself from the Communist parties, and has publicly rejected the support of the MR–1J4. The PRSC and the parties of the extreme left command few votes in comparison with the PR and PRD but still might make up the margin of difference in a close election. The PRD ticket has some added strength from the vice presidential candidacy of Antonio Guzman, who for a time was considered as a possibility for provisional president. Guzman brings no large personal following, but he will supply a certain aura of respectability.

- 23. A third presidential candidate, who appeals mainly to Dominican conservatives and rightists is Rafael Bonnelly, President of the Council of State that ruled the country in 1962, after Balaguer's ouster. He is seeking to coordinate several right-of-center parties into a coalition called the National Integration Movement (MIN). In a contest between Balaguer and Bosch, Bonnelly can be expected to pull votes away from Balaguer. If Bosch appears to be in the lead, pressures will grow on the part of MIN and PR supporters to unify against him. However, the ambitions of individuals in both groups, as well as the longstanding animosities between elements of the two parties make such an alliance difficult. Some MIN sponsors probably hope to use the organization as a political front behind which the military could exercise power in the event of a successful coup.
- 24. It is likely that the candidates of the two major parties will stay in the contest to the end. Balaguer is almost certain to continue in the race, but Bosch has at times voiced a conviction that elections are impossible owing to police and military intimidation of his party. More recently he has said that the Dominican situation is hopeless and if he should be elected the military would not let him govern. However, despite his fears, driven by his overwhelming ambition and the demands of the PRD, which wants to ride his coat tails, Bosch accepted the party's nomination. In the future he may threaten to withdraw his party for political effect, but barring a major interruption of the electoral process he will probably see the campaign out. If Bosch should withdraw before the end of the campaign, we believe the PRD will probably continue in the congressional and local elections. We are doubtful that they would try to put up a new candidate in the presidential contest.
- 25. Bosch and Balaguer will be making their appeal to the same sector of the populace—the urban and rural poor. Running on reformist platforms, each has his strong points. Balaguer is identified with the peace and order of the Trujillo period, at a time when many Dominicans long for an end to upheaval and anarchy. He is probably remembered favorably among the urban lower classes for his largesse during 1961. Many Dominicans are anxious, above all, to avoid a return to the

violence and chaos of the 1965 rebellion; Balaguer appeals to them with his pledges of conciliation and unity of action. His PR lieutenants have done some organizational work, and he himself has made a series of trips into the countryside to rally the voting groups likely to give him greatest backing. However the PR campaign so far has not matched the vigor of the campaign of the PRD.

- 26. Bosch's major advantage is his ability to appeal to the Dominican masses in terms they find understandable and attractive. As a campaigner he has unusual abilities. His general reputation for opposing the unpopular Dominican military establishment will also attract voters. The PRD has a powerful voice in the ministries and agencies of the Provisional Government and this influence will probably give the party considerable leverage at the polls. Should the impression that Bosch is going to win continue to grow, he would also profit from a tendency to get on the bandwagon.
- 27. Both candidates have recognizable weaknesses. A Bonnelly candidacy will undoubtedly eat into Balaguer's vote. On the other hand, if Balaguer and Bonnelly were able to come to some sort of agreement, Bosch would probably respond by trying to paint Balaguer as a candidate of the Dominican elite. Bosch's identification with the violence of the recent past, and his failure in 1963 to fulfill his campaign promises, have undoubtedly disillusioned some of his potential supporters. He will probably restrict his campaigning in the interior, out of a fear of assassination, and this may hurt his chances. While it did not have this effect during the campaign of 1962, it could now give substance to a widespread belief that he is a physical coward. Another major vulnerability will probably be the susceptibility of the rural peasantry to charges that Bosch is a Communist or Communist supporter. These charges will probably be a major weapon of the Balaguer camp, and Bosch is clearly worried that they will have an effect on the electorate, which though it understands little of communism, is strongly opposed to it.
- 28. It would be unrealistic to consider either the elections or longer term prospects in the Dominican Republic without reference to the impact of the US. As a result of its intervention in April 1965 and its continuing efforts on the scene to assist the Dominicans in finding peaceful solutions, the US is considered responsible for much of what happens in the country both by the Dominicans themselves and by interested observers throughout Latin America.
- 29. The US is almost certainly viewed as anti-Bosch and committed to the Balaguer candidacy. This will give Bosch the benefit of anti-Yankee prejudice at the polls. At the same time, many Dominicans will recognize that, without US economic aid and its steadying influence exercised through the OAS and the IAPF, no solutions to the country's

grave political and economic problems are possible. Many such people will vote for Balaguer despite a possible distaste for the Yankee presence.

30. All things considered, we believe the election will be close. Balaguer got off to an earlier start; Bosch now seems to be gaining momentum. We cannot predict the outcome with any confidence.¹⁰

V. The Role of the Military

- 31. The new Minister of Defense Perez y Perez has stated that the Dominican military establishment will abide by the election results, whatever they are. This implies more of a change in military attitudes than we think has yet taken place. If Bosch were elected, some key figures in the military would want to prevent him from taking or holding office. The continuing presence of the IAPF would probably inhibit them from acting quickly; indeed their expectation as to when the IAPF might withdraw would probably be a factor in determining their timing. The dissatisfied military officers might also wish to delay action for some time so as to take advantage of some specific action of the new government which might render it unpopular or otherwise vulnerable.
- 32. If, on the other hand, Balaguer were elected, he would begin with the acceptance of the military establishment. Moreover, he would probably manage to persuade leaders of the armed forces to go along with modest moves toward social and economic reform, even if these drew protests from rightist politicians. Initially, sharp opposition from the extreme left would improve, rather than detract from, his standing with the security forces. He might, however, lose this rapport if he used the police and army less vigorously than they thought was required to put down leftist-instigated demonstrations and violence.
- 33. One of the most arduous tasks facing any new government is to continue the gradual and delicate process of reshaping the military so that eventually it will become the servant of the government. If the president moves clumsily in this, he may provoke the very military intervention he is trying to rule out. If he acts to reduce the strength of the armed forces rapidly, he may risk loss of capability to cope with civil disorder, terrorism, or insurgency.
- 34. Whatever the nature of government action, there are likely to be growing differences of attitude and political opinion within the military, and particularly within the army. Increasing numbers of younger

¹⁰ Mr. George C. Denney, Jr., for the Director of Intelligence and Research, Department of State, believes that the net balance of advantages and weaknesses of the candidates as described in paragraphs 18–30 of this paper gives the edge to Bosch. [Footnote in the source text.]

army officers, NCOs, and enlisted men will probably become antagonistic toward the country's elite groups. The PRD has been making efforts to build influence within the military; the more extreme parties are likely to try too. Although this will tend to decrease the danger of intervention by the military establishment as a whole, it will add to the danger of a new split within the military and the alignment of military units with opposing political factions.

VI. Post Election Political Prospects

- 35. Given this uncertain allegiance of the Dominican military, the IAPF will continue, for a while at least, to be the primary stabilizing factor in the D.R. Its presence reduces the chances of a coup from the right and of insurgency from the left. Thus the chances of any Dominican government for survival will be substantially greater as long as the IAPF stays on. Its continued presence would, however, tend to promote exaggerated nationalism and anti-US feeling, and over time might become a factor for instability. After the elections and the inauguration of the president on 1 July pressures for removal of the Force will probably increase, on the part of elements within the D.R., the Latin American governments whose troops are involved, and public opinion in the hemisphere.
- 36. We think that the staying power of Balaguer as president would be considerably greater than that of Bosch; we are not confident, however, that Balaguer could remain in office for a four-year term—or even for the period of this estimate. Because of his quieter style and more conciliatory approach, we believe Balaguer would be less inflammatory in domestic policies than Bosch; he almost certainly would be less difficult in relations with the US.
- 37. This is not to say that Bosch would set a policy line antithetical to US interests, but simply that he bears a bitterness which cannot readily be erased and would not be likely to cooperate more enthusiastically than he thought necessary. For example, a government headed by Bosch would probably be difficult in dealings with the US on OAS matters, but would probably go along with the US position on most global issues considered by the UN. In general, we believe that he would be likely to follow foreign policy lines acceptable to the US, mainly because of concern that badly-needed US economic aid would not otherwise be continued.
- 38. As was indicated during his seven months as president in 1963, Bosch does not have much flair for executive action or administration, nor for finding aides who have such abilities. He is much better at proclaiming a program than implementing it. His tolerance of a variety of views, including those of the extreme left, has caused him trouble before and might again. Moreover, he has continued to show mercurial changes of mood, as well as an obsessive fear for his own safety. His

future actions are not entirely predictable; it is conceivable, for example, that he might win the presidency but later decide to resign if the frustrations of office should become extreme.

- 39. The revolution and its aftermath have produced sharp new animosities, difficult if not impossible to overcome. We think the broad tendency within the D.R. will be toward continuing growth of the political left. How much of this will benefit the parties of the extreme left and how much the moderate left will, of course, depend on the performance of the new government as well as on the leadership and competitive skill of the parties involved.
- 40. All three parties of the extreme left—the militant MPD (pro-Peking), the orthodox PCD (pro-Moscow), and the 14th of June Revolutionary Movement (pro-Castro)—have gained some ground during the past year. Their members have taken the leading role at the university, and obtained a number of positions in the government bureaucracy; they continue to have influence, although they are by no means the strongest force, in the labor union movement. They have, moreover, substantially increased their capability, in terms of weapons, training, experience, and cadres, to carry out urban terrorism or guerrilla warfare in parts of the countryside—although in general the rural population remains unsympathetic.
- 41. There is a danger that if the moderate left is politically frustrated, some elements may make common cause with the extreme left. In the event that Bosch were elected and later displaced by the military, this combination on the left would become almost a certainty. In combination, the various leftist parties could bring heavy pressure on any government by means of political strikes, student agitation, and general violence. This might in turn provoke strongly repressive action by the military and finally lead to a new outbreak of civil war, with possible divisions among the military.
- 42. In any case, the government which comes to power on 1 July will probably have nearly as much opposition as backing. It will be confronted with social, economic and political problems so intractable that any significant accomplishment over the next year or two will be extremely difficult. If it fails to move forward at all in these fields, the support it begins with will shrink away and its vulnerability will increase. Thus the outlook for political stability is discouraging.

VII. Post Election Economic Prospects

43. During the remainder of this year the Dominican economy will probably continue to recover from the low point reached in 1965. This recovery is unlikely, however, to bring GNP back as far as the 1964 level. Spending for consumption will almost certainly dominate, and no large-scale private investment from either domestic or foreign sources is likely, pending a viable political solution.

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- 44. The new government's economic focus in 1966 and 1967 will be largely limited to short-run measures to provide immediate benefits to the populace. There will be strong pressure to cut down unemployment and central government spending can be expected to increase considerably. The budget deficit in 1966 is likely to run about \$50 million. Increased demand for goods will probably lead to appreciable price rises. If for political reasons the government should undertake greater expansionist spending policies, price increases would be sharper and pressures on the country's balance-of-payments stronger. There probably will be significant deterioration in the Dominican balance of payments position in 1966 and without improved production and prices for sugar the outlook for 1967 remains dim. A rise in imports and the probable stagnation of exports could cause a 1966 deficit for goods and services in the range of \$75 to \$100 million.
- 45. US program loans and food supplies, combined with loans from the Inter-American Development Bank and other developmental credit assistance, can meet much of the expected shortfall in Dominican finances and materially help with pressing supply problems. The Dominican government may, nevertheless, have to give serious consideration to devaluation as a means of restoring the balance in international payments. But unless this were done as a part of a carefully worked out stabilization program, there is a good chance that a round of price and wage increases would soon vitiate its benefits.
- 46. In short, Dominican economic policies in 1966 and 1967 will be almost entirely aimed at achieving short-term and largely political results. The government will almost certainly take some tentative steps toward agricultural development, improved education, and more efficient operations of the large state-owned sector of the economy. US and other lending agencies are already supporting projects in these lines. Nevertheless, the economy will remain vulnerable to export price fluctuations and it will face for a long time such problems as an inadequate marketing system, a shortage of capital, backward technology in agriculture, a general lack of technical and managerial skills and a grave problem of government management and resource allocation. Reform measures of the type required for sustained economic development will be extremely difficult without a prolonged period of political stability. Political stability, in turn, will be difficult to attain without a better military relationship to the government and a determined effort by civilian leadership to undertake basic social and economic reform.

[Omitted here is a map of the Dominican Republic.]

172. Memorandum Prepared for the 303 Committee¹

Washington, April 30, 1966.

SUBJECT

Dominican Election Operation

REFERENCES

- A. Memorandum to The 303 Committee, dated 20 Dec 65, Subject: "Presidential Election in the Dominican Republic" 2
- B. Memorandum to The 303 Committee, dated 11 Jan 66, Subject: "Contingency Plan for the Dominican Elections" 3

1. Summary

Neither Balaguer nor any of his party leaders knows very much about political organization or the conduct of presidential campaigns. This lack of experience combined with Balaguer's relative lack of success in raising campaign funds from local sources have thus far impeded full exploitation of latent but widespread pro-Balaguer sentiment. There has been a noticeable improvement in the organization and management of Balaguer's campaign [2 lines of source text not declassified]. An evaluation of the progress to date, however, indicates that [less than 1 line of source text not declassified] should be prepared to inject additional funds into the campaign to ensure that Balaguer does not lose momentum at a critical point in the race because of shortage of cash. [5½ lines of source text not declassified] The purposes of this memorandum are (a) to report on [less than 1 line of source text not declassified] operations undertaken to date on Balaguer's behalf, and (b) to obtain 303 Committee authorization for an additional [less than 1 line of source text not declassified] which could be made available to Balaguer through non-attributable channels if he is unsuccessful in raising necessary funds from other sources as will probably be the case or if he obviously needs additional support for specific campaign purposes.

2. Problem

To provide Balaguer with such increased financial assistance as may be needed to enable him to campaign effectively.

¹ Source: Department of State, INR/IL Historical Files, 303 Committee Records, 1966. Secret; Eyes Only.

² The date is incorrect; the correct date is December 30, 1965; see Document 152.

³ Document 157.

3. Factors Bearing on the Problem

a. Origin of the Requirement

During a 25 April meeting among Admiral Raborn, [less than 1 line of source text not declassified] and Under-Secretary Mann and Deputy Assistant Secretary Robert Sayre of the Department of State, the belief was voiced that Balaguer should be given whatever financial assistance is needed to enable him to campaign effectively, and that the [less than 1 line of source text not declassified] previously authorized by the 303 Committee might have to be augmented.⁴

b. Relative Strength of Candidates

[1 paragraph (18 lines of source text) not declassified]

c. Operations Designed to Promote a Favorable Election Climate and to Get Out the Vote

[5½ pages of double-spaced source text not declassified]

5. Recommendation

It is requested that the 303 Committee authorize an additional [less than 1 line of source text not declassified] which could be made available to Balaguer through [less than 1 line of source text not declassified] channels not attributable to the U.S. Government if Balaguer obviously needs additional support to enable him to campaign effectively.

⁴ [text not declassified]

173. Memorandum From the Acting Deputy Director for Coordination of the Bureau of Intelligence and Research, Department of State (McAfee) to the Assistant Secretary of State for Inter-American Affairs (Gordon)¹

Washington, May 9, 1966.

SUBJECT

Minutes of the 303 Committee Meeting May 5, 1966²

The minutes of the meeting of the 303 Committee held on May 9, 1966 contain the following items:

[Omitted here is a 1-sentence paragraph on Cuba.]

"Dominican Republic

- "a. The request for additional monies for the election of Balaguer was approved after it became clear that of the [less than 1 line of source text not declassified] requested only [less than 1 line of source text not declassified] was to be furnished currently; the remainder was to be held on reserve. Use of this reserve would be cleared with the committee.
- "b. Ambassador Johnson had several questions dealing with the funding channels and the sources of private money [1 line of source text not declassified].

¹ Source: Department of State, INR/IL Historical Files, Dominican Republic 1966. Secret; Eyes Only. Drafted on May 9.

² The minutes of this 303 Committee meeting have not been found. In an undated proposed agenda for the May 5 meeting McAfee summarized the proposal cited in Document 172 and its status thus far. McAfee also referred to a May 4 memorandum from Gordon to Ambassador Johnson in which Gordon stated ARA's approval of the proposal in Document 172 and recommended U. Alexis Johnson's support of it. McAfee stated: "INR agrees with the ARA position. We have considered the merits of authorizing only a part of the requested [less than 1 line of source text not declassified] at this time, but do not believe them solid enough to justify modification of the [less than 1 line of source text not declassified] proposal. We have little doubt the whole [less than 1 line of source text not declassified] would ultimately have to be authorized in any event, and we see no real point in depriving [less than 1 line of source text not declassified] of flexibility in this operation." In an undated memorandum for the record prepared by McAfee on May 5, he recounts Denney briefing U. Alexis Johnson on the May 5 303 Committee meeting: "Mr. Denney noted that [less than 1 line of source text not declassified] had already been spent and that continued expenditures increased the likelihood of a leak which would reveal U.S. intervention." McAfee continued, "Mr. Denney noted that we had queried CIA about previous support for Bosch which had apparently been provided at some previous time. Thus Bosch might be aware that we could be similarly engaged with Balaguer. Mr. Denney noted that Bosch's campaign seemed to be gaining momentum and that one such leak might contribute significantly to putting his campaign over." (All in Department of State, INR/IL Historical Files, Dominican Republic 1966)

- "c. Mr. Moyers wondered if the input of funds was sufficiently diverse and not too conspicuous. In regard to the printing of propaganda, he hoped more than one plant was being utilized.
- "d. Mr. Vance felt that whatever funds are necessary to insure the election should be provided.
- "e. Mr. Rostow noted the weak structure on which the Balaguer political scaffolding was based and hoped that Balaguer could be persuaded to shift his philosophy somewhat closer to modern times.
- "f. It was pointed out that regardless of proof, accusations would be made that the U.S. Government was behind Balaguer.
- "g. There was some discussion of having a contingency statement available to ward off accusations. Mr. Moyers concluded that saying nothing was the best defense. It was pointed out that accusations before the election had the damage potential rather than post-election bleats."

174. Memorandum From Deputy Assistant Secretary of Defense for International Security Affairs (Yarmolinsky) to Deputy Secretary of Defense (Vance)¹

I-23, 124/66

Washington, May 9, 1966.

SUBIECT

IAPF Withdrawal

Without consulting Ambassador Bunker or other representatives on the Ad Hoc Committee, Garcia Godoy dispatched a personal emissary to the various Latin American capitals and Washington (arriving on June 14) to urge a "unanimous meeting of the minds" that the IAPF be withdrawn from the Dominican Republic before the installation of a constitutional government. This move was probably taken by Godoy with an eye towards the 1970 election (when he could campaign as the man who got the IAPF out of the Dominican Republic). It would confront the newly-elected President, however, with the choice of requesting the continued presence of the IAPF or automatically foregoing the security it affords and the new government may badly need.

¹ Source: Washington National Records Center, OSD/ADMIN Files: FRC 330 70 A 4443, Dominican Republic, #385. Secret.

To take the initiative away from Godoy, the State Department has circulated for comment a proposed OAS resolution dealing with the withdrawal of the IAPF. The State proposal (Tab A), together with the reaction of the Embassy at Santo Domingo, CINCLANT and the Joint Chiefs, is described below.

State proposes an OAS Resolution that would call for the withdrawal of the IAPF unless the newly-elected government decides by June 15th that the IAPF should stay on. The State proposal assumes that the Dominican military and police will be capable of keeping peace and order. It also assumes that the Dominican military will accept Bosch (unless he begins to govern ineptly or tries to eliminate the military). It notes the possibility, however, that Bosch might try to keep the IAPF for an extended period as an umbrella to protect him while he revamps the Dominican military to his liking and to place him in a better position in dealing with the US on economic assistance.

The *Embassy* argues against the State proposal on the grounds that no Dominican politician could afford the risk of requesting, after the election, that the IAPF stay on. The Embassy believes that both Balaguer and Bosch would want the IAPF to remain for the first few months, and it urges that it is in the US interest to assist the new government, no matter who is elected, to get off to a proper start. The Embassy endorses a formula under which a decision on whether the IAPF stays or goes would be taken by the 10th Meeting of Foreign Ministers, after the election and following consultation among the Ad Hoc Committee, Garcia Godoy and the successful candidate. This formula, the Embassy believes, would give the OAS and the newly-elected President the flexibility they both need.

CINCLANT disagrees with State and Santo Domingo. He proposes a resolution calling for the withdrawal of the IAPF immediately following the elections. CINCLANT would not give the elected President an option to retain the IAPF. He argues that the mission of the IAPF will have been fulfilled with the holding of elections and fears that Bosch, if elected, would retain the IAPF so that he could revamp the Dominican military along leftist lines. Without the IAPF, CINCLANT believes that Bosch would be forced to seek an accommodation with the military. CINCLANT challenges State's assumption re the abilities of the Dominican security forces. CINCLANT considers that the Dominican forces would be adequate up to a point where military-type action might become involved. If the latter should occur, he feels that at least 20% of the Dominican security forces would defect and that we would be confronted with another April 1965. In CINCLANT's judgment, the Dominican security forces cannot be fully trained or equipped before January 1967.

The *Joint Chiefs* favor a variation of the State formula. They propose an early OAS Resolution calling for the withdrawal of the IAPF

to begin at the earliest practicable date following the election. The speed of withdrawal under this proposal would depend upon the degree of stability shown by the new government. The Joint Chiefs share CINCLANT's assessment of the ability (or inability) of the Dominican security forces to maintain peace and order. The Chief's position is at Tab B.²

We agree with the Chief's proposal, but believe it would be improved by adding a statement to the Resolution that the rate of withdrawal would be determined by the OAS (through the Ad Hoc Committee) after discussion with the newly-elected government. This addition would avoid the criticism that the IAPF might be withdrawn precipitately immediately following the elections.

I recommend that you approve the State Department proposal as modified by the JCS and ISA changes noted above.³ Both changes are shown in Tab A.

Adam Yarmolinsky

Tab A

Memorandum From Secretary of State Rusk to President Johnson⁴

SUBJECT

Withdrawal of the Inter-American Peace Force from the Dominican Republic

Recommendation:

"That the United States seek an OAS resolution at the earliest possible date to commence withdrawal of the Inter-American Peace Force (IAPF) from the Dominican Republic at the earliest practicable date following the election of 1 June and that the phasing of the withdrawal will be determined by the OAS (through the Ad Hoc Committee) in consultation with the President-elect."

Discussion:

Communist Risk

From the point of view of the security of the United States the IAPF should remain in the Dominican Republic after a newly elected government is inaugurated only if the Dominican police and military

² Not attached.

³ Approved by Vance on May 11.

⁴ Drafted by Sayre on May 4.

are unable to maintain internal security and prevent a Communist takeover of the government. As a result of the training and equipment we have provided to the Dominican police and military over the last several months, it is the view of the Departments of State and Defense that these forces are now capable of maintaining internal security in the Dominican Republic. We should, however, continue our stepped-up training program and provide such other equipment as may be considered necessary to keep these forces in an adequate state of readiness.

The continued presence of the IAPF in the Dominican Republic provides a lightning rod for extremists and in a sense strengthens their position. It is a continued political liability to the United States.

It is recognized that the extreme left in the Dominican Republic has substantial arms in its possession. It is unlikely that these arms will be collected in the near future, certainly not within the time limit which the Hemisphere in general would consider acceptable for the continuance of the IAPF in the Dominican Republic. We must be prepared to accept the risk that the Communists, at one time or another, will make a further play for power in the Dominican Republic. The best method for dealing with this risk is adequate training and equipping of the Dominican police and military establishment. We could not hope to continue an IAPF in the Dominican Republic indefinitely for the purpose of dealing with this risk.

Balaguer as President

The election of Balaguer as President of the Dominican Republic would provide reasonable assurance of a satisfactory working relationship between the civilian government and the Dominican armed forces. It can also be expected that Balaguer will take appropriate action to avoid infiltration of his government by Communists and Communist sympathizers. The Communists and extreme left can be expected to agitate against a government headed by Balaguer, but such agitation can be handled so long as Balaguer and the armed forces work harmoniously together and the United States provides a reasonable level of assistance to the government. It is expected that Balaguer would request the withdrawal of the IAPF very soon after his election.

Bosch as President

A government headed by Juan Bosch will have difficulty maintaining good relations with the Dominican armed forces and police. But the armed forces leaders have made clear that they will accept the election results. Difficulties between Bosch and the armed forces would arise if he governed as ineptly as he did in 1963, or if he took action which the armed forces interpret as an effort to eliminate them. Bosch has indicated in some of his remarks and through third parties that he

might like to keep the IAPF in the Dominican Republic after his election as a counterpoise to the Dominican military and police.

The possibility exists that we will be asked to remove the IAPF by the newly elected president at a time of his choosing. In the case of Juan Bosch, there may be an equivocal situation in which he would seek to keep the IAPF as a trump card to be used by him against the Dominican armed forces. This contingency could involve the United States and the IAPF continuously in Dominican politics. Moreover, the recent speeches of Bosch on economic matters suggest that there may be considerable difficulty in working out a satisfactory self-help program under Alliance criteria. With our continued commitment in the Dominican Republic through the IAPF, however, we might be forced to provide continuing economic assistance on a basis which we regard as unsatisfactory.

The OAS commitment, and therefore ours, is to help restore a normal situation in the Dominican Republic and to carry the country to elections. By extension, it might also be said that this includes inauguration of the elected president. Thus, if the IAPF remains in the Dominican Republic long enough to assure the installation of a president, we would have fulfilled the objectives we set out to achieve in April 1965.

The decision on withdrawal of the IAPF should be made before the election. If Juan Bosch should win and the decision is delayed until after the election, we will be under pressure from certain elements in the United States to keep the IAPF in the Dominican Republic to assure that Juan Bosch stays in office. If we nevertheless decide at that stage to withdraw the force, we may be charged with leaving Juan Bosch to the mercy of the Dominican military forces.

Dean Rusk⁵

⁵ Printed from a copy that bears this typed signature.

175. Memorandum From the President's Special Assistant (Rostow) to President Johnson¹

Washington, May 10, 1966, 7:45 p.m.

[less than 1 line of source text not declassified] has supplied us with the first partial results of the Dominican Republic poll. It covers a sample of 600 out of the 1,000 planned.²

The sample includes the whole of the DR except the towns of Santiago and Santo Domingo; that is, it covers 60% of the potential voting population.

The comparison with the March poll follows:

	<i>March</i> 1966	<i>May</i> 1966
Balaguer	54.8	46.1
Bosch	19.2	34.8
Bonnelly	3.0	5.2
Other	1.4	_
Undecided	21.6	13.9

To the question: Whom do you expect to win?, the answer was:

Bosch—36.4 Balaguer—31.7 Bonnelly—1.5 Don't know—30.4

[less than 1 line of source text not declassified] comments as follows:

- a. Balaguer should do well in Santiago; but he is weak in Santo Domingo.
 - b. In general, it looks like a horse race.
- c. He is mildly encouraged by the fact that the differences between voter preferences and voter estimate of who will win does not indicate a landslide mentality.

I underlined again that nothing should be spared which will not be counterproductive to get out the rural vote.

Walt

 $^{^1}$ Source: Johnson Library, National Security File, Intelligence File, Dominican Republic Elections—1966. Top Secret; Eyes Only; Sensitive. An "L" on the memorandum indicates the President saw it.

² In a May 11 memorandum to the President, Rostow summarized the "unweighted full" Dominican Republic poll results as follows: "Balaguer 43%, Bosch 37%, Bonnelly 4%, and Undecided 16%." (Ibid.)

176. Circular Telegram From the Department of State to all American Republic Posts¹

Washington, May 11, 1966, 3:13 p.m.

2206. For Ambassador.

- 1. (FYI) Department notes tendency some officials and press in Latin America to assume that Bosch victory in June 1 elections is foregone conclusion. Our reading of Dominican election indicators show that it is very much of horse race. We are concerned over trend to regard Bosch election as assured because if Balaguer wins, there will be many who will mistakenly suspect that elections were rigged and we were somehow involved. There is no basis for suspicion election may be rigged. Dominican Electoral Commission seems impartial and we have detected no reason for serious complaint against it. Election will be conducted under OAS observation as was case in free election of 1962. We also expect substantial number newsmen will be present. U.S. and OAS Ad Hoc Committee have encouraged all these efforts assure Dominicans have chance free election and that results will be respected. (End FYI.)
 - 2. Factors making us believe election very much a horse race are:
- a. We expect an honest election under more extensive observation by OAS than was case in free election of 1962.
- b. Balaguer and Bosch have been campaigning without restrictions and both have conducted high level campaign.
- c. Balaguer touring country with car caravans, as well as using radio and TV, in contrast with Bosch who has chosen to stay at home and rely on radio and TV.
 - d. Balaguer is drawing large responsive crowds in his travels.
- e. Balaguer generally conceded have strong following in countryside and Santiago area where 70% voters reside as opposed to Bosch's lead in capital city area with 30% of electorate. Most of press reporting seems based on testing of political climate in capital city.
 - f. Despite his Trujillo connections, Balaguer has reputation for

honesty, good administration and reform.

- g. Balaguer's name is associated with peace, stability and work and he is plugging these themes at time when many Dominicans are tired of turbulence and are aware of Bosch's role in April revolt.
- 3. (FYI) We think it important for growth democracy in hemisphere that governments and press keep open mind on elections and

¹ Source: National Archives and Records Administration, RG 59, Central Files 1964–66, POL 14 DOM REP. Secret; Immediate; Exdis. Drafted by Sayre and Bowdler, cleared by Bunker and Stewart, and approved by Sayre. Sent to all ARA posts except Santo Domingo for action and repeated to Santo Domingo.

avoid influencing outcome by uninformed comments and speculation. It is difficult for USG play role in process democratic education in Latin America, especially during election, because it runs risk being accused intervening. Nevertheless we believe you should make effort. We recognize this tricky to accomplish. Best tactic would be not to take initiative in raising subject Dominican election but be ready when others bring up subject to point out in low-key fashion mistake in prejudging outcome because of factors listed paragraph 2.

- 4. Request Ambassador select members his staff who, by virtue of contacts on local scene and skill in handling delicate job this nature, should be informed content this message and authorized to carry out quiet missionary work using tactic described paragraph 3. (End FYI.)
 - 5. Report promptly all contacts and their reaction.

Rusk

177. Telegram From the Embassy in the Dominican Republic to the Department of State¹

Santo Domingo, May 25, 1966, 1759Z.

2537. Subj: Election Estimate. Ref: Deptel 1109.²

1. Since Embassy's previous analysis (Embtel 2416),³ three trends have altered complexion election campaign, boosting Balaguer's chances but leaving outcome still not clearly predictable: renewed vigor

³ Telegram 2416 from Santo Domingo, May 8, analyzes the Dominican Republic electoral campaign. The Embassy concluded that there is no information to backup predictions and that the "political, economic, and social ingredients of campaign are intricate web from which one is well-advised to derive patterns cautiously." The Embassy reported that the race "should be considered too close to toss-up, with Bosch probably being right now man to beat." (National Archives and Records Administration, RG 59, Central Files 1964–66, POL 14 DOM REP)

¹ Source: National Archives and Records Administration, RG 59, Central Files 1964–66, POL 14 DOM REP. Secret; Immediate; Limdis. Repeated to Santiago de Los Caballeros and passed to the White House, DOD, CIA, USIA, NSA, and CINCLANT for POLAD. The telegram was re-typed and sent to President Johnson under cover of a May 26 memorandum from Walt Rostow who wrote: "The latest Bunker–Crimmins estimate of the election outlook is attached. They believe that Balaguer's chances have improved during the past three weeks, but they are not confident enough about the gains to predict his victory." (Johnson Library, National Security File, Country File, Dominican Republic, Vol. XV)

² Not found.

and confidence PR campaign; all but formal collapse Bonnelly's MIN everywhere except possibly Cibao, with fragments gravitating to Balaguer without conditions; and failure Bosch neutralize communism issue or cleanse from PRD taint of involvement in swelling campaign violence.

- 2. In late April PR acquired second wind in campaign. Since then, with renewed confidence and reported infusion new funds, Balaguer has waged adept and aggressive campaign, striking Bosch and PRD most successfully on issues of communism and violence. In improving public relations effort, Balaguer has broadcast at different times on two national networks. Since early May has received near maximum exposure through series at least thrice-weekly radio talks, has stepped up campaign tours and is usually received by impressive crowds turned out by local PR organizations. Small parties allied with PR also making intensive use of radio, country's key political medium. Great number PR vehicles working countryside, expensively printed posters and literature, and airborne Balaguer streamers all attest to PR's generous financial sources. Balaguer's personal appearances throughout Republic (in "saturation" style of US candidates) psychologically uplifting to backers and impressive to uncommitted voters. By contrast, Bosch's avoidance of personal contact with public has cost his campaign some zest.
- 3. In past four weeks, Balaguer has fixed and held public attention on alleged PRD control sugar corporation (CAD) and government offices, gaining widespread acceptance of charge that CAD employees subject to political pressures and campaign levies and that at least some Cedula and Civil Registry personnel illegally equipping ineligibles with voting documents. Though PG has not taken any extensive corrective action, effect has been to put PRD on defensive and even to cause some important PRD friends (such as list in diario) to insist that PG take steps to dispel all suspicions of political misuse CAD resources.
- 4. As campaign reaches peak, PR has now pushed communism to forefront of its issues. Attacks of this sort increasingly leveled by battery of Balaguer supporters, including Lora, who has come to forefront as PR's hatchet man, thus freeing Balaguer from some of onus for mudslinging. Communism issue appears still of more concern to most of electorate than Trujillismo, though PRD leaders now hitting frequently and forcefully on Balaguer's Trujillo connections (and Bosch has subtly introduced it in several speeches). Bishops' pastoral letter, intended to proclaim church's election neutrality, provided ammunition for some (including priests according to Bosch) to spread notion that even church considers Bosch unsafe. Subsequent clarification by church leaders has not fully erased misinterpretation.
- 5. PRD campaign since last analysis has continued mount in intensity, and appears well-directed and adequately financed. PRD op-

eratives in interior have stepped up efforts to turn out maximum of Bosch-inclined city voters and counter Balaguer head start in rural areas (while some PR organizers, sensing victory, show signs of complacency). At top of PRD, however, in past three weeks campaign has been less than spectacular. Difficult to judge effect on voter confidence of Bosch's refusal to campaign in person or his statements that he does not want presidency, but it could hardly be encouraging to hardpressed local leaders. Much of his radio time since last analysis spent on PRD program. Though discussion of roads, dams and irrigation projects is needed, subjects inherently lack drama and newsworthiness and allowed public attention to swing to more sensational comments of Balaguer and allies. Moreover, while Balaguer in person making specific promises which are appealing to local audiences and to key sectors (though not necessarily sound economically), Bosch's economic speeches hold out depressing prospect of austerity, sacrifice and hard work on long road to recovery.

