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1983/08/00



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Guatemala: Prospects for Political Moderation

An Intelligence Assessment



APPROVED FOR RELEASE
MAR 1996

~~Secret~~
August 1983

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Guatemala: Prospects for Political Moderation

Key Judgments

*Information available
as of 20 July 1983
was used in this report.*

The military government of Gen. Efraim Rios Montt, which came to power in Guatemala in March 1982, is still seized with many of the same social and political problems that have bedeviled that country for years. Although a previously growing insurgency has been contained—at least temporarily—the traditional, conservative elites still wield considerable political power. Moreover, the social problems that triggered demands for change and spurred Indian support for the insurgency have been aggravated by Guatemala's recent economic decline.

While trying to deal with these problems, Rios Montt faces formidable challenges in the months ahead:

- Continued coup plotting and factional rivalries in the military indicate that the armed forces remain a divided institution. We believe that, as long as the Army remains largely above the law, it probably can—and will—act to hamper some of Rios Montt's efforts to implement reform. In addition, we believe the military's new commitment to moderation may be tactical and easily abandoned—in favor of more repression—should circumstances dictate.
- We expect the Guatemalan economy to decline further this year and, perhaps, to stabilize in 1984. Economic contraction will increase already high unemployment and hinder government efforts to relieve socioeconomic pressures. In addition, the private sector is overwhelmingly conservative and opposed to social reforms. These factors are likely to make economic policymaking increasingly contentious.
- Despite government efforts to weaken conservative groups, these are likely to resume entrenched political habits such as fielding assassins and disrupting new left-of-center organizations. Similarly, extreme leftists have begun to subvert left-of-center groups in order to press for radical reforms and provoke a rightist reaction.
- We estimate that the leftist guerrillas remain a potent force of 2,000 to 2,500 full-time armed combatants with the capacity for hit-and-run raids, economic sabotage, and urban terrorism. Although they are unlikely to threaten political stability seriously in the short term, they are just as unlikely to be eradicated.

- We believe that a deterioration in regional security would derail political moderation in Guatemala. A radical leftist victory in El Salvador probably would provide Guatemalan guerrillas with improved access to Cuban and Nicaraguan arms and an unimpeded safehaven.

Even in the face of these challenges, we believe that the present trend toward more moderate government is likely to continue during the next year or two—provided Rios Montt remains in power. The President has demonstrated a strong personal commitment to “civilize” Guatemala. He has adopted a counterinsurgency strategy that combines selective repression and civic action. He has taken some steps to reduce human rights abuses and integrate previously excluded social groups—such as Indians, peasants, and urban workers—into the political and economic mainstream:

- [REDACTED] human rights violations have decreased substantially. Although abuses remain, we judge that the climate of fear, the widespread indiscriminate brutality, and—more important—the hostility between peasants and the Army have diminished noticeably.
- Recent political reforms have stimulated moderate leftist parties and new organizations representing previously excluded social groups to participate in the electoral process now getting under way. There are tentative signs that exiled Social Democratic leaders are following the Guatemalan situation closely, are considering electoral alliances, and may return to Guatemala if they obtain guarantees of personal safety.

Overall, after weighing his strengths and weaknesses, we judge that Rios Montt has an even chance to remain in power for the next one to two years. His authority rests with the military, whose power is likely to remain ascendant. In our view, military backing probably will continue as long as the progress against the insurgents can be sustained and the movement toward elections is maintained.

A coup attempt in June 1983 and continued dissension in the armed forces make it plain that the equally likely outcome—Rios Montt's overthrow—is an ever-present risk. Powerful conservative forces have already stepped up their efforts to discredit Rios Montt and provoke his replacement by the Army. His replacement by coup or his assassination, in our view, would lead to a power struggle in the military and a more rightist leadership and would probably entail the abandonment of moderate programs.

In any event, beyond 1985 the probability of steady movement toward moderate government becomes lower in our estimation. We believe that extreme ethnic and class differentiation and sharp socioeconomic disparities will continue to inhibit the development of political tolerance and compromise—key elements of democracy. Guatemalan society, in our view, is not likely to support a stable democratic-pluralist system any time soon; instead, political polarization and fluctuating levels of violence will increase, and military domination of the political system will persist.

The United States can expect continuing difficulties in exerting a moderating or stabilizing influence over Guatemalan political events. The Guatemalan military's strong nationalist tradition may well lead it, as in the past, to reject any US aid conditioned on human rights performance. Internal dynamics, in any case, probably will continue to weigh more heavily in determining the government's counterinsurgency strategy and the political process.

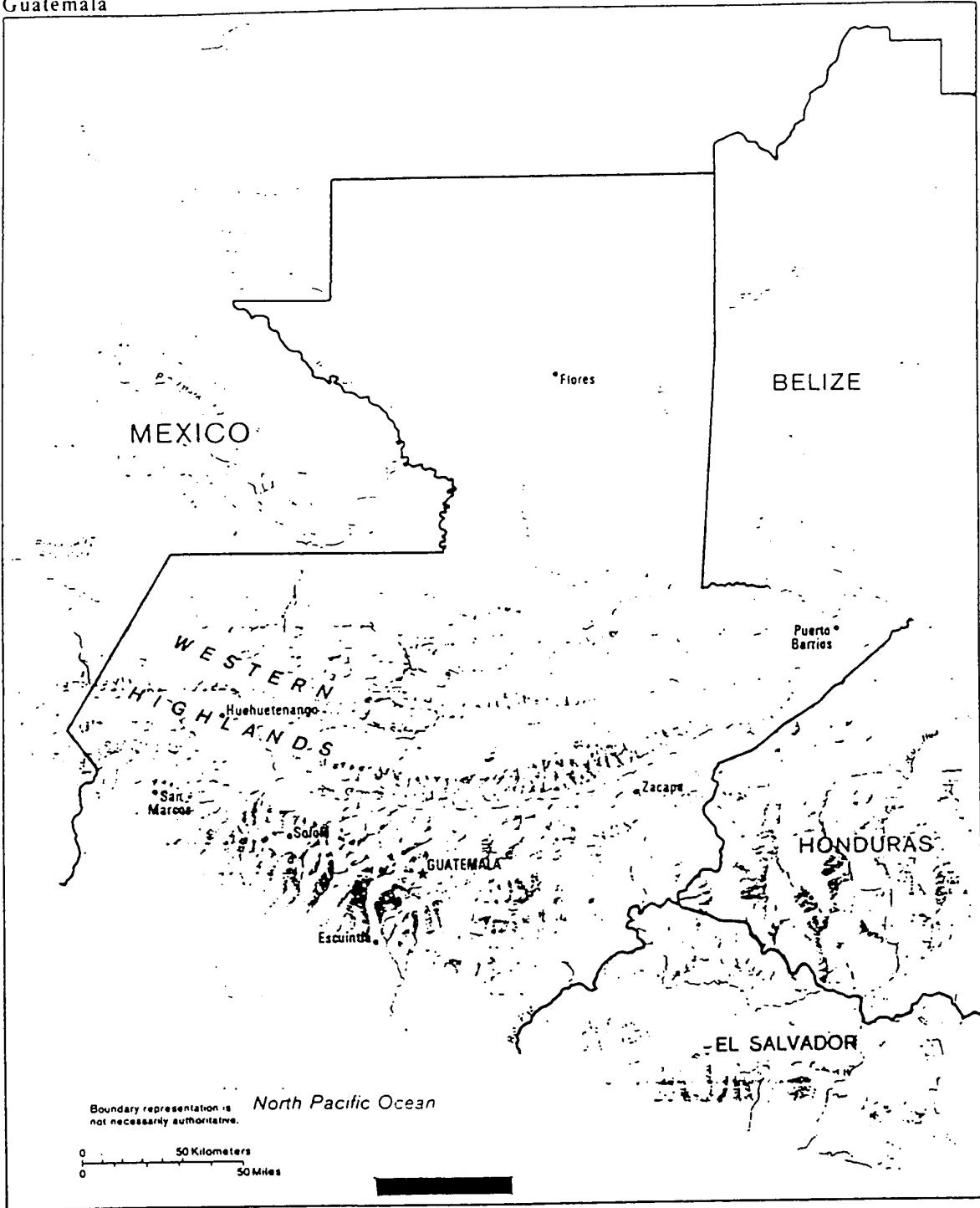
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Guatemala



