

H
E
M
I
S
P
H
E
R
E

S
E
C
U
R
I
T
Y

SERVICE SET

~~SECRET~~

C. WESTERN HEMISPHERE SECURITY

1. Insurgency and Cuba

a. The Cuban Menace

Since the 1962 missile crisis, Castro had made strong attempts to play an independent role on the international political scene. By November 1964, when the Havana Conference was held, the unity of the hemispheric Communist movement had suffered a number of severe blows, including failure to upset the Venezuelan elections in 1963, ouster of the leftist-inclined Goulart Government in Brazil, and the defeat of the Communist-supported Presidential candidate in Chile in 1964.

Increasingly, the Sino-Soviet split had also become an unsettling factor; the Latin American Communist parties had tried to ignore it until 1964, but there were pro-Chinese factions within almost all parties, as well as

DECLASSIFIED
Authority NLS 82-39
By us, NARS, Date 2-27-84

~~SECRET~~

SERVICE SET

violence-prone Castroites, and the issue had already caused serious splits in the parties of Peru and Ecuador. With the possible exception of Peru, leadership of the regularly-established Communist parties at that time continued to be in the hands of Communists orientated toward Moscow, with most leaders favoring gradualist methods of achieving power.

The papering over of these differences at the November 1964 Havana Conference led to an uneasy truce between orthodox and Castroite groups in early 1965.^{1/} In June, 1965, the Castroist MIR in Peru had started guerrilla activity, but the orthodox Communist Party there had stood apart. By January 1966, the Tri-Continent Conference at Havana was threatened with disruption over squabbles stemming from the ubiquitous Sino-Soviet dispute.^{2/} By July 1966, in several

^{1/} Department of State, INR Research Memorandum RAR-30, October 15, 1965, "Communist Line on Insurgency in Latin America Since the Havana Conference" ~~(SECRET)~~.

^{2/} Department of State, INR Intelligence Note - 45, January 19, 1966, "The Tri-Continent Conference at Havana: A Preliminary Assessment" ~~(CONFIDENTIAL)~~.

3

~~SECRET~~

countries (Bolivia, Brazil, Colombia, Dominican Republic, Mexico and Peru), the Communist Parties had split, small pro-Chinese factions establishing separate parties. Other splits were forming along Castro-vs-Moscow lines. In Venezuela, the emphasis given by Castro-oriented elements led by Douglas Bravo to continuing armed insurgency had brought them increasingly into conflict with the orthodox Communist Party (PCV). This had begun in 1965 and culminated in a split in 1966. The Bravo dissidents and their allies in the MIR were supported by Castro, and the PCV became the main object of Cuban attacks against "soft," "pseudorevolutionary", urban-based Latin American Communist Parties ^{3/}.

3/ Department of State, INR Research Memorandum, INR-20, September 22, 1966, "Communist Armed Struggle and Castro Losing Out to Via Pacifica in Venezuela", (~~SECRET~~).

~~SECRET~~

SERVICE SET

~~SECRET~~

In Colombia, the situation was analogous: the Colombian Party (PCC) was in a cross-fire between local authorities and Castroite extremists. The Castroite "Army of National Liberation" (ELN) was completely beyond PCC influence, and Havana followed the policy of providing assistance directly to the ELN (and even to the PCC's action arm, the FARC) without any deference toward the PCC.^{4/} In Guatemala, there had been divisions between insurgent groups since 1960-- between the "orthodox" PGT/FAR on the one hand and the smaller 13th of November Movement (MR-13) on the other. The latter was an essentially independent group, displaying Castroite, Trotskyite and Chinese Communist leanings at one time or another.

Throughout Latin America, similar divisive tendencies marked the Communist movement and it was against this background that the First Conference was held in Havana,

^{4/} Department of State Research Memorandum, RAR-19, July 21, 1967, "Latin American Communist 'Foreign Relations'", ~~(SECRET)~~.

~~SECRET~~

SERVICE SET

5

~~SECRET~~

July 31-August 10, 1967.^{5/} The Cubans stage-managed the Conference so that it accepted the strategy of "Armed Struggle Now" and assigned primacy in the revolutionary struggle to guerrilla groups rather than to the established communist parties. However, the momentum Castro gained at the LASO Conference was sharply checked^{6/} in the following two months by the rapid collapse of the Bolivian insurgency and the death of "Che" Guevara.

In terms of US policy toward Latin America, this disarray in the communist movements was encouraging. Latin American governments took on new confidence in the value

^{5/} Department of State, INR Research Memorandum, RAR-29, September 19, 1967, "The Latin American Solidarity Conference: A New International Is Born", (SECRET).