- 6. At particularly crucial time, Bosch has lost campaign initiative, particularly on issues of communism, violence and CAD. He may have planned stake recovery of initiative on major gambit of threatened withdrawal, but his move at this point seems to have had low and possibly even adverse political yield. Withdrawal threat has lost edge with excessive use. Growing public suspicion that PRD and sympathizers responsible for much of current campaign violence has undercut credibility of Bosch's protests, weakened PRD stance as meek and persecuted party, and sowed doubt that all of isolated police-military actions against PRD unprovoked. At same time, many Dominicans have latent anti-military stain and Bosch accusations may have touched this nerve at important juncture.
- 7. PR has emerged from it all with strengthened claim to be party of peace and order—but with image as heirs of Trujillo also more firmly fixed in back in heir's minds; adjunct to communism issue, Balaguer has pressed claims that PR stands for order and popular confidence in contrast to climate of chaos and fear that accompanies PRD. PRD members' sacking of MIN offices in Bani and 14th of June attack on PR caravan in La Romana have opportunely underscored Balaguer's claims and sorely embarrassed Bosch at moment he sought to re-establish PRD image as victim of police-military-reformista oppression.
- 8. Bonnelly's faltering campaign now largely restricted to Cibao, but even there it is not vigorous. MIN denials of rumors of deal have retained nominal support of cluster of small parties that launched Bonnelly, though cracks in alliance apparent. PLE has all but announced shift to Balaguer and other MIN leaders striving to get into Balaguer's camp—with conditions if possible, without them if necessary—before what remains of organization moves en masse without them. Discouraged by long wait, some MIN committees have broken up and

others moribund. Though public has tended overrate MIN strength, drift of MIN backers to Balaguer brings his campaign psychological lift and sudden last-minute swing of group of parties behind PR if handled adroitly could help reinforce trend to Balaguer by creating impression among politically imperceptive of massive pro-Balaguer mobilization at critical moment in campaign.

- 9. Last analysis remains valid in concluding that large bloc of silent swing voters may well decide winner. Many of these of course will cast vote not on merits of candidates or issues but in hope of joining winner. Difficult gauge effect recent weeks' campaign interplay on uncommitted bloc who may vote issues. Must be supposed, however, that prospect order and stability remains highly persuasive consideration and Bosch's failure to acquit himself on issues of communism and violence have weakened him, notwithstanding his repudiation of 14th June support. For this reason, we believe Balaguer has gained influence, perhaps transitory, in uncommitted bloc.
- 10. Election machinery has no deficiencies likely to affect results significantly. There is evidence that lagging Cedula issuance could operate against Balaguer—who again asked this week that Cedula requirement be dropped—by reducing rural and female turnout. On other hand, multiplicity of ballots and similarity of colors could result in some voting against PRD and PRSC by mistake.
- 11. Overall impression from this vantage point is that in past three weeks Balaguer has gained momentum that, if retained, could put him over. PRD still campaigning with strength and confidence, but loss of initiative at top level has slowed what showed signs of becoming accelerating bandwagon. With little more than one week remaining, Bosch used what he may have considered a bit trump card without successfully regaining campaign initiative or developing new issue. Result is discernible, even though faint, trend toward Balaguer among visible electorate. PRD is responding with increased expression of confidence and displaying no defeatism that might hasten migration to Balaguer, in fact, Bosch failure to follow hard-hitting line consistently (e.g., his return, after dramatic withdrawal bit, to important but unexciting issues of economic and social reform) is one of current major puzzles of campaign. We are unable decide whether Bosch, on basis his own judgments (which must be afforded healthy respect) has concluded he has little to fear, or whether he is doing little more than going through minimum motions to acquit his responsibilities to party. At same time, it possible he lying Doggo in preparation for final-week burst of activity. In this regard, some Reformista Party leaders uneasily wondering what dramatic last-minute surprise Bosch may have up his sleeve. Leaving aside such speculation, major questions remain whether recent trend toward Balaguer is more apparent than real and whether—assuming importance of appearances—Balaguer will be able

transform it into victory in brief time remaining, where mistake or accidental bad break can heavily damage either side.

- 12. Our earlier generalizations about areas and sectors of Bosch and Balaguer support remain basically valid, but with conditions. Balaguer retains popularity among rural voters, but EmbOffs touring interior find sturdy pockets Bosch rural strength in some provinces. Where PRD organization diligent and effective, indications are Balaguer's earlier rural lead has in places been overcome. Similarly, some probes have revealed areas of Balaguer strength in and around cities, including some poorer neighborhoods of Santo Domingo. Sugar areas still lean toward Bosch, but not monolithically. Among salaried mill workers Bosch has heavy lead; but among cane cutters and colonos Balaguer has significant strength.
- 13. Rundown by area shows Balaguer with perceptible lead in southwestern and extreme eastern provinces. Bosch retains lead in national district and sugar provinces of La Romana and San Pedro de Macoris, though lead could be reduced by strong Balaguer trend in back country. However, in remaining two thirds of country, including populous Cibao, trends at this point hard to establish and prediction would be little more than guess. During recent visits to northwest, Cibao and northeastern provinces, EmbOffs had impression of slight Bosch edge, but Balaguer has drawn extremely well in appearances in those areas and very important silent Campesino vote there defies evaluation. In this last regard, caution advisable in assuming silent vote is usually pro-Balaguer. In areas in which military, police and patron are dominant influence, Bosch backers are inclined to keep their peace.
- 14. Taking into account all above factors and admittedly unscientific soundings by Embassy, at this point in campaign we now conclude very hesitantly that Balaguer has become the man to beat, principally because he has apparently gained the initiative, a matter of great importance with respect to influencing the large and decisive uncommitted bloc of voters. Events between now and June 1 may well change picture. As we have seen breaks of the race and invigorated Reformista campaign have closed gap. But as tight, hard fought race heads toward finish, inherent organizational superiority of PRD and Bosch's undeniable color and charisma are still advantages that Balaguer has yet to prove he has fully overcome.
- 15. Emb requests most strongly and earnestly that contents this telegram be closely held and above all be kept from press.
 - 16. Ambassador Bunker concurs.

Crimmins

178. Editorial Note

The results of the June 1, 1966, presidential elections in the Dominican Republic were reported to President Johnson in a June 3 memorandum from Rostow who wrote that an "impressive" number of voters, approximately 1.4 million from an estimated 1.7 million, went to the polls. Rostow summarized that Balaguer had captured 57.09 percent of the vote; Bosch 39.17 percent and Bonnelly 3.4 percent. (Johnson Library, National Security File, Country File, Dominican Republic, Vol. XVI)

179. Memorandum From the Assistant Secretary of State for Economic Affairs (Solomon) to President Johnson¹

Washington, June 17, 1966.

SUBJECT

Dominican Republic

You asked me for my personal evaluation of:

- (1) past and recent events in the Dominican Republic as compared to our national interest objectives and
 - (2) where we go from here.

¹ Source: Johnson Library, National Security File, Country File, Dominican Republic, Vol. XVI. Confidential. This memorandum responds to a June 14 memorandum to Bell and Gordon in which Rostow wrote "The President wants a concise and lucid description of: 1. Where we stand in our economic talks with Balaguer. 2. What we are proposing to him by way of an economic recovery program, including self help and external assistance. 3. The resources that we have earmarked for assistance to the new government in the coming fiscal year." The President wants to ensure adequate assistance allocations for the Dominican Republic and a "strong self-help line with Balaguer, but does not want to see the political and economic consolidation of the Balaguer government stall for lack of necessary U.S. support." Rostow asked that a response be prepared in time for Bunker's meeting with the President on June 16. (National Archives and Records Administration, RG 59, ARA Files: Lot 68 D 93, Dominican Republic) On June 16 Bowdler, Rostow, Bunker, and President Johnson met at the White House from 5:50 to 6:32 p.m. to discuss the electoral outcome in the Dominican Republic. (Johnson Library, President's Daily Diary) No other record of this meeting has been found.

I.

What We Have Done

Since April 1965 we have pursued four central objectives in United States policy toward the Dominican Republic.

First Objective. With the outbreak and spread of violence in Santo Domingo in April, 1965, the United States acted to protect the lives of U.S. citizens and to evacuate those wishing to depart. The U.S. also gave protection to and evacuated the nationals of other countries.

Evaluation. Some 6,500 men, women and children from 46 different countries were evacuated without loss of life.

Second Objective. With the complete breakdown of all governmental authority, including the rebel Molina Urena regime, and the filling of the power vacuum by extremists dominated by trained Communists, the U.S. acted to prevent the takeover of the Dominican Republic by these extremist groups. In accomplishing this objective it was the policy of the U.S. first, to preserve the opportunity for the OAS to function and, second, to work within the framework of the OAS to permit the Dominican people to exercise self-determination.

Evaluation. The OAS, through collective action approved by the Tenth Meeting of Foreign Ministers, established the first Inter-American Peace Force (approved May 6 and organized May 23) and established, on June 2, the "Ad Hoc Committee for the Restoration of Democratic Order in the Dominican Republic".

The U.S. forces, and subsequently the IAPF forces, stopped the increasing chaos and bloodshed, primarily by separating contending forces with the "Line of Communication". This action and the work of the Ad Hoc Committee in helping the Dominicans to establish a provisional government frustrated the efforts of the Communists to seize control of the Dominican Republic by force. (At the same time this objective was being accomplished, the U.S. and the OAS did not permit control of the Dominican Republic to fall into the hands of the military or rightist groups.)

Third Objective. With the re-establishment of relative stability under Provisional Government, the U.S., within the OAS framework, worked to help bring about free and fair elections through which the will of the Dominican people could be expressed.

Evaluation. On June 1 elections were held and judged by competent OAS and private observers to be free and fair. Results now available show Joaquin Balaguer receiving 57.07% and Juan Bosch 39.17% of the vote. (Bonnelly received 3.41%.)

U.S. intelligence indicated in March 1965 and in the months prior to the June 1966 election that Joaquin Balaguer was overwhelmingly the choice of the Dominican people for President. This intelligence plus the decisive results of the election are conclusive evidence that the

timely action of the United States permitted rather than frustrated democratic expression of the will of the Dominican people.

Fourth Objective. Beginning in the second week of the revolt, the U.S. had as a corollary objective keeping the Dominican economy afloat and preventing widespread hunger and hardship.

Evaluation. The small sector of Santo Domingo under rebel control represented the financial and commercial heart of the Dominican Republic and included the banks, major governmental offices, and important private commercial institutions. While the revolt caused an economic suspension in the Dominican Republic, the U.S., by helping to organize and finance basic civic services and by enabling the banks to open branches outside the rebel area, prevented the suspension from drifting into economic collapse. Outside of the capital city, there was a minimum disruption of economic patterns.

Hunger and extreme hardship were avoided by a large scale feeding and relief program organized by the U.S. within days after the revolt. By utilizing U.S. forces on the Line of Communication as one of the means to distribute food, the U.S. not only increased the rapidity of distribution but also dissipated much of the hostility toward the presence of U.S. troops.

During the 13-month period between the revolt and the elections the U.S. distributed directly and through voluntary agencies over \$16 million in food (final figures are not available). In other assistance, the U.S. obligated over \$118 million (excluding U.S. military expenditures) mostly used to keep the economy and the government sector afloat. About \$57 million of this was nominally administered through the OAS.

П

Where We Go From Here

You already have memoranda from Lincoln Gordon² and Ellsworth Bunker³ which deal with the probable size of the aid program

² In this June 16 memorandum Gordon and Gaud summarized the economic discussions begun on June 7 among Bunker, Crimmins, and President Balaguer in Santo Domingo. They informed Balaguer that a total assistance package of \$70 million for FY 1966 and 1967 had been authorized, and an additional \$10 to \$25 million in supporting assistance may be required from the Contingency Fund in FY–1967. (National Archives and Records Administration, RG 59, ARA Files: Lot 68 D 93, Dominican Republic)

³ In this June 16 memorandum entitled "Need for Continuing Supporting Assistance in the Dominican Republic," Bunker seconded the recommendation of Gordon and Gaud in their June 16 memorandum for more supporting assistance (see footnote 2 above). Bunker also supported a devaluation of the Dominican peso, but warned that such a measure would take coaxing on the part of the Dominicans because they are "generally afraid of devaluation." (National Archives and Records Administration, RG 59, ARA Files: Lot 68 D 93, Dominican Republic)

needed for next year and with the difficult question of the timing of a devaluation of the Dominican peso. Not having the operational responsibilities of Link and Ellsworth, I should like to offer some views from a different perspective without giving detailed action recommendations.

Internal Security. Central to the question of political stability in the Dominican Republic is the capability of the Dominican police and military to maintain security once the Inter-American Peace Force is withdrawn (presumably within 90 days of the July 1 inauguration). While the decisive election of Balaguer has taken some of the steam out of the extreme left, the Communists, after their baptism of fire, are better organized for violence (as opposed to political action) than ever before. They and the "tigres" still have large quantities of arms obtained during the revolt.

It is therefore a first order of business to assure that the Dominican security forces are properly equipped, trained and led. As our military forces are being withdrawn, consideration might be given to quietly leaving behind certain equipment, especially soft goods and riot control matériel, which we might find politically difficult to supply to the Dominicans at a later date.⁴

Secondly, the Dominican Military must be modernized, professionalized and taken out of politics. The integrity of the military must not be undermined but at the same time, and important to its capability to maintain security, the military must improve its image in the eyes of the Dominican people who aspire to a reduction in both its size and role. It should be dissuaded from seeking vengeance against Bosch's PRD and other antagonists and it should be oriented away from politics and "golpista" tendencies. Over a period of time, the armed forces should be substantially reduced in number, consequently reducing the tremendous drain it represents in the Government budget.⁵

"Sense of Progress." It is important to the maintenance of stability for the Dominican people to have a "sense of progress". They must feel that there is a year to year improvement in their economic life and believe that their children's lives will be better than their own. Given the best of circumstances, only relatively meager gains in the Dominican living standard can be achieved in the next few years. Therefore, this psychological "sense of progress" can only be achieved in ways that are in addition to important but long-run economic development objectives. (The long-run objectives which can be realistically achieved in the Dominican Republic are mainly self-sufficiency in food; export

⁴ The President wrote: "Pursue *good*" next to this paragraph.

⁵ The President wrote "I agree" next to this paragraph.

competitiveness in cash crops such as sugar, fresh vegetables and produce; food processing for consumption and export; and tourism.)

Even Balaguer's economic orthodoxy probably will not overcome the apprehensions of Dominican and foreign investors to the point where private sector investment will provide the immediate economic push needed. Therefore a sense of progress will depend largely on government attitudes and projects.

As a first step, Balaguer should organize his government to reflect the urgency of the economic job to be done. He should name an economic "czar", responsible only to him and with ample powers to overcome political and bureaucratic obstacles. Julian Perez, the head of Balaguer's Economic Commission, may be the right man.

As in Mexico, rapid land distribution could be a major element in creating a sense of progress. Large properties held over from the Trujillo days are available and their distribution, with clear titles, should be begun. Some of the past Mexican mistakes should be avoided such as communal ownership, distribution of non-viable parcels and failure to provide for the other elements such as credit, roads, etc., which make agrarian reform meaningful.⁶

The AID Mission should not be over expanded with "technical assistance" employees. We should operate to a larger extent through contracts with action-oriented organizations on highly visible regional projects. For immediate action we have the Yuma Valley project and in the longer run, there are the World Bank's regional projects for the Yaqui Valley.

Special emphasis should be given to the use of our resources in technical and vocational education so that Dominicans now filling menial jobs can feel that their children will be able to move a notch higher in the economic and social scale.

Finally, in creating a sense of progress it is essential to avoid creating unreasonable expectations, which if frustrated, could contribute to another round of violence.

Tony

 $^{^6\,\}mathrm{Next}$ to this paragraph the President wrote: "Take up with Bunker and Crimmins. L."

180. Information Memorandum From the President's Special Assistant (Rostow) to President Johnson¹

Washington, July 11, 1966.

SUBJECT

Balaguer's First Appointments

Director Hoover has furnished security reports on 35 of Balaguer's first appointments.² These cover the Cabinet and sub-Cabinet, the Supreme Court and some of the key independent agencies such as State Properties, Industrial Development, Immigration, Communications and Airport Administration.

Security-wise the Cabinet looks good. The report on Minister of Interior and Police Ramon Castillo contains references to past pro-Castro sympathies. He is a rather erratic fellow who is now well right of center and working closely with our Embassy in Santo Domingo.

Balaguer made a clean sweep of the Supreme Court. You will recall that under Garcia Godoy some highly undesirable elements got into the judiciary. The FBI has no derogatory information on the new group. The Attorney General is also given a clean bill. We can expect the new Supreme Court to clean house further down the ranks of the judiciary.

The heads of independent agencies, with one exception, present no problems. The Director General of State Properties is said by one source to have been a member of the Communist Party. The charge does not seem to be supported by other sources. Both Garcia Godoy and Balaguer regard him as honest, trustworthy and a capable administrator.

From a security standpoint, the appointments represent quite an improvement from Garcia Godoy's choices ten months ago which had us so worried.

Walt³

¹ Source: Johnson Library, National Security File, Country File, Dominican Republic, Vol. XVI. Secret. Copies were sent to Marvin Watson and Bill Moyers.

² Not further identified.

³ Below Rostow's signature the President wrote: "Good—Thank & compliment Hoover and Bunker."

181. Memorandum From the Acting Chairman of the Board of National Estimates (Smith) to Director of Central Intelligence Helms¹

Washington, August 24, 1966.

SUBJECT

Dominican Republic: Can Balaguer Bell the Cat?

Balaguer is facing a particularly difficult dilemma. He feels the need to bring his military more under control; he would like to do this before the departure of the Inter-American Peace Force (IAPF), now scheduled for late September; but to do it so quickly risks a violent reaction by the military. One possible way out would be to ask the IAPF to stay longer, though this too would have some political cost.

- 1. In our last estimate on the Dominican Republic,² we noted the likelihood of further tension and disorder, and pointed out that the IAPF had become the primary stabilizing factor in the country. We also discussed the necessity, and at the same time the delicacy, of reshaping the Dominican military establishment, and we warned that if the new president moved clumsily in this, he might provoke the very military intervention he was trying to rule out.
- 2. The Balaguer administration, after a brief honeymoon period, is now faced with increasing suspicion, opposition and intrigue. Some elements on the extreme left have resumed acts of violence; some on the extreme right are plotting once again. One aspect of Balaguer's response has been the preparation of a draft law to curtail political party activity; this is antagonizing part of the moderate opposition as well. His own Reformist Party is not so well-organized or united that it provides him with a really solid base, and a number of its members are disenchanted because Balaguer has given them less patronage and more austerity than they expected.
- 3. But it is Balaguer's relationship to the military³ that poses the most serious short-run problem. He has appointed as his own military

 $^{^{\}rm 1}$ Source: Johnson Library, National Security File, Country File, Dominican Republic, Vol. XVI. Secret.

² NIE 86.2–66, "Prospects for Stability in the Dominican Republic," published on 28 April 1966. [Footnote in the source text. Printed as Document 171.]

³ This is a big establishment in a small country. Total number of military personnel is nearly 19,000. In addition, there is the National Police with about 8,500. Though not the throw-back, guerrilla outfit it was in Trujillo's time, the Dominican military is still essentially a conservative force and tends to align itself with the civilian elite. [Footnote in the source text.]

aide an ambitious officer who is generally considered a Trujilloist and is regarded with suspicion by the defense minister and the service chiefs, who have made their views known to Balaguer. Balaguer has replaced the chief of police with a trusted associate—but a man who seems heavier handed and lighter headed than his predecessor. He has ordered—though not yet implemented—the transfer of two key military units to what seem to be more reliable commands.

- 4. Balaguer has told the US Ambassador that he is determined to proceed with a reduction and thorough reorganization of the Dominican military. Although he realizes that this involves some risk, he may be underestimating how much. He has emphasized his belief that certain specific changes must be accomplished and that the broad outline of the whole plan must be established while he still has the backing of the IAPF. (IAPF strength is now down to about 5,000, and the last units are scheduled to leave in the latter part of September.) He has been giving some thought to the pros and cons of requesting an extension of the IAPF presence.
- 5. Many Dominican military figures are probably willing to cooperate with Balaguer in his reorganization efforts. Others in the military are bound to become restive as they see plans developed to cut back not only their numbers, but also their privileges and prerogatives. Officers already involved in conspiring with civilian rightists are likely to do more of it. Any upsurge in terrorism on the part of the extreme left or any improvement in the political fortunes of the moderate left, would probably cause more of the military to involve themselves in coup plotting.
- 6. Since its inception, the IAPF has been an effective deterrent to insurgency from the left and to a coup from the right. The likelihood of these contingencies will in any case become greater when the last elements of the IAPF depart. And if, before the presently scheduled departure date in late September, Balaguer presses ahead to accomplish several of his military reform measures—and to advertise the rest—the chances of a military coup would be sharply increased.

For the Board of National Estimates:

Abbot Smith

182. Intelligence Memorandum¹

No. 1597/66

Washington, August 29, 1966.

THE DOMINICAN REPUBLIC AFTER THE DEPARTURE OF THE IAPF

Summary

The withdrawal of the Inter-American Peace Force (IAPF) in late September will remove the primary element that has ensured Dominican stability during the past 16 months. Although there is presently no evidence that the IAPF's departure in itself will serve as the immediate trigger for a coup or insurgency, the chances for a confrontation between Balaguer and dissatisfied elements are likely to increase appreciably over the ensuing months.

Balaguer has not developed a political base strong enough to withstand severe reactions to his reforms, particularly those affecting rightwing military elements. He will have to balance carefully the opposing political forces if he is to implement his program without the backing of something like the IAPF. If the President succeeds in implementing those reforms through which he seeks to curb the power of right-wing military elements prior to the IAPF's departure—and then can make them stick—his chances for retaining power will be improved. It is by no means certain, however, that he can successfully negotiate this Dominican tightrope.

[Omitted here is the discussion section of the memorandum.]

¹ Source: Johnson Library, National Security File, Country File, Dominican Republic, Vol. XVI. Secret; No Foreign Dissem. Prepared in the Office of Current Intelligence of the CIA and coordinated with the Office of National Estimates.

183. Memorandum From the Representative to the Organization of American States (Bunker) to President Johnson¹

Washington, September 9, 1966.

SUBJECT

Present Situation in the Dominican Republic

- 1. During the period September 6–8, I had an opportunity to review the situation in the Dominican Republic with President Balaguer, ex-President Garcia Godoy and Professor Bosch as well as with Ambassador Crimmins, the United States MAAG and AID officials, Generals Braga and Linvill of the IAPF, and Dominican civilians.
- 2. I have come away with the impression that despite a situation which presented many difficulties of a political, economic and social nature, the new administration of President Balaguer has made commendable progress. Political compromises, not always desirable, had to be made in an effort to overcome and heal old hatreds and bring into the Government as wide a spectrum as possible. Strenuous efforts had to be made to set in motion a stagnant economy. While austerity measures had to be applied to the economic situation, at the same time account had to be taken of the dangerous and explosive situation arising from widespread unemployment, and measures to increase job opportunities had to be planned and implemented. The loyalty and cooperation of the Armed Forces, historically a question mark in the Dominican political situation, had to be secured.
- 3. I believe the new Administration has made considerable progress in working toward the solution of these difficult and complex problems. Despite a few initial missteps and an early tendency on the part of the Reformista congressional majority to ride roughshod over the opposition, President Balaguer has made serious efforts to obtain the cooperation of Professor Bosch and the PRD. Professor Bosch for his part has expressed his personal friendliness for President Balaguer and has endeavored to carry out his role and that of his party as a constructive opposition. I mentioned to both President Balaguer and Professor Bosch that it seemed to me essential, if the country were to pull through the difficult situation it faced, that both the leaders and their

¹ Source: Johnson Library, National Security File, Country File, Dominican Republic, Vol. XVI. Confidential. Transmitted under a September 9 covering memorandum from Rostow who informed the President that Bunker returned to Washington from Santo Domingo the evening of September 8, and that he planned to meet with Fulbright the following week to discuss his trip. President Johnson wrote a note at the bottom of Rostow's memorandum requesting that Rostow report to him after Bunker's meeting with Fulbright.

parties should endeavor to cooperate and work together. Both expressed themselves as being in full agreement.

- 4. On the economic side President Balaguer is holding weekly meetings with Ambassador Crimmins, top members of our AID staff and Dominican officials concerned with economic problems. Both President Balaguer and Ambassador Crimmins stated that they felt very satisfactory progress was being made in implementing the AID programs. The Government is also beginning to grapple with the difficult problem of reorganization of the Sugar Corporation. Dr. Balaguer wished me to express to you his very deep appreciation for the allocation to the Dominican Republic of additional sugar quota and for the support and assistance he had received. While other problems have been encountered, as, for example, the present depressed tobacco market and some additional unemployment brought about by austerity measures, on the part of the business community there appears to be increasing confidence in the ability of the Government to survive the present difficulties.
- 5. In response to my question about the attitude of the Armed Forces, President Balaguer replied that he considered that his relations with the Minister of the Armed Forces, the Chiefs of Staff and other leaders were excellent, that he held weekly luncheon meetings with them, that they accepted the fact that the military establishment was in need of reorganization, including a reduction in numbers. He has already taken steps to reduce its size by attrition and begun to dismantle the power base of a troublesome group at the San Isidro air base near Santo Domingo. He said that in some elements, particularly in the Air Force, changes would have to be made but that in general he was well satisfied that a proper relationship existed between the Government and the Armed Forces. He also expressed himself as pleased by the plans for reorganization submitted by the MAAG and proposed to go ahead with them although they would have to be put into effect gradually.
- 6. I reminded the President that as of September 1 there were 2700 troops of the IAPF in the Dominican Republic and that according to the present schedule the last contingent would leave on September 20. The President replied that this schedule was entirely satisfactory to him but then inquired whether it would be possible to retain, for psychological purposes, a small group until the end of September or perhaps even for a week or two in October without any formal request from him. I replied that while this might be possible any substantial extension would require a new resolution by the OAS following a formal request from him. Dr. Balaguer stated categorically that he did not wish to make such a request and my own view is that little is to be gained by an extension of the kind he has suggested; and that on the other hand perhaps a good deal of criticism of the OAS, the IAPF, and es-

pecially the U.S. might result. Both General Braga and General Linvill feel that an extension such as suggested by Dr. Balaguer would be unwise.

- 7. Dr. Garcia Godoy expressed considerable optimism over the results of the Government's efforts during the first two months in office. In spite of some initial errors he felt that Dr. Balaguer was gaining experience and confidence and that there was a widespread feeling in the country that this administration must be kept in power for its full four year term. Dr. Garcia Godoy, who expects to arrive in Washington September 18 as the Dominican Ambassador, has been performing a very useful role in an advisory capacity to both President Balaguer and Professor Bosch and as intermediary with them.
- 8. The one exception to the generally favorable view which I received was that of Professor Bosch. While he reiterated his determination to work with President Balaguer, for whom he expressed personal friendship, he said that plotting was continuing and that the only way to put an end to it was to "dismantle the terrorist apparatus" led mainly by extreme right-wing civilians. He added that General Imbert was always the center of these plots but that if the eight or ten leaders were given overseas diplomatic assignments the backbone of the plotting would be broken and Imbert would quiet down. Professor Bosch said that he felt his own presence in the Dominican Republic was vital since he was in a position to exercise restraint on the masses. He expressed great concern over the economic and social problems that beset the country and felt that President Balaguer should exercise care in applying his austerity program not to aggravate further the unemployment problem. He estimated that there were between 80 or 90 thousand unemployed in Santo Domingo alone.
- 9. With the exception of Professor Bosch, I could find no one who felt that there were signs of any widespread plotting or any likelihood that efforts would be made to overthrow the government. While some irreconcilable elements of the extreme Left and Right stand ready to oppose President Balaguer, these have no significant popular following. While they still possess a significant quantity of arms, considerable progress has been made in collecting heavy weapons and President Balaguer is of the opinion that considerably more progress will be made in this respect. I believe that the Dominican military is loyal to Balaguer and is capable of putting down any uprising that might be foreseeable in present circumstances. The major opposition parties, Bosch's PRD and the Social Christian PRSC, in assuming the role of constructive opposition give the government their support. I came away, therefore, with a feeling that very considerable progress had been made, that the country was calmer than I had ever seen it and that President Balaguer was acting with determination and a good deal of courage in tackling the many difficult problems with which he is faced.

10. In Senator Fulbright's absence this week from Washington I talked with his Executive Assistant, Mr. Williams, before leaving for Santo Domingo about reports the Senator had received regarding a plot to overthrow President Balaguer. I informed Mr. Williams that while rumors were always circulating in the Dominican Republic, I knew of no serious or significant plotting against the Government; that I expected to investigate these reports when I was in Santo Domingo; and that I should be glad to inform Senator Fulbright of my views when he returned next week to Washington. Mr. Williams expressed his appreciation and undertook to inform Senator Fulbright.

Ellsworth Bunker

184. Special National Intelligence Estimate¹

SNIE 86.2-2-66

Washington, September 19, 1966.

PROSPECTS FOR STABILITY IN THE DOMINICAN REPUBLIC

The Problem

To estimate prospects for stability over the next six months or so with particular attention to the effect of the withdrawal of the Inter-American Peace Force (IAPF).

The Estimate

1. The Dominican Republic lacks many of the basic ingredients for stability. It has had scarcely any experience in achieving political compromise through representative institutions. The military—or major groups within it—have long acted as the arbiters of Dominican politics and have not hesitated to intervene when they thought necessary. The 1965 revolution and its aftermath produced sharp new animosities among politically active elements of the population—animosities which cannot be readily overcome. The scope of economic and social problems is such that, at best, progress can come only slowly.²

¹ Source: Johnson Library, National Security File, Country File, Dominican Republic, Vol. XVI. Secret. Prepared in the CIA and concurred in by the United States Intelligence Board.

² These basic considerations are treated in some detail in NIE 86.2–66, "Prospects for Stability in the Dominican Republic," dated 28 April 1966. [Footnote in the source text. Printed as Document 171.]

- 2. The Balaguer Administration, in office for less than three months, is only beginning to come to grips with the most serious of its problems. The mandate he received in the June elections—some 57 percent of the vote—helped create a honeymoon period for his Administration, and he moved quickly to establish a strong degree of control over the bureaucracy and to dominate the Congress. However, a large proportion of his Reformist party's adherents are in the rural areas and are politically inactive most of the time; partly for this reason he has been unable to establish a solid, well-organized political base, especially in Santo Domingo. A number of members of his party have become disenchanted because he has not provided patronage on the scale they expected.
- 3. Though Balaguer has appointed some members of other parties to cabinet and other administrative posts, this has not attracted much additional political support or otherwise added to the strength of his position. Even by Dominican standards, the calibre of cabinet personnel seems mediocre; Balaguer himself has little confidence in the competence of certain of the ministers and delegates little authority to them. In some cases he has chosen men for key posts chiefly because he felt sure of their loyalty. This appears to be the case for his chief of police and his military aide. The former's heavy-handedness in dealing with demonstrations or agitation carries the risk of estranging Balaguer from the moderate left. His military aide is persona non grata with the military chiefs who have long distrusted him and fear he is undercutting them.
- 4. The Administration has undertaken a few positive economic actions, some popular, some not. It has slightly reduced prices of some foods, it has reduced salaries of higher paid government officials (including military officers), and it has laid off a few government employees. On the other hand, it has not put through any major new tax measures and, though there is a sizable amount of aid money available, has made only limited progress in its emergency investment program. Such projects as are underway have had only marginal impact on the severe unemployment problem, and the government plans in the near future to fire a fairly large number of sugar workers so as to help reduce the exorbitant costs of the government-run sugar establishment.
- 5. Among Balaguer's strengths are his centrist political position, his staunch anticommunism, and his reputation for integrity. Another major asset is the general recognition that he has strong US support—as indicated by the \$40 million US aid program for emergency investment and the recent increase in the US quota for sugar from the Dominican Republic. And perhaps the chief factor in his favor is that there is at present no viable alternative.

- 6. The various political opponents of the Balaguer government have so far acted with relative restraint. Elements of the extreme left and extreme right have perpetrated occasional incidents of terrorism and violence, but this has not been on a major scale. Juan Bosch and his left-of-center Dominican Revolutionary party have not gone so far as to cooperate with Balaguer but have shown a measure of responsibility in their opposition.
- 7. The most important factor affecting the government's stability will be Balaguer's relationship with the military. Balaguer has calculated that his own hold on power cannot become firm unless and until he can establish his government's authority over the military. To this end, he has made plans for ambitious military reforms aimed at consolidating his control and curbing the power of certain rightwing officers. No Dominican leader since Trujillo has been able to impose his will on the military; those who have taken even tentative steps to do so, as did Reid in early 1965, soon find themselves on delicate ground.
- 8. Balaguer realizes that this is a risky business—as shown by his desire to have key reforms accomplished before the departure of the IAPF. Resentment of the activities of Balaguer's military aide and suspicion that the President may eventually replace a number of top officers have contributed to some discontent in the military. A few officers of the far right and civilians of similar view are taking soundings concerning Balaguer's military support, but they do not now seem to have the strength for a successful coup.
- 9. Balaguer's orders issued in late August, which would break up the fourth brigade formerly commanded by General Wessin y Wessin and which would shift air force ground combat troops to the army, have been only partially implemented. One danger point in the near future may come in connection with dispersing the armored battalion of the fourth brigade to different commands; the military are well aware that this would be the most potent single organization for, or against, a coup effort.
- 10. Many of the Dominican military, perhaps a majority, are sympathetic to Balaguer's reform plans. But a growing number of officers are likely to become restive as they see the government moving to cut back not only their numbers and prerogatives, but also their power. In making new appointments of military officers he trusts, Balaguer will inevitably earn the enmity of those he replaces; this will be particularly so if he turns to certain Trujilloist officers with whom he has associated in the past but who are now regarded with disfavor by most of the younger military men.
- 11. The departure of the IAPF will remove what has served as a primary deterrent to a coup in which the military would be the decisive element. However, the coup danger may not be immediate; it will

depend on how dangerous to the country or to their own interests the military consider Balaguer's actions to be, and to some extent on their ability to find civilian allies. During the period of this estimate, we think that the chief risk of a coup would occur if the military came to feel that Balaguer was pushing military changes too far or too fast. There will probably be some increase in terrorist activities by rightist elements, but in themselves these are unlikely to threaten the stability of the regime.

- 12. The withdrawal of the IAPF will probably also be followed by an increase, though perhaps not a major one, in the terrorist activities of the extreme left. The 14th of June Movement is likely to play the lead role, and some members of the orthodox Communist party will almost certainly be involved. The pro-Chinese Dominican Popular Movement, militant on a number of past occasions, is so badly split that its effectiveness will be limited for some time. The combined assets of these three extreme leftist organizations are not large; the Dominican military will be able to contain and probably eliminate any guerrilla actions they may attempt in the countryside, because the peasants will not give the leftists much support. These groups do have the capability, however, to undertake violent and disruptive operations in Santo Domingo; unless they obtain support from the non-Communist left, they do not pose a serious threat to the government. There is a danger that the police or military, by over-reacting to agitation or demonstrations which they presume to be Communist directed, may create martyrs and drive some erstwhile moderate leftists into common cause with the extremists.
- 13. Faced with these manifold problems, Balaguer will not achieve a strong or stable position during the period of this estimate. Moreover, it is unlikely that he can accomplish enough in the way of economic improvement to make any net gain in his political support. On the contrary, some of the economic measures he finds it necessary to take for budgetary or balance of payments purposes are likely to contribute to a gradual erosion of his support. We think, however, the chances are somewhat better than even that he will survive in office for the six month period of this estimate.