Guatemala: Prospects for Political Moderation

Introduction

We believe Guatemala is pivotal in Central America for US regional interests. Its economy and population are the largest in Central America. Its proximity to Mexico's southernmost states—where Mexico City's authority and presence are weakest—gives it a strategic significance unmatched by other Central American nations. Moreover, ethnic, cultural, and socioeconomic similarities between southern Mexico and Guatemala's Western Highlands suggest a high potential for the spillover of any unrest and instability across their common border. Unfortunately, a radical outcome of the current struggle in El Salvador would almost certainly affect future developments in Guatemala more than elsewhere in the region.

For three decades, Guatemala has been beset by escalating cycles of violence and repression. By 1982, in our view, the situation had become chaotic; between 400 and 500 people were killed monthly in politically related violence. Several thousand had disappeared and thousands of others had fled the country. Virtually every social and political group had become the target of physical or psychological brutality from leftwing and rightwing extremists and government security forces alike. In the process, the country had become increasingly isolated abroad. The military, which has governed Guatemala through much of its modern history with the support of rightwing politicians and conservative businessmen, had developed a siege mentality and seemed determined to crush its opponents through repression against guilty and innocent alike. The ensuing polarization of political forces into extreme right and left camps, in our opinion, was propelling Guatemala toward a full-scale civil war and had improved markedly the prospects for a Marxist insurgency.

Since a young officers' coup in March 1982, however, the government's political, military, and economic policies have renewed hopes in Guatemala and abroad that the cycle of violence and repression has been, or soon may be, broken. Although contradictory signs

remain, the regime of President Efraim Rios Montt has reduced—at least temporarily—indiscriminate repression and has taken initial steps to reduce political polarization. Already a significant result of the new approaches has been the loss of momentum by the insurgents in their bid for power. Nevertheless, a coup attempt in June 1983, dissension in the military, and the recent imposition of a state of alarm—a milder version of a state of seige—to counter mounting criticism of Rios Montt by conservative forces underscore the fragility of the present process toward moderate government.

In the light of these developments, this paper reviews the history and causes of Guatemala's political violence. It assesses the military, political parties, and the private sector in terms of their potential contribution to moderate—that is nonviolent, reform-oriented—leadership. It identifies continuing obstacles to moderation and considers whether the pattern of violence and exclusion has been broken by the Rios Montt regime or might be broken over the near term (one to two years). Alternative political scenarios for the medium term (three to five years) also are examined.

The Roots of Violence and Polarization

Instability, insurgency, and terrorism have found fertile ground in Guatemala's deep-seated social and economic inequities and the most rigid political structure in Central America. Exposure to modern culture has eroded the traditional lifestyles of politically passive social groups—especially the majority Indian population—and resulted in rising aspirations and increasing unwillingness to submit to continued injustices and oppression. The ruling elites have viewed these new demands as a subversive challenge to the established order. More often than not, they have

Guatemala: Selected Socioeconomic Indicators

	Guatemala	Average for Central America	Average for LDCs
Adult literacy, 1981 (percent)	46	71	48
Urbanization, 1980 (percent)	39	44	32
Life expectancy at birth, 1980 (years)	59	63	58
Population average annual growth rate, 1971-80 (average annual percent)	3.0	2.8	2.4
Per capita income, 1981 (US \$)	1,080	1,060	890
Labor force in agriculture, 1980 (percent)	55	44	54

reacted with violence and repression, thus contributing to social alienation and acceptance of radical alternatives.

Economic and Social Inequality

Despite impressive economic growth rates—averaging 5 to 6 percent annually—over the past two decades, life for most Guatemalans remains bleak. In 1981, according to an official Guatemalan estimate, about 75 percent of the nation's families were living at or below the poverty line, most of them in rural areas, where two-thirds of the population lives. Uneven distribution of wealth and primitive social services—health, education, and welfare—compare unfavorably even by Central American standards.

General Factors. Several factors have helped to perpetuate Guatemala's rural-dominated society. the country's uneven distribution of wealth and above-average per capita income by LDC standards owe more to the large plantations located along the southern coast than to such newer sectors as manufacturing and mining. Although Guatemala has Central America's largest industrial base, this sector has not substantially improved the lot of the typical Guatemalan.

The manufacturing sector is relatively capital intensive and oriented toward satisfying demand by wealthier Guatemalans and those elsewhere in the hobbled Central American Common Market. As a result, it has offered limited new employment in the cities and provided scant opportunity for the growth of an urban labor force.

The Particular Plight of the Indians. The vast majority of rural families—predominantly Indian—live in the highlands to the northwest and north of the capital. Most work parcels of land are so poor in quality and so small that modern farm techniques generally cannot be used. Dwindling land resources force several hundred thousand Indians every year to migrate to plantations along the southern coast, where they take seasonal jobs. The ruling elites have largely ignored these groups in the nation's economic and social development.

Historically, the isolation of the Indians was in part voluntary; their cultural traditions and way of life seemed to render them impervious to Western influence. National authorities thus tended to assume that the fatalistic, introspective nature of the Indians would make them impenetrable to radical subversion.

In recent decades, however, growing population pressures have weakened the traditional agricultural economy of the Indian, making it harder to eke out even a subsistence living. At the same time, growing exposure to modern culture—through missionaries, relief workers, and other influences—has undermined long-established Indian attitudes and behavioral patterns and provoked a strong desire—especially among young Indians—to enjoy the benefits of participation in the cash economy. The combination of rising aspirations and lack of economic opportunity has intensified the plight of the Indians, further alienating many and making some susceptible to appeals by revolutionaries, who stepped up their proselytizing in the highlands during the second half of the 1970s.