^{6/} Department of State, INR Research Memorandum, RAR-35, November 13, 1967, "Latin American Communism since LASO", (SECRET).

~~SECRET~~

SERVICE SET

~~SECRET~~

of determined, persistent counterinsurgency measures complemented by equally determined efforts to alleviate the economic and social conditions which advocates of violence were trying to exploit.

b. The Economic Denial Program Against Cuba

This program, developed by the US Government during the Administrations of Presidents Dwight D. Eisenhower and John F. Kennedy, was continued and expanded under President Johnson. On November 29, 1963, the Johnson Administration, in its first public statement on Cuba, re-affirmed US efforts to isolate Cuba and to work in close cooperation with other American republics to prevent the exportation of communist subversion to the rest of Latin America.

Beginning with the reduction and then the elimination of the Cuban sugar quota in the United States in 1960, the economic denial program had evolved through the years in response to Castro-communist provocation and subversion throughout the Hemisphere. The objectives of the program

~~SECRET~~

SERVICE SET

~~SECRET~~

were clearly stated on April 23, 1964 by the then Under Secretary of State, George W. Ball. He enumerated them as follows:
1/

First--and most important--to demonstrate to the peoples of the American Republics that communism has no future in the Western Hemisphere;

Second, to make plain to the people of Cuba and to elements of the power structure of the regime that the present regime cannot serve their interests;

Third, to reduce the will and ability of the present Cuban regime to export subversion and violence to the other American states;

Fourth, to increase the cost to the Soviet Union of maintaining a communist outpost in the Western Hemisphere.

The main elements of this denial program were 1) the US embargo on exports, imports, and financial transactions with Cuba, 2) the limitation on travel to Cuba by US citizens and residents, 3) the denial of US Government-financed cargoes

1/ US Policy Toward Cuba, Department of State publication No. 7690, Inter-American Series No. 88, released May 1964.

~~SECRET~~

SERVICE SET

62

~~SECRET~~

and bunkering facilities in the United States to shipping engaged in the Cuba trade, 4) the refusal of US economic and military assistance to countries providing assistance to Cuba, trading with Cuba, or permitting their ships and aircraft to engage in such trade, and 5) the use of diplomacy in winning the support and/or cooperation of other nations in these measures.

Since several Latin American nations have experienced at first hand the effects of Castro-communist attempts at direct intervention and subversion, the Organization of American States has recognized the dangers and has taken action to reduce or eliminate trade, travel and political contact with Cuba. The only exception to this has been Mexico, which maintains diplomatic relations and limited trade contacts, and permits the Cuban airline to operate a service to and from Mexican territory.

Despite numerous diplomatic representations by the United States and other member nations of the Organization

~~SECRET~~

SERVICE SET

9

~~SECRET~~

of American States, several other free world nations have professed to see the Cuban threat as a figment of the American imagination and have refused to cooperate in efforts to isolate Cuba. These countries--notably France, Spain, Canada, the United Kingdom, Italy and Japan, but also including several others--have maintained or increased their trade with Cuba. In some cases government-guaranteed credits have been granted to Cuba and in other cases special trading arrangements have been approved - all to the detriment of our economic denial program.

US efforts to maintain the denial program in the face of these differences of opinion and policy with our allies have inevitably caused problems in our relations with the latter. During the 1963-68 period the key areas of conflict have been: 1) problems involving trade with Cuba and credit to Cuba, 2) problems involving ocean shipping and air freight to and from Cuba and 3) problems involving extra-territorial controls and alleged threats to national sovereignty.

~~SECRET~~

SERVICE SET

~~SECRET~~

Specific examples of the major problems in these areas-- the successes and the failures of the economic denial program--are discussed below.

(1) Free World Trade with Cuba

In late 1963 Cuba's foreign exchange earnings were up as a result of high sugar prices, and Cuban purchasing agents--with money in their pockets--fanned out through Western Europe to buy goods, machinery and equipment. The need was urgent for them, for Cuban capital goods--almost entirely of US origin--were beginning to fail because of poor maintenance, lack of spares, and normal attrition. The first real test of the economic denial program had come.

(a) British Buses for Cuba

Cuba's major breakthrough against the economic denial program came early. On January 7, 1964, the Leyland Motors Corporation of the United Kingdom announced the sale--with credit guaranteed by a government agency--of 400 buses to Cuba, with a five-year option for 1,000 more.

~~SECRET~~

SERVICE SET

~~SECRET~~

The US Government, recognizing that such a sale would be a major precedent, made strong, high level representations to the British in an effort to have the sale cancelled--or--at least--the credit guaranty withdrawn. We argued, and proved to our own satisfaction, that the credit guaranty was based on other than normal commercial conditions. The British strongly denied this, and refused to budge even though the matter was raised by President Johnson directly with Foreign Minister Home during the visit of the latter to the United States.^{8/} This sale became, for many Europeans, the symbol of the "failure" of the economic denial program, giving them an excuse to seek trade with Cuba.