185. Memorandum From the Representative to the Organization of American States (Bunker) to President Johnson¹

Washington, October 28, 1966.

SUBJECT

Present Situation in the Dominican Republic

- 1. Together with my colleagues of the Ad Hoc Committee I called on President Balaguer October 25. The Committee wished to ascertain President Balaguer's views regarding the continuation in being of the Tenth Meeting of Foreign Ministers. I pointed out to the President that, if the 10th MFM were to continue in being, the Ad Hoc Committee could also continue in existence and should any situation arise requiring action by the OAS, the Committee would be able to respond immediately without the time consuming steps involved in convoking another Meeting and establishing new machinery. Dr. Balaguer replied that his preference very definitely was to have the 10th MFM and the Ad Hoc Committee continue in being. He expressed confidence that continuation of the Meeting would raise no public opinion problem within the country. I concur in Dr. Balaguer's views regarding the desirability of continuing the Tenth Meeting of Foreign Ministers.
- 2. I referred to Professor Bosch's recent allegations of continued terrorism and his complaint that political activity was not possible, that the government was not paying attention to public opinion, and that PRD sponsored bills had not been approved by the Legislature. I added that his present more critical attitude, his decision to retire as head of the Party and his announced departure in early November for Spain contrasted with his avowed intention when I saw him in September² to cooperate with the government.
- 3. Regarding allegations of terrorism, Dr. Balaguer replied that Bosch had spoken only in generalities and he had asked him publicly to what specific actions he had reference. He remarked that Bosch

¹ Source: Johnson Library, National Security File, Country File, Dominican Republic, Vol. XVII. Confidential. Transmitted under a November 9 covering memorandum from Rostow who wrote: "Ellsworth Bunker went to the Dominican Republic the week before last with his two OAS colleagues (Brazilian Ambassador Ilmar Penna Marinho and El Salvador Ambassador Ramon de Clairmont Duenas) to talk to Balaguer. On Bunker's return he did the attached report for you, describing his findings. He thinks that on balance the favorable new developments of the Balaguer administration outweigh the unfavorable ones and the prospects for stability are still good. Other recent reports have been less sanguine; but Ellsworth's judgment has been pretty good over the months."

² See Document 183.

seems to be tired and dispirited, apparently unhappy and irritated by the situation within the PRD, with the Party divided and various factions fighting each other. The President added that, although there are responsible men in the PRD, there does not appear to be any one person likely to replace Bosch able to weld the groups together and maintain Party unity.

- 4. President Balaguer referred to the desirability of completing arrangements as soon as possible for the training of the frogmen in the U.S., a commitment which we had made as early as last January. I informed him that I expected plans to be completed by the end of the present week and that arrangements could be made for their departure promptly. The President expressed the view that departure of the frogmen would remove the remaining source of possible serious friction. He expects no further problem in completing the reintegration of the remaining Constitutionalist forces.
- 5. The President expressed the view that although the state of the economy represents the biggest problem facing the government the situation has improved. Current expenses are being met out of income and salaries of all employees of the government and government owned enterprises are being paid on time. Special U.S. budget support assistance has not been needed since July. Referring to the Sugar Corporation, he mentioned that the \$12 million loan under negotiation with private banks would cover the \$6 million current deficit and provide funds for the coming crop. The main problems are to reduce production costs and provide employment for the nearly 5,000 employees whom it was necessary to lay off. He assured me that plans for the use of the \$40 million U.S. assistance loan are proceeding well with nearly \$9 million committed and \$17 million more about to be committed.
- 6. The situation in the Dominican Republic presents some favorable developments, others less so. Among the less favorable developments are:
- a) Some psychological letdown from the general feeling of enthusiasm and optimism which prevailed at the inauguration of the new government.
- b) The apprehension that I had earlier expressed that Dr. Balaguer might try to go too far too fast in his austerity program I think may have been borne out. Labor opposition is beginning to develop, and there seems to be a growing feeling of pessimism among the part of the business community most affected by the austerity program, particularly importers. There is a situation for potential trouble between the contending stevedore unions, a problem which had presumably been settled by the Provisional Government. It remains to be seen whether the President's handling of the situation will be successful.

- c) At least a partial breakdown of cooperation between the two major Parties and their leaders Balaguer and Bosch.
- d) The lack of any real Party organization in either of the two major Parties. The PRD is split between the more conservative older elements, numerically the greater, and some of the more radical younger groups. It remains to be seen what effect Bosch's resignation, if he carries through, and the holding of the PRD convention this weekend will have on the Party fortunes and organization. There has also been a deterioration in the organization of the Reformista Party of Dr. Balaguer due in part to his refusal to sanction funds for the adequate functioning of the Party organization.
- e) The fact that Balaguer is by character and nature an old-fashioned man with an innate distrust of technicians and experts. The result is that he is not making use of some of the competent personnel who were assembled by his predecessor Dr. Garcia Godoy. Given the thinness of competent talent in the Dominican Republic, this can have adverse effects on its economic, political and social progress.

Favorable factors are:

- a) Contrary to rumors which sometimes circulate in the Dominican Republic and rather more frequently here, there is no real evidence of any plotting.
- b) Balaguer's relations with the Armed Forces continue to be excellent. The changes which he has made, i.e., the dispersal of the CEFA artillery brigade formerly commanded by General Wessin y Wessin and the replacement of General Folch Perez as Chief of Staff of the Air Force, have gone off smoothly and without incident. The President remarked that General Wessin y Wessin will not return and has now few followers. He added that while General Imbert is never calm he is now isolated and is not permitted to visit military installations.
- c) Evidence points strongly to the fact that the great majority of the Dominican people are determined to see the Administration through its full four years.
- d) While the Reformista Party has a preponderant control of the Legislature, it is not true that the democratic process is not functioning. The opposition has been able to secure amendments to certain laws and Balaguer has wisely deferred action on the proposed law to suspend certain political activities. The law is now under study by a mixed commission of five members each from the two major Parties.
- 7. I believe that on balance the constructive factors making for stability of the Balaguer Administration outweigh the negative ones. It was to be expected that there would be some psychological letdown from the atmosphere of anticipation and enthusiasm engendered by the installation of the newly elected Constitutional government. In view of the serious deterioration of the economy aggravated by the

revolution and the continuous series of crises faced by the Provisional Government, the remedial measures undertaken by the new Administration were bound to cause some dissatisfaction. Certain other problems are those being encountered by all of the underdeveloped nations. While one has to take these into account, I am cautiously optimistic about the situation in the Dominican Republic.

8. The Embassy is functioning well and under the able guidance of Ambassador Crimmins is keeping constantly alert to the situation there.

Ellsworth Bunker

186. Memorandum From the President's Special Assistant (Rostow) to President Johnson¹

Washington, November 18, 1966.

SUBJECT

Dominican Situation

Ambassador Crimmins has sent his assessment of the recent PRD decision to abandon the "constructive opposition" role proclaimed shortly after Balaguer took office. A copy of his cable is attached.²

The analysis elaborates what was already evident: that a trend toward political polarization has started which, if left unchecked, could produce a dangerous situation in the next 6–9 months. The threatened polarization would probably take this path:

- —the radical elements now in control of the PRD would move the party toward the extreme left and make common cause with the Communists.
- —Balaguer, failing to build up his PR party and broaden his popular base, would increasingly depend on the military for support.

Crimmins lists the gross options open to us this way:³

¹ Source: Johnson Library, National Security File, Country File, Dominican Republic, Vol. XVII. Secret; Sensitive. The President wrote at the top of the memorandum: "Walt, stay on top of this. This needs attention."

 $^{^2}$ Reference is to telegram 1515 from Santo Domingo, November 14, retyped for the President, attached but not printed.

³ Crimmins lists these options in telegram 1542 from Santo Domingo, November 16, retyped for the President, attached but not printed.

—Let matters take their course and hope for the best. (This is out

of the question.)

—Encourage the decay of the PRD to the point that it becomes an extreme left splinter associated with or allied to the Communists, and thereby discredited. (It is too risky to let the Communists capture the PRD label.)

—Try to keep the PRD from moving to the far left and at the same time persuade Balaguer to build up his Party. (This is the sensible course we *must* follow.)⁴

We must develop a strategy for dealing with the new situation. CIA and State are working on the political component:

- —A Balaguer decision to build the PR Party organization, plus funds and organizers to do it.
 - —Public relations assistance to Balaguer to improve his image.
- —Political advice to Balaguer on how to deal with the PRD opposition. (Garcia Godoy should be especially helpful here.)
- —Assistance to moderate elements of the PRD to keep active in the Party.

The economic component will receive a thorough review when Ambassador Crimmins and his top AID advisers come to Washington to map out what we do in 1967. We know that our \$40 million investment program is going reasonably well. What we don't have is an overall view of how the economy is doing, the trends and Balaguer's development plans for next year.

Crimmins was slated to arrive here the second week in December. Linc Gordon has asked that he come right after Thanksgiving.

Walt

 $^{^4}$ In telegram 1542 Crimmins stated that this option offered "more promise" than the first "in helping arrest down-hill movement and providing greater flexibility."

187. Memorandum From William G. Bowdler of the National Security Council Staff to the President's Special Assistant (Rostow)¹

Washington, November 29, 1966, 2:30 p.m.

SUBJECT

Our Meeting on the Dominican Republic²

At Tab A is the memo which you sent to the President summarizing John Crimmins' cables and containing the President's reaction.³

Purpose of the Meeting

To review the Dominican situation in the light of recent trends toward political polarization and to determine what steps we should take *now* to arrest and reverse this trend.

Agenda for Meeting

What we want to accomplish at the meeting is to:

- —elicit up-to-date information on the political and economic situation:
- —examine the options for reversing polarization, recognizing that the only practical alternative is to try to keep the PRD from moving leftward and to build up Balaguer's Party;
- —discuss specific steps which State and CIA might take to translate our "attitudinal" posture into action;
- —assign responsibility for preparation of an action paper and a report to the President.

I suggest you follow the agenda at Tab B.4

Some Comments

According to Crimmins the polarization crisis is less acute than appears in his cables. I agree—but the problem is present, and it is easier to deal with now than later.

 $^{^{\}rm 1}$ Source: Johnson Library, National Security File, Country File, Dominican Republic, Vol. XVII. Secret.

² For a summary of this meeting, which was attended by Rostow, Bowdler, Gordon, Sayre, Bunker, Crimmins, Broe, Esterline, Townsend W. Hoopes, and William E. Lang, the latter two Deputy Assistant Secretaries of Defense for International Security Affairs, see Document 190. Another brief account is in a March 22, 1967, memorandum from Sayre to Kohler. (Department of State, INR/IL Historical Files, Dominican Republic 1967)

³ See Document 186.

⁴ Not attached.

State and CIA have worked up a so-so paper on short term courses of action (Tab C) to arrest the polarization trend. On the attitude side it is fine. In terms of what concrete steps we can take, it is not too good. CIA tells me that they have some ideas that have not been put on paper. We should get these on the table.

The *economic reporting* from the Embassy has not been full and sharp. Washington doesn't have a clear picture of the present situation and trends. Crimmins is up here for this purpose. We need to pump him.

WGBowdler⁵

Tab C

Paper Prepared by the Department of State and Central Intelligence Agency⁶

Washington, November 29, 1966.

POSSIBLE COURSE OF ACTION—SHORT-TERM

- 1. We do not believe there is an imminent threat to DR stability but we recognize that recent events, particularly within the PRD, if they continue on course, may result in polarization (Balaguer, the civilian right wing, and the military on the one side, the rest of the country on the other), a development to be resisted at all costs.
- 2. We do not know enough about Peña Gomez to know how extreme he is or may turn out to be. We do know, however, that he is combative, intensely nationalist, and anti-U.S. but is not irrecuperable. He has stated he will leave the secretary-generalship in the spring. There are no clear indications of any possible successor.
- 3. Bosch's role is still nebulous. It appears, however, that his influence has been substantially reduced and now that he has left the DR will be reduced even further.
- 4. We agree with Ambassador Crimmins that the splinterization of the PRD should be avoided and that moderate elements of the PRD should be encouraged to keep the party from moving too far left, with the further point of trying to keep the party as representative and broadly-based as possible.

⁵ Printed from a copy that bears this typed signature.

⁶ Tab C was not attached. The copy printed here is from the Department of State, INR/IL Historical Files, Dominican Republic 1967. A handwritten notation indicates the paper was adopted by a White House-State-DOD-CIA meeting on November 29.

With the above in mind we recommend consideration of the following course of action:

- 1. Implement Ambassador Crimmins' plan of action vis-à-vis Balaguer.
- 2. Impress on Balaguer the importance of a loyal political organization to the success of his government. Identify active and potential leaders of Reformista Party at national, regional and local levels. Assist (preferably in technical terms) PR in creating a going, grass-roots political organization to support Balaguer's policies.
- 3. Improve our information on PRD leaders, identifying moderates, radicals and any Communist infiltrators.
- 4. Assist moderate PRD members to increase their influence on party affairs and encourage them to remain in or rejoin the PRD to counter radical influences.
- 5. Seek to diminish influence on PRD affairs of the more extreme radicals and any Communist infiltrators.
- 6. Conduct systematic program to encourage moderates and diminish radicalism in PRD youth and labor sectors.
- 7. Encourage PRSC moderates to diminish influence of hard-liners and any Communist infiltrators in the PRSC.
- 8. Indirectly assist Peña Gomez to obtain a foreign scholarship if he wants one and a follow-on fellowship in the U.S. if desired. Maintain direct and/or indirect contact with him during his foreign training. Intensify exchanges program to develop moderate leadership in the PR, the PRD and the PRSC.
 - 9. [3 lines of source text not declassified]
- 10. Review labor program to see how it can be strengthened in order to prevent identification of significant labor elements with the Communist left.
- 11. Make efforts to improve the quality of key figures in regime. With this objective in mind provide Balaguer systematically with reliable, unbiased information from all available sources [3 lines of source text not declassified].
- 12. Encourage the creation of a mechanism to receive and evaluate complaints against the government including complaints against improper actions by the security forces. Encourage Balaguer to come to grips with this problem and to take corrective action when complaints are justified.
- 13. Try to impress on Dominican security forces the need to distinguish between the Communist and non-Communist left and between legitimate and illegitimate political activity. Help them to identify moderate, constructive members of the PRD and PRSC.

188. Memorandum of Conversation¹

Washington, January 23, 1967, 11:53 a.m.-12:24 p.m.

PARTICIPANTS

The President Ambassador Garcia Godoy—Dominican Republic Assistant Secretary of State Lincoln Gordon Mr. William G. Bowdler

Ambassador Garcia Godoy opened the conversation by expressing deep appreciation for the President's taking the time from his busy schedule to receive him. The President replied that both had shared some difficult moments almost two years ago, and that he was pleased to have this opportunity to speak with the Ambassador.

Garcia Godoy said that he had returned over the weekend from the Dominican Republic. On this trip he had found a noticeable improvement in the political and economic climate in his country. There was, he said, a new sense of confidence and forward movement, particularly noticeable in the business community. Garcia Godoy went on to say that the main purpose of his wishing to see the President was to request special consideration in the allocation of sugar deficits. He noted that the Dominican Republic faced three principal economic problems:

- 1. Rationalization of the sugar industry which is underway;
- 2. Serious unemployment, which must be reduced if the Dominican Republic is to achieve social and political stability; and 3. The need to count on an assured higher sugar quota over a
- 3. The need to count on an assured higher sugar quota over a period of years on which the government could base its economic planning.

The President stated that we were pleased by the progress which President Balaguer had made during the first six months and wished to be of continued help to the extent that we could. The President recalled that he had authorized giving the Dominican Republic the Panamanian and Philippine shortfalls last year. We are not sure what the deficit situation, if any, would be this year. The Ambassador should keep in touch with Mr. Gordon, whose recommendations he would consider carefully.

William G. Bowdler²

¹ Source: Johnson Library, National Security File, Country File, Dominican Republic, Vol. XVII. Confidential. The meeting was held in the Oval Office. (Johnson Library, President's Daily Diary) The time of the meeting is from the President's Daily Diary.

² Printed from a copy that bears this typed signature.

189. Memorandum of Conversation¹

Washington, February 11, 1967, 10:30 a.m.

PARTICIPANTS

Ambassador Hector Garcia Godoy—Dominican Republic Mr. William G. Bowdler—NSC Staff

The Ambassador called at his initiative. He said that he had tried to make an appointment with Assistant Secretary Gordon yesterday, but given Mr. Gordon's imminent departure for Buenos Aires, this was not possible.

The Ambassador said that the purpose of his visit was to reiterate what he had said to the President in their interview of January 23,² 1967 concerning his government's desire to have an assured quota of 600,000 tons of sugar for the next two or three years while the government-owned sugar corporation was completely modernized. He was making this request again because he had recently heard from his government's sugar brokers in New York that the Philippines would not be able to meet their share of the Puerto Rican deficit.

On the modernization of the sugar industry, the Ambassador reported that his government on February 6 invited bids for a management survey of the industry. The bidding would close on March 6, at which time the government would select a consultant firm to do the survey.

I told him that we were also aware of the information in the hands of the sugar trade. I pointed out I was in no position to give him an answer on his request for additional sugar up to 600,000 tons. He said he recognized this. I said that assuming the Philippines would not be able to meet its share of the Puerto Rican deficit, we would not be dealing with the quota redistribution until late spring and probably not until July. I stressed the importance of moving forward with all speed on the modernization of the industry.

I told Ambassador Garcia Godoy that when I saw Assistant Secretary Gordon in Buenos Aires next week, I would convey his views to him.

William G. Bowdler³

¹ Source: Johnson Library, National Security File, Country File, Dominican Republic, Vol. XVII. Confidential. The meeting was held in Bowdler's office. Copies were sent to Sayre and Rostow.

² See Document 188.

³ Printed from a copy that bears this typed signature.

190. Memorandum Prepared for the 303 Committee¹

Washington, March 17, 1967.

SUBJECT

Support for a Moderate Social Christian Student Group in the Autonomous University of Santo Domingo (UASD)

1. Summary²

During a 29 November 1966 White House meeting chaired by Mr. Walt Rostow, a program of short-term courses of action for the Dominican Republic was agreed upon.³ One of the objectives in this program is the encouragement of moderates within the Revolutionary Social Christian Party (PRSC) and weakening the influence of hard-liners and Communist infiltrators within the PRSC. This proposal is designed to contribute to the implementation of this objective by enabling the Revolutionary Christian University Bloc (BRUC), a Social Christian affiliated student group which reflects the moderate faction of the PRSC to make the strongest possible showing in the elections scheduled to be held in May at the Autonomous University of Santo Domingo (UASD). A BRUC victory in the University would also benefit and strengthen the moderate wing of the PRSC. The cost of the proposed operation will be [less than 1 line of source text not declassified]. If this effort is carried out as proposed, the mechanism used could subsequently provide the access and means of influencing the moderate leadership of the PRSC.

2. Problem

To enable BRUC to make the strongest possible showing in the student government elections to be held in May 1967 at the Autonomous University of Santo Domingo. A BRUC victory or its strong showing would not only be a counter-force to extremist influences in the university, but would also benefit and strengthen the moderate wing of the PRSC.

¹ Source: National Security Council, Special Group/303 Committee Files, Subject Files, Dominican Republic 1967. Secret; Eyes Only.

² At the end of this section is a handwritten notation that reads: "303 Committee rejected the proposal at its meeting of 7 April 1967 [see Document 191]. Decision reversed on 5 May 67 (see minutes dated 8 May 67) [see footnote 2, Document 200]."

³ See Document 187 for a briefing memorandum for the meeting.

3. Factors Bearing on the Problem

a. Origin of the Requirement:

This proposal is submitted at the recommendation of Ambassador John H. Crimmins, [2 *lines of source text not declassified*].

b. Pertinent U.S. Policy Considerations:

The proposal is based on policy stated in a paper entitled "Short-Term Courses of Action for the Dominican Republic" which was approved on 29 November 1966 by representatives from the White House, Department of State, the Department of Defense, and the Central Intelligence Agency. To encourage PRSC moderates and to diminish influence of hardliners and any Communist infiltration of the PRSC is one of the objectives cited in the paper. In this context a strong, more moderate Social Christian Student group in the UASD would also tend to strengthen the PRSC faction which represents a more responsible leadership.

In the University elections of 1966 BRUC lost to the Communist student association which now controls the university by a vote of 1182 to 1587 out of a total of 3000 votes cast. BRUC will again present candidates for election during the student government elections scheduled for May 1967. It is the only significant non-communist student association at the University with a fair chance of winning the election. Thus, should BRUC win the coming student elections, or at least make a strong showing under a continuing relationship with moderate PRSC leader Caonabo Javier Castillo, Communist control of the student government as a vehicle for Communist propaganda would be circumscribed and the turbulent political climate at the University would be ameliorated.

The University elections, however, will also play an important part in off-campus politics on a national scale, where student groups enjoy disproportionate importance as pressure groups. Therefore, inasmuch as the BRUC candidates being put forward for election are closely identified with the leadership of the moderate wing of the PRSC, a strong BRUC position in the student government of the UASD could substantially strengthen the moderates within the PRSC, and thus become a moderating influence on the Dominican political scene.

The PRSC is a left of center political party in opposition to the Balaguer Administration. Although the PRSC has generally followed a radical line since the April 1965 Revolution, often tactically allied with the PRD (Revolutionary Dominican Party) and a coalition of extreme leftist parties, in recent weeks the Javier leadership of the party has declared itself in "constructive opposition" to the Government. This posture of "constructive opposition" was formulated by Caonabo Javier

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Castillo, the Secretary General of the PRSC, who is also influential among Dominican youth. Because of his prestige among youth and students, Javier's call for "constructive opposition" has been taken up by BRUC, a Social Christian Student Association, which reflects the line of the Javier faction of the Party. Thus, by helping BRUC, it is hoped that a first step will have been taken towards bringing about a more constructive climate in the university which would at the same time strengthen the more moderate wing of the Party. In this connection, it is well to recall that the PRSC is the only significant left-of-center party which has made its policy of peaceful opposition a matter of public record.

Although Javier now represents the moderate wing of the party, it must be noted that he is also young (age 31), mercurial, and has become in the past identified as a strong critic of so-called U.S. Imperialism in Latin America. It is possible, that Javier's recent conversion to a more conciliatory position vis-à-vis the Balaguer Government may be only of a tactical and temporary nature. It should also be noted that even if Javier maintains a party line of loyal opposition to the Balaguer Government, he may in the international field continue to attack the U.S. and so-called "U.S. Imperialism" in Latin America. However, even were Javier to retrogress to a hard anti-U.S. position, a strong BRUC position in the University would be preferable to Communist domination of the student federation at the university. Under any circumstances, development of access to the moderate leadership of the PRSC could constitute an essential instrument in moderating the PRSC line whichever way Javier might veer in the future.

In short, channeling support to a moderate leader of BRUC directly or through a leader of the moderate Javier faction of the PRSC, would be a secure and inexpensive means of implementing the recommendations of the above-cited 29 November 1966 paper on Short-Term Courses of Action for the Dominican Republic.

c. Operational Objectives:

The operational objective is to insure the election of a moderate PRSC affiliated student group as the majority element in the Government of the Autonomous University of Santo Domingo, thereby encouraging and strengthening the progressive moderate faction within the PRSC, and its stand for "constructive opposition".

[3 headings and 3 paragraphs (18 lines of source text) not declassified]

4. Coordination

Action was recommended in Santo Domingo by Ambassador John H. Crimmins, and approved at the Department of State by Deputy Assistant Secretary of State, Bureau of Inter-American Affairs, Mr. Robert M. Sayre.

5. Recommendations

It is recommended that the 303 Committee approve this proposal to support BRUC, a moderate Social Christian Student Association in the University as a counter force to extremist domination of the student elections and as an encouragement nationally to the moderate faction of the PRSC.

191. Memorandum for the Record¹

Washington, April 7, 1967.

SUBJECT

Minutes of the Meeting of the 303 Committee, 7 April 1967

PRESENT

Mr. Rostow, Ambassador Kohler, Mr. Vance, and Admiral Taylor General Ralph D. Steakley was present for Item 1 Mr. William Broe was present for Item 2

[Omitted here is discussion of a DOD proposal.]

2. Dominican Republic

a. The committee reviewed the proposal to support the student elections at the Autonomous University in Santo Domingo in some detail.² The paper had been put off until such time as the committee could hear Mr. Vance's objections. He emphasized that he still felt that there was too high a risk for too little gain. He said that the maximum achievement would be remote in impact; that in his experience, most covert activity in the Dominican Republic eventually surfaced; that Balaguer, unwitting, would be exercised if he learned of the subsidy; and the USA would have another black eye if the project were ever blown.³

 $^{^1}$ Source: National Security Council, Special Group/303 Committee Files, Minutes of 303 Committee, April 7, 1967. Secret; Eyes Only. Drafted on April 10. Copies were sent to Kohler, Vance, and Helms.

² See Document 190.

³ In a March 29 memorandum to Gordon and Sayre, INR Deputy Director for Coordination James Gardner summarized Vance's objections to the proposal presented in Document 190 and added that Vance also objected because the "U.S. had gone to considerable effort and expense to build up Balaguer" and it would now be inconsistent to build up potential opposition to him. (Department of State, INR/IL Historical Files, Dominican Republic 1967)

- b. Ambassador Kohler noted that he had not been an enthusiast but had been persuaded in talks with Messrs. Gordon and Sayre that there was considerable merit in the proposal. They felt this was one way of starting to build an asset which could be an alternative to Bosch.
- c. Mr. Broe pointed out that previous guidance had urged the building of a constructive opposition, and this proposal was one concrete step within the realm of the possible.
- d. Mr. Rostow felt that the central problem, of course, was building a party system, and in that way polarization might be averted. A responsible opposition could head off the communists. He felt that what was lacking was a total U.S. plan of which this proposal might be only one step. He urged that Ambassador Crimmins come to Washington for discussions with Assistant Secretary Lincoln Gordon and others concerning an overall approach.
- e. Mr. Broe indicated this was only a start. If this small election was secured, the first step would have been undertaken.
- f. In summary, the committee rejected the proposal⁴ as a separate effort, recommended a more broadly based program in which this project might be a part, and endorsed the suggestion that Ambassador Crimmins visit Washington in the near future to explore a comprehensive political action program.

[Omitted here is discussion on Cuba, Guyana, and Vietnam.]

Peter Jessup

⁴ The 303 Committee subsequently reversed its objection to the proposal; see Document 200.

192. Intelligence Memorandum¹

No. 0801/67

Washington, April 7, 1967.

THE DOMINICAN POLITICAL SITUATION ON THE EVE OF THE SUMMIT

Summary

Political tensions are on the rise in Santo Domingo and the situation is sufficiently fragile in the Dominican Republic that the regime's stability could be threatened with little warning. There are no signs at present, however, that anti-Balaguer elements plan to move during the President's attendance at the hemisphere summit conference in Uruguay next week.² There are, however, deep tensions in the country that are certain to cause Balaguer serious trouble in the near future.

1. Balaguer's scheduled journey to the summit conference next week in Punta del Este comes at a time when Dominican political tensions are on the rise. The attempted assassination of Antonio Imbert on 21 March and its aftermath have added new dimensions to the divisive issue of "trujilloism" that could disrupt the regime's fragile political stability.

The Aftermath of the Imbert Affair

- 2. The attack on Imbert, one of Trujillo's assassins, followed a series of charges—some of them well founded—that Balaguer was employing "trujillista" personnel and tactics in his government. The Communist and non-Communist left have made such accusations the focal point of their criticism since last fall. Recently, elements of the anti-Trujillo right—the political aggregation that governed the country during the 1962 Council of State and during the Reid administration that preceded the 1965 revolt—have picked up the theme. Thus, the attack on Imbert produced expressions of distress, consternation, and outrage from these elements; moreover suspicions immediately developed that the assailants were in or sheltered by the government.
- 3. Balaguer moved quickly to forestall immediate serious antigovernment repercussions from the incident. He announced that a special, high-level commission would investigate the assault, established a

¹ Source: Johnson Library, National Security File, Country File, Dominican Republic, Vol. XVII. Secret; No Foreign Dissem. Prepared in the Office of Current Intelligence of the CIA and coordinated with the Office of Research and Reports, the Office of National Estimates, and the clandestine services.

² President Johnson was 1 of 20 Chiefs of State who attended the American Chiefs of State Conference at Punta Del Este, Uruguay, April 12–14.

\$25,000 reward for information on the would-be assassins, and voiced his personal repudiation of the attack. His most dramatic step, however, was the appointment of the other surviving assassin of Trujillo, Luis Amiama Tio, to the sensitive post of minister of interior and police. Amiama, who saw in the attack a danger to his own personal security, agreed to take the post on condition that he be given a free hand to conduct the investigation.

- 4. Although the appointment at least temporarily silenced criticism of Balaguer from most quarters, it planted the seeds of discord within the government. Amiama, who is not identified with the more extreme and intractable right, had become increasingly disenchanted with Balaguer over the last few months. He has privately voiced concern over the President's methods and tactics, which he finds reminiscent of those of the late dictator, and has demonstrated a deep sensitivity over the presence in the government of some unsavory leftovers from the Trujillo era. In particular, he has singled out Balaguer's coterie of palace aides for criticism. At the top of Amiama's "bad guy" list is controversial presidential aide Colonel Nivar, but close behind are "special intelligence adviser" Perez-Sosa and legal adviser Polibio Diaz. The background of Balaguer's personal bodyguard and adviser, Melido Marte, suggests why Amiama and others are upset. In 1961 Marte was described as "a poorly educated strong-arm thug who is trusted by the Trujillo family." Although Balaguer occasionally has voiced dissatisfaction over the often independent conduct of such aides as these, he apparently regards such long-time supporters as completely loyal to him and is reluctant to sever ties with them.
- 5. In accepting the cabinet post, Amiama said he would work for the elimination or downgrading of "trujillista" officials. He quickly came into conflict with one enemy, police chief Tejeda, whom he accused of "unjustifiable errors" in the investigation of the Imbert shooting and in effect pressed Balaguer to dismiss him. The replacement, General Soto, however, was once police chief under Trujillo, is considered incompetent and dishonest, and has had close ties with those officials Amiama finds so objectionable. It may well be that Balaguer named Soto to balance Amiama's influence. In any event, Amiama's handling of the investigation and the direct control he would like to exercise over the police seems likely to bring him into conflict with Soto, who has already said he is unaware of any police deficiencies in the Imbert case.
- 6. The new minister of interior and police has already come into conflict with Balaguer over the disposition of outgoing police chief Tejeda. Amiama has threatened to resign unless Balaguer, who had named Tejeda to his palace staff, removes the ex-police chief from active duty. If Amiama resigns, this might be followed by the resignation of his brother—Foreign Affairs Minister Fernando Amiama Tio (who

is slated to be a member of the Dominican summit delegation)—and be accompanied by a great glare of publicity and bitter recriminations. Some weeks before the attack on Imbert, Amiama threatened that if Balaguer forced an open break with him he would have no alternative but to make common cause with other anti-"trujillista" elements of both the left and right—including the left-of-center Dominican Revolutionary Party (PRD) and the Communists. In fact, Amiama already has held a series of meetings with the PRD secretary general over the past two months.

7. Imbert himself may pose additional political problems as he recovers from his wounds. Even more rightist and opportunistic than Amiama, he had been sounding out various political elements with regard to an anti-Balaguer coalition when the assassination attempt boosted his popular image. Imbert's heroics after the attack—such as the driving of his own car to the hospital while wounded in both shoulders—probably elicited admiration in certain circles, including the military. Amiama's concern over Imbert's ambitions may have been behind his suggestion to the US Embassy that Imbert be invited to the US for medical treatment. Such a move would remove one irritant from the scene, at least for a while.

Attitudes Among the Military

8. The attack and resulting investigation has introduced an element of strain into Balaguer's relations with the military. Minister of Defense Perez has said that the intense investigation Amiama has conducted within the armed services has produced some resentment among military officers who remain jealous of their prerogatives and privileges. This could provide an opening for disgruntled military officers, such as those whose political cliques have been disrupted by Balaguer or who had been removed from choice assignments, to coalesce under the guise of protecting the military establishment. Another factor for instability would develop if military elements came to believe that Balaguer's performance in a period of political turmoil showed irresolution and vacillation.

Other Political Factors

9. These various charges and maneuvers on the issue of trujilloism are taking place against a mixed pattern of other developments, some favorable and some adverse for the Balaguer government. On the one hand, the left-of-center political parties—particularly those on the extreme left—are in serious disagreement and disarray. On the other hand, they have been keeping up a drumfire of criticism of Balaguer for the failure of his government to control and prevent violence. Particularly active in this role are the radical leaders of the PRD who succeeded Juan Bosch when he went into voluntary exile in Europe. 452

Government officials continue to provide the left with new ammunition for their charges; most recently the government's director of telecommunications was accused of armed assault for entering a PRD-oriented radio station on 29 March and destroying transmitting equipment.

10. Balaguer has had considerable success in reducing the influence of the PRD and of the extreme leftist parties in the labor movement. There is strong labor resentment, however, over the government's wage freezes. The Dominican President has managed to wean some moderates away from the PRD, and so far the small Revolutionary Social Christian Party has adhered to a policy of "constructive opposition." On the other hand, the Social Christians have recently suggested they would abandon that policy unless Balaguer allows their party a more influential role, and the PRD has said it will not support the government in the event of a coup.

The Economic Scene

11. Economic developments have not helped to offset Balaguer's political problems. In fact, available signs indicate that the pace of economic activity has been disappointing thus far this year. This sluggishness has taken place against a background of high and chronic unemployment, and potentially explosive social conditions, particularly in Santo Domingo. Further, the persistent balance of payments deficit has recently shown signs of getting worse and the inflation potential may be growing because of the current trend toward increased government deficits. These economic problems will require politically difficult policy choices involving further import restrictions, higher taxes, and devaluation. Uncertainties over the economy's short-term future compound the problem of choosing among these alternatives.

The Outlook

- 12. All things considered, the difficulties facing Balaguer seem serious but not yet critical. There are no indications that antigovernment elements are planning to take advantage of Balaguer's expected absence during the summit meeting, but there are deep currents of tension and emotion within the government that could suddenly surface without warning. In addition, Vice President Lora is neither widely respected nor considered to possess great political acumen, and someone could try to test his control of the situation.
- 13. Balaguer probably believes that he can reap domestic political dividends from the summit trip in the form of favorable publicity; he may hope to establish an image as a recognized hemisphere statesman. He is likely to seek assurances of continued US economic and political backing—a factor that carries considerable weight with many potential Dominican dissidents.