Insurgent Exploitation of Inequalities. Guerrilla leaders have attempted for several years to take advantage of these cultural and economic changes among the Indians by promising that a revolutionary regime would bring about improvements that they could never attain under the present system. The results of these attempts have been mixed. Although reliable figures are unavailable, there is ample evidence that one insurgent group, the Guerrilla Army of the Poor, has created a core of Indian militants and sympathizers. In addition, Indian activists participate in the Peasant Unity Committee, a rural labor organization affiliated with the Guerrilla Army of the Poor.

These insurgent efforts to recruit Indians have been facilitated in the past by antigovernment sentiment provoked by the Army's brutal counterinsurgency tactics and abuses of civilians. Nevertheless, the same evidence suggests that most Indians have distrusted the guerrillas as much as they have distrusted the government, and that the share of the indigenous, rural population supporting the insurgents has remained small and geographically limited. Meanwhile, tight security measures and rightwing terrorism have effectively limited the opportunities for guerrilla operations and recruitment in urban areas.

A Rigid Political System

Guatemala's political structure itself also contributed to polarization. It has inhibited pressures for social change and participation by groups claiming to represent newly politicized constituencies—such as peasants, labor, and the middle class. The public record shows that, since 1954, when a rightist coup ended a decade of social and economic reforms, the nation has been ruled by elites who view the national government primarily as an instrument for maintaining social order, providing minimal services, and allowing the free market to run its course. Politics has been devoted to "keeping the lid on" and preventing a return to power of reformers identified with the pre-1954 reform era. The political order that has evolved depends on an informal coalition of conservative military officers, wealthy businessmen and plantation owners, and some middle class rightwing politicians. They apparently share a tacit understanding that unpredictable and unmanageable political processes—such as free elections and greater popular participation—are inimical to their interests. Moreover, they

seem to be generally convinced that mobilization of labor and peasants must be prevented or at least strictly controlled.

In pursuing this policy of political exclusion, the ruling elites have used legal and extralegal means under the guise of democratic politics marked by periodic elections. Our review of the open literature,

indicates that, among other things, the elites have:

- Killed the leaders of many independent or opposition organizations that could not be co-opted, silenced, or frightened into exile.
- Manipulated procedural techniques in electoral and labor laws to deny or delay legal recognition of opposition political parties and independent unions.
- Subverted the integrity of the judicial system by government- and rightwing-sponsored use of death squads to murder and intimidate judges, witnesses, and defense lawyers.

Within the elite structure, interconnected and shifting subcoalitions are formed on particular issues. Consequently, a unified, monolithic oligarchy has not emerged. Indeed, the public record shows that considerable antagonism and distrust exist among the elite groups:

- Although some prominent businessmen publicly have espoused the need for social and economic reforms, this group and the landowning elite remain less inclined to accommodate change than the military—whose members are recruited from broader elements of society and generally have less to lose financially.
- Military officers consider unpatriotic the flow of capital out of the country from businessmen fearful of political instability.
- Conservative politicians have resented the tendency of the armed forces to monopolize the presidency and its occasional use of electoral fraud to keep rightwing civilians out of power.

These potentially disruptive differences, however, have been dampened by the commonly perceived threat from the left. Moreover, elite unity has been reinforced by the predominant view that any efforts to improve the living conditions of the lower classes through social and economic reforms would not bear fruit if leftists, whom the elites consider to be bent on subversion, are allowed to participate in the political process. [REDACTED]

The Record of Repression

Reform and Reaction, 1944-63

Guatemala has a long history of fratricidal struggle. Much of the violence in recent decades stems from the revolution of 1944, which cast out the last in a line of traditional military dictators. The historical literature on Guatemala shows that, during his term in office (1945-51), President Juan Jose Arevalo sought to break the political and social paternalism of a plantation-based economy by enfranchising the Indians, promoting social and labor legislation, and nurturing industrialization and export-oriented agriculture. Reformist policies and an expanded government role in the economy and society brought more diversity—new industrialists, commercial farmers, managers, and other businessmen—into the private sector and awakened segments of the middle and lower classes to the realization that benefits could be obtained through political action. [REDACTED]

Supporters of the old order strenuously resisted Arevalo's new policies and those of his more radical successor, Col. Jacobo Arbenz (1951-54), whose regime launched a whirlwind of structural changes, including agrarian reform. According to the public record, when Communists became entrenched in the Arbenz government, the old guard [REDACTED] overthrew it and reversed many of the widespread reforms made during the previous decade. The country then entered an intensely anti-Communist phase that grew increasingly violent over the years. [REDACTED]

Memories of the Arevalo-Arbenz period instilled in the military and the political right deep suspicions of any movement even slightly to the left of center. These suspicions have haunted the political scene since 1954, and successive regimes and their supporters often applied the appellation "Communist" to the

most elementary proposals for reform or steps toward modernization. Nonetheless, the "decade of revolution," the conservative coup that ended it, and subsequent reactionary policies have left a sense of denied destiny among reformist and radical forces, as well as remnants of nationalist resentment against the United States among younger members of the armed forces. In November 1960, for example, a group of idealistic young Army officers declared their opposition to their government's cooperation with the United States in training Cuban exiles for the Bay of Pigs invasion and began a guerrilla campaign that, although much transformed and radicalized, lasts to this day. [REDACTED]

Military Consolidation, 1963-82

The two decades since 1963 have witnessed the consolidation of the armed forces as rulers of Guatemala. With the exception of one civilian president, whose policies were subject explicitly to military veto, all Guatemalan chief executives during this period were active-duty Army officers. After 1970, the country was ruled by a series of military presidents, each of whom had served his predecessor as minister of defense. [REDACTED]

Going for Broke. Several trends combined to augment the political power of the armed forces between 1963 and 1982. The Guatemalan military became professionalized and reached new and higher levels of institutional loyalty as well as technical expertise. As in most Latin American countries, however, conspicuously absent from newer professional attitudes was a dedication to the principle of civilian supremacy. [REDACTED]

While the armed forces were forging a sense of purpose and institutional solidarity and improving discipline and coordination, civilian society was fragmenting. The economic elite, once a homogeneous, tightly knit group of plantation owners, became increasingly complex and diverse as new manufacturers and businessmen from the service sectors injected their own views and pressed their own interests. At the same time, reemerging political awareness among the middle and lower segments of society undermined established patron-client relations by making these segments even less responsive to the will of the

economic elite. Moreover, cultural and racial differences between Indians and non-Indians made united political action by middle and lower class groups difficult to achieve. [REDACTED]

As the traditional civilian structures and institutions lost their effectiveness, the military took steps to ensure that no new ones were created to counter its growing power. Nascent political organizations that attracted the support of intellectuals, labor leaders, young professionals, and other reform-minded individuals were either barred from the ballot or intimidated by repression. Formal steps and extralegal actions restricted and discouraged the establishment of political and labor organizations. According to the public record, hundreds of political activists—Christian and Social Democrats not involved in armed activities against the regime—were persecuted or murdered. Moreover, [REDACTED] the climate of terror was such—especially after the June 1980 seizure and murder by rightists of the entire leadership of a labor confederation—that union members feared to assemble openly. [REDACTED]