8/ Memorandum, Assistant Secretary of State Lincoln Gordon to Governor Harriman, re Prospective British Government Credit Guarantee for Cuba, November 26, 1966, ~~(CONFIDENTIAL)~~.

~~SECRET~~

SERVICE SET

12

~~SECRET~~

(b) French Locomotives for Cuba

On May 4, 1964, a French company announced the sale, on credit terms backed by the French Government, of twenty locomotives to Cuba. Upon strong US representations, the French were apologetic but said that the firm needed the business. The French Government did assure us, however, that it would be "prudent" about the level of credits extended to Cuba.

(c) NATO and Trade with Cuba

Since it was clear that Western Europe offered Castro his greatest opportunity for a free world market and source of supply, the United States began in early 1964 applying great pressure on other NATO members to persuade them to cooperate with the economic denial program. The then Under Secretary of State, George W. Ball, made a special trip to a Paris NATO meeting to explain to our allies the position of the United States and the OAS. A slightly revised version of Ball's statement at the NATO meeting was

~~SECRET~~

SERVICE SET

~~SECRET~~

later given by him in an address in the United States-- but without reference to NATO--and remained a definitive statement on our policy toward Cuba.

On this occasion, and in subsequent discussions at the Ambassadorial level, we asked our allies to refrain from exporting critical commodities to Cuba,^{9/} granting credits to Cuba, and maintaining aviation or shipping ties with Cuba. We received assurances from all but the British that restraint would be exercised. The British, however, continued to argue that trade restrictions should not be employed, except in time of war, and pointed to the United Kingdom's complete dependence on foreign trade. This line was and remained the official British policy although, in May 1964, the British indicated to Senator William Fulbright that they might "do something" about credit guaranties to Cuba. Fulbright, who was in London on a Presidential mission

^{9/} Department of State Circular Airgram CA-7327, January 24, 1964, ~~(SECRET)~~.

~~SECRET~~

14

~~SECRET~~

dealing with the Cyprus problem, had also agreed to talk with our NATO allies about trade with Cuba. This aspect of the Fulbright mission was closely held at the time, however, and has never been made public.

(d) Free World Credit and Cuban Credit-Worthiness

The key to Free World trade with Cuba was Free World governmental credit guaranties to Cuba. Cuba's foreign exchange earnings were insufficient to allow the purchase of both the needed replacement equipment to keep her economy functioning at the established levels and the new inputs for required growth. Moreover, sugar prices began a rapid decline in 1964, and Cuba entered a period of critical foreign exchange balances. We reasoned that Cuba could not make major purchases of capital goods except on credit; that private credit was not available to Cuba except at exorbitant rates unless guaranteed by non-Cuban authorities; and that such guaranties might not be granted if there

~~SECRET~~

SERVICE SET

15

~~SECRET~~

were doubts that payment would be met. In order to sow such doubts we prepared a study on Cuban export availabilities, import requirements, indebtedness, and foreign exchange balances and circulated it to other nations.^{10/}

Although the study made clear the extreme vulnerability of the Cuban foreign exchange position, many countries were skeptical--fully understanding our motives. Nonetheless, the effort aroused some interest^{11/} and gave governments a reason for cooperating with us if they so desired.

While our credit-worthiness argument was undoubtedly of positive value, the main factor in reducing--indeed, almost eliminating--free world credit guaranties to Cuba in the period from mid-1964 to mid-1966 was intense US diplomatic pressure applied virtually on a day-to-day basis

^{10/} Circular Airgram CA-3714, October 6, 1964, (CONFIDENTIAL).

^{11/} From London, Airgram A-1572, December 26, 1964, (SECRET).

~~SECRET~~

SERVICE SET

in capitals throughout the world. ^{12/} This drying up of credit, together with low world sugar prices, caused a considerable reduction in Cuban purchases from the Free World.

(e) The OAS and Cuban Trade

Beginning with an OAS Council Recommendation of July 3, 1963, the Organization of American States approved progressively stronger resolutions calling for the isolation of Cuba. A major step was taken on July 26, 1964, when it was agreed that OAS members would sever diplomatic, consular and trade relations with Cuba (with certain exceptions for trade in medicines and foodstuffs) and call on other free world countries to do the same. Since that time trade between Cuba and OAS members (with the exception of Mexico) has become almost non-existent, and Cuba's overt political and economic contacts in Latin America nearly

^{12/} Department of State Telegram 10128 to Paris, July 18, 1966 (~~SECRET~~), and Paris Telegram 1607 to Department of State, August 2, 1966, (~~SECRET~~).

eliminated. Latin America demarches to European countries on the matter were, however, rather ineffectual. ^{13/}

At the twelfth Meeting of Foreign Ministers of the OAS, held in September 1967, it was resolved that pressures on Cuba should be increased. Recent developments deriving from these resolutions have occurred primarily in the shipping field.