193. Memorandum of Conversation¹

US/MC/2

Punta del Este, April 11, 1967, 4:30 p.m.

UNITED STATES DELEGATION TO THE THIRD PERIOD OF SESSIONS OF THE ELEVENTH MEETING OF CONSULTATION OF MINISTERS OF FOREIGN AFFAIRS

SUBJECT

Meeting of the Secretary and President Balaguer

PARTICIPANTS

U.S. Dominican Republic
Secretary Rusk President Balaguer

Mr. Van Reigersberg (interpreter)

Dr. Balaguer replied to a question from the Secretary saying that his country was gradually recovering from its civil war and was strengthening its democratic institutions; the people have learned their lesson from history. Unfortunately, however, they now insist more on their rights than on their obligations. He expressed some concern about the effect of continuous Haitian migration to his country, which adversely affects the Dominican economy and brings in some people with extreme leftist ideas.

The Secretary asked Dr. Balaguer to define the number one problem in the Dominican Republic. Dr. Balaguer replied that it was unemployment. Even though the present Emergency Plan of forty million dollars and government-generated public works projects were helping relieve the unemployment situation, it was still serious. A possible solution, of course, would be an agrarian reform on a broad scale, since 70 percent of Dominicans are farmers. He stated that a plan is being worked out to re-settle some 20,000 families per year over a five-year period. This program will cost some ten million dollars.

The Secretary asked whether there were land holdings that could be divided up. Dr. Balaguer replied that many of the old Trujillo latifundia are in fact being sub-divided and permanent title is being given to the new owners.

On the sugar question, the Secretary pointed out the statutory difficulties involved in changing U.S. quotas, as well as the possible disadvantage of setting a fixed quota and then experiencing a shortage

¹ Source: National Archives and Records Administration, RG 59, Central Files 1967–69, POL DOM REP. Confidential. Drafted by Van Reigersberg and approved in S on April 12. A note on the memorandum indicates it was revised on June 1.

requiring even larger amounts of imported sugar. The Secretary also mentioned the repercussions of a new Cuban sugar quota if peace is ever reached with that country. He indicated that certain countries such as Morocco had barter arrangements with sugar-producing countries and that it might be possible for the Dominican Republic to enter into such an arrangement.

Dr. Balaguer stated that he was aware of these factors. Japan has recently offered to enter into such a barter arrangement but this offer was not fully satisfactory in that Japan was willing to compute the value of Dominican sugar only at current world prices, which the Dominican Republic thinks are unrealistic.

194. Memorandum of Conversation¹

US/MC-12 Punta del Este, Uruguay, April 11, 1967, 5 p.m.

SUBJECT

United States Support for Democratic Government and United States Actions During the 1965 Crisis

PARTICIPANTS

United States President Lyndon Johnson Secretary Dean Rusk Walt W. Rostow, Special Assistant to the President Assistant Secretary Lincoln Gordon

F. Van Reigersberg, Interpreter

Dominican Republic President Joaquin Balaguer

President Johnson congratulated President Balaguer on his ability to lead the Dominican Republic along the road of political and eco-

¹ Source: National Archives and Records Administration, RG 59, ARA Files: Lot 70 D 150, Dominican Republic 1967. Limited Official Use. Drafted by Van Reigersberg and approved in the White House on April 28. The memorandum is part I of IV; part II is Document 195. In part III Presidents Johnson and Balaguer discussed a request by the Dominican Republic for assistance to construct the Valdesia dam that according to Balaguer would increase agricultural production and ease the Dominican Republic balance of payment problem. Balaguer also requested an increase in investment guaranties for housing construction. In part IV Balaguer stated his hope that the Dominican Republic be given preferential treatment at the ongoing Kennedy Round trade talks for 20 to 25 agricultural items in order to improve the balance-of-payments situation in his country. (National Archives and Records Administration, RG 59, ARA Files: Lot 70 D 150, Dominican Republic 1967)

nomic recovery and expressed warm support for the continued growth of constitutional, representative democracy. He stated that the Dominican Republic is a good example of what the United States wishes to see in other parts of the world: namely, that people have the right to self-determination, to freely elect their leaders and to choose the type of government they desire. President Balaguer, with the assistance of Ambassador Bunker (who is now trying to achieve the same objective in Vietnam), worked together successfully toward that aim.

President Balaguer thanked the President for his support and indicated that he was constantly working to strengthen his country's economy and its democratic institutions.

The President asked him what groups cause him the greatest difficulties. Dr. Balaguer replied that the extreme right and the extreme left were the most troublesome groups, although their numbers were very limited. The majority of the Dominican people want peace and stability and support their present Government.

The President stated that because of the prominence of the Dominican people in the eyes of the Hemisphere and of the world he hoped that Dr. Balaguer would have a chance to tell his Latin American colleagues of the efforts by the United States to keep Castroite extremists and others from taking over the Dominican Republic and how the Dominican Republic and the United States had worked together to insure free and honest elections there. It would be good to tell some of the more skeptical Presidents how the Dominican people decided not to be swallowed up by communism and it would be helpful for them to hear from an especially authoritative source that the United States is not interested in satellites or in territorial gains—as proved when the United States left the Dominican Republic right after last year's Presidential elections. The President said that some of our best young men had given their lives in the Dominican Republic and that hundreds of millions of dollars had been spent there for the sole purpose of guaranteeing the people the right to free choice. If the United States Government had not acted, there might now be a second Castro in the Hemisphere.

President Balaguer agreed and thanked the President for prompt United States intervention. He added that he and his people, as well as the whole Hemisphere, were aware of how the United States had saved the Dominican Republic from the threat of communism. It is true that many Dominicans, and also some other Hemispheric leaders, don't always state this clearly because they prefer to use demagogy for their own political reasons. The great majority of the Dominican people are fully aware of the reasons for United States intervention. He also said that he would he happy to discuss the matter with his colleagues here as well as with the press.

195. Memorandum of Conversation¹

US/MC-12

Punta del Este, Uruguay, April 11, 1967, 5 p.m.

SUBJECT

Dominican Sugar Quota

PARTICIPANTS

United States President Lyndon Johnson Secretary Dean Rusk Walt W. Rostow, Special Assistant to the President Assistant Secretary Lincoln Gordon F. Van Reigersberg, Interpreter

Dominican Republic President Joaquin Balaguer

The President invited Dr. Balaguer to discuss some of the main problems facing his country at the present time. President Balaguer stated that his country is eagerly awaiting favorable news regarding a larger sugar quota and that he would like to have a five year permanent quota of 600,000 tons, primarily from the Puerto Rican and Philippine short-falls. The President said that he did not know what our sugar requirements would be but that sympathetic consideration would be given to the case of the Dominican Republic when the overall sugar picture became known.

President Balaguer said that upon his return to his country he would be asked what new support had been offered to him by the President of the United States. He indicated that he would like to be able to reply that the prospects in the field of sugar were good, that the President of the United States was interested in assisting in the development of the country's water resources, and that he had promised him United States cooperation in this and other matters.

The President said that while he certainly desired to be helpful, his ability to carry this out was a different story. He said he did not know what the sugar short-fall for this year would be, that the Foreign Assistance Bill had not yet been considered by Congress and might encounter serious difficulties, but that as soon as the framework of decisions became known the Dominican Republic would be given very sympathetic consideration.

President Balaguer thanked the President for his assistance and continued support.

¹ Source: National Archives and Records Administration, RG 59, ARA Files: Lot 70 D 150, Dominican Republic 1967. Limited Official Use. Drafted by Van Reigersberg and approved in the White House on April 28. The memorandum is part II of IV; see footnote 1, Document 194, regarding parts I, III, and IV.

196. Country Analysis and Strategy Paper¹

Santo Domingo, April 15, 1967.

THE DOMINICAN REPUBLIC

Part I—Statement of Rationale and Basic Strategy

The future course of the Dominican Republic is of great importance to the United States for three inter-related reasons: (a) its strategic location in the Caribbean chain of islands which puts it on our geographic doorstep and very close to Communist Cuba; (b) the primitiveness and fragility of its political, economic, social and military institutions, which make for chronic instability and consequent vulnerability to extremism; and (c) the serious damage to our interests which would be caused by the assumption of power in another Caribbean country by forces inimical to us.

Four hundred years of political, economic and social underdevelopment, thirty years of corrosive dictatorship, and the last six years of political turbulence and instability have produced a nation and a people uncertain of themselves and their future, erratically searching for a national identity and character while yearning for democracy and the economic and social advances and the peace they associate with it. Political factors, demographic developments, economic and social inequities and proximity to Cuba have contributed to a chronic ferment on the national scene with youth perhaps the most volatile element.

The United States has a vital interest in denying this Caribbean nation to communism, including the Cuban variant. Related directly to this interest is the necessity to prevent a regression into authoritarianism of the right, with its almost certain consequence, in the Dominican environment, of enhancing communist prospects. Any long-term success in this regard must necessarily entail far-reaching economic, social and military reforms and the concomitant creation and strengthening of indigenous institutions which today lack wholly or in part the capability to assure stability and progress or to strengthen the nation against domestic or foreign subversion. From the standpoint of the inter-American system, it is equally important that the Dominican

¹ Source: National Archives and Records Administration, RG 59, Central Files 1967–69, POL 1 DOM REP–US. Secret. The paper is Part 1 of a 51-page "Country Analysis and Strategy Paper" transmitted as Enclosure 1 of airgram A–532.

Republic be strengthened to the point where it may function as an independent, fully sovereign and responsible member of the international community.

Circumstances of geography and history—but only secondarily economics—have deeply involved the United States in developments in the Dominican Republic. Many factors favor our exercising a significant influence. The first is our very proximity, which predisposes many Dominicans to accept as inevitable a very important U.S. role. A second is the crucial need of the Dominican Republic for our economic and technical assistance. A third is a combination of the first two: the unusually developed tendency of many Dominicans in all walks of life to view the United States as the arbiter of their nation's destinies, for good or for evil. It is easy and dangerous, however, to overestimate the extent to which even a powerful nation can at this moment in history work its will on a weak neighbor. The recent history of U.S. involvement in this country has emphasized certain inherent limitations on the exercise of our influence. First, there are the restraints placed on U.S. policies and actions by a decent regard for domestic and international opinion and by the ultimate ability of the Dominicans to have recourse to international organizations against real or alleged abuses of our influence. Second, the degree to which our prestige has become committed here is in itself an element which Dominicans, in and out of power, can use to resist our influence in matters in which their and our interests diverge because they realize the very restricted alternatives we have under present circumstances. Underlying these other limitations on our influence is the basic, persistent fact of the essential primitivism of Dominican society, politics and institutions which often vitiates, distorts or frustrates our inputs, be they political, economic, social or military. Our very special importance in the Dominican Republic gives us an uncommon ability and opportunity to counsel, persuade and guide; it does not give us the power to command.

Following the revolution of April 1965, our immediate objective had to be the restoration of order in the Dominican Republic and a return to legally elected constitutional government and, once this was accomplished, the maintenance of sufficient political stability and economic progress to enable the Government to carry out its mandate. Over the long run, we seek to promote the existence in the Dominican Republic of democratic governments, operating from a sound economic, social and military base, friendly to the United States and disposed to cooperate with us on vital issues in international forums. In moving toward that basic objective, we seek a citizenry better informed about, and prepared to construct and support, democratic institutions and a way of life based upon the rule of law and respect for the rights of others. As an indispensable concomitant, we seek the strengthening and rationalization of the Dominican economy and a balance-of-

payments equilibrium so that domestic and foreign resources can be most effectively utilized in a comprehensive and effective program of economic and social development and reform, which will assure meaningful and tangible progress toward the correction of economic and social inequities. Finally, we seek a small, professional, apolitical security establishment which acts as a positive, rather than, as in the past, a negative force in the political, economic and social development of the country.

Our over-all strategy to accomplish these objectives inevitably engages us in most aspects of Dominican national life. We are utilizing very substantial financial and technical assistance and encouraging appropriate domestic and foreign investment in order first to stabilize and then develop the Dominican economy along modern lines and to stimulate and accelerate social reforms. As part of this effort we are trying to raise the low average effectiveness of human resources and of the country's economic and social institutions. We support and emphasize publicly and privately the concept of legal, constitutional government and the democratic process. Through material and technical assistance, training and indoctrination we work toward a security force that is effective, compatible with the country's needs, responsive to civil authority, apolitical, and ready to perform a positive supporting role in the country's progress. Finally, we employ these multiple U.S. inputs so as to persuade the Dominican Government and people to commit themselves and their own resources in a manner permitting long-run, self-sustaining economic, social and political development while avoiding resort to violence and disorder.

The broad policies which flow from this strategy are producing undramatic but measurable progress toward our principal goals, and they require no major adjustments.

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197. National Intelligence Estimate¹

NIE 86.2-67

Washington, April 20, 1967.

PROSPECTS FOR STABILITY IN THE DOMINICAN REPUBLIC OVER THE NEXT YEAR OR SO

Conclusions

- A. The tensions and turmoils which are endemic in Dominican politics have recently been exacerbated by developments following the attempt to assassinate General Antonio Imbert Barrera in March. Chances are, however, that President Balaguer will continue to maneuver adroitly enough to retain power during the period of this estimate.
- B. The military leadership will probably hold together behind Balaguer. We do not think that these men have given up the idea that the military establishment is the final political arbiter, but they accept Balaguer's policies and they see no viable alternative to him.
- C. Balaguer's political opposition on the extreme left is in disagreement and disarray and likely to remain so for some time. One or more of the Communist splinters may again undertake sporadic urban terrorism; any attempts they might make at insurgency in the countryside will probably be unsuccessful.
- D. We see more reason for concern in the possibility that Balaguer might become increasingly vulnerable to charges of neo-Trujillismo. This is an issue on which he is already under attack from important civilian elements of left and right. These opponents of Balaguer will almost certainly seek adherents among the military; however, we think it unlikely that they will enlist enough military support during the period of this estimate for a successful coup.
- E. Even so, the combination of political and economic pressures on Balaguer could impel him to adopt a more authoritarian mode of government.
- F. The performance of the Dominican economy will continue to be spotty—better than the bad year 1966, but with a high level of unemployment and a large trade deficit. Balaguer will almost certainly come under increasing pressure to raise taxes and perhaps to devalue—either of which would intensify his political problems.

¹ Source: Johnson Library, National Security File, National Intelligence Estimates, Dominican Republic. Secret; Controlled Dissem. According to a note on the cover sheet this estimate was prepared in the Central Intelligence Agency with the participation of the intelligence organizations of the Departments of State and Defense and the NSA. The United States Intelligence Board concurred in this estimate on April 20.

G. Any economic progress will depend on a continuing substantial flow of US economic aid. A severe cut would not only have major economic repercussions but would undermine Balaguer's political power position as well.

Discussion

- 1. In a speech in late February, President Joaquin Balaguer likened Dominican politics to "a nest of tarantulas." We would not fault his judgment on the matter. Intrigue, venality, corruption, arbitrariness have long been the rule, not the exception, among Dominican officials. Plotting against the government has been a favorite national pastime, and since 1961, when the assassination of Trujillo ended 30 years of absolute and brutal dictatorship, there have been seven changes of government.
- 2. Much the most serious outbreak was the revolution in April 1965 which came near to full civil war; order was restored only after the landing of US troops and the stationing in the Dominican Republic of an Inter-American Peace Force, numbering at one stage some 26,000. In June 1966, Balaguer was chosen President in an orderly election and since then political affairs have moved in a smoother fashion. But the fears and enmities of the past are still operative and much of the government's time and energy must go to efforts simply to keep the lid on. In March 1967, the attempt to assassinate General Antonio Imbert Barrera brought a revival of tension.

I. The Balaguer Administration

- 3. Despite his past close association with the Trujillo dictatorship, Balaguer is personally honest and is regarded by most Dominicans as an intellectual. He is eager to advance the general welfare and believes that the Dominican Republic needs strong leadership. Lacking a strong political base, he conceives of governing primarily in terms of political maneuver and manipulation of the individuals and interest groups with the most political weight. He tends to be highly suspicious of any he sees as potential rivals; he does not typically appoint strong figures to Cabinet posts; he delegates little responsibility and then usually only to his inner circle of influential advisors, who probably even more than the President, distrust the opposition and lean toward authoritarian methods. Oftentimes his motivation in making a new appointment or in undertaking some more complicated maneuver appears obscure, perhaps because he seems to act in response to pressures from the inner circle. He is intensely concerned about all actions and tactics of opposition parties, and he has come to regard a number of the leaders of Juan Bosch's left-of-center Dominican Revolutionary Party (PRD) as little better than Communists.
- 4. Balaguer has had fair success in his various maneuvers to keep organized opposition groups divided and off balance. He has neutralized

a few of their leaders by means of Cabinet jobs or other patronage, and he has quietly done what he could to encourage their natural tendencies to fragment or simply become less active. However, his political style and policies have encouraged the "outs" to collaborate in opposition to the "ins."

- 5. The Balaguer administration's program has not attracted wide political support. Balaguer's lack of political appeal comes partly from his austerity measures, such as tighter controls on imports, reduction of government budgetary expenditures, a trimming of some salaries, a cutback in the number of unnecessary employees in the big government sugar enterprise, a harder try at collecting taxes. To convince the vested interests of the necessity for such unpalatable measures is never easy and Balaguer's style of governing has not made it easier. Efforts at economic development are gaining momentum, but such efforts are concentrated in the countryside with little being either undertaken or accomplished in Santo Domingo. Also, because of the continued political violence, important political segments have been alienated. Perhaps the strongest thing going for him in the broad relationship of his government with the politically influential elements is their reluctance to take the risk of another civil war.
- 6. In concentrating on various political manipulations, the Dominican President has foregone any systematic effort to turn his Reformist Party (PR) into an active, enduring political base, and he lacks the personality to enhance his mass appeal. The fact that Balaguer carried some 57 percent of the vote in the elections of June 1966 does not mean that he has anything close to that degree of effective political support at present, because the great majority of Dominicans tend to be politically apathetic between elections.² Political interest is, of course, sustained to a much greater extent in Santo Domingo than generally in the countryside, where Balaguer's strength has been greater.
- 7. A major weak point for Balaguer is his vulnerability to charges of neo-Trujillismo. Although most Dominicans (including Bosch) absolve him from the excesses of the Trujillo era, a number have a real and passionate fear of a possible return to the brutal Trujillo methods, and a number of others find convenient political ammunition in the issue. Moreover, certain of the government's actions have lent themselves to ominous interpretations by opponents both on the left and the right. Sometimes they picture him as the leader, sometimes as the captive of a neo-Trujillista clique. As evidence, they point to his former chief mil-

² The population is predominantly rural and less than 65 percent literate. In the Dominican elections in December 1962, Juan Bosch won with a higher percentage of the total than did Balaguer in 1966. Yet when the Dominican military leaders ousted Bosch in September 1963, there was no significant public protest. [Footnote in the source text.]

itary aide, Colonel Neit Nivar Seijas, and several other Presidential advisors, who are trusted Balaguer colleagues from Trujillo days. They also cite police excesses—specifically the roundup in late January of 500–800 "leftists" suspected of plotting. And they express alarm at a series of political murders which the administration is seemingly unable to prevent. Some of Balaguer's opponents have gone a step farther and charged that his government's resumption and conduct of relations with the Duvalier government of Haiti is also a sign of Trujilloist tendencies.

- 8. *Neo-Trujillismo* has become the most important issue as a result of the assassination attempt in March against the perennial rightwing plotter General Imbert. In an effort to squelch widespread rumors that the assassins were backed by some of his own advisors, Balaguer has taken several actions to show his determination to solve the crime and deal resolutely with the perpetrators. His administration has offered a \$25,000 reward. He has appointed as new Minister of Interior and Police, Luis Amiama Tio, Imbert's longtime associate and fellow survivor of the group that killed Trujillo. And he has said that Amiama would have a free hand to carry out the investigation.
- 9. However effective in quieting immediate criticism over the Imbert affair, the appointment of Amiama to Balaguer's Cabinet has admitted a highly disruptive influence into the government. A man with political aspirations of his own, Amiama represents elements of the anti-Trujillo oligarchy whose prerogatives have been limited by Balaguer and who have long been at swords point with him and his intimates because of their past roles in the Trujillo government. Amiama has already managed to force out of office one of his old enemies, the chief of the national police. And he is causing the investigation to be pursued in the military establishment so intensively as to produce considerable resentment. Apart from official maneuverings, Amiama has also been meeting with PRD Secretary General Jose Francisco Pena Gomez whom he may hope to use to further his own ambitions.

The Continuing US Role

- 10. The Balaguer government realizes great advantages and some problems from the strong US role on the Dominican scene. It finds the US Embassy's counsel helpful. Its economy depends upon a continuing flow of US economic aid. It has a powerful prop in the realization throughout the Dominican Republic—and particularly within the military establishment—that the US remains firmly behind Balaguer.
- 11. On the other hand, Balaguer has the problem of reconciling strong dependence on the US with a posture of national independence. He is keenly aware of the increase in anti-US sentiment among a number of elements in the population since the April 1965 revolution.

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Although he publicly concedes US influence, he finds ways to avoid the appearance of being entirely the US puppet. He is by no means timid in negotiating many aspects of aid agreements. He speaks of the independent-minded Frei of Chile as the Latin American leader he most admires. And he tries to play up any political differences with the US; for example, after the conference in Buenos Aires of the Organization of American States, he announced that the Dominican delegation had opposed the US by voting against formation of a permanent Inter-American Peace Force.

II. The Military Establishment

- 12. Balaguer has been able to make certain changes which have improved his position vis-à-vis the military; he has dismembered and dispersed within the army the powerful Fourth Brigade (Wessin y Wessin's old outfit); he has sent abroad, retired, or reintegrated the residuum of Constitutionalist military; he has replaced the Chiefs of Staff of the Air Force and Army; he has reduced the influence of certain of the former military cliques by retiring some officers and sending others into "golden exile." Finally, many officers have come to feel that they can best protect their own positions and that of the military establishment by a reasonable degree of cooperation with Balaguer.³
- 13. It is quite clear, nonetheless, that Balaguer does not completely trust his top military commanders, nor they him. This is reflected in the President's connections with the Trujillista Colonel Nivar, formerly his chief military aide and at present commanding officer of the First Brigade in Santo Domingo; Nivar is widely suspected and despised within the armed forces. Many of the military leaders who support Balaguer do so because it is advantageous to them at present, because they approve of many of his policies and because they see no better alternative. At the same time the armed forces have continued to function as a powerful interest group, and we believe they have not given up the idea that the military establishment is the final political arbiter in the Dominican Republic.
- 14. A key position in the military is that of Secretary of State for the Armed Forces, who acts as Minister of Defense and has also assumed certain prerogatives of the Service Chiefs. As a buffer between the President and the Chiefs of the Services, he has the task of reconciling what hitherto have been irreconcilables—a civilian chief executive and the Dominican military establishment. At present, the position is held by General Enrique Perez y Perez, who was appointed

³ The Dominican military establishment consists at present of some 19,000: an army of about 11,700; a navy of 3,700; and an air force of 3,600. [Footnote in the source text.]

under the Provisional Government but who seems fairly responsive to Balaguer and has so far managed to retain the support of the Service Chiefs. Perez y Perez has been subject to growing criticism from below, however, particularly for his cooperation with Amiama in pressing the investigation among the military of the Imbert shooting. The present Service Chiefs of the army and navy appear to be loyal to the government and to have reasonable control over their officers. The air force is traditionally less disciplined and its officers are more susceptible to rightist coup overtures.

III. The Political Opposition

- 15. The leading opposition party, Bosch's PRD, has lost considerable ground. It is still suffering from the shock of defeat and the defection into Balaguer's Cabinet of some of its conservative and moderate leadership. The PRD's attempt to take a position of "creative opposition" was rejected by the administration. PRD leaders were harassed by the police, party stalwarts have been fired from government jobs, and its minority representation in the legislature has been all but ignored. The PRD was especially bitter over what it regarded as government persecution in condoning if not actually initiating police attacks on former Constitutionalists. Except in Santo Domingo, the party has lost much influence in its former bailiwicks. It no longer has a stronghold in labor or in the State Sugar Council, and its hold on the Santo Domingo city government is under attack from the government as well as from party dissidents.
- 16. The feeling of persecution, combined with the defection of key PRD moderates, has enabled a more militant group to take over the leadership. The elder statesman of the party, Juan Bosch, now in voluntary exile in Europe, has more or less abdicated, and his young protégé, Jose Francisco Pena Gomez, has taken the helm. The new PRD leaders have responded to Balaguer's offer of a "dialogue" with them by saying that there could be no dialogue until Balaguer took steps to end persecutions and eliminate corruption. The PRD's former partner on the democratic left, the smaller Revolutionary Social Christian Party (PRSC) cautiously agreed to a dialogue, but remains basically critical of the government. Although the PRD has threatened that it would organize a "resistance movement regardless of ideologies" if the present situation continues, it has also said that it would not work to overthrow Balaguer unless all other forms of protest were silenced. The meetings with Amiama suggest that the PRD expects that a move against Balaguer may come from the right.
- 17. The extreme left, always divided, has further fragmented. The three major extremist parties still exist: the Revolutionary Movement of 14 June (MR1J4), the Dominican Popular Movement (MPD) and the Dominican Communist Party (PCD). The MR1J4, largest of the three,

and the only one permitted to participate in the June 1966 elections, has suffered the greatest setback. Its percentage of the vote was far below the minimum required to keep it a legal party. Since then some of its leaders have defected to the MPD and have urged that the organization now be regarded as the true party of the proletariat. MPD strength has suffered, however, from the expulsion of a group for trying to act as a "Red Guard"; this splinter proceeded to institutionalize itself into the Communist Party of the Dominican Republic (PCRD). The founder of the MPD had been ousted earlier; he has formed still another group, the Orthodox Communist Party (PCO). Despite their differences and small numbers, the extremists have some strength or influence among students and in labor. Leadership of one labor confederation, FOUPSA–CESITRADO, is divided between representatives of the MPD and the MR1J4.⁴

18. The most distinct threat to Balaguer in the short run comes from his opponents among the economic and social elite. Many of them were former members of the defunct National Civic Union and controlled economic and political life during the tenure of the Council of State and under the Reid government. They more than other groups chafed under Trujillo and after his death took a far more anti-Trujillo stand than did the PRD. Aligned with this grouping are Amiama and Imbert, the two surviving members of the conspiracy to assassinate Trujillo. The potential of these elements to embarrass Balaguer is high, but their potential to overthrow him depends, more than anything else, on the amount of support they can obtain among the Dominican military.

IV. The Dominican Economy

19. Blessed with some of the most fertile land in the Caribbean, the Dominican Republic has been cursed by the inability of generations of Dominicans to use it effectively. The ratio of people to land is already fairly high, and the rate of population growth (estimated at 3.5 percent annually) is probably one of the highest in the world. Agriculture absorbs half the labor force and produces some 35 percent of the GNP. Per capita GNP is considerably below the average for Latin America. The problems of underemployment in agriculture and unemployment in the urban areas are chronic.

⁴ The actual number of adherents to these various extremist parties is hard to determine accurately, since their memberships are in such a state of flux. Our best estimate are: PCD—100; MPD—250; PCRD—50; PCO—25; MR1J4—600. These five parties vary widely in the extent to which their ideology and aims can be identified with those of foreign Communists, whether Soviet, Chinese, or Cuban. One or another has solicited support from each of these external sources, but without significant success. [Footnote in the source text.]

- 20. The economy was seriously disrupted by the revolution of April 1965; GNP fell nearly 15 percent, unemployment rose to perhaps 30 percent of the urban labor force, sugar production decreased, and there was a sharp drop in export earnings. Recovery has been painfully slow: it remains a major aim of the Balaguer government merely to restore the economy to the level of 1964. In 1966, the GNP increased modestly but probably less than the growth in population. There was no significant reduction in the level of unemployment. The administration of economic affairs suffered from ineptitude in the bureaucracy and from Balaguer's insistence on personal supervision over most financial transactions. The government was not able to realize its goal for public investment, and private investors held back to "wait and see." In spite of an unusual increase in the Dominican sugar quota for sale to the US, the total value of Dominican exports remained below that for 1964, and the trade deficit was the largest in Dominican history. In short, even with an infusion of about \$70 million in US economic aid, the overall Dominican economic performance was poor.
- 21. On the positive side, the government has provided some encouragement to private investors and has started a number of its own development projects, primarily in the basic agricultural sector. Efforts are being made to improve the technical level of Dominican agriculture, improve the farm credit system, rehabilitate the irrigation system, extend and improve market roads, bring new land into cultivation, diversify production, and to improve the general level of education in the countryside. It is too early for these projects to show much accomplishment but some results are evident, and a foundation is being set for future progress.
- 22. The government also has established basic policies designed to prevent inflation. Budget deficits have been held within limits that could be financed without internal borrowing and a substantial number of surplus workers have been discharged from the public payrolls and from the government-owned portion of the sugar industry. Most wages have been held in line, although Balaguer found it prudent to rescind earlier cuts in salaries of the military and high government officials. The fiscal and wage restraints undoubtedly slowed the pace of economic recovery, but were probably necessary in view of the unusual danger of inflation in the Dominican economy.

V. The Outlook

23. The major issue intensifying divisions between pro and antigovernment groups will be neo-Trujillismo. As the contest between these groupings continues, the likelihood increases that military officers will be drawn in on one side or the other. Certainly one of Balaguer's main preoccupations during the next year or so will be to prevent the emergence of a rightist civilian-military combination against him. Although he will attempt to maneuver around and through rightist civilian groups, he may eventually be forced to make a hard choice among them. The combination of the political situation and his austerity program could impel him to a more authoritarian mode of government.

- 24. While we foresee no expansion of Balaguer's limited base of mass support, we see no substantial growth in the strength of the left-of-center political opposition either. Relations between the government and the PRSC are likely to continue cool but not hostile. Relations between the government and the PRD will almost certainly deteriorate further. We think it unlikely, however, that the PRD, as a party, will choose during the period of this estimate to go into violent opposition to the government and make common cause with the extreme left. A small number of radical PRD members may, of course, do precisely that. A more likely course for the PRD leadership would be de facto collaboration with Amiama and some elements of the anti-Trujillista right.
- 25. We think the divisions and dissensions among the far leftists will persist and will sharply limit their capabilities to make trouble. The evident disarray of the several Communist parties could even serve to discourage further such an enthusiastic, would-be backer as Fidel Castro. The Communists may resume sporadic urban terrorism, particularly in Santo Domingo, but any attempts they may make at insurgency at the countryside will probably prove unsuccessful.
- 26. The marriage of convenience between Balaguer and the military leadership will probably remain essentially intact for the next year or so. There will be frictions, and a few in the military are likely to engage in plotting with anti-Balaguer politicians. The military may come to exercise a somewhat greater degree of influence on the President than it does now; in any case, he is likely to move cautiously, if at all, on policy changes which would directly affect the military, e.g., the military budget, the salaries and allowances, accepted devices for graft, plans to restructure the military establishment. On most other matters, however, Balaguer will probably continue to reach decisions without military counsel although he will, of course, keep military attitudes in mind; we do not think he will become a "prisoner" of the military.
- 27. The economy will do better in some ways in 1967 than it did in 1966, but the improvements will not generally be of the kind that bring political dividends. The recovery in GNP will probably be at a higher rate than in 1966, though the level of GNP is unlikely to exceed that of 1964. The amount of investment, particularly in the public sector, will probably increase. At the same time, the value of exports will remain relatively low, and the trade deficit could run more than \$80 million, its level in 1966. Import controls will have to be maintained, and the inflationary pressure, contained thus far, will probably grow.

Balaguer will almost certainly come under increasing pressure to raise taxes and perhaps to devalue—either of which would pose major political problems, particularly with respect to Balaguer's rightwing opponents.

- 28. In any case, US backing will continue to be an essential pillar of support for Balaguer. This backing cannot insure that he will retain power, but loss of it would hurt him badly. If, for instance, the Dominican military came to feel that the US was withdrawing its backing or becoming lukewarm about it, the chances of a coup would rise precipitously. A severe cut in US economic aid would thus not only have major economic repercussions, but would undermine Balaguer's political power position as well. In a way, the US aid relationship to the Dominican Republic has become similar to the Soviet aid relationship to Cuba—though on a much less expensive scale.
- 29. Assuming continuation of US support, chances are that Balaguer will maneuver adroitly enough in the primitive arena of Dominican politics to retain power during the next year or so. Nevertheless, charges of neo-Trujillismo could weaken his tenure by producing a new and stronger alignment of forces against him. Furthermore, assassination is still a standard political tactic in the Dominican Republic, and Balaguer has his full quota of political enemies.

198. Memorandum From William G. Bowdler of the National Security Council Staff to the President's Special Assistant (Rostow)¹

Washington, April 21, 1967.

SUBJECT

Political Situation in the DR

John Crimmins reports that the attempted assassination of Tony Imbert on March 21 has produced a new, and perhaps the most fluid, politico-military situation since Balaguer took office.²

¹ Source: Johnson Library, National Security File, Country File, Dominican Republic, Vol. XVII. Secret.

² Reference is to telegram 3115 from Santo Domingo, April 11. (National Archives and Records Administration, RG 59, Central Files 1967–69, POL 23–8 DOM REP)

Balaguer has handled the situation well so far, and it does not threaten his hold on the armed forces or the government. But it has touched off efforts at political realignment by anti-Balaguer forces which need close watching.

The new situation has these elements:

- 1. The attack against Imbert came at a time of growing public apprehension over increased "Trujillista" influence in the Balaguer government.
- 2. Deeply concerned over the assassination attempt and the Trujillista charges which the attack reinforced, Balaguer made Amiama Tio—the only other survivor of the Trujillo assassination team—Interior Minister to carry out an investigation of the Imbert attack.
- 3. Amiama is pushing the investigation hard but he is also using his position to press Balaguer to rid himself of elements which he regards as Trujillista. It is not clear how far Amiama intends to pursue the second course.
- 4. Amiama has used PRD support in this jockeying. The PRD, in turn, is trying to use him to establish a broad political front against Balaguer under an "anti-Trujillista" banner.
- 5. A series of factors—(1) the investigation which points to the Trujillista military stronghold at the San Isidro Air Base as the focus of the anti-Imbert plot, (2) Defense Minister Perez's cooperation with Amiama in pressing the investigation against military elements, and (3) Amiama's success in forcing Balaguer to make some important changes in the Police and his Military Household—have made the military a little edgy for the first time since the inauguration.
- 6. The key to the situation is Amiama's intentions and objectives. If he sticks to solving the Imbert attack, so much the better. If he continues to press Balaguer for a house-cleaning of what he regards as Trujillista elements and, in the process, uses forces antagonistic to Balaguer as pressure, there could be problems.

WGB

199. Memorandum From the President's Special Assistant (Rostow) to President Johnson¹

Washington, May 4, 1967.