Somewhat ironically, the appearance of an insurgency problem reinforced the role of the armed forces in society. The military reacted to the mounting guerrilla threat by opening a strong counterinsurgency campaign. As the Army extended its presence to isolated guerrilla-infested areas, it could justify command of more national resources and foreign military assistance. As a result, the armed forces became the fastest growing element in an otherwise small public sector. In addition, the military was redefining its mission—expanding guerrilla warfare courses and emphasizing such sociopolitical activities as civic action and psychological operations. [REDACTED]

Overplaying the Hand. The string of military governments that ruled Guatemala during this period not only failed to create the conditions for long-term political stability but progressively undermined the existing power structure through the increased use of repression and inability or unwillingness to distinguish between moderate leftists and radical revolutionaries. As the military consolidated its already dominant position in national politics, it often turned its counterinsurgency tactics on real and suspected political rivals. By 1981, there was little public support for the continuation of a progressively brutal system. [REDACTED]

Although previous governments had sponsored or approved extralegal activities, the level of official and officially condoned violence reached unprecedented proportions during the presidency of Gen. Romeo Lucas Garcia (1978-82). [REDACTED]

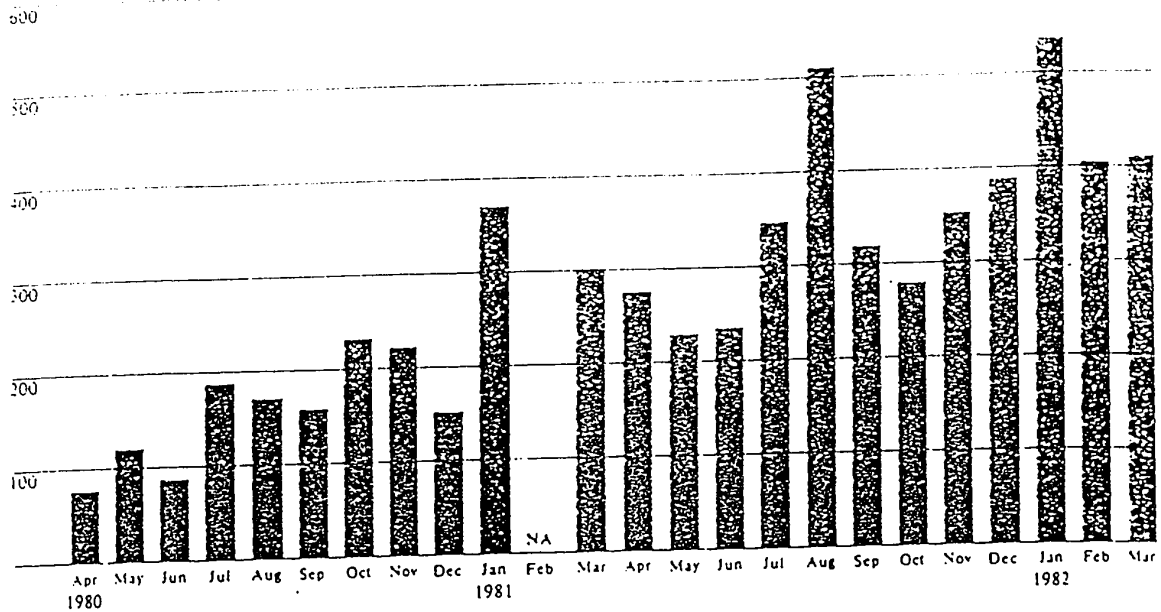
[REDACTED] between 400 and 500 people were killed monthly in politically related violence during January-March 1982. [REDACTED]

[REDACTED] three out of four politically related deaths during Lucas's tenure were attributable to the government's security services and rightwing death squads. [REDACTED]

The public record shows that, under Lucas, security needs were seen as requiring the use of brute force, and government efforts to curtail leftist terrorism served to perpetuate the vengeful cycle. Virtually all sectors of the population participated in—and were victimized by—political violence. Business and conservative political party leaders were targets of leftist kidnapers and terrorists. In turn, they financed rightwing death squads. Many labor and left-of-center political party activists, as well as students, teachers, priests, and others who survived, went underground and joined Marxist guerrilla/terrorist groups or their front organizations. Indian villagers—terrorized by the Army's brutal counterinsurgency sweeps—collaborated with the insurgents. Military, police, and civilian officials were frequent targets of leftist violence in retaliation for governmental acts of brutality. [REDACTED]

Moreover, the government's inability or unwillingness to distinguish between legitimate political activists and radical revolutionaries reached new levels under Lucas. [REDACTED]

Guatemala. Estimated Deaths Due to Political Violence²



² Total number of deaths due to political violence including probable, possible, and death squad figures.

Moreover, the systematic elimination of moderate leftist and centrist leaders created a leadership void that facilitated the clandestine penetration or co-optation of many moderate organizations by the radicals in the insurgent movement.

Still, Marxist guerrillas did not represent a credible threat to the government until the last years of Lucas's ultraviolent administration. We estimate that their numbers more than tripled between 1979 and 1982 from several hundred to approximately 3,000 full-time armed combatants. They controlled large areas of the heavily populated Western Highlands and had extended their operations to most parts of the country by 1981.

On the other hand, the unity of the conservative forces, which had provided a common front against the left and allowed for some continuity and short-term stability, had begun to crumble by 1981. After two decades of robust economic growth, the private sector was hit by a severe recession induced largely by low world commodity prices, the persistent domestic insurgency, and a poor human rights record that made foreign financing increasingly hard to obtain.



Although we lack the evidence needed to confirm or refute many specific charges of human rights violations, [redacted]

- The Army used extreme violence against guerrilla-controlled villages during last year's counterinsurgency offensive.
- The security forces have detained some students, professors, and others suspected of having ties to the insurgents; they have been held for long periods of time without charges, and a few apparently have "disappeared."
- The establishment of special, secret tribunals intended to bypass the regular courts has come under strong criticism at home and abroad for violating due process.