(f) Spanish Trade with Cuba

In early 1964, at the request of the Spanish Government, the United States drew up a list of goods which we considered to be critical to the Cuban economy and which we hoped Spain would refuse to sell Cuba. ^{14/} This

^{13/} Department of State Telegram 119697 to all ARA Diplomatic Posts, February 23, 1968, ~~(CONFIDENTIAL)~~; Santiago Telegram 2672, March 1, 1968, ~~(CONFIDENTIAL)~~; Caracas Telegram 4440, March 4, 1968, ~~(CONFIDENTIAL)~~; and Montevideo Telegram 2241, April 1, 1968, ~~(CONFIDENTIAL)~~.

^{14/} Department of State Circular Airgrams, CA-7325 and CA-7327, January 1964, (both ~~SECRET~~).

early effort and many subsequent representations to the Government of Spain were unsuccessful. Spanish trade with Cuba has been maintained at a high level since 1963, a large part of it being the supplying of merchant and fishing vessels for the Cuban fleet.^{15/}

(g) Cuban Nickel in the Free World

Cuba produces from the Nicaro and Moa Bay facilities, confiscated from the US Government's General Services Administration and a private American firm, about 30,000 metric tons of nickel annually. Most of this goes to communist countries but, beginning in 1965, the French firm Société le Nickel (SLN) became an important buyer. These purchases caused the US Treasury Department to embargo French products containing nickel until a procedure was

^{15/} Department of State Telegram 68660, November 14, 1967, memorandum of the conversation between Secretary Rusk and Spain's Foreign Minister, (SECRET/LIMDIS).

established under which the French Government was required to certify that such products--mainly stainless steel--entering the United States were free of Cuban nickel. This, together with other US representations, caused SLN to begin reducing its purchases in 1968.^{16/} This released a considerable quantity of Cuban nickel which, in view of the world-wide nickel shortage, found a ready market. When it was established that considerable quantities of nickel were going to Italy, the Treasury Department, after first informing the Italian Government, embargoed Italian products containing nickel.^{17/} The apparent result of these efforts on our part has been to force the Cubans to ship through third parties through the free port of Rotterdam. The United States as of late 1968 had not discovered the final destination of

^{16/} Department of State Telegram 74308, November 24, 1967, ~~(SECRET)~~.

^{17/} Department of State Telegram 177955, June 6, 1968, (UNCLASSIFIED).

~~SECRET~~

these shipments, but was working on the problem.^{18/} In the meantime, we estimated that transshipment and handling costs in Rotterdam were adding to Cuba's foreign exchange problems.

(h) British Sale of Fertilizer Plant to Cuba

In late 1966 and early 1967, the British firm Simon Carves Ltd. negotiated the sale-- with credit backed by the British Government--of a \$45 million fertilizer plant to Cuba. Despite heavy US pressure on the British Government, including a call by Governor Harriman on Foreign Secretary George Brown^{19/} and a personal message from Secretary Rusk to Brown,^{20/} to which the Secretary received a personal, but negative, reply - the sale went through.

18/ Department of State Circular Airgram, CA-9207, July 5, 1968, ~~(SECRET)~~.

19/ From London, Telegram 4537, December 1, 1966, ~~(SECRET)~~.

20/ Department of State Telegram 112203, January 4, 1967, ~~(CONFIDENTIAL)~~.

~~SECRET~~

21

~~SECRET~~

Despite congressional and press efforts to link the Rhodesian situation and our cooperation in isolating Southern Rhodesia with the issue of British trade and shipping to Cuba and North Vietnam, the Department consistently refused to link the two quite different problems. ^{21/}

(2) Ocean Shipping and Air Freight to Cuba

On February 5, 1963, an Executive Order (NSAM 220) was issued directing that no government or government-financed cargoes be shipped on vessels which, since January 1, had called at Cuban ports. President Johnson amended this on December 16, 1963, to clarify procedures whereby vessels could re-establish their eligibility for such cargoes by withdrawing from the Cuba trade. The intent

^{21/} Department of State Telegrams to London, 3629, December 24, 1965, (~~CONFIDENTIAL~~) and 4274, January 22, 1966, (~~SECRET~~); State Telegram 2031 to USUN, February 24, 1966, (~~CONFIDENTIAL~~) and State Telegram 4939 to London, February 24, 1966, (~~CONFIDENTIAL~~).