Mr. President:

The attached memoranda from Bill Gaud and Charlie Schultze recommend that you approve a \$5 million Supporting Assistance loan to finance an emergency urban development program in Santo Domingo. Linc Gordon and Ambassador Crimmins are the originators of the request.²

The loan is designed to buy some insurance against social unrest and political tensions in Santo Domingo by generating employment for some 3,000 people through city improvement projects.

I do not agree with Charlie Schultze's comment that Balaguer is not as concerned about potential unrest in Santo Domingo as we are and is unwilling to spend his own money. He shares our concern over the danger of the disgruntled urban unemployed. John Crimmins is convinced that if Balaguer had the funds to spend on this program, he would do so. But he does not and would welcome our assistance. Where we differ with Balaguer is that he looks upon the urban program essentially as a means of reducing his security problem, while we think that by demonstrating the interest of the central government in the urban poor, he can build up political support which he very much needs.

The funds for the loan are available. While I would like to see us get away from Supporting Assistance in the Dominican Republic, I think it is in our interest to make this small investment to head off a potential source of trouble.

I recommend you approve the loan.

Walt

Approve loan³
Disapprove loan
See me

 $^{^1}$ Source: Johnson Library, National Security File, Country File, Dominican Republic, Vol. XVII. Confidential. An "L" on the memorandum indicates the President saw it.

² Following this sentence Rostow wrote: "Sect. Fowler concurred."

³ This option is checked. Handwritten notes on the memorandum indicate that the Bureau of the Budget was notified and sent a copy of the memorandum on May 16.

Attachment

Memorandum From the Director of the Bureau of the Budget (Schultze) to President Johnson

Washington, April 24, 1967.

SUBJECT

Proposed \$5 million Supporting Assistance Loan for the Dominican Republic

Bill Gaud has asked you to approve a \$5 million Supporting Assistance loan to finance an emergency urban development program in Santo Domingo, Dominican Republic. This will be in addition to the \$40 million Supporting Assistance loan authorized last June to finance investment expenditures in the Dominican budget. The final part of that loan was released last month and is fully committed to high priority programs in the rural sector.

AID Supporting Assistance funds for FY 1967 have been fully programmed, but the \$5 million requested for this emergency loan is available from the Contingency Fund.

The justification for this loan is purely political. Ambassador Crimmins reports that growing unemployment in Santo Domingo and increasing radical activity by the leftist opposition have created political tensions which threaten the stability of the Balaguer regime. The purpose of the loan is to reduce the possibility of a political explosion in Santo Domingo.

In January 1967 the city's budget situation forced the firing of 2,700 people. The emergency program to be financed by the loan will generate employment for 3,000 people on street and sewage projects, initiate an urban community development program, and expand loans to small businesses.

Unfortunately, *President Balaguer does not regard the problem in Santo Domingo as seriously as does Ambassador Crimmins.* Balaguer's position is as follows:

- 1. He views the problem as basically one of *security*.
- 2. He is not willing to spend his own funds for this program.
- 3. He is not convinced that this kind of program will improve his position in Santo Domingo, where opposition elements dominate the city.

In view of Balaguer's position, and the lack of self-help provisions, I would normally be reluctant to recommend this loan for your approval. But I do not feel in a position, in the case of a small \$5 million loan, to go against the judgment of Linc Gordon, Bill Gaud, and the

CIA, all of whom agree with Ambassador Crimmins' assessment of the situation. The loan will be made from the *Supporting Assistance* appropriation which authorizes funds to promote *political* stability with no specific requirement for self-help as is required for development loans.

Bill Gaud, Linc Gordon, and Ambassador Crimmins agree that any future assistance to the Dominican Republic for urban programs should require greater self-help and be provided as a development loan.

Balance of Payments

The dollars made available under this loan will be tied to U.S. procurement. We, Treasury, and AID believe that the existing arrangements for the use of aid funds in the Dominican Republic could be improved to further protect our balance of payments. While there are political problems in doing so, AID is attempting to work out improved procedures with the Dominicans. Secretary Fowler concurs in authorizing this loan at this time.

Recommendation

We recommend that you authorize this loan with the understanding that every effort will be made to assure appropriate self-help efforts by the Balaguer regime in connection with any future assistance for urban programs.

Charles L. Schultze

200. Memorandum of Meeting of the Dominican Republic Review Group¹

Washington, May 5, 1967, 3 p.m.

PARTICIPANTS

State
Deputy Under Secretary Foy Kohler
Assistant Secretary Lincoln Gordon
Deputy Assistant Secretary Robert Sayre
Ambassador John Crimmins
Mr. Ted Long

¹ Source: Johnson Library, National Security File, Country File, Dominican Republic, Vol. XVII. Secret. The meeting was held in the White House Situation Room. A copy was sent to Walt Rostow.

Defense

Deputy Secretary of Defense Cyrus Vance

CIA

Mr. William Broe

Mr. Desmond FitzGerald

Mr. [name not declassified]

WH

Mr. W. W. Rostow

Mr. William Bowdler

Ambassador Crimmins reviewed the Dominican situation along the lines of the attached paper. He described the events which took place yesterday in the Dominican Republic—the clash with a small band of guerrillas in the north and fire-bomb attack against PRD Senator Casimiro Castro in Santo Domingo. He thought that the second attack could have as much, or more, of an unsettling effect on the fragile political situation as the March 21 assassination attempt against Imbert.

The BRUC project was considered in detail. Ambassador Crimmins described the immediate objective of the project—to help BRUC wrest control of the leadership of student organization at the University of Santo Domingo from the communists—and the longer term goals—reinforcing the hand of PRSC leader Jaonabo Javier, strengthening the PRCS as a political party and contributing toward general institution building in the DR. He stated that the risk of disclosure was low because the BRUC had been asking Dominican businessmen for money and this was public knowledge.

Secretary Vance withdrew his earlier objection to the BRUC proposal and those present representing the 303 Committee gave their approval.²

On the courses of action contained in the attached paper, the principals expressed their general concurrence with them but left to the ARA/IRG to review and approve them during the course of the Dominican CASP paper³ on Monday, May 8.

William G. Bowdler⁴

 $^{^2}$ A May 8 memorandum for the record of the 303 Committee May 5 meeting, immediately following the review group meeting reported that "Although Mr. Vance reiterated certain reservations about the proposal, he cast his vote with the majority view. Since three of the four 303 principals were present and CIA was represented by Mr. FitzGerald, the proposal was considered approved." (National Security Council, Special Group/303 Committee Files, Subject Files, Dominican Republic 1967)

³ Document 196.

⁴ Printed from a copy that bears this typed signature.

Attachment

Washington, May 5, 1967.

COURSES OF ACTION (SHORT-TERM)— DOMINICAN REPUBLIC

I. Background

The attempted assassination of Imbert on March 21 has been the single most important political event since the last (December) review of short-term courses of action,⁵ and indeed since Balaguer's assumption of office ten months ago.

Prior to March 21, the Balaguer Government, in spite of several important weaknesses, had made progress in consolidating itself. While not eliminated, the polarizing trends giving rise to concern in the last review had not intensified and in fact had probably weakened. The PRD was continuing its total opposition to the Government and expressing it in efforts to construct a broad "anti-Trujillista" movement without regard to ideology. On balance, however, this attitude was reducing somewhat the support for the leadership within the Party and in the country as a whole. The erosion of the Party's position was also attributable in part to various pressures exerted against it by the Government, which harbored deep distrust and suspicion of the intentions of the PRD leadership. Moreover, the posture of strong but "constructive" opposition of the Social Christians (PRSC), with constitutionalist credentials as valid as those of the PRD, tended at once to underline the radical stance of the PRD and to strengthen Balaguer's position. The Communists, engaged in bitter internecine struggles, were weak. The "Civico" (anti-Trujillista) right was in touch with the PRD but ineffective. The great bulk of the military accepted or supported Balaguer, with only isolated centers manifesting low-key discontent. Labor was unhappy but essentially passive. The general economic atmosphere, although reflecting little progress toward correction of basic disequilibrium, and affected adversely by the deflationary tendencies induced by austerity and by administrative and technical ineptness on the part of the Government, was improving as business confidence and optimism about a continuation of stability became almost palpable. This general picture of uneven, flawed but perceptible progress was marred by continuing incidents of excesses by the police against the citizenry, perhaps especially PRD adherents. These incidents were being considerably exaggerated by the opposition to the Government, but

⁵ See the attachment to Document 187.

there was sufficient validity in the opposition charges to create uneasiness about Balaguer's willingness or ability to control the police, and, by extension, to give limited currency to opposition charges of "neo-Trujillista" tendencies in the Government.

The incident of March 21 and its aftermath introduced considerable fluidity into the political environment and weakened the Government. In the process, the essential and persistent fragility of the political structure has been clearly demonstrated. The attack on Imbert has stimulated and gained adherents for the "anti-Trujillista" forces and placed the Government at least temporarily on the defensive. The PRD has exploited the situation, but it has been the "Civico" right which has taken principal advantage of the new circumstances in an effort to resuscitate itself. Rumors of plotting have burgeoned, and some "Civicos" are talking of an "Ongania solution," with Wessin y Wessin cast in the lead. (This aggressiveness on the part of the perennially golpe-minded right may give pause to its potential sympathizer-and former blood enemy-the PRD.) The PRSC clings to its line of "constructive" opposition, but within the Party there are pressures, enhanced by the Imbert attempt and its aftermath, to abandon that position in favor of flat-out opposition to the Government. In the military, especially the Air Force, the persistent opponents of Balaguer are becoming somewhat more vocal, but we have no evidence yet of firm plotting. In the economic sector, the effects of the political uneasiness have been direct and swift. The mood of clear optimism in early March which appeared to override the effects of austerity has been replaced by one of, at best, caution and uncertainty.

Despite the clearly negative consequences for Balaguer of the Imbert incident and the period of political maneuvering it produced, the situation is not critical but, rather, uneasy. The President almost certainly has the support of the majority of Dominicans, who still believe in him personally and who see no alternative to him, even though that support is not readily organizable or mobilizable because, in part, of the weakness of the Reformista Party. He still has basic military support. He has the support of the United States. And he appears confident of his authority. Against these strengths are set:

- (a) his vulnerability, in the absence of more vigorous and rapid corrective action by him, to the charge that he is either indifferent to, or incapable of controlling, arbitrary actions by the security forces, a charge given substance by the presence of Trujillista throwbacks in the Palace;
- (b) his lack of sensitivity to the need for and profit in a more forth-coming attitude toward the PRD and the PRSC;
- (c) the serious administrative and technical shortcomings of the Government, including the concentration of even minor decision-making powers in the President;

- (d) the stringent economic situation characterized by a serious balance of payments problem, a difficult fiscal picture and a failure thus far of our assistance to compensate for the deflationary consequences of austerity; and
 - (e) the underlying primitivism of political life in the country.

It is the opinion of the Santo Domingo Country Team that the chances are still somewhat better than even that the Balaguer Government can maintain itself in power, without resort to repression, until the mid-1968 municipal elections, the next major political landmark. The results of those elections will probably be decisive in determining the odds on his staying his full constitutional course.

Against this background, the following short-term courses of action—some of which are repeats or modifications from the December review—are proposed:

- 1. Continue to impress upon Balaguer and key leaders of the Government the necessity of an effective, loyal political organization as a base of support for the Government now and in the 1968 elections.
- —Assist the PR (preferably in technical terms) in constructing a going, grass-roots political organization.
- 2. Continue to press Balaguer to enter into reasonable relations with the non-Communist opposition, especially that on the left, recognizing that for political and personal reasons Balaguer will probably want to move cautiously.
- —Continue to urge Balaguer to assure that basic political liberties of non-Communist parties and individuals are respected by security forces and to take and to publicize disciplinary actions against violators of this policy.
- —Continue to urge Balaguer to establish an effective and highly visible mechanism to receive and evaluate complaints against improper actions by the security forces.
- -Continue to urge Balaguer to respond effectively to valid opposition criticisms.
- -Continue to urge Balaguer to respond more positively and definitively to the PRSC in its "constructive" opposition.
- —Continue to urge Balaguer to explore honestly the possibilities of a reasonable modus vivendi with the PRD.
- 3. Continue to encourage the PRSC in its position of constructive opposition.
- —Encourage the BRUC in its efforts to gain control of the currently Communist-led Student Federation at the University.
- -Encourage the PRSC to stand independently in the 1968 elections on a platform of constructive opposition.

- —Increase our and AIFLD contacts with CASC (Social Christian Labor Confederation).
 - —Intensify exchange programs involving PRSC elements.
 - 4. Continue to try to moderate the position of the PRD.
- -Continue to assist moderate PRD leaders to increase their influence on Party affairs and to counter radical influences.
- -Continue to seek to diminish influence on PRD affairs of radicals and Communist infiltrators.
- —Continue, through expanded personal contacts, exchange programs, etc., to try to diminish radicalism in PRD youth sector.
- —Continue our efforts to influence PRD labor sector and expand AIFLD contacts with that sector.
- 5. Continue to try to impress upon security forces the need to distinguish between the Communist and non-Communist left and between legitimate and illegitimate political activity, recognizing that we are essentially limited to instruction, example and moral suasion and that we have no operational controls.
- 6. Assure that all sectors (left, right, and military) understand clearly that our basic position is firm support of constitutional government of Balaguer and of firm opposition to attempts to replace it by unconstitutional means.
- —Use appropriate occasions and means (especially economic) to manifest our support of Balaguer.
- 7. Continue to impress upon Balaguer the desirability of getting rid of negative Trujillista elements in the Government who are liabilities domestically and internationally.
- 8. Continue to press upon Balaguer the urgent necessity to improve substantially the administrative and technical competence of the Government, particularly in the economic sector, using to the extent possible responsible PRD and PRSC technicians.
- 9. Continue to provide Balaguer systematically with reliable, unbiased information from all available sources on domestic intrigues and plots affecting his Government and internal stability.
- 10. Try to keep the Government from pursuing a labor policy which, while designed to reduce Communist influence by increasing Government influence in unions, will alienate non-Communist labor elements and force them into association with extreme left leadership.

201. Memorandum From the President's Special Assistant (Rostow) to President Johnson¹

Washington, May 11, 1967.

SUBJECT

Special Sugar Quota for the Dominican Republic

In the attached memorandum (Tab A) Secretary Rusk asks you:

- 1. to authorize a special deficit allocation of sugar to the DR of about 105,000 tons, *provided* Balaguer agrees to set aside at least 1½ cents per pound for mutually-agreed programs to improve the efficiency of the Dominican sugar industry.
- 2. to sign the directive to Secretary Freeman at Tab B, to be implemented if Balaguer accepts the condition.

The considerations in favor are:

- —Balaguer badly needs the added dollars to help his balance of payments position.
- —The added income from sugar should reduce the need for supporting assistance from us.
- —The special allocation translates itself into US political support which is a stabilizing influence in the DR.
- —Balaguer has made a good start in improving the efficiency of the state-owned sugar industry by reducing production costs by two cents a pound, and the special fund will advance this effort.
- —The legislative history of the Sugar Act mentions the possibility of a substantial increase in the Dominican quota through the reallocation of deficits.
- —It permits you to be forthcoming on Balaguer's principal request at Punta del Este.

The considerations against Secretary Rusk's proposal are:

- —It discriminates against other Latin American sugar producers, who want the full deficit pro-rated, and they may protest.
- —Conditioning the entry of additional Dominican sugar on setting up the special fund is technically inconsistent with our GATT commitments.

Mitigating against the adverse aspects are these considerations:

 $^{^{\}rm 1}$ Source: Johnson Library, National Security File, Country File, Dominican Republic, Vol. XVII. Confidential.

- —Even with the special allocation for the DR, the other Latin American sugar producers will receive slightly larger quotas than they did last year.
- —There was no hue and cry last year when you gave the DR a special allocation, and none is expected this year.
- —Secretary Rusk does not think that the inconsistency with GATT will lead to any objections.

I have consulted Secretary Freeman on this proposal and it is fine with him.

I favor your:

1. Approving Secretary Rusk's recommendation

Approve²

Disapprove

See Me

2. Signing the directive to Secretary Freeman at Tab B.³

Walt

Tab A

Memorandum From Secretary of State Rusk to President Johnson

Washington, May 8, 1967.

SUBJECT

Recommendation for a Special Sugar Quota Allocation to the Dominican Republic

Recommendations:

1) That you authorize me to instruct our Embassy at Santo Domingo to obtain assurances from the Government of the Dominican

² This option is checked and a handwritten note reads: "State Secretariat advised of approval on 5/12."

³ Johnson signed the directive to Secretary of Agriculture Freeman on May 11, which determined that "in view of the unique and heavy burden of rehabilitation expenditure on the Government of the Dominican Republic in 1967 it would be in the national interest to give the Dominican Republic a special allocation of about 105,000 short tons of sugar from the unused Philippine share of the Puerto Rican and Virgin Island deficits and its pro rata share of the balance of those deficits and of any other deficits that might be declared in 1967."

Republic that, if the United States makes a special deficit allocation to the Dominican Republic of about 105,000 short tons, that Government will set aside a minimum of 1½ cents per pound from the proceeds of the sale of this sugar to be spent on mutually agreed programs to improve the efficiency of the Dominican sugar industry or to assist in diverting excess sugar lands into the production of food or other crops.⁴

2) That you sign the attached directive to Secretary Freeman, to be implemented as soon as our Embassy at Santo Domingo reports Dominican agreement to the conditions we are establishing for assignment of the special allocation.

Background:

During your conversations with President Balaguer at Punta del Este last month he asked you to assign the Dominican Republic a special deficit allocation in order to raise the Dominican sugar quota in the United States market to at least 600,000 tons this year. President Balaguer was reflecting a request previously made by the Dominican Government for an annual quota of 600,000 tons for the next five years. Last year the Dominican Republic received a special allocation of 123,000 tons from the Philippine and Panamanian share of the Puerto Rican deficit. Its total quota for 1966 was 603,000 tons.

We believe it would be in the national interest to assign the Dominican Republic a substantial special allocation again this year, but not to meet its request in full. We recommend a special allocation of about 105,000 tons, which will raise the Dominican quota to 590,000 tons. This figure will be well above the quota of any other Latin American supplier, evidencing our continuing support for the Balaguer Government and our satisfaction with the progress it has made in the past year toward solution of the sugar industry's problems. At the same time it will establish our intent gradually to phase out preferential treatment for the Dominican Republic in assigning sugar quotas. This will serve the dual purpose of (1) reassuring other Latin American suppliers that we are not neglectful of their interest in an expanded market in the United States and (2) place additional pressure on the Dominican sugar industry to reduce costs and become competitive in world markets.

The Dominican Government has been making vigorous and politically courageous efforts to improve the efficiency of the state-owned sector of the sugar industry and to diversify out of sugar production. In this first year of President Balaguer's administration, production costs in the state sugar industry have been cut by somewhat more than

⁴ The approve option is checked.

two cents a pound. To continue this program, the State Sugar Council is contracting for the services of American consultant firms to draw up a detailed program of rationalization and diversification that will be eligible for international financing.

We do not believe that a special allocation should be granted unconditionally. Rather, we should take the opportunity to further developmental activities—while at the same time decreasing somewhat the potential requirement for AID assistance—through promoting rationalization of the sugar industry and diverting excess sugar lands to the production of food and other crops.

To this end we propose that a part of the proceeds of the sale of this sugar be set aside in a special fund for mutually agreed programs. We will try to reach agreement with the Dominican Government to set aside 2 cents a pound, which would provide a fund of about \$4.2 million. At a minimum we would require a set-aside of 1½ cents a pound, for a prospective fund of about \$3.2 million. While small in terms of total financing required for the projects to be developed, the proposed fund would assure that, when approved, the projects could be started promptly.

Several other Latin American countries have asked for preferential treatment this year in reallocation of the Puerto Rican deficit. These countries will be disappointed if the Dominican Republic alone receives a special allocation. Furthermore, all countries in the Western Hemisphere will receive smaller allocations than they had anticipated if preferential treatment is accorded the Dominican Republic. We may expect protests from some. However, we would be able to cite the recommendation by the CIAP subcommittee on the Dominican Republic that special treatment be given that country in sugar deficit allocations this year. Moreover, since the Philippines have turned back their share of the deficits, other Western Hemisphere countries will receive slightly larger quotas in the United States market than they did in 1966, even if the Dominican Republic receives a special allocation of about 105,000 tons.

While the language of the proposed directive provides for a special allocation of about 105,000 tons, the practical effect of such an allocation would be to give the Dominican Republic about 85,000 tons more than it would have received in the absence of such an allocation. The use of the higher figure in the proposed directive results from the complicated formula which the Department of Agriculture is required to use in administering the Sugar Act.⁵

No other country in the Hemisphere is as dependent as the Dominican Republic on finding a satisfactory market for its sugar. Fur-

 $^{^5}$ Reference is to Section 204(a) of the Sugar Act of 1948, as amended by the Sugar Act Amendments of 1965. (79 Stat. 1275)

thermore, there is mention in the legislative history of the Sugar Act of the possibility of a substantial increase in the Dominican quota through reallocation of deficits. It should be noted that imposing conditions on the entry of Dominican sugar that are not imposed on other countries could be considered technically inconsistent with the General Agreement on Tariffs and Trade. Nevertheless, we do not anticipate any objections on GATT grounds.

I believe, therefore, that the granting of a special allocation of about 105,000 tons would be in the national interest and would be consistent with the legislative history of the Sugar Act.

Dean Rusk

202. Memorandum From the President's Special Assistant (Rostow) to President Johnson¹

Washington, May 19, 1967.

SUBJECT

Dominican Situation

This is in response to your concern over how things are going in the Dominican Republic.

The Background

Up until March 21—when unknown assailants tried to kill Imbert—Balaguer was making slow but steady progress in consolidating his political position. Months of relative stability had given the business community a new confidence and the economy was starting to gather some momentum.

Since March, the political and economic climate has changed and Balaguer's position weakened. Failure to solve the Imbert case—followed by a series of other murders and attempted murders—has made the public apprehensive. The economic sector is uneasy and cautious. And anti-Balaguer elements on the right and left have launched a campaign to pin the "Trujillista" label on him. As might be expected the PRD is in the forefront of this effort.

¹ Source: Johnson Library, National Security File, Country File, Dominican Republic, Vol. XVII. Secret. An "L" on the memorandum indicates that the President saw it.

Balaguer's Strength and Weaknesses

Balaguer's situation is not critical, but his hold has been shaken. He still has going for him:

- —the support of most Dominicans who long for tranquillity.
- —basic military support.—our strong backing.
- —confidence in himself.

Working against him are:

- —his vulnerability to the "Trujillista" charge because of certain elements around him.
- —his lack of political sophistication in dealing with the noncommunist opposition.

—the violence which continues to plague the country.

—his inability to delegate authority and the poor management capacity of his administration.

—a difficult balance of payments and fiscal situation.

What we can do

I met with the Dominican Review Group (Gordon, Vance, Fitz-Gerald, Kohler and Ambassador Crimmins) two weeks ago to review the situation. We agreed on a set of short-term courses of action (copy attached)² which Crimmins is carrying out.

The most important of these is to persuade Balaguer to curb terrorism and restore public confidence. He has taken two steps in this direction:

—a strong public statement that he will not tolerate terrorism and will take energetic measures to stamp it out, and

—appointment of a high level committee to make a thorough investigation of the National Police Force, which is suspected of being involved in some of the terrorism. (Unfortunately, Balaguer did *not* include distinguished people from outside the government—another example of his lack of political judgment.)

Ambassador Garcia Godoy called on Bill Bowdler Wednesday³ evening prior to going to Santo Domingo. He too was concerned about trends. He will talk to Balaguer about political strategy in dealing with terrorism. He will also try to persuade the PRD to moderate its opposition. Bill encouraged him to do this. Garcia Godoy said he would give us his impressions as soon as he got back. He expressed deep appreciation for your action on a special sugar quota for the DR. He noted that this strong US support for Balaguer would be a stabilizing factor.

Walt

² Entitled "Short Term Courses of Action in the Dominican Republic," May 5, it is a duplicate of the attachment to Document 200 minus the "Background" section.

³ May 17; no record of this conversation has been found.

203. Memorandum Prepared for the 303 Committee¹

Washington, June 7, 1967.

SUBJECT

Dominican Republic Student Election

REFERENCE

303 Committee Paper Dated 17 March 1967 Entitled Support for a Moderate Social Christian Student Group in the Autonomous University of Santo Domingo $(UASD)^2$ and Approved on 5 May 1967^3

1. The activities which had been contemplated in the referenced 303 Committee Paper approved on 5 May 1967 were not carried out for the following reasons.

Following the approval of the operation, the political atmosphere at the Autonomous University of Santo Domingo (UASD) deteriorated to such an extent that it was believed that a confrontation between FRAGUA (the Communist-supported student group) and BRUC would lead to bloodshed. Rather than risk this confrontation, BRUC decided to boycott the elections. In calling for a boycott of the student elections, BRUC hoped to limit student participation to such a degree that it could later have the elections cancelled. Another factor which BRUC considered in making its decision to boycott the elections was the fact that the Student Council, controlled by FRAGUA, had set the elections for 23 May 1967, thereby not allowing BRUC sufficient time for campaigning prior to the elections. Given the above situation and BRUC's assessment that without an extensive campaign it could not hope to win the elections, the need for an operation to support BRUC in the elections no longer existed.

- 2. Prior to BRUC's withdrawal from the student elections, Ambassador Crimmins [1 line of source text not declassified] determined that supporting BRUC in the existing politically charged atmosphere in the university would only lead to an upsurge of violence on the university campus. In addition, with the elections scheduled for 23 May there was not sufficient time for organizing and carrying out an effective campaign to ensure BRUC's victory at the polls.
- 3. On 19 May 1967, Ambassador Crimmins, after taking all of the above factors into consideration, cancelled the operation.

¹ Source: National Security Council, Special Group/303 Committee Files, Subject Files, Dominican Republic 1967. Secret; Eyes Only.

² Document 190.

³ See footnote 2, Document 200.

4. Student elections were held on 23 May 1967 as scheduled. The elections were held amid a flurry of Communist propaganda including the use of Soviet flags which were flown higher than the Dominican flag on the campus. FRAGUA won easily since it was not opposed by the only other major student organization, BRUC. Only 20 per cent (1,421) of the student body participated in the elections. Of those, 1,118 voted for FRAGUA, 230 for FUSD (the PRD student group), and 73 for the Communist Youth group. Even with the abstention of BRUC, the elections were wrought with violence which erupted between the Communist Youth and FRAGUA. These events appeared to confirm BRUC's estimate that had it participated in the elections the UASD would have seen one of its bloodiest student elections.

204. Action Memorandum From the President's Special Assistant (Rostow) to President Johnson¹

Washington, November 11, 1967.

Mr. President:

Herewith are memoranda from Gaud, Freeman² and Schultze on a \$12 million PL–480 loan to the Dominican Republic.

There is agreement on the size and nature of the PL–480 loan but not on the timing of negotiations. Gaud and Freeman prefer to proceed immediately. Schultze recommends delay until the PL–480 agreement can be combined with our AID Supporting Assistance negotiating package. The delay would be for 4–5 weeks.

Charlie argues that our leverage in negotiating self-help conditions will be increased by making PL–480 and AID one package. He also notes that the Dominicans are obtaining the commodities they need under reimbursable purchase authorizations and the amounts involved are so small that they would have no effect on US prices.

¹ Source: Johnson Library, National Security File, Country File, Dominican Republic, Vol. XVIII. Confidential. Handwritten notations on the memorandum indicate that Bowdler was notified on November 13, and a copy was sent the same day to the Bureau of the Budget.

² Attached was a 2-page memorandum from Gaud and Freeman, dated October 30, in which they recommended that the President authorize them "to negotiate a P.L. 480 sales agreement with the Dominican Republic to provide approximately 15,000 tons of soybean oil, 30,000 tons of wheat, 12,000 tons of tallow, 5,600 bales of cotton, 933 tons of tobacco, and other items for export totalling a market value of \$12.3 million." The Departments of State and the Treasury concurred in this recommendation.

There do not seem to be any compelling reasons why the PL-480 agreement should be negotiated right away. Consequently, Charlie's recommendations of deferral until the PL-480 and AID are combined into one package seems reasonable.

Walt

Approve negotiation of PL–480 agreement now Defer and resubmit as part of combined AID and PL–480 package³ See me

Attachment

Memorandum From the Director of the Bureau of the Budget (Schultze) to President Johnson

Washington, November 9, 1967.

SUBJECT

Proposed P.L. 480 Program for the Dominican Republic

In the attached memorandum, Orville Freeman and Bill Gaud request your authorization to negotiate a \$12.3 million P.L. 480 agreement with the Dominican Republic.

Summary

I have no objection to their basic proposal. But *I recommend that we defer* the P.L. 480 negotiation until it can be *combined with negotiations on an AID Supporting Assistance loan*—which will be ready for review in the next few weeks. By combining the two forms of assistance we *maximize our leverage* for self-help conditions. We are trying to combine P.L. 480 and AID loan negotiations wherever possible.

Background

The commodities to be supplied are wheat (30,000 tons), soybean oil (15,000 tons), tallow, cotton, tobacco, oats, and cotton yarn. This will be the first P.L. 480 agreement ever to include cotton textiles. (The textile interests got the law changed in 1966 to permit the full financing of cotton yarn and cloth.) The agreement would provide a twenty-year dollar credit, with shipments made during this fiscal year.

³ This option is checked.

Usual marketing requirements would be waived since most imports of these commodities have been financed by AID loans.

This assistance will ease the Dominicans' *balance of payments problem* and help finance public investment in agriculture. It is also intended to supplement domestic production damaged by drought.

Commitments will be sought from the government of the Dominican Republic to take several self-help actions in the agricultural sector, which will be financed mostly by the local currency proceeds of this loan.

A \$20 million Supporting Assistance AID loan, also to provide balance of payments and budgetary support in FY 1968, has been requested by Ambassador Crimmins. It will probably be ready for your review within the next few weeks. The key purpose of that negotiation is to influence the allocation of the Dominican budget for 1968. The self-help measures to be negotiated with the AID loan will improve the effectiveness of our aid. They will include commitments to

- —increase tax revenues and reduce military expenditures,
- —limit inflationary government borrowing,
- —establish procedures to promote greater export additionality for our aid.

A good portion of the \$12.3 million P.L. 480 agreement is a *budgetary cost to us*. In view of the anticipated reduction in the Supporting Assistance appropriation, it is very important to utilize the P.L. 480 loan to the fullest extent possible to obtain the important overall self-help reforms we seek. \$12.3 million represents a substantial resource for the Dominican budget. *Joint negotiation of the P.L. 480 and Supporting Assistance loans would strengthen our bargaining power* and be consistent with your desire to *treat P.L. 480 and dollar aid as equivalent resources*.

Using P.L. 480 this year to negotiate budget and monetary policy will lay the groundwork for similar joint dollar aid and P.L. 480 negotiations next year, when we will need all the economic leverage we can muster. We face a critical negotiation with the Dominican Republic sometime after the municipal elections in May, on the issue of devaluation. Without devaluation, continued high aid levels will bring little, if any, basic improvement in the Dominican economy or in the high level of unemployment.

Although Gaud and Freeman would prefer not to delay the P.L. 480 agreement for joint negotiations, their reasons are not compelling. At worst, delay might cause some political embarrassment. However, holding the P.L. 480 presents no real problem for us or the Dominicans because the commodities are now being shipped under reimbursable purchase authorizations. The amounts of wheat and soybean oil involved in this agreement are so small that they would have no effect on U.S. prices.

I recommend that you defer negotiation of the proposed P.L. 480 agreement at this time, with the understanding that you wish to have it resubmitted as part of a total balance of payments and budget support package.

Charles L. Schultze

Approve negotiation now Defer and resubmit as part of combined AID and P.L. 480 package⁴ Disapprove

205. Telegram From the Embassy in the Dominican Republic to the Department of State¹

Santo Domingo, November 19, 1967, 1336Z.

1108. Subj: Political Situation Uneasy.

- 1. Two weeks—and especially this last, very active week—of intensive rumor-mongering and speculation concerning possible intentions of Wessin movement and alleged USG shifting of its focus and support from Balaguer to Wessin have produced local political situation best described as uneasy. Our vigorous public and private efforts dispel any impression of changing USG attitude appear to have achieved little significant or at least measurable success. By way of illustration, Vice Pres Lora considered it necessary raise what is being said concerning US posture during dinner with Emboffs Nov 16. Lora, who was strongly and categorically assured of straight-line US support for Balaguer, professed not believe rumors himself but said he wanted us know effect they seemed be having in key areas including palace.
- 2. A. Present campaign has probably contributed to process of erosion in some areas of Balaguer's civilian (and possibly military) support, which process seems have been developing for some weeks and particularly since Wessinista PQD presented request for recognition as political party to central electoral board late last month. PQD's assertion

⁴ This option is checked.

¹ Source: National Archives and Records Administration, RG 59, Central Files 1967–69, POL 23 DOM REP. Secret; Priority. Repeated to Santiago de los Caballeros.

that it presented 125,000–150,000 signatures in support its claim to legal status seems have impressed many and, as reflected by wide variety Emb contacts, may be widely accepted at face value. To a man, however, some 25–30 non-Wessinista Emb contacts (including Lora, Col Nivar Seijas, PRD dissidents and moderates, and PRD leadership's official channel to Emb) profess to view alleged PQD strength decidedly in Golpista terms and only very secondarily in electoral terms. They seem impressed at least as much by rumors concerning PQD's intentions as by their individual estimates its actual or potential strength. And in these rumors highly imaginative allegations concerning US posture weigh heavily.

- B. As Dept. is well aware, Doms in and out of office, of high or low estate, have in recent years demonstrated inordinate sensitivity to every nuance, real or imagined, of USG policy. This unhealthy attitude, which is the price we pay for our heavy influence and involvement, is exploited constantly by political elements, sometimes positively but more often negatively. This chronic sensitivity has become acute in the past few weeks, basically because of Wessinista upsurge but also because of unsatisfactory economic conditions and, to a probably minor degree, apprehension over the Congressional cuts in aid funds. The result has been that rumors of a less than positive US attitude toward Balaguer have received wider currency and created more apprehension—even in relatively sophisticated circles—than at any other time since Balaguer took office.
- 3. We are continuing efforts counter these allegations, many of which concern charges made or echoed by relatively responsible elements that US slowing down or diminishing aid to Balaguer in preparation for changeover to Wessin. Past week or two have seen public charges that there is serious friction between Emb and Balaguer on aid matters, aid is inadequate, aid will be cut, technicians withdrawn, or even entire USAID Mission to DomRep terminated. Amb plans deal as forthrightly as possible with issue in his long-scheduled address to American Chamber of Commerce Nov. 22. We can reasonably expect that this address will have dampening effect on current speculation, but are not sanguine that, in view limitations created by appropriations situation and current policy guidelines provided Emb (on, e.g., PL–480 negotiations), its effect will be long-lasting.
- 4. Spiraling issue of Wessin's return, with alleged US acquiescence therein, may be approaching a climax. We have indications from US and GODR sources that Wessin and his supporters planning major move for his return Dec 1. Balaguer's position unclear. He stated last July he would permit Wessin's return if sufficient popular clamor for it developed, and has recently acknowledged Wessin's eligibility participate in forthcoming elections, Wessin's name, however, is still on

GODR's prohibited list, and Pres is reported to have privately indicated indecision to Emb contacts. He told Garcia Godoy, according to latter's statement to Amb, he is uncertain about how to deal with situation and reportedly told Col. Tejeda Alvarez that Wessin's return at this time would create divisions in armed forces, a point also mentioned by Garcia Godoy. Garcia Godoy told WRB² he had replied to Pres that he as yet had no recommendation to make as to best way handle situation.