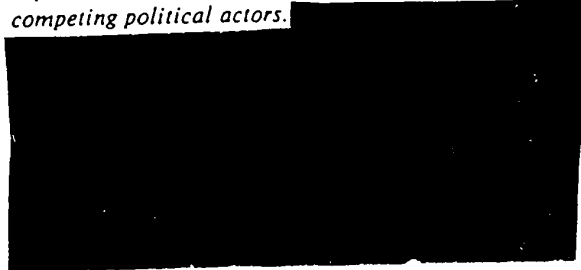


On the whole, however, after a review of all available information, we judge that the climate of fear, the widespread indiscriminate violence, and—more important—the hostile relationship between the peasants and the Army characteristic of previous Guatemalan regimes have substantially diminished. Recent travels by [redacted] foreign journalists in the Western Highlands, where most of the latest fighting has taken place, have provided firsthand observation of human rights improvements in the countryside. Several thousand Indians in guerrilla-controlled territory who formerly collaborated with the insurgents, for example, have sought refuge with the Army after being displaced by last year's intense fighting. Rather than seek retribution against insurgent collaborators,

Major Political Actors

The Military

Under Rios Montt, the military establishment has expanded its power even further relative to other competing political actors. [redacted]



Members of the armed forces are highly nationalistic. They regard themselves as the guardians of the nation, above and beyond politics. Nonetheless, the Army is a divided institution. Personal ambitions and rivalries play a major part, but factionalism in the armed forces, in our view, also mirrors the social, political, and economic antagonisms of Guatemalan society. Most officers come from middle class or humble origins and resent the venality of the economic elite. Other officers, mostly at the senior level and with strong ties to wealthy families and rightwing politicians, emphasize anti-Communist themes and the need to restore discipline and order to Guatemala. [redacted]

The Private Sector

Guatemala's economic elite—industrialists, retailers, financiers, and planters—constitute the country's second most important political group. Its members exert considerable influence through their economic and financial power. [redacted]

Although it has undergone considerable diversification in the last three decades, the private sector

as was common practice in the past, the military has fed them; provided medical services, housing, and clothing; and plans to resettle them in their home villages whenever possible. [redacted]

predominantly adheres to a conservative economic and social philosophy akin to pure laissez-faire capitalism. This philosophy clashes with a key component of the current government's counterinsurgency strategy, which calls for increased public spending in the impoverished highlands in order to increase the loyalty of the peasants and integrate the Indians into the national mainstream. Indeed, in our view, the private sector—currently paying taxes at one of the lowest rates in Latin America—would have to submit to unprecedented levels of taxation if Rios Montt were to sustain the momentum against the extreme left and finance programs to redress the country's social and economic ills. The public debate over the proposed value-added tax illustrates the vast gap between the conservative business community and the government over the pace and substance of social reform policies. [REDACTED]

The Political Parties

Recently established and not deeply rooted in society, Guatemalan political organizations are for the most part personalistic groups without well-defined ideologies or programs. They lack a tradition of addressing issues, formulating policy, or sustaining contact with a constituency. Expediency and the scramble for government positions have often dictated last-minute political realignments and discredited most party leaders. The three oldest groups—the ultrarightist National Liberation Movement and the centrist Christian Democratic and Revolutionary Parties—remain the only ones with any significant grassroots support. Left-of-center parties were relentlessly persecuted during previous regimes, and their leaders were assassinated or driven into exile. The National Liberation Movement, which has been responsible for much of the violence, is generally considered the

wealthiest and best organized party, and the one that would most benefit from early elections. Although about 20 new groups have formed recently in response to Rios Montt's political reforms, these fledgling parties will need time and government support to develop organizational, financial, and leadership resources to challenge successfully the power of the more established and predominately conservative groups. [REDACTED]

Other Groups

The Catholic Church lost its secular power in Guatemala as a result of the liberal anticlerical reforms of the mid-19th century. In recent years, however, the Church has found itself in an increasingly adversarial role vis-a-vis the government in reaction to official repression against militant priests and lay missionaries working with Indians in areas of insurgent activity. Moreover, Church criticism of the present regime has mounted as Church officials—concerned about Protestant inroads among the population—grow increasingly suspicious of Rios Montt's outspoken evangelical Protestantism. [REDACTED]

Labor and peasant groups have not exerted significant political influence since the 1954 overthrow of the Arbenz regime. Private-sector hostility and government repression have prevented the development of viable labor and peasant movements. [REDACTED]

[REDACTED] only about 10 percent of the labor force is organized into unions. Recent government overtures to labor indicate that Rios Montt is more forthcoming than previous leaders in addressing union demands. In our opinion, however, these organizations will find it difficult to prosper in a social setting that remains predominantly conservative unless they receive substantial official support. [REDACTED]

[REDACTED]

squads, which under previous regimes operated in the capital and other major towns with impunity. According to press reports, several hundred policemen—the backbone of the rightist hit squads in the past—have been discharged or turned over to the secret tribunals in recent months. [REDACTED]

The Rios Montt government also has curbed drastically the activities of quasi-official, rightwing death

Broadening Political Participation

In March 1983, the Rios Montt government began a long-term program of political reforms designed to lead ultimately to a restoration of constitutional rule under military tutelage. The reforms are intended to stimulate the participation in the electoral process of moderate leftist parties and new organizations representing previously excluded social groups. At the same time, the changes are aimed at reducing the power of traditionally predominant rightist political parties.

Rios Montt has been reluctant to set an electoral timetable, strongly suggesting that elections remain a low priority for him and that he intends to complete the full four-year term that he was denied by electoral fraud in 1974. The President has said on several occasions that he does not intend to run for office in the elections (probably to be held in late 1985 or early 1986), and we believe he has no plans to remain in power beyond them. He has not made any efforts to organize a personal political power base. We believe, however, that he wants to buy time to allow new political groups to organize and draw away support from the established rightist parties.

Nevertheless, mounting calls for early elections by conservative politicians, the business sector, and the Catholic Church were echoed recently by many Army officers weary of protracted military involvement in formally running the government. These pressures have forced Rios Montt to agree tentatively to a timetable for constituent assembly elections in July 1984. Presidential elections are expected to follow, but no date has yet been announced.

Promising Initial Results. The reforms have provoked a flurry of political activity. Significantly, the substantial lowering of the number of supporters required to form a political party already has caused some of the large established parties to divide and has prompted the formation of several new political organizations.

as many as 30 groups may try to set up parties. The ultraright-wing National Liberation Movement, whose extensive

The New Laws Governing Political Activity

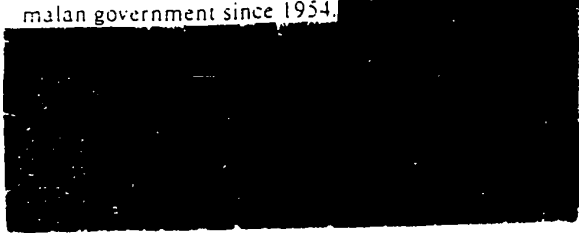
The political reforms of Rios Montt are embodied in three decrees issued on 23 March 1983—the first anniversary of the young officers' coup. In an effort to broaden participation, encourage new groups to organize, and draw away support from existing parties, a law governing the registration of political parties reduced the number of signatures required from 50,000 to 4,000. This law also requires that the parties have viable political organizations in at least 12 of Guatemala's 22 departments. This measure would give greater representation to rural areas in the party system and, by the same token, make the parties more representative of the nation as a whole—one of Rios Montt's major goals. A future decree will make voting obligatory for illiterate and literate citizens alike, further ensuring the participation of lower class groups in the political process.