~~STATE~~

SERVICE SET

~~SECRET~~

of these orders was clear, and our diplomatic efforts world-wide were directed at persuading governments to withdraw their vessels from such trade. The Foreign Assistance Act of 1964 provided that, with few exceptions, no assistance would thenceforth be granted to countries which did not take "appropriate steps" to prevent ships and aircraft under their registry from carrying cargoes to or from Cuba. Responsibility for coordinating action under this and similar exclusion clause in the Foreign Assistance Appropriation Act of 1964 was given to the Coordinator of Cuban Affairs on March 17, 1964. We subsequently concluded that all recipients of assistance had taken "appropriate steps" except for the governments of the United Kingdom, France and Yugoslavia, where small residual US military assistance programs were terminated.

As a result of these and other pressures a total of 120 free world vessels previously involved in trade with

~~SECRET~~

SERVICE SET

23

~~SECRET~~

Cuba had voluntarily been withdrawn and were removed from the Maritime Administration list by August 9, 1968. Another 83 vessels involved in the trade had been broken up, sunk or wrecked, and only 170 free world vessels remained listed on August 9. Numbers of calls in Cuba by free world vessels declined from 410 in 1964 to 229 in 1967. In the first seven months of 1968 the number stood at 103.

The US policy on air freight to and from Cuba was also strictly enforced. "Iberia" of Spain is the only free world airline having a normal commercial service to and from Cuba, and it has carefully avoided carrying commercial cargo. An agreement by Air Spain to carry air freight from Cuba could have caused suspension of assistance. This matter was being brought to the attention of Spain in 1968, and the air freight traffic was halted.

22/ Department of State Telegram 224790, August 21, 1968, ~~(CONFIDENTIAL)~~; From Madrid, Telegram 4892, August 26, 1968, ~~(CONFIDENTIAL)~~

~~SECRET~~

SERVICE SET

~~SECRET~~

(3) Extra-territoriality and National Sovereignty

A major problem arose with Canada and, to a somewhat lesser degree, with Belgium over US trade controls applied to subsidiaries of US companies abroad. The Canadians argued that such controls--normally applied under the Foreign Assets Control Regulations or Cuban Assets Control Regulations of the Treasury Department--were a violation of their national sovereignty. In this regard we received a ^{23/} note from the Canadian Embassy on September 12, 1967, asking that such controls not be exercised in Canada. This and other protests precipitated a major policy examination in the US Government which in late 1968 had not yet been concluded.

The United States has been unable to stifle completely Cuba's foreign trade. When Cuba has something to sell there is usually someone to buy it, although often only at heavily

23/ Canadian Embassy Note 279, September 12, 1967, ~~(CONFIDENTIAL)~~

~~SECRET~~

SERVICE SET

~~SECRET~~

discounted prices or through expensive middlemen. When Cuba has hard cash there is always someone to sell to her, though usually at high unit prices. We have, therefore, been unable to cause the collapse of the Cuban economy, nor did we think we would be able to do so. As a result of US efforts, however, as well as the Cuban regime's own economic mismanagement, the Cuban economy has remained stagnant since Castro came to power and the per capita national income has actually declined. While the United States may not yet have reduced Castro's desire to carry out subversive actions in the Hemisphere, at a very small cost in money and personnel, we have reduced his ability to do so. We have also forced the Soviet Union to continue to carry the major portion of the burden in maintaining -- even at a stagnant level -- the Cuban economy.

c. Security Assistance

As communist-backed insurgency developed into the most urgent security problem in the hemisphere in the early

~~SECRET~~

DECLASSIFIED

Authority ALJ 82-39By NARS. Date 8-9-84

SERVICE SET

26

~~SECRET~~

1960s, the US Military Assistance Program was re-oriented toward countering this threat.^{24/} At the same time, hemispheric defense against external overt attacks declined in importance as a military assistance objective.^{25/} By 1968, initial equipment for internal security forces and related civic action units had been largely supplied or programmed, and future year planning focused on maintaining--not adding to--these internal security capabilities.^{26/} As a result the grant assistance program dropped sharply from a peak in FY 1966. At the same time, US sales of military equipment

^{24/} Department of State document, "US Regional Policy toward Latin American Security Forces", drafted in ARA, approved by IRG/ARA in September 1967, page 4, ~~(SECRET)~~.

^{25/} Ibid., p.5; State Department Circular Telegram 108310 to all ARA Diplomatic Posts, February 1, 1968, (UNCLASSIFIED), containing text of Latin American portion of Secretary of Defense's posture statement on FY 1969 Defense Budget.