- 5. In conversation with Amb subsequent to his talk with Garcia Godoy, Pres stated he not unduly concerned about Wessinista threat. At same meeting, however, Pres betrayed unusual sensitivity about fact that some military and civilian elements had interpreted routine political contacts by our Consulate in Santiago as US support for PQD. Pres insisted, in response Amb's statements, he fully understood our position of support for him, but incident, in our judgment, betrays a certain amount of jitteriness and lowered morale on part Pres. With respect his morale, should be remembered we have hit him with very gloomy analysis 68 B/P and fiscal prospects without indicating, for reasons well known to Dept., what, if anything, we are prepared to do to help. We have also discussed with him in direct terms GODR delinquencies on certain aid-financed activities (ODC and AG Bank), although Pres stated he would meet all commitments, he may well feel that he is being squeezed at a time when his political problems are mounting. (In pertinent illustration of continually spiraling talk on aid issue, El Caribe Nov. 18 prominently front-paged Balaguer comment to press on ODC problem under negative headline "Pres Points Out Case of Discrepancy (with US) on Aid.")
- 6. Balaguerista elements contacted in past two weeks, including Lora and Nivar, hold that Wessin's return should be authorized before pressures build to point that Pres would patently be surrendering to them, and they profess belief there is still time undercut this pressure. They also profess conviction that Wessin, once here, would "demartyrize" self in relatively short period (2–3 months) and that situation would thus regain its previous if precariously balanced level.
- 7. Net effect Wessin's return or even his remaining abroad extremely difficult to assess. Even if we discount his own ability carry out his messianic political aspirations, Wessin appears fast becoming rallying point or symbol for disaffected political and business elements covering a broad spectrum who for variety of perhaps contradictory motivations and doctrines see in him potential instrument for upsetting present unsatisfactory (to them) status quo. And there is reason

² Presumably a reference to WGB, William G. Bowdler.

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believe Wessin still able command some loyalty in armed forces, particularly at lower levels. Whether his disruptive capability varies in direct or inverse proportion to his proximity is question as yet unanswerable, and we are impressed that neither Balaguer nor Garcia Godoy, who in combination probably represent some of best political thinking available here, as yet feel confident of ability make proper decision.

- 8. Without being alarmist, Emb considers it appropriate alert depart to developing situation and to feeling of concern held and expressed locally. It is interesting and perhaps significant that PRD is newly receptive to contacts with Emb, and one PRD spokesman tells us Pena Gomez wishes Emb know he is "very preoccupied" about situation. In apparent (if true) reversal of long-standing position, Pena Gomez allegedly told PRD legislators recently that party would defend GODR against coup attempt. Since then however, he has spoken publicly of PQD for first time over party radio program Nov. 17, stating PQD ranks being swelled by those seeking escape "terror" of GODR, and he restated official PRD position adopted last March that party would support neither coup effort nor govt and that it would fight only if attacked.
- 9. Present situation appears both uneasy and fluid. Political antennae are clearly out to determine where USG sentiments really lie and who looks like a winner. Our interest will clearly be served by whatever action transmits msg which will be unmistakably interpreted here as vote of continuing confidence in and support for present constitutional govt. Although we are aware that, under present circumstances, we are obliged keep to general, unspecific and unquantified statements on assistance, Amb in his speech and Emb officers in their contacts will continue endeavor transmit such msg.

Crimmins

206. Information Memorandum From the Assistant Secretary of State for Inter-American Affairs (Oliver) to Secretary of State Rusk¹

Washington, December 26, 1967.

SUBJECT

Unease in the Dominican Republic

I am not losing my "cool" over recent developments in the Dominican Republic but events of the past ten days have contributed to an uneasy atmosphere in that fragile country. The PRD has been more virulent publicly than it has been in recent months, the new political movement built around General Wessin y Wessin is playing an uncertain but potentially destructive role, the "disappearance" of Colonel Caamano from his post in London² has had an unsettling effect, and all in all some unhealthy tensions seem to be building up.

On the plus side, however, President Balaguer seems to be firmly in the saddle, the military leadership, despite some in-fighting, appears to be behind him, the PRD is not nearly the cohesive and broadly militant party that it used to be, and the people in general continue to seek stability and to avoid trouble.

The Embassy is of course keeping a close watch on developments and has been requested to give us a current assessment as well as an indication of what, if anything, the US ought to do in the circumstances. I am not sounding the general alarm but did want to let you know that some danger signals are popping up.³

¹ Source: Johnson Library, National Security File, Country File, Dominican Republic, Vol. XVIII. Secret. Drafted by Long.

² Details about Caamaño's alleged disappearance from London were transmitted in telegram 1292 from Santo Domingo, December 8. (National Archives and Records Administration, RG 59, Central Files 1967–69, POL 30 DOM REP)

³ Rostow was also informed of the troubling developments in the Dominican Republic in a December 26 memorandum from Bowdler who wrote: "For the past several weeks Bosch's PRD Party has conducted a war of nerves against Balaguer." Bowdler continued: "the disquieting feature is PRD use of the signals employed to launch the April 1965 affair. It may be nothing more than an extension of their psychological warfare. We have no intelligence indicating plotting or defections within the armed forces or gearing up of Constitutionalist elements for a return to violent tactics. I am puzzled and uneasy, nevertheless. The Embassy is following developments most carefully." Bowdler concluded: "One way of giving moral support to Balaguer—and warning his adversaries—is for the President to send him warm New Year Greetings." (Johnson Library, National Security File, Country File, Dominican Republic, Vol. XVIII)

Harry Shlaudeman has seen some special messages which bear on the general situation. 4

207. Memorandum From the Director of the Bureau of the Budget (Schultze) to President Johnson¹

Washington, December 29, 1967.

SUBJECT

P.L. 480 and Supporting Assistance Program for the Dominican Republic

Bill Gaud requests your approval to negotiate a \$30 million assistance package with the Dominican Republic, consisting of a \$16.1 million supporting assistance loan and a \$13.9 million P.L. 480 agreement. In November you approved deferral of the P.L. 480 negotiation requested by Gaud and Schnittker so that it could be combined with the dollar loan to assure maximum leverage for self-help. (Previous memoranda to you on the P.L. 480 agreement are attached.)²

The basic purpose of this assistance package is to assure continued stability of the constitutional Balaguer government through the Dominican municipal elections in May 1968. The \$30 million aid package will prevent a significant deterioration in the Dominican balance of payments during the first half of 1968. Coupled with increasing tax receipts, it will permit the government to maintain its investment budget at about the same level as in 1967. This \$30 million, covering the last quarter of 1967 and the first half of 1968, is essentially the same rate of assistance as we provided with our \$40 million commitment of June 1966. Without devaluation, there is no prospect for reducing this level of aid.

⁴ Not further identified. Telegram 1378 from Santo Domingo, December 25, describes in detail possible signals of trouble from the PRD party, such as a broadcast of the Constitutionalist anthem and the Marseillaise over its radio program. According to the telegram the PRD first played the Marseillaise on April 23, 1965, and at that time PRD Secretary General Pena Gomez explained its historical significance and stated that the next time it was heard on the radio program it would announce the advent of a people's liberation movement. (National Archives and Records Administration, RG 59, Central Files 1967–69, POL 2 DOM REP 23)

¹ Source: Johnson Library, National Security File, Country File, Dominican Republic, Vol. XVIII. Confidential.

² Not attached; but see the attachment to Document 204.

Covey Oliver and Bill Gaud accept Ambassador Crimmins' judgment that Balaguer is not strong enough now to take necessary economic reforms, particularly devaluation. Balaguer will be informed during the negotiations that *further balance of payments assistance for the rest of the year will be related to essential self-help actions*, which we hope he will be in a position to take after the May elections.

Gaud and Oliver will use the \$30 million assistance package to negotiate for limited but important *self-help measures* which will improve the effectiveness of our aid. Commitments will be sought from the Dominicans to

—prevent further deterioration of the balance of payments position, mainly by *restraining monetary expansion*,

—improve tax administration and collection,

—better allocate budget resources to increase education, health and agriculture activities and gradually reduce the military and police budgets,

—increase agricultural development by a variety of measures listed in the Gaud/Schnittker memorandum.³

In addition to maximizing our negotiating leverage, by programming food aid and dollar aid as equivalent resources, the supporting assistance loan was reduced \$3.9 million below the originally contemplated \$20 million level. P.L. 480 commodities were substituted for scarce AID dollars. Cotton textiles in an amount slightly less than \$1 million are included in the proposed agreement.

Balance of Payments

Secretary Fowler agrees that successful negotiation of the proposed procedures to increase the U.S. share of Dominican imports and to avoid substitution for U.S. commercial exports under the AID loan would minimize the impact on the U.S. balance of payments.

I recommend approval of Gaud's request to negotiate the \$30 million package with the Dominican government.⁴

Charles L. Schultze

 $^{^3}$ John A. Schnittker, Under Secretary of Agriculture. The memorandum has not been found.

⁴ The approve option is checked.

208. Telegram From the Embassy in the Dominican Republic to the Department of State¹

Santo Domingo, January 9, 1968, 1943Z.

1461. Subj: Political Situation—Assessment and Short Term Prognosis, Ref: State 88306.²

Summary

Relative political stability achieved by Balaguer administration during first 18 months in office now coming under stepped-up pressure as result convergence political, economic and other factors. Further radicalization of public and private posture of PRD as leading opposition party appears clearly underway. Emergence of Wessin and PQD as new anti-Communist alternative to Balaguer complicates political scene in negative sense and at least calls into question firmness and continuity of support in some sectors heretofore solidly committed to Balaguer. Increased militancy (perhaps born of frustration) of extreme left seems to pose threat of renewed violence if and when "target of opportunity" situation occurs, or can be developed. Political timetable during first half 1968 offers enough prospective such situations to warrant concern. In face of all this, Balaguer appears confident he can weather anticipated storms by using essentially same methods and tactics as have characterized his administration to date. While we are less sanguine now than heretofore that he is fully on top of situation and all its diverse aspects, we continue give him better than even chance of survival through May 1968 election. Our strong continued support, always publicly demonstrated, is essential to this outcome. End summary.

1. A. Three weeks hence Balaguer administration will have been in office longer than any Dominican regime since Trujillo assassination. Despite its numerous faults and chaotic situation it inherited, present GODR has provided country with greater measure stability and at least better prospect economic progress (although as of yet negligible social and political progress) than any of its post Trujillo predecessors. It has rekindled hopes of many Dominicans (and others) that there may be, after all, a constitutional solution to Dominican problem.

B. Stability, however—always relative here—is achieved and maintained only through constant attention to delicate equilibrium of forces and through keeping opposition (real and potential) as divided

¹ Source: National Archives and Records Administration, RG 59, Central Files 1967–69, POL 2 DOM REP. Secret; Limdis. Repeated to Santiago de los Caballeros.

² Dated December 22, 1967. (Ibid.)

and off-balance as possible. Although he seems be finding it increasingly difficult to do so, Balaguer has so far been able perform both feats successfully and has concurrently been able instill in nation as whole a sense of accomplishment, meager though it may be, beyond expectations of most a short 18 months ago.

C. Two major elements of political scene have displayed constant and ever-increasing inability to reconcile themselves either to Balaguer or to being out of power. These opposition elements are, of course: former Constitutionalists, with emphasis on Communists and PRD radicals but including many IRD moderates and numerous Social Christians; and intransigent right wingers, opportunists and others now lumped into or sympathetic to Wessinista PQD. Unfortunately, their frustration has been heightened, rather than lessened, by Balaguer's operation and staffing of his govt and his apparent public insensitivity to very real social problems affecting nation. At this time hard-core Constitutionalists and hard-core "Wessinistas" are seeking seriously undermine if not eventually overthrow Balaguer. Their chances of success in latter endeavor would depend, inter alia, on degree of cohesiveness they possess or can develop within themselves, degree of unity of purpose they can achieve, both internally and with each other, and amount of outside support, i.e., military, Havana (and to a significantly lesser degree Cuban exiles operating with forces of the right) they can draw upon, all available evidence indicates that, at this time, they lack, singly or in any combination, those essential ingredients of success.

2. DR however appears to be entering what may well be its most turbulent period since Balaguer's inauguration. PRD has started 1968 off on ominous note. PQD continues operate its rumor mill and appears preparing for major push in some direction. University situation is definitely heating up (SD 1448)³ Caamano lurks in background, possibly with newly forged Cuban ties. Communists, while still split and squabbling, are nonetheless trying to increase their trouble-making potential and their initially most effective force, i.e. 14th June, may have strengthened its ties with Havana. All of these elements are, at least to minor degree, already inter-related. Some PRD members and Communists have on instructions infiltrated PQD. [less than 1 line of source text not declassified has had indications in recent months of stepped-up infiltration by Communists of PRD, particularly at neighborhood levels in Santo Domingo, where there has been evidence of some infusion of 14th June elements. Some Golpista-inclined elements of PQD have been discussing coup possibilities with PRD and other elements, and there has been evidence of other contact between PQD and PRD elements in an unknown context. Caamano may now be shared by PRD

³ Not found.

and 14th June, or may even be on way to becoming titular leader new "constitutionalist" movement of which PRD and 14th may be nucleus in at least informal alliance reminiscent of formal PRD-PRSC combination in 1965, which itself may have had 14th June undertones. Opposition's growing, though still limited, potential will, of course, feed on unrest but will make relatively little headway towards ultimate goal of at least some of its sectors, i.e., Balaguer's overthrow, so long as bulk of businessmen, Partido Reformista and, most importantly, armed forces, remain united and behind President. Some erosion these major sectors President's support has already occurred, particularly toward PQD, though not to significant degree. Next few months, with their potential for unrest heightened by three-month municipal election campaign scheduled begin February 16, could well produce significant growth of opposition's potential and increased erosion President's support.

- 3. A. Particularly in view PQD's probable participation therein, election campaign will bring into open latent hostilities of revolution which remain just barely below surface and provide occasion for possibly serious disturbances. Even should PRD not participate in elections, which not presently certain, it could be fully counted upon to wage vigorous "non-campaign" in pursuit its own interests. Communists are likely to try to join in with harassment of campaigners as they did in 66 elections. Such activities could invite "repression" of left both by authorities and by PQD (and possibly PR) affiliated "vigilantes" and could create atmosphere propitious for inflating ranks of left-wing radicals and extremists and for simulating greater cohesion between these elements of left.
- B. To right, including many Reformistas, businessmen, and military elements, such eventualities would in turn translate into visible growth of "Communist threat" and result in heavier pressures on Balaguer to deal with it summarily. Should he not respond satisfactorily, he would run increased risk of losing significant elements of business community and military to PQD, whose attraction for them lies in part in fact it offers Wessin as an acceptable alternative to Balaguer should Pres prove conclusively (to them) that he "soft on communism."
- C. All this, of course, is without reference to any specific plans Communists may have in mind for guerilla actions and/or urban terrorism, to possible PRD plans for "popular uprising", or to PQD plans for coup attempt. While we have yet to develop hard evidence that any such effort is likely to occur in near future, it is clear that at least some elements of each of three above sectors are actively considering action along lines indicated. In addition, there are two external factors that could trip delicate balance against Balaguer and force him to assume increasingly defensive and authoritarian positions, and make him prey to more and more wolves. For our purposes these factors, both un-

known, are (a) those of the conceivable developments in Haiti which would impact adversely here, and (b) just how DR (or entire island) fits into Cuban plans.

- 4. A. Notwithstanding real possibility of major trouble and some erosion of his support between now and scheduled May 16 elections, we continue estimate of his survivability would necessarily have to be reviewed and reassessed however if, in treading delicate tight rope between now and then, he should make any serious missteps such as miscalculation under pressure of some key issue or of balance of forces and should take action net effect of which would be to alienate significant support or sharply intensify opposition, or if he were to be dealt with unfairly by elements beyond his control, e.g. his own incapacitation, successful exploitation by his opponents of any Communist effort in Haiti, or a major Castro-backed effort against him.
- B. Against this backdrop, a brief look at major elements of present political evaluation follows:

5. The PRD

A. We hypothesized last Feb (A–436)⁴ that "PRD would seem have chosen to seek power through revolutionary means." Sum of party's public, private and clandestine statements, maneuverings and actions since then, particularly in past few months, have tended to reinforce this hypothesis. We also hypothesized that "any movement against the govt in which PRD engaged in foreseeable future would, because of its present isolation from moderate sectors, have to be undertaken in concert with long-discredited elements of military and right, or with extreme left, or with a combination of the two." Intelligence developed since then, and particularly since last Sep, indicates a disquieting but as yet not precisely measurable degree of cross-fertilization between PRD, PQD, and Communists.

B. We hold to our working hypothesis as the most plausible explanation of PRD actions and statements and estimate that PRD is once again attempting maneuver events so as to create situation favorable to eventual realization of its ambitions. In this it is unfortunately being provided an opening by Balaguer and elements of his administration, most notoriously some elements of the police, whose continued

⁴ Airgram A–436, February 26, 1967, reads: "The PRD has become increasingly intransigent since the beginning of the year and has given the strong impression that it is bound on some unknown but dangerous course. . . . The PRD's harsh line, its apparent actions, and its deliberately uncompromising public and private attitude, now resemble its posture during its build-up to the revolution of 1965. . . . We estimate, then, that the PRD may now be seriously engaged in preparing for another contingency: the chaotic situation that would follow the assassination of the President." (National Archives and Records Administration, RG 59, Central Files 1967–69, POL 2 DOM REP)

"repression" of opposition elements, however justified its action may be in some instances, is providing ammunition to opposition. PRD's first attempt manipulate events to its hypothesized ultimate ends took place last May when political temperature had almost reached boiling point after terrorism that capped six weeks of rising political tension following assassination attempt against Imbert. Since failure that effort, economic situation has deteriorated and hopes then existing for early economic upturn have eroded; dissatisfaction with Balaguer on economic and other grounds have increased [garble] right has organized—albeit loosely—around man (Wessin) it considers palatable alternative to Balaguer and political right's former tolerance of Ires [?] has eroded; and Bosch's "popular dictatorship" thesis has polarized political opinion to extent (1) it has forced this opinion to support or oppose thesis, and (2) it has confirmed PRD opponents' suspicion that Bosch and party radicals are intent upon destroying Dom institutions as they presently constituted.

C. PRD's public posture and its clandestine activities since Pena Gomez's return from Europe in Aug have clearly suggested party radicals have been reading selves and preparing public for events whose ultimate result radicals obviously hope would be installation of dictatorship with popular support. Which in many respects is an echo of Bosch's "return to constitutionality without elections" of 1964-65. In fact, later slogan in which "constitutionality" refers to 63 Constitution, is being given renewed currency today by party's continuing denial of constitutional character to Balaguer administration, its executive committee's posture on electoral abstention, the growing threat of its legislative bloc's permanent withdrawal, and its first official invocation of 63 Constitution as basis for party position (as evidenced in its Jan 3 letter to Emb and in Jan 5 broadcast by Pena Gomez, who stated US intervened in 65 primarily to prevent return to constitutionality of 63, and that since PRD still holds to that constitution "it natural" that party would face intervention again should there develop another chance to apply that constitution's tenets).

D. Party's radio broadcasts and its private comments to Emb and as reported [less than 1 line of source text not declassified] particularly in past month, have pointed increasingly to its belief in inevitability of eventual new revolution. Its unusual musical offerings on Christmas Eve (Constitutionalist hymn and Marseillaise) and New Year's Eve (marching song of Dom youths who trained in Cuba prior to Jun 14, 59 invasion effort against Trujillo), all three of which repeated in Jan 6 broadcast, its almost constant public reference to coming "redemption" and "liberation," its absolute silence on Caamano, its now constant and uniformly contemptuous (and often vicious) personal attacks on Balaguer, its efforts persuade its audience that present situation on "total repression" of people's hopes and aspirations mirrors or surpasses that

of early 65, and its constant reiteration of friendship for military and particularly AF. AF in part war of nerves aimed at extracting concession from govt and in part effort to hold and to increase its radical following. Beyond this they may well be literally intended to signal coming events. Our major present uncertainties as to PRD's ability mount major revolutionary effort concern extent of its latent support in military (believed negligible) and possible roles assigned to Caamano, Communists and Cuba in its plans (unknown). We estimate, however, that barring assassination of Balaguer, party and its possible allies lack strength with which to succeed in revolutionary overthrow of GODR unless presently unlikely coup attempt (successful or not) or other action affecting armed forces should split military or otherwise diminish its capability for effective response and thus create power vacuum that PRD and its possible allies could fill to their advantage.

6. The Communists

A. While PRD has been taking on increasingly revolutionary posture, DR's three major Communist parties-MPD, 14th June, and PCD—have also adopted more radical posture in recent months. Moscow-oriented PCD has, for the first time known to Embassy, resorted to training guerilla warfare cadres; three such groups of 12-16 personnel each have been identified recently; two were located in Haitian border regions and one in country's northern tier. At least this would seem to indicate that since most recent tricontinental conference PCD has moved toward Havana outlook on revolutionary activity, or, at most, that Dominican Republic may be considered a unique situation by Havana-Moscow axis in which some measure of agreement has been reached by them on its guerilla potential. In either event, these indications signal more extreme posture on the part of the PCD and distinct departure from "pragmatic" approach to which it has adhered in past. 14th June and MPD are being rent by internal dissensions, with MPD in a more advance stage than 14th. Both have encountered ample frustrations in attempting to organize over past months for insurgency effort predicated on more classic approach of Campesino support. They have found that Campesinos do not easily abandon their traditional conservatism; that internal security forces operating throughout interior represent formidable obstacle to clandestine activity of this nature; and that, all aspects considered, this is form of long range endeavor which they are unable to sustain under pressure of their own internal divisions and of government. As their frustrations in these respects have become more pronounced, there has been resultant tendency to look to irrational, quick solutions through process of escalating competition among not only factions in each party but between parties themselves in order prove themselves as most dedicated Marxist-Leninist.

B. Ex-Constitutionalists in form of 24th of April revolutionary movement (M24A) with a net of relationships reaching into 14th of June and PRD have been provided separate political identity recently. According to [less than 1 line of source text not declassified] reports, Cubans invited 14th June to send group of ex-Constitutionalist leaders to Cuba for training in late September and, month and a half later, provided financial support for formation of new ex-Constitutionalist organization for purpose of participating in "armed struggle." It is suggestive or even perhaps significant that M24A was resurrected shortly thereafter with public announcement made by two ex-Constitutionalists with 14th June backgrounds. Its efforts have to this point been devoted to organizing affiliates in interior and, if it has any particular political cast, based on presently-known personnel affiliations it is 14th June.

C. Communist Parties are at present in no position embark on insurgency course with hopes of eventual success unless there is reasonable prospect for outside support and assistance in form of either parallel or cooperative endeavors from other political quarters. Critical factor here is PRD's attitude toward this form of collaboration and, to lesser extent, that of PQD. If PRD is prone to overthrow Balaguer at earliest opportunity, PCD's recent activities and frustrated and irrational mood of MPD and MR1J4 would make them all likely participants if not spearhead of such an effort. There is insufficient evidence upon which to base any estimate of what role might be destined for Caamano. It might only be noted that he would be a catalytic and unifying element for those more radical opposition forces should he reappear, alone or otherwise, in DR in coming months—regardless of sponsorship.

7. Wessin and PQD

Wessin's PQD is essentially loose agglomeration of those outside of left who traditionally opposed to or more recently dissatisfied with Balaguer. In addition to many of those who followed Bonnelly (who obtained 45,000 votes) in 1966 election campaign, PQDers include numerous UCNers who voted for Balaguer, many disenchanted Reformistas (according to Vice President Lora and other high PR officials), and unknown number PRD and 14th June members. Bulk of latter elements, however, some of whom have joined PQD on instructions their respective parties, are presumably there for protective, tactical or some other non-Wessinista reason. PQD's surprisingly fast growth derived from fact that in Wessin it provided anti-Communist and otherwise acceptable alternative to Balaguer to those who previously had no nonleftist alternative to him. Recent [less than 1 line of source text not declassified] information has provided evidence of a split between Golpista and electoral-minded elements in PQD. Wessin's significance lies hardly as much in his electoral potential however as in fairly substantial sympathies he retains in military and in his potential for increased attractiveness to military and business community, some of whose elements are believed be contributing financially to PQD. Another consideration is possibility that anti-Castro Cuban exiles may be providing funds and doctrinal stimulus to Wessin for their own purposes.

In event situation should deteriorate to point military should consider Balaguer incapable of dealing with it, Wessin's trouble-making potential would indeed be serious.

8. President and Reformistas

A. Balaguer has so far effectively managed to stave off all elements his opposition by stimulating divisions within them, setting them against each other, buying them off, threatening them, cajoling them, playing up to them, and authorizing or permitting certain types of harassment. While playing this risky game of survival (which he has so far had to play less than any predecessor except Bosch, who did not play at all), he has (as did Bosch) deliberately ignored his own party, has not built base of support within government, and has not deemed it necessary to bridge gap between military, business community (i.e., power sectors) and unorganized "sane popular majorities" which together he constantly gives public and private impression are his sole pillars of support. While this has not actually destroyed his party, it has weakened it considerably, though probably not to point it would calmly stand by and watch him overthrown as PRD did with Bosch in 1963. While to many Reformistas Wessin would offer palatable alternative, strong possibility of civil strife and possible PRD victory therein would most likely stir them to Balaguer's defense in crunch.

B. President's almost total lack of real "political" attention to causes and complaints espoused by PRD and Social Christians (latter feel Balaguer has withdrawn from them in recent months) mirrors his inattention to Reformista complaints and desires and stems from integral part his psychological makeup; he appears sincerely to believe that anything a political party or for that matter a labor organization clamors for is designed solely to satisfy one or another narrow partisan or financial interest and has little to do with wishes of people as whole, as such, he will take only that action that will, he hopes, ensure that clamoring remains within limits of the tolerable. With PRD he often deliberately forgets to do that.

C. Pres sincerely believes the people, not the PR, elected him (as they did). He therefore feels he owes nothing to PR, much to the people. He considers he owes even less to PRD and PRSC, who lost election, but he does owe as much to those who voted for PRD and PRSC and who later joined "sane majorities" as he does to those who voted for him. It is not "sane majorities" who are causing problems, but rather self-serving political (and labor) organizations which, in name of "defending people's interests are seeking increase prestige and power of relatively few at top of these organizations. He alone was chosen

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defend people's interests, Pres believes, and he doing just that and not about to satisfy narrow ambitions of others by distributing credit. But he does have to keep these ambitions in check, and for this he uses bag of so far successful tricks.

D. All this is difficult for more politically sophisticated mind to accept. But it essential to understanding Balaguer's modus operandi. Unfortunately, there seems to be no way (and we and others have tried many times ways) to convince him that political organizations do in fact represent large segments of same people whose interest he believes he so zealously safeguarding. And he is safeguarding them, he believes with highly ingrained paternalistic bias, by protecting them from malevolent designs of "agitators" and "Communists" (with security forces) and improving overall economic situation (via business community) from which all people will eventually benefit. In seeking paternalistically provide peace and progress for people's future, however, he does not seem by instinct or temperament inclined adequately or consistently to recognize basic political necessity of satisfying their psychological needs of present, a failure that opposition more than avidly exploits.

E. Manner and style which Pres runs his administration, never plusses for him, have increasingly become negative factors. It is an "old" govt in terms both of age of most of its leading figures (many of them hacks and throwbacks to earlier era) and of its general approach toward conduct of public business. Concentration of all authority over even minute detail in Pres personally, corresponding relegation Cabinet members (most of whom have not slightest idea what modern govt is about) to mere figureheads unwilling and incapable making routine decisions because they fear Pres's wrath or have not merest idea his thinking, practically total lack of elementary staff work, consequent readiness by Pres to make ad hoc decisions in vacuum or on basis information or opinion always incomplete and often biased or self-serving, Pres innate distrust "technicians"—his tolerance of notorious crooks in his circle—all of these add greatly to burdens of our own operations here, particularly in aid field, but more importantly they have meant that govt as a whole has over the months failed generate any real degree popular enthusiasm and has fallen prey to secular cynicism of average Dom toward any govt. Up to now, Pres himself has been generally excepted from this popular cynicism. Usual formulation, outside more rabid sectors of opposition on left and right, has been that Balaguer is good, honest, sincere, hardworking man trying to do his best but victimized by a bunch of fools, scoundrels and thieves. This judgment, in both respects, is close to the mark. One of most frustrating—and dangerous—aspects this unhappy administrative situation is that Pres gives every sign to us of realizing incompetence and dishonesty some of his closest associates, yet for many reasons which, at least to us, do not seem persuasive, does almost nothing about it, [garble—thereby incurring?] risk increasingly of losing his present general immunity from direct attack and worsening his already difficult situation.

- F. Another factor greatly colors Pres's view of PRD. Pres firmly believes Bosch and his more rabid followers are sworn enemies of both DR as Balaguer working for it to be, (and of USG with which Pres strongly identifies). He has therefore long since set himself out to destroy Bosch before Bosch can destroy him. His fear of Communist threat is directly related to this struggle, as he believes Bosch, Pena Gomez et al either Communist or next thing to it. To fight Communists, protect "sane majorities" and provide business with investment climate, Pres looks ultimately (and increasingly, as threats to him increase) to military. He is not prisoner of military, but his growing dependence upon it could eventually entail some such relationship unless he can neutralize threat he relying on military to overcome.
- G. Threat, however, keeps growing and is fed by his acts of omission and commission and words and those of many of his subordinates and adherents. To PRD and Communists (and to PRSC) Pres has in past two weeks, for instance, offered grave challenge and variety legitimately exploitable issues. He has catered primarily to military (promotions and decorations) to business, military and right in general (industrial exposition speech); and to "sane majorities" (above and Christmas and New Years' msgs). During same time he has given opposition nothing but issues (cut in Christmas bonus, maintenance of cut in university budget, extra-ordinary military promotion ceremony, series mostly deporable or unpalatably political govt-mental personnel shifts and appointments and, most importantly, apparently gratuitous statement of Dom dependence on US with special emphasis on alleged US determination prevent another Communist takeover in Caribbean or, in effect, another revolution like that of 65).
- H. Pres's recent actions seem to us unnecessarily provocative to considerable range of opponents. Although we can only speculate, these actions could reflect: (1) diminished presidential sense of proportion and perspective; (2) a presidential assessment considerably different from our own as to power balance of moment and action requirements deriving therefrom; or (3) presidential intent to provoke a direct confrontation and showdown with opposition on timing and issues of his choosing.
- 9. We unfortunately cannot rely Pres to level completely with us as to what he is up to, if he is in fact operating along final line suggested above. Aside from his normal taciturnity on matters involving such important internal questions, we convinced he would not explain himself to us candidly for fear we would raise serious objections, as we quite probably would. In any event Pres's success in this possible endeavor or in meeting situation stimulated otherwise depends in great measure on military, as he himself fully recognizes.

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10. The Military

A. Three high military officers have acknowledged to EmbOff in last six weeks that fair amount Wessinista sentiment exists throughout ranks of military and particularly among former CEFA personnel and in air force. Deputy Army C/S, however, stated this sentiment is held on individual rather than sectoral basis and that, with possible exceptions of smaller air force units, there cannot be considered to be Wessinista "segments" in armed forces. Same officers also acknowledged "Constitutionalist" sentiment in military, but they consider this negligible. On other hand, another of these officers, Col Nivar Seijas, has said that among his precautions against some eventuality he has "ringed" officers of some units, whose loyalty to Balaguer he suspects, with trusted sergeants so as to prevent implementation of anti-Balaguer orders these suspect officers may issue or, if necessary, to arrest or kill them. It is possible that Wessinista and/or Constitutionalist-oriented military elements may have made similar arrangements. Above officers, as well as [less than 1 line of source text not declassified] DAO sources and contacts, generally agree, however, that military as whole remains responsive to its high command and to Balaguer.

B. President has recently taken two significant steps to reinforce this responsiveness and to diminish or at least prevent further growth of Wessinista sentiment. These were his Dec 24 promotion ceremony for 765 essentials lower and middle grade military men, about two-thirds of whom enlisted personnel and over half of whom air force, and his decoration on Jan 5 of 217 navy and 475 army officers, also mostly lower and middle grade. List, however, included Navy C/S Jimenez, Captain Revera Caminero, Armed Forces Secretary Perez y Perez, Nivar Seijas, Military Aides Chief Col Perdomo, and appeared reflect all major currents in both services.

C. In light leftist maneuverings detailed above, unusual drama of President's promotion ceremony and his large promotion and decoration lists, which sandwiched ringing anti-Communist "incentive" speech to business community (and military), convey impression that by appeasing power sectors he is attempting erode Wessinista real and potential strength and at same time consolidate his strength in order to meet what he would appear now to consider more immediate threat of major leftist actions, to deal with this contingency with maximum dispatch and with minimum violence, he knows he must have united and effective military support.

D. We estimate that, with possible exception some air force and other essentially isolated elements, Balaguer continues enjoy very strong military support, particularly in face potential left wing threat, and notwithstanding long-smoldering controversy between Perez y Perez and Nivar Seijas factions. Should eventual resolution this controversy prove decidedly unpalatable to one side or other, it possible that some erosion could

take place, although it unlikely it would be of significant proportions as long as leftist threat persists. Should Balaguer not take steps considered adequate by military to meet this threat, however, it is likely that elements therein would turn more and more to Wessin as alternative. But this does not seem be matter for concern in immediate future.

E. Given these assumptions, which accurately reflect situation as we best able to determine it as present, we consider Balaguer capable of dealing with any revolutionary or other armed left wing activity unless this should include assassination of President himself or other preemptive action effectively neutralizing capability of military for forceful response (e.g. through assassination of key officers).

11. Summary Prognosis

A. We estimate present uneasy situation will over next 4–5 months become increasingly delicate. In our own thinking we are dividing period to elections in three segments: (1) between now and PRDscheduled Feb 7 convention (and/or opening of 3-month campaign for May 16 election immediately thereafter); (2) between then and April 24–28; and (3) between then and elections. We suspect that PRD planning some activity, or preparing take advantage activity being planned or that might accidentally be triggered by others, in order extricate self from dilemma of deciding formally on electoral participation question one month hence. We cannot foretell the occasion or the form of this suspected activity, but are impressed that one situation already at hand and offering quite inflammatory potential exists at the UASD. ([less than 1 line of source text not declassified reports indicate 1/4 intent to spark disturbances focussing on university question and PRD's student arm—FUSD—seems heavily involved.) Further, before PRD convention, it would not be unlikely for something to happen on Wessin issue (dormant for many weeks now) and/or concerning Caamano.