Another law called for the establishment of an autonomous Supreme Electoral Tribunal to run the electoral process. This Tribunal was inaugurated on 1 July 1983, and its members were selected by the Supreme Court from a list of 20 candidates submitted by a committee composed of university and law school representatives. The involvement of university personnel—often associated with the left—adds to the Tribunal's credibility as an independent actor.

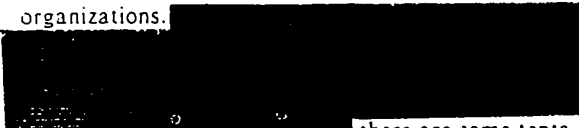
A third law governs the registration of all voting-age citizens, a process that reportedly would take approximately a year to complete and is cited by officials as the reason for prolonging the elections timetable. The government correctly points out that insurgent forces have destroyed registration lists in many localities. Moreover, Rios Montt apparently believes that existing lists are fraudulent.

financial and organizational resources we believe would make it the winner in early elections, has protested the government's delayed electoral timetable.

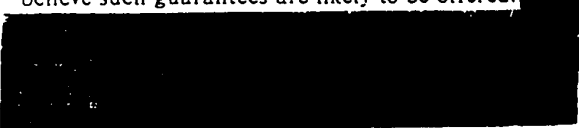
The government has reiterated that all groups, including the Communist Party, are free to participate in the electoral process—the first such offer by a Guatemalan government since 1954.



The government is giving ample signs of its sincerity. It is trying, for example, to woo Social Democrats and other moderate leftists away from guerrilla front organizations.



there are some tentative signs that exiled Social Democratic leaders are following the Guatemalan situation closely, are considering electoral alliances, and may return to Guatemala if they obtain guarantees of personal safety. We believe such guarantees are likely to be offered.



Retaining Military Control. To enhance the legitimacy of the political opening and to reduce suspicions about military intentions, Rios Montt and leading military officers have claimed publicly at various times that the armed forces will not sponsor a government party. Notwithstanding the public claims of impartiality, however, a strong undercurrent of concern about liberalization apparently exists within the armed forces.

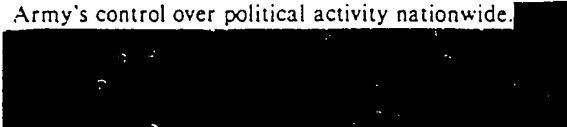


Gen. Rios Montt (center) with high-ranking Army officers.

Wide World ©



Concerns about this threat apparently played a major part in a recent government decision to increase the number of military zones, thereby facilitating the Army's control over political activity nationwide.



a number of military officers close to Rios Montt apparently are determined to maintain effective military management of the political system for the next eight to 10 years, regardless of the outcome of presidential elections or the type of constitutional reforms arising from the current liberalization.

The Period Before Elections

Rios Montt will have to overcome formidable obstacles in the months ahead. In our view, opposition activities by both conservative and leftist hardliners will grow as the insurgents regroup, political and

labor union activity picks up, and the economy continues to slide. These problems could spur popular unrest, weaken Rios Montt's support in the military, and possibly lead to a coup and the return of indiscriminate violence and repression. [REDACTED]

The Pivotal Role of Rios Montt

Despite the coming challenges, we believe the present trend toward more moderate government in Guatemala is likely to continue during the next one to two years—provided Rios Montt remains in power. The adoption of a more enlightened counterinsurgency strategy, the efforts to broaden popular participation in the political system, and the tangible improvements in human rights demonstrate a significant personal commitment by Rios Montt to "civilize" Guatemala. [REDACTED]

Overall, we judge that Rios Montt has an even chance to remain in power for the next one to two years. His authority rests with the military, and we believe he will retain the support of the armed forces as long as the military progress against the insurgents is sustained and the movement toward elections is maintained. Rios Montt's counterinsurgency strategy has raised the Army's morale, and most officers appear to recognize—at least for the time being—the vital link between popular support and the defeat of the insurgents. Moreover, the President has been able to isolate many of his conservative opponents in the military through frequent command rotations and reassignments. [REDACTED]

The coup attempt in June 1983 and continued dissension within the armed forces make it plain that the equally likely outcome—Rios Montt's overthrow—is an ever-present risk. Most established political forces—the private sector, rightist politicians, and the Catholic Church—have stepped up their criticism of the President and his policies in order to weaken his support in the military and provoke his overthrow. Rios Montt's replacement by coup or assassination, in our view, would lead to a power struggle in the military hierarchy and a more rightist leadership and would probably entail the abandonment of moderate programs. [REDACTED]

Constraints on Reform

The Military. [REDACTED]

[REDACTED] the military remains a divided institution. Moreover, the Army's newfound commitment to moderation, in our opinion, may be temporary and easily abandoned in favor of more repressive policies, if circumstances dictate. Available information gives us little feel for what kinds of debates occur within the councils of the armed forces or for the breakdown of hardline as against moderate opinion. We believe, nevertheless, that reformist sentiment in the military is neither strong nor sophisticated and could be neutralized by the political and psychological pressures of maintaining law and order. [REDACTED]

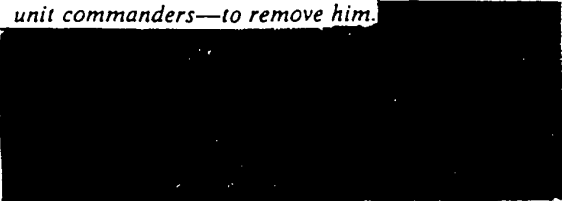
Because the armed forces remain largely above the law, they will remain a complicating factor in Rios Montt's ability to implement reform. [REDACTED]

[REDACTED] Rios Montt does not yet have the power to carry out his commitment to respect human rights when the armed forces are implicated. [REDACTED]

The Economy. We expect the Guatemalan economy to decline about 4 percent this year and, perhaps, stabilize at this lower level of activity in 1984. The foreign exchange shortage is likely to persist as a major economic constraint, particularly in the critical import-dependent manufacturing and commercial agricultural sectors. We foresee little improvement in export earnings and judge that a new IMF accord, currently under negotiation, would not attract sufficient foreign funds to revitalize the economy any time soon. Sharp cuts in public expenditures already are jeopardizing the government's ability to carry out promised economic development programs and social services in the Western Highlands—a vital part of Rios Montt's counterinsurgency strategy and economic policy. Economic contraction also will increase an already high unemployment rate and could hinder

Coup Plotting Against Rios Montt

In June 1983, Rios Montt barely survived a plot by disgruntled military officers—including most major unit commanders—to remove him.



The attempted coup was a vivid example of the type of recurring challenges facing Rios Montt in the months ahead, and it underscored the fragility of the present process toward more moderate government in Guatemala. It was symptomatic of the underlying political, social, and economic problems inherited from previous regimes—such as military divisiveness, a deteriorating economy, an active insurgency, and the retention of considerable political power by ultra-conservative elites.