^{26/} Letter, Secretary Rusk to Secretary of Defense McNamara, January 11, 1968, ~~(SECRET)~~; Memorandum from Assistant Secretary of State Oliver to G/PM - Mr. Farley, January 5, 1968, ~~(SECRET)~~.

~~SECRET~~

SERVICE SET

~~SECRET~~

to Latin America assumed increasing importance. ^{27/}

In training programs administered by US Military Missions, as in the material support program, emphasis was given to preparing the Latin American military to play an effective role in counter-insurgency. On-the-spot training and advice by our missions in the host countries was supplemented by specialized training along these lines at Fort Gulick in the Canal Zone, and by counter-insurgency MTT's (Mobile Training Teams) assigned temporarily to make this type of training available to Latin American forces in-country. ^{28/}

Complementing the effort to improve counter-insurgency capabilities of Latin American armed forces, the importance of police force was recognized as the first line of defense

^{27/} Department of State Telegram 115190 (Joint State/Defense Message), February 14, 1968 to Embassy Buenos Aires, (~~CONFIDENTIAL~~). (Parallel messages sent to Embassies Rio de Janeiro, Santiago and Lima.)

^{28/} Letters, October 9 and 31, 1967, Assistant Secretary Macomber to Senator Fulbright, (UNCLASSIFIED and ~~SECRET~~, respectively).

~~SECRET~~

SERVICE SET

against violence and subversion. Technical assistance, training and limited commodity support were provided through AID for this purpose in 16 Latin American countries having total police forces of 400,000. Training in the US was also afforded for a few police officers of seven other Latin American countries. Such aid has improved police abilities to provide internal stability essential to social, economic and political developments.^{29/}

Unfortunately, we have not always been able to give precedence to such activity in allotting funds and positions, despite the need for that atmosphere of security, as provided by the police, upon which economic development depends. In FY 1967, funds allotted to police assistance in Latin America peaked at \$7.2 million for all 16 countries; in FY 1969, support to these same 16 countries will dwindle to \$4.1 million. In addition, 27 of 95 Public Safety advisors in the region were cut 28.4 percent in the BALPA program.

^{29/} AID Circular Airgram XA-113, July 14, 1967, "Public Safety Policy and Program Guidelines", (CONFIDENTIAL).

~~SECRET~~

In retrospect, 1963 can be regarded as a climatic point in the struggle against communist-backed insurgency in Latin America. The political campaign in Venezuela in the last half of the year, culminating in the election of Raul Leoni as President, was marked by one of the most intensive communist insurgency efforts in Latin America - an effort viewed by many as the acid test of Venezuelan democracy. The communists' failure to achieve their goal of disrupting this election was a major setback for them. As a result, the Venezuelan insurgents largely abandoned urban terrorism and shifted their emphasis to the rural guerrilla movement. Our public safety program in consequence began to shift its efforts from building up urban police forces to improving security in the rural areas, and the military assistance program concentrated on strengthening the counter-insurgency capability of the Venezuelan Army and National Guard. In 1966 the Communist Party decided to cut its losses and abandon the armed struggle entirely. The majority of the Armed Forces of National Liberation (FALN - the Venezuelan guerrilla organization), however, continued to operate despite communist disapproval, thanks to the assistance in men, money

~~SECRET~~

SERVICE SET

~~SECRET~~

training and propaganda which it received from Castro.

At Punta del Este, President Leoni told President Johnson that the Venezuelan Army's first three "ranger" battalions, created on the advice of the US Military Group, had proven outstandingly successful, and that Venezuela wanted to add ten more. He asked President Johnson to expedite the delivery of equipment for these battalions, for which Venezuela would pay cash. President Johnson pledged his full cooperation.^{30/} President Leoni later expressed his appreciation for the prompt delivery of the equipment which he attributed to President Johnson's personal intervention.^{31/}

In Bolivia, another major effort by communist insurgents ended in spectacular failure. There, a group of experienced Cuban and other non-Bolivian guerrillas led by Ernesto "Chi" Guevara scored several initial successes in the spring of 1967 but were contained and destroyed six months later by Bolivian Government forces. Specially selected units of the latter were trained in guerrilla warfare by a US Mobile

^{30/} Memorandum of Conversation, Johnson/Leoni, at Punta del Este, April 11, 1967.

^{31/} Leoni/Johnson letter of July 25, 1967.

~~SECRET~~

~~SECRET~~

Training Team sent to Bolivia shortly after the outbreak of insurgency. Material support in the form of communications, individual equipment and weapons was also supplied through US military assistance.