- B. Should no major activity occur within next month, we would still expect potential for trouble to remain high through May 16 election, with a possible peak toward third anniversary of outbreak of revolution on April 24.
- 12. As stated above, taking all positive and negative factors into account, we estimate President with our continued economic and political support, publicly demonstrated, has better than even chance of survival through May 1968 election.
- 13. In response State 89983⁵ separate telegram will suggest actions by Dept which in our judgment would have useful impact on Dominican situation.⁶

Crimmins

⁵ Dated December 27, 1967. (Ibid.)

⁶ See Document 209.

Telegram From the Embassy in the Dominican Republic to 209. the Department of State¹

Santo Domingo, January 13, 1968, 1539Z.

1508. Subj: Recommended Actions at Washington Level. Ref: State 89983;² Santo Domingo 1461.³

1. In response Department's request following is Embassy's initial listing of suggestions for actions at Washington level which would have useful impact in existing circumstances:

A. Aid/Economic

- 1. Readiness to deal quickly and flexibly with negotiating problems as they may arise during Embassy-GODR conversations on new assistance package.
- 2. Promptest possible processing sixteen million SA loan and subsequent dollar disbursements.
- 3. Accelerated conclusion of bid and AID/W studies of Tavera Dam project, with object of earliest possible announcement of bid and AID decision to finance (assuming establishment of feasibility). (Ambassador would like briefing on current Washington status and prognosis of studies during his consultations.)
- 4. Early consideration of special treatment for DR in allocation of sugar shortfalls, bearing in mind electoral stability factors as well as economic balance of payment factors. (We realize normal timing of allocations may not permit pre-electoral impact and certainly cannot be finely adjusted to meet tactical stability needs. At same time, we would want Washington to consider desirability making early statement USG intention take sympathetic attitude toward DR, a statement which would have considerable impact.)
 - 5. Prompt and flexible treatment DL applications.
 - 6. Largest possible FY-68 and 69 DG allocations.
 - B. Political Military
- 1. Consideration, on contingency basis, of possible invitation to Balaguer for state visit.
- 2. High-level, stability-bolstering statements in support of constitutional government in DR, to be made on appropriate occasions to be identified by Embassy.

¹ Source: National Archives and Records Administration, RG 59, Central Files 1967-69, POL 2 DOM REP. Secret; Immediate; Limdis. Repeated to Santiago de los Caballeros.

² Dated December 27, 1967. (Ibid.)

³ Document 208.

- 3. Favorable consideration of request by Dominican Armed Forces for grant assistance on military soft goods.
- 4. Continued and, if necessary, increased surveillance of potential Golpista elements now in US (e.g., Wessin, Pancho Aguirre).
- 5. Contingency preparations for departure controls on Wessin, should Balaguer so request.
- 6. Holding line on issuance visas to notorious Trujillistas, whose presence in US would be prejudicial to US interests in DR, and continued and, if necessary, increased surveillance of those already in US.

Crimmins

210. Information Memorandum From the President's Special Assistant (Rostow) to President Johnson¹

Washington, January 16, 1968.

SUBJECT

Dominican Situation

The IRG for Latin America met with Ambassador Crimmins yesterday to review the Dominican situation and decide what additional steps should be taken to bolster Balaguer.

Ambassador Crimmins expressed some surprise that his recent report had been viewed as sounding a note of alarm over political trends.² The message he wished to convey was one of continuing concern over the efforts of the opposition to undermine Balaguer, brought into sharper focus by the proximity of the May municipal election. There is no immediate threat to Balaguer's position, but we must remain alert to dangers and the need to bolster him wherever possible.

Crimmins reported that last Friday³ before leaving the DR, he asked President Balaguer for his assessment. Balaguer said he was not concerned about the situation and thought it was essentially normal for the Dominican Republic as it approached an important election. Crimmins thought this estimate a little too sanguine.

 $^{^1\,\}rm Source$: Johnson Library, National Security File, Country File, Dominican Republic, Vol. XVIII. Secret. A "PS" on the memorandum indicates the President saw it.

² See Document 208.

³ January 12.

When asked about prospects for Balaguer's winning the election, Crimmins observed that the outcome of the municipal elections was not much in doubt. Balaguer's Reformist Party (PR) has the best political organization and with a little bit of effort he can win.⁴

The IRG agreed to explore these courses of action to bolster Balaguer:

Economic

- 1. Speed negotiation of the \$30 million SA-PL 480 package for CY 1968 and advance our paperwork on disbursement so that money can flow promptly after signing of the new agreement.
- 2. Press for rapid IDB and AID processing of the politically important Taveras Dam loan so that it could be signed by February 27, the Dominican Independence Day. (IDB President Felipe Herrera has expressed an interest in going to the DR for the signing ceremony.)
- 3. Recommend that you again make a special allocation to the DR of the Puerto Rico and domestic sugar shortfalls and announce this in advance of the May 16 elections.
- 4. Amend the USDA letters of reimbursement to allow wheat to flow uninterrupted to the DR while PL 480 negotiations are underway.
- 5. Check to see how we might help the Canadian Falcon Bridge Co. secure the financing for its \$150 million investment in Dominican nickel so that the announcement can be made prior to the elections.
- 6. Encourage Balaguer to decide on the bids already presented by Esso and Shell for building a refinery in the DR to pave the way for the announcement of another major investment.

Political-Military

- 1. Arrange a series of visits to the DR over the next four months to demonstrate confidence in and support for Balaguer, e.g.:
 - —IDB President Herrera for the Taveras Dam loan signing;
 - —New OAS Secretary General, after he is elected;
- —President Leoni, either on his way to or from the US, should he accept the invitation you made at Punta del Este;

⁴ During a January 16 ARA–CIA meeting support for Dominican moderate forces in the May municipal elections was discussed. It was noted that Balaguer was not interested in building and maintaining the organization of his Reformist Party and until he responded to U.S. efforts to "vitalize him" there was not much the United States could do. "Sayre expressed his concern that in March or April, when it would be too late, Balaguer would suddenly awaken to the fact that his own prestige was involved in the municipal elections and would turn to us with demands that we do something." (Memorandum from Trueheart to Hughes and Denney, January 18; Department of State, INR/IL Historical Files, Dominican Republic 1968)

- —Ships of countries participating in the Caribbean naval exercise "Springboard" (Canada, Ecuador, Colombia and possibly Venezuela, but not US or Brazil because of IAPF connotations).
- 2. Crimmins to review programmed levels of military and police equipment to determine whether the items are best designed to help satisfy the more urgent needs of the security forces and yet be consistent with our plans for modernization and reduction of force levels.
- 3. Continue and, if necessary, increase surveillance of potential coup elements (e.g., Wessin) and be prepared to place departure controls on them if Balaguer requests.
- 4. Hold the line on issuance of visas to notorious Trujillistas whose presence here would be prejudicial to our interests in the DR.

In addition to the foregoing actions [less than 1 line of source text not declassified] will:

- 1. Subject to 303 Committee approval, make [less than 1 line of source text not declassified] available to the Social Christian Party to keep them in the municipal elections as a validating force for the elections. (It is doubtful that Bosch's PRD Party will participate.)
- 2. Press Balaguer's PR Party to be more aggressive in the election campaign which starts February 16.
- 3. Make renewed efforts to determine the whereabouts of Caamano who disappeared from his London post on October 24, 1967.
- 4. Try to learn more about Cuban intentions regarding the DR, since Caamano may be in Cuba and Castro may be looking to the DR as the place to recoup his Bolivian losses.

With alertness to the situation, the foregoing medicine and a little luck, Balaguer should be able to weather this rise in the fever chart unless he precipitates complications with decisions beyond our control.

Walt

211. Memorandum Prepared for the 303 Committee¹

Washington, January 29, 1968.

SUBJECT

Covert Financial Contribution to the Revolutionary Social Christian Party for the May 1968 Municipal Elections in the Dominican Republic

1. Summary

The possibility exists that the Dominican Revolutionary Party (PRD) may not participate in the 16 May 1968 municipal elections, thereby depriving Balaguer of the important psychological factor of a major, left of center opposition. It is, therefore, important that the other left of center opposition party, the Revolutionary Social Christian Party (PRSC), participate effectively in the municipal elections and provide an outlet for left of center sentiment.

This memorandum asks the 303 Committee to approve a proposal for a modest covert contribution [less than 1 line of source text not declassified] to the PRSC for its municipal election activities.

2. Factors Bearing on the Problem

a. Pertinent U.S. Policy Considerations

This proposal is consistent with the U.S. Government's general and specific objectives cited in the Country Analysis and Strategy Paper (CASP)² for the Dominican Republic which was approved on 8 May 1967. The applicable general U.S. objective is the "creation of the infrastructure to support a viable, democratic political system in the Dominican Republic". The Specific U.S. Objectives cited in the CASP and applicable to this proposal are to "maintain and strengthen the Social Christians in a position of constructive opposition", and to "prevent an alliance of the right or the extreme right and the left or the extreme left against the government".

b. Background

(1) In accordance with the Dominican Constitution, the biannual municipal elections are scheduled to be held on 16 May 1968. Seventy-

¹ Source: Department of State, INR/IL Historical Files, 303 Committee Records, 1968. Secret; Eyes Only. Sent to Bohlen, through Trueheart under a February 13 covering memorandum from Oliver who summarized it and recommended approval of the recommendation.

² Document 196.

seven mayoralty positions and 417 council seats are to be contested. It currently appears that President Joaquin Balaguer will face mounting opposition efforts to create political unrest during the period leading up to and through the elections. It is believed important that the municipal elections give the populace confidence in the electoral process even in the face of the existing political problems; they should provide the electorate a legitimate choice and demonstrate that a responsible opposition party can campaign in the Dominican Republic. This would have a favorable and reassuring psychological impact.

- (2) On 15 December 1967 the Executive Committee of the PRD meeting in extraordinary session decided that because of the repression to which the PRD alleges it has been subjected and because of the campaign of terrorism in the National District, it would not participate in the municipal elections. The National Executive Committee will submit this decision to the next PRD convention (to be held on 10 February 1968) which has the authority to accept or reject the PRD Executive Committee decision. Should the PRD convention choose to abstain, Balaguer would not have a major, left of center opposition participating in the municipal elections.
- (3) The PRSC has announced its intention to participate in the municipal elections. Although the PRSC is a minor party, its participation would tend to put it in harsh contention with the more radical elements of the left, and to entrench the PRSC more deeply in the role of constructive opposition. Should the PRD convention reverse the decision of the PRD Executive Committee and take the PRD to the municipal elections, an effective role played by the PRSC during the elections would still make a significant contribution to the evolution of democratic processes in the Dominican Republic. The PRSC, however, lacks the funds necessary for an active and effective campaign.

c. Operational Objectives

The principal objective of this proposal is to insure that the left of center is a meaningful constructive factor in the May 1968 municipal elections. A secondary objective is to entrench the PRSC in a constructive opposition role for the left of center and in that role to provide the left of center an alternative to the more radical leftist parties during and following the municipal elections. The objective is not to make the PRSC a major party but to insure its active participation in the municipal elections.

d. [less than 1 line of source text not declassified]

[1 paragraph (16 lines of source text) not declassified]

e. Risks Involved

Although there is an ever present risk in operations of this type, the risks in this proposal are within acceptable limits because: (1) there will be no attempt to establish control over the PRSC expenditure of the contribution or to require accounting for the funds; (2) no direct contact between the donor and the principal party leaders will be necessary; and (3) [1½ lines of source text not declassified] able to explain contributing the relatively small amount proposed in this operation. Although there is some risk that the Balaguer government would be annoyed should it learn that the U.S. contributed to a rival party without its knowledge, it is believed that this would only cause a temporary strain since the government itself has been encouraging the PRSC to continue in a constructive opposition role.

f. Timing of the Operation

The municipal elections are scheduled to be held on 16 May 1968; however, the campaign period opens on 16 February 1968. The funding channel should be activated as soon as possible in order to give the PRSC sufficient time to integrate this contribution into its campaign budget prior to the elections.

3. Origin of the Requirement

This proposal evolved from discussions between the CIA [less than 1 line of source text not declassified] and Ambassador Crimmins. They felt that, since it is probable that the PRD will not participate in the 16 May 1968 municipal elections, a modest covert contribution to the PRSC could improve that party's capability for a more vigorous campaign for the municipal elections thereby insuring a necessary democratic image of loyal opposition to the Balaguer government.

4. Relationship to Previous 303 Committee Actions

The approval for action requested in this memorandum has not been the subject of prior 303 Committee action although recommendations have been submitted previously to the 303 Committee regarding presidential elections and activities concerning student elections at the Autonomous University of Santo Domingo in the Dominican Republic.³

5. Coordination

The proposed operation has been coordinated with and concurred in by Deputy Assistant Secretary Robert M. Sayre of the Department of State. The U.S. Ambassador in Santo Domingo, John H. Crimmins, also concurs.

³ See Document 203.

6. Recommendations

It is recommended that the 303 Committee approve the expenditure [less than 1 line of source text not declassified] for the purpose of providing covert assistance to the Revolutionary Social Christian Party (PRSC) to enable that party to participate meaningfully in the May 1968 municipal elections.⁴

212. Country Analysis and Strategy Paper¹

Santo Domingo, undated.

THE DOMINICAN REPUBLIC

Part I—Statement of Rationale and Basic Strategy

The future course of the Dominican Republic continues to be of great importance to the United States for three inter-related reasons: (a) its strategic location on our geographic doorstep and very close to Communist Cuba; (b) the primitiveness and fragility of its political, economic, social and military institutions, which make for chronic instability and consequent vulnerability to extremism; and (c) the serious damage to our interests in case of the assumption of power in another Caribbean country by forces inimical to us.

Four centuries of political, economic and social underdevelopment, thirty years of corrosive dictatorship, and six years of political turbulence and instability had by the start of the present administration produced a nation and a people uncertain of themselves and their future, erratically searching for a national identity and character while yearning for an equitable society with representative, responsive political institutions, and the economic, political, social advances and peace they associate with them. Political factors, demographic developments, economic and social inequities and proximity to Cuba have

⁴ For a summary of the results of this covert operation, see Document 215.

¹ Source: National Archives and Records Administration, RG 59, Central Files POL 1 DOM REP-US. Secret. Transmitted as enclosure 1 to airgram A–563, April 21, which was repeated to Santiago de los Caballeros. A covering note indicates that this paper superseded the April 15, 1967, "Country Analysis and Strategy Paper," Document 196.

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contributed to a chronic ferment on the national scene with youth perhaps the most volatile element. By mid 1968, halfway through the term in office of the Balaguer Administration, it is clear that despite modest progress, the problems of political stability, social justice, and economic development are still far from solved.

The United States has a vital interest in denying this Caribbean nation to communism including the Cuban variant. Related thereto is the necessity to prevent a regression into authoritarianism of the right, with its almost certain consequence, in the Dominican environment, of enhancing communist prospects. Any long-term success in this regard must necessarily entail far-reaching economic, social and military reforms and the creation and strengthening of indigenous institutions which today lack the capability to assure stability and progress or to strengthen the nation against domestic or foreign subversion. From the standpoint of the inter-American system, it is important that the Dominican Republic be strengthened to function as an independent, fully sovereign and responsible member of the international community.

Circumstances of geography and history—but only secondarily economics—have deeply involved the United States in developments in the Dominican Republic. Many factors favor our exercising a significant influence. The first is our very proximity, which predisposes many Dominicans to accept as inevitable a very important U.S. role. A second is the critical need for our economic and technical assistance. A third is a combination of the first two: the unusually developed tendency of many Dominicans in all walks of life to view the United States as the arbiter of their nation's destinies, for good or for evil. It is easy and dangerous, however, to overestimate the extent to which even a powerful nation can today work its will on a weak neighbor. The recent history of U.S. involvement in this country has emphasized certain inherent limitations on the exercise of our influence. First, there are the restraints placed on U.S. policies and actions by a decent regard for domestic and international opinion and by the ultimate ability of the Dominicans to have recourse to international organizations against real or alleged abuses of our influence. Second, the degree to which our prestige has become committed here is in itself an element which Dominicans, in and out of power, can use to resist our influence in matters in which our interests diverge because they realize the restricted alternatives we have under present circumstances. Underlying these other limitations on our influence is the basic, persistent fact of the essential primitivism of Dominican society, politics and institutions which often vitiates, distorts or frustrates our inputs, be they political, economic, social or military. Our very special importance in the Dominican Republic gives us an uncommon ability and opportunity to counsel, persuade and guide; it does not give us the power to command.

Following the revolution of April 1965, our immediate objective had to be the restoration of order in the Dominican Republic and a return to legally elected constitutional government and, with this accomplished, the maintenance of sufficient political stability and economic and social progress to enable the Government to carry out its mandate. Over the long run, we seek to promote the existence in the Dominican Republic of representative, responsive and reform-minded governments, operating from a sound economic, social and military base, friendly and disposed to cooperate with us on vital issues in international forums. In moving toward that objective, we seek a citizenry better informed about, and prepared to construct and support, democratic institutions and an equitable society based upon the rule of law and concern as well as respect for the rights of others. As an indispensable concomitant, we seek the growth, strengthening and rationalization of the Dominican economy, as well as a balance-ofpayments equilibrium so that domestic and foreign resources can be most effectively utilized in a comprehensive and effective program of economic and social development and reform, which will assure meaningful and tangible progress toward the correction of prevailing inequities. Finally, we seek a small, professional, apolitical security establishment which acts as a positive, rather than, as in the past, a negative force in the political, economic and social development of the country.

Our over-all strategy to accomplish these objectives inevitably engages us in most aspects of Dominican national life. We are utilizing very substantial financial and technical assistance and encouraging appropriate domestic and foreign investment in order first to stabilize and then develop the Dominican economy along modern lines and to stimulate and accelerate social reforms. As part of this effort we are trying to raise the low average effectiveness of human resources and of the country's institutions. We support and emphasize publicly and privately the concept of legal, constitutional government, the indispensability of basic economic and social changes, and the democratic process. Through material and technical assistance, training and indoctrination we work toward a security force effective, compatible with the country's needs, responsive to civil authority, apolitical, and ready to perform a positive supporting role in the country's progress. Finally, we employ these multiple U.S. inputs so as to persuade the Dominican Government and people to commit themselves and their own resources in a manner permitting long-run, self-sustaining economic, social and political development while avoiding resort to violence and disorder.

The broad policies which flow from this strategy are producing some progress toward our principal goals. While this progress, when measured against the situation two years ago, is encouraging, our policies

cannot be said yet to have resolved any of the country's basic problems. As of mid-1968, a considerable degree of political stability exists, but it is not firmly established and its continuation is far from certain. Our economic assistance has contributed to that stability, but it has had as yet little impact upon the problem of massive unemployment, and, notwithstanding some hopeful investment and production trends, it has been able to bring about only minimal economic growth and financial equilibrium. Nor has it yet produced more than modest social advances. The failure to achieve any significant per capita growth in 1967 is of serious concern, and continuation of this stagnation is unacceptable. The time has come to begin to move the DR toward the minimum target growth rate of 2.5% per capita set for the Alliance for Progress and to make it less dependent on the United States. In the FY 1970 Program Memorandum the Country Team will submit recommendations for an assistance program designed to achieve these goals. Pending consideration of these recommendations the present policy of providing only the minimum assistance needed to avoid serious balance of payments and political crisis should be continued.

[Omitted here is "Part II—Assessment of Current Situation and Near-Term Prospects" and "Part III—General and Specific Objectives."]

213. Editorial Note

On May 15, 1968, municipal elections were held in the Dominican Republic. Over 1 million people turned out to vote for candidates in 77 municipalities, 200,000 more than the Embassy had estimated. With the abstention of the left of center Partido Revolucionario Dominicano (PRD) and other important right of center parties, it was expected that President Balaguer's Party, the Partido Reformista (PR), would win a majority of the votes. Of the 77 municipalities, Partido Reformista won 66 including Santo Domingo. The left of center Partido Revolucionario Social Christiano (PRSC) won 2 municipalities and the approximately 45 local independent political movements won 9.

214. Action Memorandum From the President's Special Assistant (Rostow) to President Johnson¹

Washington, May 28, 1968, 7:35 p.m.

SUBJECT

Special Sugar Allocation for the Dominican Republic

Secretary Rusk in the memorandum at Tab ${\bf A}^2$ recommends that you:

1. make a special allocation to the Dominican Republic of 75,000 short tons of sugar from the Puerto Rico and Virgin Islands deficits, *provided* Balaguer agrees to set aside at least 1½ cents per pound for mutually agreed programs to improve the efficiency of Dominican agricultural production;

2. sign the directive to Secretary Freeman at Tab B³ to be implemented when Balaguer accepts the condition.

You authorized special sugar allocations to the DR in 1966 (123,020 tons) and 1967 (105,000 tons). Balaguer still needs additional support and has asked for it again this year. In recommending a special allocation, Secretary Rusk proposes to continue the weaning process by cutting the level back 30,000 tons over last year. But this reduction will not materially affect the DR overall quota as compared with what it received in 1967. Higher US consumption and a larger deficit in the Puerto Rico and the Virgin Islands quotas will bring increases in the amount received by the DR under the regular pro rata system.

Balaguer continues to make good use of the additional help. Other sugar producers have not complained about the special treatment and are not likely to do so since we are progressively decreasing the special allocation. You have authority in the Sugar Act to make special allocations, and the legislative history singles out the DR as needing help.

Secretary Freeman is in full agreement with the special allocation. BOB has no problem with it.

 $^{^{\}rm 1}$ Source: Johnson Library, National Security File, Country File, Dominican Republic, Vol. XVIII. Confidential.

² In this May 20 memorandum to the President, Rusk wrote that "it would be in the national interest to assign to the Dominican Republic a substantial special allocation again this year as evidence of continued support of the Balaguer Government and its efforts to re-establish its economy," although "it would not be in the national interest of either the United States or the Dominican Republic to perpetuate dependence on this special treatment. The Dominican Republic must be encouraged to diversify away from exaggerated dependence on sugar exports." The memorandum was attached but is not printed.

³ Not attached and not found.

I recommend you:

1. Approve Secretary Rusk's recommendation.

Approve⁴

Disapprove

Call me

2. Sign the directive to Secretary Freeman at Tab B.

Walt

215. Memorandum Prepared for the 303 Committee¹

Washington, June 28, 1968.

SUBJECT

Results of Covert Financial Contributions to the Revolutionary Social Christian Party for the May 1968 Municipal Elections in the Dominican Republic

1. On 16 February 1968, the 303 Committee approved covert financial support to the Revolutionary Social Christian Party (PRSC) to encourage that party to participate effectively in the May 1968 municipal elections and thus provide a responsible opposition to President Balaguer's Reformist Party (PR).² The basis for this decision was that, with the abstention of the Dominican Revolutionary Party (PRD) and other opposition parties from the elections, the Balaguer government was in danger of being deprived of the psychological impact which a contested election would have in the Dominican Republic.

⁴ This option is checked.

¹ Source: Department of State, INR/IL Historical Files, 303 Committee Records, 1968. Secret; Eyes Only. The date of this memorandum is stamped at the bottom of the first page. A copy was sent under a July 2 covering memorandum from Oliver through Trueheart to Bohlen. In this memorandum, Oliver wrote: "ARA agrees that our aid to the PRSC contributed to the results [*less than 1 line of source text not declassified*] named, and I therefore recommend that in the 303 Committee you note your approval of the attached [*less than 1 line of source text not declassified*] memorandum." No record of such approval has been found.

² See Document 211.

2. The covert passage of funds to the PRSC had its desired effect. The party withstood heavy pressure from the PRD and other abstentionists—including some of its own young militants—and participated in the May elections. While the psychological impact on Dominican voters of the PRSC decision to participate in the elections would be difficult to evaluate with precision, it undoubtedly made a significant contribution, along with other factors, in inducing a highly encouraging voter turn-out of 1,028,410 on election day—a figure which compares very favorably with the 1,354,404 persons who voted in the more hotly contested and more significant presidential elections of 1966. By its participation in the electoral contest, the PRSC also enhanced its image as the "loval opposition," garnering more than 124,000 votes—a fourfold increase over its showing in the 1966 elections. The participation of a responsible opposition also served to make the victory of the PR more generally acceptable and had the net effect of strengthening both President Balaguer's image and the democratic process in the Dominican Republic.

216. Intelligence Memorandum¹

No. 0606/68

Washington, July 15, 1968.

DOMINICAN PRESIDENT BALAGUER AT MID-TERM

Summary

Since his inauguration in July 1966, President Balaguer has presided over the longest period of political stability since Trujillo's 31-year dictatorship ended in 1961. In doing so, Balaguer has maintained a broad range of political freedoms, only occasionally resorting to arbitrary methods. His survival in office has perhaps been Balaguer's major accomplishment and has given many Dominicans hope that a relatively democratic government can provide stability, order, and a measure of economic progress.

This accomplishment is impressive by Dominican standards, but Balaguer nonetheless has so far been unable to create the political conditions that will ensure long-term stability. He has failed to promote the development of political institutions such as Congress, the

¹ Source: Johnson Library, National Security File, Country File, Dominican Republic, Vol. XVIII. Secret; No Foreign Dissem. Prepared by the Office of Current Intelligence of the CIA, Directorate of Intelligence, and coordinated with the Office of Economic Research, the Office of National Estimates, and the Clandestine Services.

judiciary, labor unions, and political parties that could provide a force for constitutional stability. The Trujillo period and its turbulent aftermath created hatreds and animosities that are still major political burdens. Intransigent opponents, unable to reconcile themselves to being out of power, continue looking for an opening to topple the government. Although the country's economic prospect is somewhat improved, Balaguer has not given high priority to politically difficult but essential economic, social, and military reforms. US aid is still vital to financial stability and even a moderate rate of economic growth.

During the last half of Balaguer's term, political activity will increasingly focus on presidential elections to be held in mid-1970. Preelectoral maneuvering seems likely to bring latent political conflicts to the surface, and it is not at all certain that Balaguer's successor assuming the President does not run again—will be able to move into the presidency in a stable political environment. Balaguer's major challenge during the next two years, therefore, will be to establish the conditions needed to demonstrate that his administration is more than an interregnum between periods of chaos and instability.

Balaguer's Strengths . . .

- 1. Balaguer has been able to maintain the backing—or at least the tacit acceptance—of most of the political sectors that supported his candidacy in the 1966 elections. His generally conservative and cautious policies have avoided alienating the military and the politically influential upper and upper-middle class. In addition, US support, made manifest through conspicuous political actions and a major infusion of economic aid, has served to bolster the President and discourage his opponents.
- 2. Balaguer continues to profit from the reaction of the majority of the Dominican political community to the violence and instability of the 1965 "constitutionalist" uprising. Most Dominicans have accepted Balaguer's overwhelming electoral victory in 1966 over Juan Bosch as a popular mandate for peace and order. Although Balaguer has failed to generate strong popular enthusiasm, his performance has generally been accepted and no major challenges to his rule have developed. He has retained and expanded his support among moderates, the church, and business elements, and the victory of his Reformist Party in the municipal elections last May was on the whole an endorsement of the President.
- 3. Balaguer has generally proved to be an astute political tactician with a sound understanding of Dominican political psychology. He has employed a variety of political stratagems to maintain and broaden his support while keeping his opponents off balance. Balaguer has been conscious that most Dominicans respect dominant—at times even authoritarian—leadership. Operating on this assumption, he has issued

veiled warnings to political adventurers and has used government power in a forceful and at times unrestrained manner to harass and intimidate dissidents. He has kept the left and right from uniting against him and has sought to stimulate divisions in each sector. Balaguer has attempted to give his government an image of "national unity" by appointing to government positions a broad spectrum of politicians ranging from right-wing to center left. In so doing, he has bought off some opponents and has exiled potential troublemakers to overseas diplomatic posts.

... And His Weaknesses

- 4. Balaguer's performance as President has not been without serious negative aspects that have been exploited by his opposition. Balaguer's style of governing bears many of the hallmarks of Trujillo, in whose government he served for many years. In addition, Balaguer is so strongly influenced by the traditionalism and primitive nature of the Dominican political environment that he tends to be insensitive to the need for change and modernization.
- 5. Many of his supporters display political thinking shaped under Trujillo and are considerably more authoritarian and conservative in outlook—as well as much less honest—than Balaguer. Out of loyalty and an inability to place his faith in others, however, Balaguer has put many of these partisans into influential advisory posts and important positions in the security services. The presence of these "trujillistas"—as they are labeled by their enemies—and their occasional arbitrary behavior have served as a constant goad to those who opposed Trujillo and also have provided a ready source of political ammunition for the left and right. Of additional concern has been the increased interest the Trujillo clan has shown from exile in Europe over the last year in Dominican politics and in maintaining ties with some Dominican politicians.
- 6. Many leaders of the Reformist Party (PR), including Vice President Lora, have been seriously disenchanted by the President's failure to build up the party through government patronage and funds. They are also critical of some of his policies and resentful of their lack of influence in shaping them. The combination of the PR, which appears to have strengthened its grass-roots organization despite the President's indifference, and "trujillista" government officials provides a potential danger to Balaguer and may prove difficult for a moderate successor to dislodge.
- 7. Balaguer's administrative style and government appointments have not been a source of strength to his administration. By and large he has appointed aides on the basis of politics and old friendships. Balaguer's undistinguished appointments and his tendency to centralize authority in his office have weakened the already inadequately staffed

government ministries, forcing the President to take on the almost impossible task of overseeing even minor policy decisions to ensure their execution. His subordinates, in turn, buck even trivial matters up to the President for a decision. Balaguer's failure to give adequate guidelines to the actions of the police and the palace intelligence staff has been especially damaging politically and has been effectively exploited by the opposition. Balaguer's governing style consequently has produced a more conservative image of his government than is warranted by the President's own political values.

8. Balaguer has proved to be relatively insensitive to public opinion, has displayed a distrust of the press, and has often dismissed even well-intentioned criticism as malicious and politically inspired. Reflecting the Dominican predilection for the politics of annihilation rather than compromise and conciliation, Balaguer has frequently reacted to opposition attacks by stimulating unnecessary antagonism. One of Balaguer's most damaging blind spots has been his slow realization that the appearance of government "repression" and "terrorism" upset many moderates and gave credibility to opposition charges of "neo-trujilloism."

The Intransigent Opposition

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9. Balaguer has had to expend considerable effort to stay one step ahead of the elements on the left and right who have been unable to reconcile themselves to his assumption of power and who have been antagonized by his manner of rule. The left and the right have issued a continuing stream of hostile and frequently inflammatory propaganda that has kept political tensions high. Balaguer's opponents, however, have been unable to form a common front. The divisions between them have remained deeper than their hostility to Balaguer.

Dominican Revolutionary Party

- 10. During most of Balaguer's term the Dominican Revolutionary Party (PRD), dominated by its more radical elements, has maintained a militant position of "revolutionary and nationalistic" opposition to the President. It has accused him of "neo-Trujillo" practices and "systematic repression" of his opponents, and has stridently criticized US support of his government. The PRD has issued frequent warnings that unless Balaguer adopts a more acceptable course, it will be in the vanguard of the "inevitable revolution." Early this month, one PRD leader seemed to go even further toward radicalization, saying that the party's goal is "a struggle of national liberation in order to achieve revolutionary power by any means."
- 11. Despite its posturing, the PRD has not—as many Balaguer supporters believe—engaged in serious conspiracy or made efforts to organize a popular uprising. The party has, however, kept in contact with

Communist and right-wing opponents of Balaguer to discern their strength and intentions. Prior to the election in May 1968, the PRD seemed on the verge of cooperating with the extremist Dominican Popular Movement in a campaign of violence to press voters into complying with the PRD strategy of electoral abstention. At the last minute, however, the PRD leadership—under pressure of more moderate party elements—pulled back and only minor violence occurred.

- 12. The PRD has based its policies in part on the conviction that Balaguer would eventually succumb to a right-wing military takeover. In addition, the party's efforts to discredit Balaguer and to maintain an atmosphere of political tension seem at times to have been aimed at encouraging others to conspire. The activities of party elder statesman Juan Bosch—who remains in self-imposed exile in Europe—have also pushed the party into a more radical and more anti-US position.
- 13. Balaguer's efforts to isolate and discredit the PRD and undermine its support among organized labor and the government bureaucracy have also encouraged radicalism. Despite a few half-hearted efforts he has made to reach some sort of accommodation with the PRD, Balaguer has said that its leaders "are little more than Communists."
- 14. The PRD probably realizes that present conditions differ considerably from those existing in 1965, when it had the support of some military elements in toppling a very unpopular and narrowly based government. The gradual erosion of the party's popular support and the deterioration of its organization have limited its capability for antigovernment action. In addition, a significant current of relatively moderate PRD opinion resents the influence of Bosch, is unwilling to renounce democratic methods for Bosch's authoritarian and radical notions of "popular dictatorship," and dislikes the idea of breaking all links to the US. The "moderates" have served as a brake on the radical leadership and have frequently forced Party Secretary General Jose Francisco Pena Gomez to pull back from extreme positions.
- 15. Over the next few months the PRD will have to begin to define its position in regard to the 1970 elections. If the PRD is to remain a significant Dominican political force and avoid further radicalization, it must moderate its line, develop constructive alternatives to Balaguer's policies, and find a popular candidate. At present the party seems uncertain of its course and has adopted a wait-and-see attitude, at least until the US political picture becomes clearer. Despite his angry denunciations of "US interventionism," PRD leader Pena has said that future US policies toward the PRD will determine whether the Dominican Republic enjoys a "peaceful transition" in 1970 or whether "we will have a violent revolution." The PRD evidently hopes that a new US administration will be less committed to Balaguer.

The Extreme Left

- 16. Dominican Communists have steadily lost ground under the Balaguer administration as a result of an intensification of ideological and tactical factionalism and intensive government harassment. The total membership of the country's three "major" and three minor extreme leftist groupings appears to have declined from about 1,000 in late 1966 to an estimated 800. Communist activity has been limited to anti-Balaguer propagandizing and sporadic, relatively ineffective violence and terrorism. Although the Dominican Popular Movement and the 14th of June Revolutionary Movement, both influenced by Cuban and Chinese doctrine, have stressed their intention to lay the groundwork for protracted guerrilla warfare, their efforts at promoting rural insurgency have been systematically and effectively disrupted by the security forces.
- 17. The extreme left remains influential among urban students, particularly in lower and middle-class neighborhoods in Santo Domingo, and at the Autonomous University of Santo Domingo (UASD). Although Balaguer has expressed deep concern over Communist influence on youth, he has been unable to develop an effective alternative appeal. Balaguer's show of force at the USAD in February 1968, however, demonstrated that he would not tolerate extremistinspired violence among students.
- 18. The continued absence of "constitutionalist" leader Francisco Caamano, who mysteriously disappeared from his London military attaché assignment in October 1967 and apparently went to Cuba, has remained an unsettling influence. The PRD has disassociated itself in advance from any rash adventure by Caamano, and differences have developed among the Communists over supporting a possible Caamano-led and Cuban-backed attempt at insurgency. The widespread belief that Caamano has linked up with Castro has discredited him among many Dominicans including dedicated "constitutionalists," while Balaguer's cancellation of Caamano's military commission last May appears to have satisfied military pressure for action against their one-time colleague. Although the return of Caamano could serve to unify some of the Dominican extremist factions, it seems very unlikely that he could pose a major threat to the government.