The incident, however, also demonstrated that Rios Montt benefits from several factors:

- The absence of a military or civilian candidate—acceptable to a wide spectrum of the armed forces—to replace him.*
- The concern among many officers that another coup could prompt a series of government turnovers that would hurt the Army's capacity to defeat the insurgents and delay a return to constitutional government.*
- The existence of important support for Rios Montt in the officer corps, and fears that a move against him would irreparably damage the military institution.*
- The President's political acumen and flexibility, particularly his ability to adopt either hardline or conciliatory postures and make temporary concessions to his opponents.*

Although Rios Montt was able to overcome the most recent challenge, he will have to deal with other

political problems in the near term that are more fundamental:

- A portion of the military, motivated by purely personal ambitions, will continue to plot against him.*
- Civilian critics in the business sector, conservative political parties, and the Catholic Church—although temporarily quieted by the state of alarm and press censorship imposed in June—will renew their opposition activities.*
- Inveterate civilian plotters like ultrarightwing leader Leonel Sisniega will try to take advantage of the military unrest by agitating among discontented officers.*

We believe that a successful coalescence of opposition forces resulting in Rios Montt's overthrow would quickly revert Guatemala to rightwing rule and probably lead to a return of indiscriminate violence and repression. Rios Montt probably would be replaced by a caretaker military government that would attempt to legitimize its rule by calling for early elections—a principal demand of all powerful conservative forces. The ultrarightwing National Liberation Movement—the best organized and financed political party in Guatemala—would be the likely winner in early elections. Moderate political organizations, in our opinion, remain too weak and fragmented to pose a credible challenge to the conservative groups, even in the absence of such traditional rightwing methods as fielding death squads and electoral fraud.

Government by the National Liberation Movement would almost certainly eliminate any possibility of reforms, aggravate the social problems that spurred in the past Indian support for the insurgents, and drive many remaining moderate forces to cooperate with the extreme left.



government efforts to relieve socioeconomic pressures that have caused the alienation and radicalization of many Indians. Moreover, a spirit of cooperation between the government and local businessmen—crucial for sustained economic recovery—probably will be even more difficult to instill than previously. [REDACTED]

The private sector, although composed of different groups with diverse interests, is predominantly conservative and opposed to social reforms. Rios Montt's reformist reputation and socialistic rhetoric irritates many leaders of the private sector, who regard the President as a Communist. The government's announcement earlier this year of a new value-added tax, which consolidates a number of existing taxes without significantly raising them, has been so vigorously opposed by businessmen that implementation has been delayed until August 1983. Such differences are likely to continue and make economic policymaking and any reform efforts increasingly contentious. [REDACTED]

The Left and Right Extremes. In our estimate, the remaining guerrillas remain a potent force with the capacity for hit-and-run raids, economic sabotage, and urban terrorism. Although they are unlikely to pose a serious challenge to the stability of the government in the next year or so, they are just as unlikely to be eradicated. [REDACTED]

Rios Montt's effort to weaken the other end of the political spectrum—the extreme right—is likely to have some success in the short term, but these established elements will retain substantial retaliatory power. For example, their financial and organizational advantages give them the wherewithal to resume their long-practiced political habits, particularly the fielding of assassins and otherwise disrupting new organizations representing peasants, Indians, or urban

workers. Rightwing politicians also are likely to escalate their personal attacks on the President by, for example, seizing the issue of Rios Montt's outspoken evangelical Protestantism to inflame religious suspicions among the majority Catholic population. [REDACTED]

Rightist efforts to discredit the President and provoke his replacement by the Army recently led to the imposition of a state of alarm. [REDACTED]

We believe that rightwing attempts to undermine the government probably will intensify in coming months and may have a debilitating effect upon the armed forces' willingness to support the President and his reformist policies. [REDACTED]

Regional Turmoil. A deteriorating security situation in Central America almost certainly would have a major negative impact on moderate politics in Guatemala. [REDACTED]

A radical leftist victory in El Salvador probably would provide the Guatemalan guerrillas with unimpeded use of Salvadoran territory for safe-haven and staging attacks. We believe that Cuba and Nicaragua would be emboldened by a radical success in El Salvador and would move quickly to use that country as a major base to supply arms and other assistance to the Guatemalan insurgents. Such circumstances probably would strengthen the influence of conservative hardliners in the military and prompt moderate policies to be abandoned altogether. [REDACTED]

After Rios Montt

We believe that, in light of Guatemala's political, social, and economic problems and Rios Montt's pivotal role, the present trend toward more moderate government probably will not be sustained beyond the presidential elections. In our view, any successor regime is likely to experience instability at least through the mid-1980s. Extreme ethnic and class differentiation and sharp socioeconomic disparities, in our opinion, will continue to inhibit the development of political tolerance and compromise—key elements of democracy. These obstacles are unlikely to disappear, short of an unexpected violent social upheaval whose consequences cannot be foreseen. Thus, Guatemalan society is not likely to develop a stable democratic-pluralist system—similar to that in Costa Rica, for example—any time soon. [REDACTED]

Assuming that Rios Montt retains power through mid-1985, we offer the following broad political scenarios through 1988 in the order of their probability:

- *Elections are held in 1985; a reformist left-of-center government is elected; Rios Montt steps down (45-percent probability).* Such a regime would be highly unstable and could be quickly toppled if it tries to push through major reforms. Efforts to implement social and economic reforms would be strenuously resisted—probably successfully—by strong conservative forces within and outside the military, while labor and peasant groups—formed during Rios Montt's tenure and now the government's main constituency—would press their demands for redistribution of wealth and power. As in previous periods of social unrest, rightist death-squad activities against left-of-center groups probably would resume.
- *Elections are held, and a conservative government is elected; Rios Montt steps down (30-percent probability).* The new government might try to reverse some of the reform programs enacted during Rios Montt's tenure. It almost certainly would fail to satisfy growing demands from peasant and labor groups for reforms favored by the Rios Montt government. A reformist military clique could

revolt, but probably would be put down by preponderant law-and-order forces in the Army. The guerrillas would probably make inroads among frustrated moderate leftist groups. In this scenario, the regime increasingly would resort to repression.