In Colombia and Guatemala, government forces contended with rural insurgency and urban terrorism throughout the period from 1963 to 1968. US training and material support were supplied throughout the period and were utilized effectively. However, despite setbacks in 1967 and 1968, particularly in Colombia, the insurgents were not eliminated; a nucleus remained, which the communists could use to rebuild their subversive forces in the event of deteriorating economic or political conditions. The assassination of US Ambassador John G. Mein by Castro-oriented insurgents in Guatemala City on August 28, 1968, was striking evidence of their ability to perpetuate isolated acts of terrorism.

In Peru in 1965, and in Nicaragua in 1967, outbreaks of insurgency were eliminated by government forces, which had benefitted from US military assistance training and equipment.

~~SECRET~~

SERVICE SET

~~SECRET~~

Renewed attention has been given since 1966 to the problem of arms limitation in Latin America. This has reflected, in part, changing perceptions of the threat, i.e., internal security rather than external defense, plus a growing realization that resources spent on unnecessary military equipment may jeopardize economic development. As one possible step toward a solution to this problem, the United States in 1966 and early 1967 considered a non-receipt agreement whereby the Latin American countries would have agreed not to acquire various categories of equipment which we deemed to be clearly excessive to their needs and/or unduly costly, (e.g., naval vessels larger than destroyers, supersonic fighter aircraft prior to the 1969/70 time frame, heavy tanks, guided missiles). Although this proposal failed to mature into an agreement, another approach was approved by the Latin American Chiefs of State at the Punta del Este meeting in April 1967, where they pledged to limit military expenditures to the actual demands of national security,

~~SECRET~~

SERVICE SET

avoiding those expenditures that are not indispensable. ^{32/}

This approach failed to stem certain costly acquisitions, however, such as Peru's purchase of French Mirage Aircraft. ^{33/} Costly purchases had to be expected in other Latin American countries. Several larger Latin American countries were planning to modernize their forces by purchasing ships, aircraft, armored vehicles and artillery.

^{32/} Department of State Airgram CA-283, July 12, 1966, to certain embassies in Latin America, Subject: "Inter-American Summit - Arms Limitations", (~~SECRET/LIMDIS~~); Department of State Circular Telegram 83545, November 11, 1966, to certain embassies in Latin America, Subject: "Arms Limitation as Topic for Summit Meeting, (~~CONFIDENTIAL~~); and Department of State Telegram 105549, December 20, 1966, to Embassy Panama, "Summit Preparations - Arms Limitations", (~~CONFIDENTIAL~~).

^{33/} Department of State/ARA Memorandum on "Conte-Long Amendment", January 18, 1968, discussing possible applicability of Amendment to certain countries, (LIMITED OFFICIAL USE); Special National Intelligence Estimate 80/90-2-68, January 29, 1968, "Probable Consequences of a Refusal by the United States to Sell F-5 Aircraft in Latin America", (~~SECRET-NOFORN~~); and Lima Telegram 5955, June 29, 1968, "Peru's Mirage Purchase", (LIMITED OFFICIAL USE).

~~SECRET~~d. Leftist Conferences at Havana

Two of the most significant leftist conferences held in Havana in these years were the Tricontinental Conference of January 3-15, 1966, and the Latin American Solidarity Organization (LASO) Conference of July 31 - August 10, 1967. There were, of course, numerous other leftist conferences in the Cuban capital, such as the Fourth Latin American Students Congress in July-August 1966, and the Havana Cultural Congress of January 1968.

The US basic tactic in reacting to these conferences politically was to remain in the background and say little publicly, while quietly stimulating Latin American and other criticism and action against the communist sponsors and participants. ^{34/} Latin American and other criticism of

34/ Department of State Circular Telegram 1504, February 9, 1966, to All ARA Posts on the Tri-Continental Conference, (~~CONFIDENTIAL~~); Memorandum of March 10, 1966 from ARA/IAS George Lister to ARA/IAS Sandy Pringle on Recommended Tactics Protesting African Participation in the Tricontinental Conference, (~~CONFIDENTIAL~~); Memorandum of April 13, 1966 from George Lister to Sandy Pringle on a press inquiry regarding our role in stimulating Latin American protests against the Tricontinental Conference, (~~CONFIDENTIAL~~); and Department of State Circular Airgram CA-1363, August 16, 1967, To All Diplomatic Posts on the LASO Conference, (~~CONFIDENTIAL~~).

DECLASSIFIED

~~SECRET~~

Authority NLS 82-39
 By ir, NARS, Date 2-27-84

SERVICE SET

~~SECRET~~

the conferences obviously would count much more abroad than would US attacks, and it was particularly important to make certain that Latin American protests appeared as totally spontaneous, rather than as arranged or prompted by us. This tactic governed our activities both in our bilateral relations with Latin American and other governments, as well as in the OAS and the United Nations.