The Right

19. Although Balaguer has devoted considerable effort to undermining the left, he has always believed that the major potential danger to his rule was posed by the right-wing and conservative elements who dominated the governing Council of State in 1962 and who pushed for the military's ouster of Bosch in 1963. Balaguer's suspicion of these elements have undoubtedly been heightened by their successful efforts to maneuver him out of power following the assassination of Trujillo and by their sponsorship of the candidacy of Rafael Bonnelly in the 1966 presidential elections.

- 20. Many of these rightists have been frustrated by their inability to influence Balaguer's policies and have sensed a threat to their own positions in the emergence of "trujillistas" in important government positions. They became particularly alarmed following the assassination attempt in March 1967 on Antonio Imbert—one of the two surviving members of the plot to assassinate Trujillo—which they blamed on elements in the government. The rightists, however, have remained unorganized and unable to reestablish their influence with the military. Indeed, some have even accepted government sinecures or remained benevolently neutral toward Balaguer. In mid-May 1968, however, Balaguer stirred up his opponents on the right with his threat to audit all government expenditures since Trujillo's assassination. This has intensified dislike of Balaguer among rightists who profited handsomely from their government "service."
- 21. The right gained a new ally in late 1967 with the formation of the Democratic Quisqueyan Party (PQD). The immediate goal of the nationalistic and vehemently anti-Communist PQD has been to mobilize public support to urge Balaguer to permit the return from exile of General Wessin, the military leader who opposed the "constitutionalists" and who is now in Miami. Although PQD leaders have asserted their fealty to constitutional government, many Dominicans fear the party will become a vehicle for anti-Balaguer plotting.
- 22. Balaguer has said he will permit Wessin to return when political conditions are sufficiently stable and will allow him to be a candidate in the 1970 presidential elections. In the meantime, Wessin, frustrated over the ban on his entry, has become increasingly personal in his attacks on Balaguer. Wessin has made some direct public appeals to the military for support for his cause but so far does not appear to have been very successful. The President reacted to these appeals in March 1968 when he placed restrictions on military contacts with politicians and his intelligence operatives have been successful in creating dissension within the PQD.

Balaguer and the Military

23. Balaguer's ability to keep his opponents at bay has depended on his relationship with the armed forces—the key Dominican political interest group. Balaguer entered office with the strong backing of the military, who deeply distrusted his leftist opponent, Juan Bosch. Balaguer keeps a wary eye on military sentiments in making policy decisions and appears to have satisfied most officers that he will adhere to the national interest as they see it. Balaguer has been aided by a slowly growing apolitical spirit which is being nurtured in the military by the defense minister, Major General Perez.

- 24. Balaguer has retired or assigned overseas a number of officers whose past loyalties have been to Wessin or to civilian right-wingers, and he reorganized the military in September 1966 to break up the power of the armored unit Wessin once commanded. Balaguer, with the complete support of the military establishment, has systematically retired officers who joined the "constitutionalists" in 1965. Officers whom he trusts, such as the ambitious and opportunistic Colonel Nivar who commands troops in the capital area, have been moved into key posts. At the same time, Balaguer has maintained a delicate balance between antagonistic military factions, although Minister of Defense Perez and Nivar have frequently been at odds.
- 25. Military discontent appears to be of relatively minor significance and has not been focused on Balaguer. Some officers have grumbled that Balaguer's tight purse strings restrict armed forces operating expenditures. Others have been irritated by Balaguer's efforts to contain blatant military corruption. Some officers have complained that Balaguer is too lenient with the left—including the PRD and the Social Christians.
- 26. Balaguer has been reluctant to press a thorough going program of military reform for fear of possible political consequences. He has reduced military manpower by about seven percent and military expenditures by about 14 percent, but the 18,500-man military establishment remains larger than seems needed to maintain external and internal security. The military itself has resisted US efforts at streamlining, and foot dragging has hindered the effectiveness of the MAAG program.
- 27. There has been a gradual but steady improvement in the capabilities of the police, particularly after Balaguer appointed the relatively competent General Alvarez police chief in September 1967, and of the Department of National Investigations (DNI), the government's formal intelligence service. The security forces still show a tendency to overreact, fail to sift rumors from fact, frequently fail to distinguish between the Communist and non-Communist left, and have an overzealous attitude toward the government's real and imagined opponents. Despite these shortcomings, they appear capable of overcoming any likely security threat as long as they remain politically united.

Economic and Social Problems

28. President Balaguer's preoccupation with political stability, his emphasis on achieving financial stability, and his traditionalistic outlook have created drags on economic and social development efforts. Despite more than \$100 million in US aid during Balaguer's first two years, at the end of 1967 the economy had not yet regained the peak level of 1964. With population growing at an annual rate of 3.5 percent, per capita income has probably shown a small decline

under Balaguer. Both unemployment and underemployment remain high.

- 29. Although Balaguer recognizes the need for more rapid economic growth, his primary economic objective since taking office has been the restoration of domestic and international financial stability. His austerity program has trimmed noninvestment government expenditures and held total spending to a level that can be financed by domestic revenue and foreign aid. This conservative spending program has helped keep prices essentially stable, but has hampered economic recovery. Important steps have been taken to rationalize the operations of the state-owned industries—particularly the important state sugar corporation—and their financial position has considerably improved.
- 30. Government efforts have somewhat eased the country's balance-of-payments problem. Exports have been diversified and expanded, and the increase in imports has been held down. Despite these promising developments, the country's international payments position remains dependent on US assistance.
- 31. Balaguer has refrained from major economic policy changes that would involve substantial political risk. Although devaluation would help to hold down imports, Balaguer has avoided such action because of the probable outcry from importers and the Dominican conviction that the peso's parity with the dollar is "sacred." There has been some increase in tax collections, but the President has moved slowly in punishing tax evaders. Although the sale of government-owned industries would probably lead to better management, Balaguer had demonstrated a sensitivity to the political criticism that would attend such a move.
- 32. Balaguer's style of administration has hampered economic development. The President's centralization of authority in his office over even minor budget allocations, his failure to appoint competent officials, and his distrust of technicians and economic planning have imposed serious limitations on the government's ability to modernize and have had a detrimental effect on implementation of the the US aid program. Many of Balaguer's personally selected investment projects have been designed more for political showmanship than for economic impact.
- 33. Despite these flaws, there are positive factors that offer some ground for optimism. Investment by private Dominicans and foreign businesses—which had been badly disrupted by the political chaos that preceded Balaguer—has shown increasing vigor, and gross private and government investment is up considerably. US-aided efforts at agricultural diversification, while not producing results quickly as originally hoped, are gradually strengthening this key sector. The apparent end of a serious year-long drought should also spur agricultural production for export and domestic consumption.

- 34. Although there has been some increase in criticism of Balaguer's economic policies—particularly the austerity program—there is no indication that discontent has reached a point where it would jeopardize political stability. Nevertheless, unrest among labor, the unemployed, and businessmen, particularly those hurt by government import restrictions, must be continually monitored by Balaguer. Perhaps the most significant political impact of Balaguer's economic policies will be felt by his successor, who will probably inherit many of the same deepseated economic problems that have proven politically burdensome since Trujillo's demise.
- 35. Balaguer campaigned on the slogan "neither injustices nor privileges" and has subsequently committed himself to some important social reforms, but on the whole his government has had a paternalistic and conservative orientation. In education, for example, Balaguer has not assigned sufficient priority to financing needed changes. Although he seems to have remained a symbol of hope for the country's large rural population, he has come under criticism from campesino groups and progressive churchmen for moving too slowly in agrarian reform and rural improvement. One promising development has been Balaguer's commitment to a program of family planning which may eventually lead to a reduction of the 3.5 percent annual population growth.
- 36. Balaguer's conservative labor policies have produced a potentially dangerous vacuum within organized labor. Balaguer has taken the view that labor should remain aloof from politics—despite the fact the government dominates the economy—and he has done nothing to encourage the growth of effective unions. Although his policy has reduced organized Communist labor strength significantly, it also has stunted the growth of democratic unions. The austerity program which includes a freeze on wages designed to compensate for the rapid increase in labor costs that occurred in the immediate post-Trujillo period—and the government's lack of sympathy for legitimate labor grievances have produced growing labor discontent. In response to mounting pressure for a relaxation of the wage freeze, Balaguer announced last month that he would examine the austerity program with an eye to making modifications later this year.
- 37. A major vulnerability of the Balaguer government is its lack of appeal to left-of-center urban students and youth, organized labor, the urban unemployed, and left-wing middle-class intellectuals and professionals. Balaguer's pragmatic and austere style, his generally conservative policies, and his association with the Trujillo regime have contributed to his alienation from these sectors. Although discontent has led to minor strikes and demonstrations in the Santo Domingo area, the problem has not become critical. Nevertheless, tension between the government and sectors influenced by the PRD and the extreme left

could lead to spontaneous unrest and become a major problem in a period of political crisis.

The Prospect of the 1970 Elections

- 38. Balaguer's attention will be drawn increasingly to the 1970 elections despite his continued concern over short-term political stability. Although Balaguer's intentions with regard to his own candidacy are not completely clear, he has publicly said that he "does not aspire to re-election." If Balaguer did choose to run, he probably would have the edge over any potential challenger. He would have to contend, however, with the strong aversion of many politically influential Dominicans to the concept of a second term, as well as left- and rightwing allegations that his intention is to perpetuate "Trujillo-style" oneman rule.
- 39. In advancing either his own or another's candidacy, Balaguer will have to choose between his present right-of-center political base in the Reformist Party (PR) and a more moderate political coalition that would be better attuned to the need for a broad array of political, economic, and social changes. There has been considerable speculation among Dominican politicians that Balaguer will support liberal former provisional president Hector Garcia Godoy, who is now ambassador to the US. Balaguer may attempt to establish a political coalition behind Garcia Godoy that would include liberal PR elements, moderates in the PRD and the Revolutionary Social Christian Party (PRSC).
- 40. If a middle-of-the-road coalition is to develop, it seems likely that the PRSC will be in a position to play a key role. The PRSC was greatly encouraged by its showing in the recent municipal elections when it quadrupled its vote and for the first time won elective offices. During the Balaguer administration, the PRSC had moderated its previously radical line, engaged in spirited but on the whole constructive criticism of Balaguer, attempted to broaden its support at the expense of the PRD, and made cordial overtures to the US Embassy. Balaguer has expressed admiration for the Social Christians, even remarking that the PRSC is the only hope for the evolution of a two-party democratic political system.
- 41. As presidential elections approach, political tensions almost certainly will increase. Both the right and left are sure to believe they are deeply threatened by either Balaguer's continuation in office or the emergence of Garcia Godoy as a moderate alternative. The military remembers with deep distaste Garcia Godoy's term as provisional president when he exiled key officers who had fought against the "constitutionalists." Vice President Lora, whose political outlook is markedly authoritarian and conservative, seems likely to use the Reformist Party to mount his own presidential drive. Elements of the anti-Balaguer right, in turn, may push the candidacy of exile General Wessin. In short,

the 1970 elections may well unearth the latent Dominican political antagonisms that have been hidden under the relative tranquility of the Balaguer administration.

The Future

- 42. Balaguer will probably be able to continue to hold a firm grip on power without having to resort to extreme authoritarian measures. He has so far shown himself able to avoid the serious errors or major miscalculations that could jeopardize stability. His acceptance by the military seems relatively firm, and he will probably be able to count on the continued support of a broad sector of other influential political groupings. Nevertheless, the continued existence of deep political antagonisms, which are at time intensified by the President's actions, and the unyielding opposition of the right and radical left make for continuing political tension that could result in a serious challenge to his government. Should the 61-year-old Balaguer suddenly disappear from the scene—either through assassination or for reasons of health—prospects for stability would be considerably dimmed under his constitutional successor, Vice President Lora.
- 43. Balaguer's position will remain dependent on continued US economic and political support. Should the opposition consider a new United States administration less committed to Balaguer, it would probably step up its efforts to exploit the President's political vulnerabilities.
- 44. Balaguer's dependence on the military and other established social groupings will continue to limit his willingness and ability to press for politically difficult social and economic reforms. He may be able, however, to fulfill some of the commitments for reform he has made and may benefit from a moderate upswing in the economy.

217. Telegram From the Embassy in the Dominican Republic to the Department of State¹

Santo Domingo, August 16, 1968, 0115Z.

3410. Subject: Current Political Problems Facing Balaguer Government.

¹ Source: National Archives and Records Administration, RG 59, Central Files 1967–69, POL 2 DOM REP. Secret; Priority. Repeated to Santiago de los Caballeros, Port au Prince, and USCINCSO.

1. Summary

Review current political mood and government's handling of problem areas since municipal elections opportune as August 16 approaches, day on which municipal governments throughout country are renewed or change over. Array of problems facing Balaguer government is formidable but in many instances represents chronic problems or variations of chronic problems. Principal ones include: (a) charges of lack "democratic" atmosphere within which opposition can function, prompted in particular by closing PRD radio program; (b) hunger strike self-styled political prisoners; (c) acts terrorism and alleged police repression and excesses; (d) recent attempts largely by Haitians seek political asylum Venezuelan and Chilean embassies; (e) reports of new rumblings in armed forces; (f) reports of planning for violence in connection change-over national district government. Balaguer in past has been able through combination factors handle or control similar problems and has projected image of man in charge. Now, however, and especially since May elections, President has become more passive and defensive in face opposition actions. Consequence is accumulation of problems and lack of tone in government. Our judgement, however, is that no acute crisis looming; but we are concerned that gradual downhill slide will continue if Balaguer does not reassume direction firmly. It would be in this context that government would become increasingly vulnerable to initiatives on part opposition or unforeseen events.

[Omitted here is the remainder of the telegram detailing the points raised in the summary.]

218. Minutes of Meeting¹

Washington, September 19, 1968.

MINUTES OF THE IRG/ARA MEETING ON SITUATION IN DOMINICAN REPUBLIC

Ambassador Crimmins began with a review of the Dominican Republic situation, considered in two broad aspects. The first was an analysis of the present situation, and the second was a look at future prospects.

He summed up his current analysis as follows: although the Government has been stronger as a result of the May municipal elections, it has also failed to exploit its improved position. The general movement seems to be that of a gradual downward decline, which is slow enough, however, that the Government's stability is not likely to be threatened before the 1970 elections. He estimated the odds as considerably better than even that the Government will survive through the 1970 elections. Such a survival he saw as representing tremendous psychological value to the country and the population.

Among the various elements, the military is strongly pro-Balaguer. The personal ambitions of certain officers are the source of some conflicts; and General Wessin supporters still exist but their numbers are not increasing. President Balaguer considers Wessin's support as static. The opposition to the Government continues to be flat-out and thorough, but also uncoordinated and uneffective. The PRD has been expanding its contacts with communist-led and Wessin forces. Although the PRD under its present radical leadership will continue to seek issues on which to unify the opposition to Balaguer, no such issues exist as yet. Overall opposition is disunited and weak.

The Social Christians, who were strong in the recent elections, are under pressure from their younger elements to begin organizing for 1970 and to undertake across the board opposition to the government.

The Communist Party continues in the disarray shown over the last two and one half years. Although the communists have a limited terrorist capacity, they do not themselves constitute an effective political force.

¹ Source: National Archives and Records Administration, RG 59, ARA Files: Lot 70 D 122, IRG/ARA Minutes Aug. 17–Oct. 16, 1968. Secret. The time, location, and a full list of participants have not been determined; however, IRG meetings were routinely attended by the Assistant Secretary of State for Inter-American Affairs, and other representatives from ARA, AID, DOD, and the White House.

On the right, Wessin has no chance in electoral terms. Balaguer may permit him to return soon in order to speed the process of deflating his electoral campaign which enjoys little support. Other right wing elements are implacably anti-Balaguer.

The economic situation is neither good nor bad. The effects of this year's drought are being overcome and agricultural production should rise about 6%. The overall economic growth rate in '69 should be between 5 and 6%, and in 1972 should also attain 6%. The latter estimate is largely based on a \$150 million ferro-nickel investment by Falconbridge of Canada which should come on stream in 1972 and provide significant foreign exchange relief to the economy. The years 1970–71 are the difficult ones, with a particularly heavy debt service burden also emerging in 1969.

The general investment climate is unstable largely due to the force of the protectionist spirit of those influencing the President. Should the Dominican Republic pursue enlightened policies in 1970–71, there is a fair chance of a 5–6% growth rate. No one should underestimate, said Ambassador Crimmins, the economic incompetence of the Government. It is oriented to the past and has no concept of the development process. It has to be pushed and hauled to make intelligent decisions.

However, even though Balaguer is not too enlightened, both we and the Dominican Republic owe him much. Taking into account the difference in the outlook today and that of September 1966, much of the improvement must be credited to Balaguer. His government's conduct has been essentially democratic.

With regard to the future, the Ambassador felt that Balaguer is moving toward a decision to run again for the usual reasons that incumbents find compelling. Although his decision is not yet final, he is moving in this direction.

A second Balaguer term, according to the Ambassador, would jeopardize our hopes for real economic development because of his lack of instinct for and knowledge of the measures required for development. Balaguer will not announce any decision before early 1970. We can expect however, if his decision is made earlier, it will be reflected in exacerbation of our running battles with him in development areas. In Balaguer's absence Augusto Larra would be the likely Reformista candidate. Wessin has no chance of winning. On the left, it is still not clear whether the PRD would fill the candidacy or who it might be. Although predictions on this are risky, Bosch is not likely to run. Garcia Godoy is trying to form a coalition but this is a hard thing to pull off. He would have problems with the military and with the right. The 1970 elections are still too close to 1965 for us to witness the normal play of political forces in the Dominican Republic. The '65 tensions will probably not be dissolved before the 1974 elections.

The problems we will face in 1969 will derive partly from the impending elections and partly from what he described as the "incredible belief" of the Dominicans that the USG has a voice in every political act in the country. Even if our stance in the elections were totally neutral, this fact would not be believed by the Dominicans. This in itself constitutes a problem.

Ambassador Crimmins then answered several questions. He identified the Mayor of Santo Domingo as a possible new face in politics and Antonio Guzman of the PRD as a better prospect than most as a candidate. He noted that a Balaguer decision to run might be the issue over which the right and left could unite. It would certainly produce an immediate increase of conspiratorial action from both the left and right. Balaguer's chances of surviving such conspiracy, he said, were slightly better than even. His second term, however, would be plagued by continued efforts to overthrow him and his administration.

There is growing awareness within the Catholic Church of the need for structural change, but the conservative majority still holds back the young liberals. It is still a strong influence in the Campo, where it is partly Social Christian oriented and partly conservative.

Regarding the military, he thought it would intervene if Bosch were elected but probably would not, at least initially, should Garcia Godoy be elected.

He noted the unique Dominican sensitivity to U.S. domestic politics, particularly within the PRD. A Nixon election might give the PRD a feeling that there is no hope to overcome the conservative forces in the Dominican Republic, allied with those of the U.S., and therefore move it to take some drastic action. At this point, however, it is incapable of sufficient violence to overthrow the Government.

For the 1970–74 period, he felt there are some leaders in the center and center left factors who could provide adequate leadership despite the serious lack of human resources.

The National University is in terrible shape, with a low level of competence and continuing political turmoil. The best prospect at this time for U.S. help to the universities lies with the Catholic University of Santiago.

219. Telegram From the Embassy in the Dominican Republic to the Department of State¹

Santo Domingo, October 19, 1968, 1840Z.

- 4014. Depart pass to White House. Subj: Political Situation—Deflation of Coup Rumors in DomRep. Ref: SD-4001.²
- 1. As reported reftel, Pres Balaguer's radio—TV address to nation last night came against backdrop of some political uneasiness and mounting wave rumors of possible military coups, etc. (FYI. During afternoon Amb spoke personally with Pres³ so as to dispel any doubts he might harbor as to continued USG sympathy and support for GODR. He found Pres seemingly calm, confident and whimsically relaxed about "rumor factory" which he said was currently enjoying "abundant output.")
- 2. Toward end of radio—TV address which was largely devoted economic subjects, Pres turned to what he termed "alarmist rumors and sensational stories" of last few days. He advised listeners to close ears to these rumors which were only designed generate uneasiness and unrest. With considerable fervor Pres stated political situation "is of absolute stability" and said were any real problem to appear GODR would be first to denounce same before national public opinion. Pres said sarcastically that if stability of nation were to depend upon such false and baseless rumors then would be better once and for all convert country into cattle pasture.
- 3. Country team perceives no solid basis for affording credence to rumors of impending military coup here. SecState for Armed Forces has privately deplored action of military in Peru and Panama. Army C/S Brig Gen Perez Guillen has publicly ridiculed idea of DomRep Armed Forces move against govt as reported SD–4001 para 3–A. Air Force C/S Brig Gen Lluberes Montas was quoted publicly as denying any pertinence here of Peru and Panama coups and privately in long conversation on night Oct 18 he assured DCM with considerable fervor that no atmosphere exists for military coup and that he would be first to defend Balaguer govt against any such move by Wessin y Wessin or others. Also pertinent, we believe, that recent [less than 1 line of source text not declassified] contact with some long-established and reliable

¹ Source: National Archives and Records Administration, RG 59, Central Files 1967–69, POL 2 DOM REP. Confidential; Immediate. Repeated to Santiago de los Caballeros, USCINCSO, and CINCLANT for POLAD.

² Dated October 18. (Ibid.)

³ Not further identified.

observers local scene reveal latter to be unimpressed by current crop coup rumors.

4. On balance, and taking into account report we have received from Consulate Santiago of calm situation there, recommend depart recognize some sensational press treatment this subject unavoidable but that as of now objective basis for accepting or becoming alarmed by current rumors is difficult to perceive.

Crimmins

220. Airgram From the Embassy in the Dominican Republic to the Department of State¹

A - 868

Santo Domingo, December 8, 1968.

SUBJECT

Current Political Assessment of the Dominican Republic With Short-Term and Middle-Term Outlook

REF

SD-3410, 3658, 4001²

[Omitted here is a Table of Contents.]

SUMMARY

The Embassy estimates that unless President Balaguer is assassinated or unless there is a combination of other major negative contingencies, such as a Cuban-supported return of Caamaño or a Communist takeover in Haiti, the Constitutional Government will not face a direct and immediate threat to its survival in the short run, i.e., before the change of Administrations in the United States.

¹ Source: National Archives and Records Administration, RG 59, Central Files 1967–69, POL 2 DOM REP. Secret. Drafted by Crimmins and officers of the Political and Economic sections of the Embassy. Copies were sent to Madrid, Port-Au-Prince, Santiago de los Caballeros, USCINCSO for POLAD, USCINCLANT for POLAD, COMCARIBSEAFRON, and COMSECONDFLT.

² Telegram 3410 is Document 217; telegrams 3658, September 12, and 4001, October 18, are not printed. (National Archives and Records Administration, RG 59, Central Files 1967–69, POL 2 DOM REP)

For the longer run, i.e., through June 1969, the Embassy—again assuming the absence of major negative contingencies—concludes that Balaguer will be capable of sustaining his position but with some progressive loss of authority and capacity to govern effectively. We judge it probable that Balaguer, under the pressure of many factors which are identified and analyzed in the body of this assessment, will find it necessary to announce his decision on reelection before the end of the period. We further estimate that, were he to make a decision for reelection, the fragility of the situation would increase but that, with the expected support from the military to whom he would probably be obliged to resort increasingly, he would still be able to maintain himself in power.

[Omitted here are an Introduction and sections entitled "Trends and Developments Since Last Assessment" and "Current Pressures and Present Position of Political Forces."]

9. Outlook

A. A number of the chronic problems cited in the "Trends and Developments" section of this report will continue to plague the government during both the short and middle-term periods covered by the assessment. While a number of the "tactical" problems existing in mid-August have been handled and their potentially disturbing effects dissipated, a number of new issues have arisen or are beginning to emerge which pose longer-term implications adverse to the political health of the country. Pre-eminent among these is the election/reelection issue and the manner in which it is beginning to relate to many of the old and new sensitive political questions.

B. In the short-term period, i.e. to January 20, 1969, the usual yearend factors will play their part in adding grist to the rumor mill, creating uneasiness and disaffection in certain sectors and adding to the vague reports that circulate from a variety of sources that there is abroad a kind of anti-government psychosis of such an ill-defined character that it is impossible to pinpoint its causes or evaluate their impact or importance. Among these year-end factors are the uncertainty always caused by the possibility—and rumors of the possibility—of changes in the Cabinet and in the upper ranks of the military at the beginning of the new year, and the opportunity for agitation represented by the still unsettled issue of the Christmas bonus for government workers. These standard, even seasonal, negative political factors tending to exert short-run pressures on the government are not any greater than in previous Decembers except in the sense that this is the third year that they have operated. Moreover, their effect is balanced to some degree by the current disarray of the PRD—whose participation would be critical to any serious exploitation of the negative seasonal factors—and that party's probable need for time to digest

whatever decisions come out of the meeting with Bosch at Benidorm. In the short-run, therefore, and on the basis of the analysis appearing in the previous sections of this assessment, the Embassy continues to be of the opinion that there is no direct and immediate threat to the survival of the constitutional government. This short-term assessment would have to be modified should one or more of the following events occur:

- (1) The return of Caamaño as the leader of a Cuban-supported attempt against the Dominican government accompanied by the simultaneous outbreak of terrorism and/or urban and rural guerrilla activity by the extreme left. The Embassy anticipates that in this event, the evidence for which is thin, the reaction of the government and the military would be prompt and at least reasonably effective and that such a development would not in and of itself topple the government.
- (2) The illegal return of Wessin. In this event, and the odds are against its occurring, we estimate, the Embassy believes that the effects of such entry would be containable in the short term.
- (3) The adoption by the PRD as a result of the meeting in Benidorm of an aggressively radical line calling for direct and violent action against the government through street demonstrations, strikes etc., with the cooperation of Communist elements. The Embassy believes that such a development, although manageable, would be harder to deal with than would Caamaño, but it doubts that the PRD will adopt this course and, even if it did, that it would have time to elaborate and put such a plan into operation within the six-week period of time being considered.
- (4) A wave of concentrated, continuous terrorist attacks by the extreme left (perhaps abetted independently by the extreme right, for its own purposes), directed especially at the security forces. Because of the probability of strong, uncontrollable, relatively indiscriminating reactions by the security forces, a very tense situation could develop. Thus far we have no evidence of such a program, nor do we believe that the extreme left has the will or the cohesion to carry it out. If, contrary to our expectations, it were to happen, we believe that there is a better than even chance that the government would survive it in the short run.
- (5) A Communist-oriented takeover in Haiti. This would create apprehension and confusion here, and, if it were accompanied by Communist terrorism or guerrilla attack on this side of the island, the consequences would be serious but still, in our estimate, manageable. (Other developments in Haiti, such as chaos following the disappearance of Duvalier, would have unsettling but less grave repercussions in the Dominican Republic.)
- (6) The assassination of Balaguer. Should this occur (and the usual rumors continue) all bets would be off and an entirely new and dangerous political situation would be created.

- C. It will be noted that, except in the case of the last, we estimate that any single one of the possible major "special" contingencies can be handled, although with varying degrees of difficulty, by the government. If they were to occur in combination, the survivability of the government would come into considerably more serious question.
- D. Having looked at the period up to January 20, 1969 and having concluded that no direct and immediate danger of the government's overthrow exists (barring the unforeseen developments outlined immediately above), the question arises whether that same assessment is valid for the middle term, i.e. up to June 30, 1969. It is probable that some of the factors now in play or emerging will have assumed greater importance by the time that period is over. Among these are the impact of a repatriated Wessin on the political scene; a probable increase in activity on the part of certain groups of the extreme left; the increased activity of the PRD and the other opposition parties, including Garcia Godoy; the growing fatigue, literal and figurative, of the government and its chief and the consequent rise in irritation and resentment caused by inept decisions, particularly in the economic sector; and, looming over all, the election/reelection issue with its broad impact. Against these factors must be balanced the demonstrated ability of Balaguer to postpone any direct and meaningful confrontation through the utilization of a broad range of political and security measures, continuing support of the Constitutional Government by the USG, with its important economic and political/psychological effects, and the probable moderate improvement in the economy, unless external resources are denied or seriously reduced, in which case the consequences would extend well beyond the economic sector.
- E. Again barring major negative contingencies of the type listed for the short-term period, the Embassy estimates that Balaguer will be capable, through June 1969, of sustaining his position but with some progressive loss of authority and capacity to govern effectively. The pressures on Balaguer to make up his mind on reelection will increase significantly, and the Embassy believes it probable that Balaguer will find it necessary to make and announce a definitive decision before June 30, 1969, not only because of the mounting clamor from the opposition but also for the sake of his own party. The effects of such a decision, the Embassy believes, would be less unsettling if Balaguer were to opt for non-reelection. Should he decide to run again, the situation would become considerably more fragile but, with the expected support of the military to whom he would probably be obliged to resort increasingly, Balaguer, we judge, would still be able to survive.

221. Information Memorandum From the Assistant Secretary of State for Inter-American Affairs (Oliver) to Secretary of State Rusk¹

Washington, December 18, 1968.

SUBJECT

Dominican Government Believed Facing No Serious Threat

A recent upsurge of rumors has resulted in some heightening of political tensions in the Dominican Republic. A meeting in Spain between former President Bosch and a commission from his opposition PRD, President Balaguer's announcement that ex-General Wessin may return early in 1969, and the continued uncertainty regarding the whereabouts of Constitutionalist leader Caamano, have contributed to the more uncertain atmosphere. However, we believe that President Balaguer has maintained his relatively strong position and that his constitutional government will not face a direct and immediate threat to its survival in the short term.

We also conclude that Balaguer will be capable of sustaining his position through June 1969, but probably with some creeping loss of authority and capacity to govern effectively. The President may find it necessary to announce his decision on reelection before the end of this period. (National elections are scheduled for May 1970.) Should he decide to seek reelection, the fragility of the political situation would increase. However, we estimate that, with anticipated continuing military support, he would still be able to maintain himself in power.

¹ Source: National Archives and Records Administration, RG 59, Central Files 1967–69, POL 15 DOM REP. Confidential. Drafted by John J. Youle on December 17 and cleared by Long.

222. Memorandum From the President's Special Assistant (Rostow) to President Johnson¹

Washington, December 31, 1968, 10:10 a.m.

SUBJECT

PL 480 Program for the Dominican Republic

Orville Freeman and Bill Gaud are requesting your authorization to negotiate a \$9.6 million PL 480 agreement with the Dominican Republic—for wheat, soybean oil, tallow, and tobacco. (Tab B) 2 Covey Oliver urges your approval, citing important political arguments for prompt action to support President Balaguer. (Tab C) 3 Charlie Zwick recommends deferral until the new Administration takes office. (Tab A) 4

Zwick's memorandum stresses:

—less than satisfactory self-help performance under last year's Assistance package (\$16 million supporting assistance plus \$14 million PL 480);⁵

—current negotiations aimed at improving performance before the final \$8 million of the Supporting Assistance Loan is released;

—desirability of "leaving something tangible for the new Administration to demonstrate continued U.S. support for the Balaguer Government."

¹ Source: Johnson Library, National Security File, Country File, Dominican Republic, Vol. XVIII. Confidential.

² Attached, but not printed is Tab B, a December 13 memorandum to President Johnson from Gaud and Freeman who wrote that P.L. 480 assistance was needed "(1) to ease the Dominican Republic's balance of payment deficit; (2) to generate local currency to finance increased investments in the agricultural sector; and (3) to supplement local production which has not fully regained its normal level due to damage caused by the severe 1967–68 drought." They also stated that the Departments of State and the Treasury concurred in their recommendation to negotiate the P.L. 480 agreement.

³ Not attached and not found.

⁴ Attached but not printed is Tab A, a December 27 memorandum to President Johnson from Bureau of the Budget Director Zwick.

⁵ The memorandum cited as examples of "unsatisfactory performance" on the part of the Dominican Republic in 1967: erratic budget allocations for agricultural development agencies, price support programs not expanded and no action taken to divest the Agricultural Bank of its non-banking functions, and the unwillingness of the Dominican Republic Government to increase funding for education and health.

Zwick agrees the \$9 million is needed for balance of payments support—but fears that authorization now will take the pressure off for better performance on the Supporting Assistance Loan.⁶

Ambassador Crimmins and Covey Oliver argue that:

—Balaguer has been counting since September on this PL 480 package in explaining publicly his tight balance of payments program for 1969.

-Further delay would be interpreted by both Balaguer and his opposition as a deliberate U.S. decision to draw back from full support

for his government.

—Political storm clouds have been gathering in the Dominican Republic as we approach the Presidential election—plotting against Balaguer has been growing. The political climate will be especially volatile during the period of transition in the U.S.

-Steady U.S. support for Balaguer has been one of his few solid bases; his chances of completing the constitutional term are relatively

favorable so long as our support is unquestioned;

—Balaguer is *more* likely to be able to improve performance under the Supporting Assistance loan if he is reassured that PL 480 support will be forthcoming.

Charlie Zwick says that *if* you wish to take more fully into account the political judgment of Oliver and Crimmins, he would then recommend authorization with subsequent releases of food contingent on better self-help performance.

He would release the food in three equal installments contingent on the meeting of special commitments which parallel those involved in the Supporting Assistance loan.

I believe that a more flexible version of this option would meet the minimum political requirement—that we demonstrate prompt, continued support for Balaguer's program. Ambassador Crimmins should have enough negotiating leeway to insure that this objective is met. Specifying now the number or size of the installments, or tying the selfhelp criteria rigidly to other loans, would not be wise. These are issues better left to the negotiation.

I recommend that you approve negotiation of this PL 480 agreement as recommended in the Freeman/Gaud memorandum, with the

⁶ Zwick's memorandum explained that \$8 million in supporting assistance was withheld because of the Dominican Republic Government's less than satisfactory performance under the previous year's assistance package, and that it therefore made little economic sense to go forward with the P.L. 480 agreement since the two forms of assistance were equivalent resources. In concluding Zwick wrote: "I cannot judge whether or not a delay in authorizing this P.L. 480 agreement would seriously influence the decisions or capability of anyone planning to overthrow Balaguer. But in the absence of explicit evidence I recommend deferral of this agreement. This course would enable the new Administration to demonstrate continuity of policy, and it would put some teeth into our self-help requirements."

additional stipulation that commodities be released in installments after special reviews of Dominican performance.

Walt

Approve, make releases in installments contingent on special performance $reviews^7$

Approve, without special installment review procedure

Defer to New Administration

Disapprove

Call me

 $^{^{7}\,\}mathrm{This}$ option is checked.