- *Promised elections are canceled after a conservative military group assumes control (25-percent probability).* This scenario could be precipitated by a successful rightwing coup against a likely reformist victory in the elections, by serious military setbacks at the hands of the Guatemalan guerrillas, or by an insurgent victory in El Salvador. The last of these would be quickly followed by Cuban and Nicaraguan expansion of assistance to the radical left insurgency in Guatemala. A siege mentality almost certainly would set in, and indiscriminate repression probably would ensue. A purge of reformist elements in the military could then be carried out. The activity of the guerrillas would increase, and their ranks would swell in reaction to the Army's counter-insurgency offensives against real and suspected Communist sympathizers. Fighting between the Army and better trained and armed insurgent forces benefiting from increased Cuban and Nicaraguan assistance would become heavy and widespread. This scenario could lead quickly to a full-scale civil war and improved prospects for a guerrilla victory. [REDACTED]

Implications for the United States

The United States can expect continuing difficulties in trying to exert a moderating or stabilizing influence over political events in Guatemala. [REDACTED]

[REDACTED] We believe internal dynamics, however, will continue to weigh more heavily than foreign influence in determining the government's counterinsurgency strategy and the political process. [REDACTED]

The military's strong nationalist tradition probably will lead it, as in the past, to reject US assistance conditioned on human rights performance or any other requirements that it perceives to infringe on Guatemalan sovereignty. We believe that recent counterinsurgency successes, which were accomplished without US assistance, and continuing international condemnation despite Rios Montt's effort to reduce human rights abuses have strengthened the "go it alone" attitude within the officer corps. [REDACTED]



Many officers apparently regard the United States as an unreliable ally and, in our opinion, may support a nonaligned foreign policy orientation less identified with US regional and global positions than in the past. These officers point to the struggle in El Salvador and to what they perceive as the loss of control by Salvadorans over their own affairs as the outcome of too close an association with the United States. [REDACTED]

Appendix

Guatemalan Chronology

1944

1 July

Gen. Jorge Ubico, the last in a line of traditional military dictators, is forced to resign from the presidency and turns over power to a provisional president.

22 October

A junta led by Maj. Francisco Arana and Capt. Jacobo Arbenz takes power and calls for free elections.

December

Juan Jose Arevalo, a well-known university professor who had symbolized resistance to the old order, is elected President.

1946

October

The Guatemalan Congress approves the nation's first social security law.

1947

June

A labor code is enacted, giving unionized urban workers protection against arbitrary dismissal and recognizing their right to strike.

1949

18 July

Col. Francisco Arana, former junta member and conservative opponent of Arevalo's reformist policies, is assassinated by unknown assailants.

1950

13 November

Col. Jacobo Arbenz is elected President with 65 percent of the votes cast.

1952

27 June

A land reform law is promulgated that empowers the government to expropriate uncultivated portions of large plantations.

1954

May

A shipment of Czechoslovak arms, with which Arbenz planned to arm a peasants' and workers' militia as a counterweight to the regular Army, is seized at the docks by the military.

27 June

President Arbenz resigns from office after a US-supported invasion force led by rebel Col. Carlos Castillo Armas is unopposed by the Army.

July

Illiterates are disenfranchised, the labor code is revised, unions are disbanded, and the agrarian reform law is revoked by the Castillo Armas regime.

1957

27 July

President Castillo Armas is gunned down by a young military guard.

1958

19 January

Miguel Ydigoras Fuentes, a former Army General who had served as Ubico's Minister of Communications, is elected President.

1960

13 November

A large group of young Army officers—angered by their government's cooperation with the United States in the training of Cuban exiles for the Bay of Pigs invasion—stages an unsuccessful revolt, and some flee to the mountains.

1962

February

Several former military officers who participated in the failed young officers' rebellion in 1960 begin guerrilla warfare operations in eastern Guatemala.

1963

29 March

Former President Arevalo returns to Guatemala surreptitiously after being invited by President Ydigoras—despite the Army's opposition—to run in the coming elections.

30 March

A military coup led by Defense Minister Col. Enrique Peralta Azurdia overthrows Ydigoras and establishes a military junta that abolishes Congress and the Constitution and rules the country during the next three years.

1966

6 March

Julio Cesar Mendez Montenegro, the civilian candidate of the centrist Revolutionary Party, is elected President, but can assume office only after giving the armed forces a free hand over military and security affairs, including the conduct of the counterinsurgency war and the naming of the defense minister.

October

The armed forces begin an intensive counterinsurgency campaign aided by rightwing terrorist groups and assassination squads.

1968

August

US Ambassador John Gordon Mein is killed during a botched kidnap attempt by leftist terrorists.

- 1970**
- March**
Col. Carlos Arana Osorio, former commander of counterinsurgency operations in eastern Guatemala, is elected President with the support of the Army and conservative civilians.
- November**
The government declares a state of siege (until November 1971) and begins a wave of official terror in response to stepped-up urban guerrilla activity by leftist forces.
- 1972**
- September**
All 17 members of the Communist Party's executive committee are kidnaped and murdered by rightwing death squads.
- 1974**
- March**
Gen. Efraim Rios Montt, the opposition candidate on the Christian Democratic ticket, wins the elections, but the government imposes the official candidate, Defense Minister Gen. Kjell Laugerud; demonstrators protest the fraud; Rios Montt is sent as military attache to Madrid.
- 1975**
- 12 December**
The newly formed Guerrilla Army of the Poor begins operations with the assassination of rightist congressman Jorge Bernal Hernandez, a former security adviser to President Arana thought to have been responsible for the disappearance of many leftists in the early 1970s.
- 1976**
- 4 February**
A violent earthquake strikes the capital and other areas of the country, causing extensive physical damage and killing about 25,000 people.
- 1977**
- March**
Guatemala unilaterally renounces its military assistance agreements with the United States in reaction to Washington's linkage of aid to human rights conditions.
- 1978**
- March**
The Defense Minister, Gen. Romeo Lucas Garcia, is elected President amid widespread voter apathy.
- 29 May**
Army troops, in support of local landowners, massacre more than 100 Indian peasants, including women and children, in the town of Panzos.
- October**
Public protests and a general strike force the government to rescind a 100 percent increase in bus fares in Guatemala City; several union leaders are murdered by rightists, and the police storm striker-held buildings, arresting 400.

1979

25 January

Social Democratic Party leader Alberto Fuentes Mohr is assassinated by a rightwing hit-squad.

22 March

Moderate leftist leader Manuel Colom Argueta is gunned down on a Guatemala City street.

10 June

Leftist terrorists assassinate Gen. David Cancinos Barrios, the Army Chief of Staff, in retaliation for the murders of Fuentes and Colom.

September

A new leftist guerrilla group, the Organization of the People in Arms, begins operations.

1980

31 January

Thirty-eight people are killed when the police storm the Spanish Embassy, which had been occupied by a group of Indians protesting against repression and the seizure of their lands; Spain breaks diplomatic relations.

21 June

The entire 27-person executive committee of a labor confederation is kidnaped and murdered by rightists.

1981

October

Between 200 and 300 guerrillas occupy Solola—a city of 25,000—while other insurgent units carry out bombing attacks on two other departmental capitals.

1982

7 March

Despite widespread claims of electoral fraud, President Lucas's Defense Minister, Gen. Anibal Guevara, is declared the winner in the presidential elections.

23 March

A coup by young Army officers overthrows President Lucas; recent election results are canceled, and a three-man junta led by Gen. Rios Montt takes power.

9 June

Rios Montt removes the other two junta members and assumes the presidency and command of the armed forces.

1 July

The government declares a stage of siege as the Army prepares for the largest counterinsurgency campaign since Rios Montt took power.

1983

23 March

The government lifts the state of siege and promulgates three laws designed to lead to a restoration of constitutional rule.

29 June

The government imposes a state of alarm after an apparent rightwing coup attempt, and Rios Montt—under pressure from Army junior officers—agrees to set an electoral timetable and dismiss several close advisers.



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