In connection with the Tricontinental Conference, our objectives were, among other things: to inform Latin American governments and public opinion concerning the conference activities and participants; to arouse resentment against communist governments (such as those of the USSR and Cuba) and against local communist parties; to arouse and exploit Latin American anger and fear over some conference speeches and resolutions, such as those which attacked Latin American governments or, for example, assumed anti-Zionist or anti-Israeli positions; and, to dissuade the UAR from holding the second conference scheduled for Cairo. In the OAS, our representatives quietly did a

~~SECRET~~

SERVICE SET

~~CONFIDENTIAL~~

very high percentage of the work of documenting and drafting the resolutions against the conference.

Our tactics and activities against the LASO Conference were quite similar.

We also actively exploited, indirectly as before, the friction between Moscow and the Moscow-lining parties of Latin America on the one hand and Havana and its Latin American supporters on the other.^{35/} Such friction increased noticeably in connection with the LASO Conference.

Because of the US activities, Latin American-OAS-UN opposition to both conferences was better organized, more completely documented, much stronger, and considerably more effective than it would have been otherwise.

^{35/} Department of State Circular Telegram 23334, August 18, 1967 to All Diplomatic Posts on the LASO Conference, ~~(CONFIDENTIAL)~~.

~~CONFIDENTIAL~~

~~SECRET~~e. Hijacking of Planes to Cuba

A rash of hijackings of US aircraft by persons trying to reach Cuba caused serious concern in 1968. As physical prevention was very difficult, the principal deterrent sought was the return by the Cuban Government of hijackers for trial in the United States. In July and August the possibilities of such an arrangement were being explored through several channels, including international civil aviation organizations.^{36/} We also proposed use of the Cuban refugee airlift to return to Cuba those Cuban residents in the United States who wished to return to Cuba permanently. The Swiss Embassy transmitted this proposal to the Cuban Government,^{37/} but Cuba as of December 31, 1968 had not replied.

36/ Memorandum of Conversation with International Aviation Transport Agreement officials on airplane hijacking, August 1, 1968, (LIMITED OFFICIAL USE).

37/ Department of State Telegram 199169, July 10, 1968, to Bern, (~~CONFIDENTIAL~~).

DECLASSIFIED

~~SECRET~~Authority NLS 82-39By ilr, NARS, Date 2-27-84

~~SECRET~~

f. Related Cuban Problems

(1) Cuban Refugees

Cuban Prime Minister Fidel Castro declared on September 28, 1965, that Cuban citizens who desired to join their families in the United States would be permitted to leave Cuba. As a result, the United States made a detailed proposal for a refugee airlift to the Cuban Government on October 8 in which the principal suggestions covered a system of priority categories designed to re-unite separated families, a movement of between 3,000 to 4,000 persons a month, transportation to be provided by the US Government, and the inclusion of persons in prison in Cuba for offenses of a political nature. The Cuban Government accepted the proposals with the exceptions that it would not permit the departure of young Cubans between the ages of 15 and 26 who were subject to military service and would not include any arrangements for release of political prisoners. The negotiations, completed through the Swiss Embassy, resulted

DECLASSIFIED

Authority ALL 82-39

~~SECRET~~ By cc, NARS, Date 2-27-84

~~SECRET~~

in a memorandum of understanding between the Embassy of Switzerland, representing the United States, and the Government of Cuba.^{38/}

In mid-1968 it appeared that the airlift, which had begun on December 1, 1965, would continue indefinitely, as there were still several hundred thousand persons registered as wanting to leave Cuba.^{39/}

^{38/} Memorandum of Agreement, including exchange of notes, White House Press Statement, November 6, 1965.

^{39/} Statement of Deputy Assistant Secretary of State Robert M. Sayre, ("Review of Movement of Cuban Refugees and Hemisphere Policy toward Cuba") before Subcommittee on Refugees and Escapees of the Senate Judiciary Committee, March 23, 1966.

~~SECRET~~

SERVICE SET

~~SECRET~~(2) Evacuation of Americans from Cuba

At the time when the Cuban refugee airlift was initiated in late 1965 it was hoped that US citizens would be able to utilize the flights. Cuban officials had indicated this would be no problem. A few Americans did arrive on some of the earlier flights, but the departure of others was soon halted.

On August 21, 1966, Cuban Foreign Minister Roa made a public statement in which he said that US citizens would not be able to return until all Cubans who wished to leave Cuba on the airlift had been accommodated. However, in response to a request of the Secretary of State, the Government of Mexico extended its good offices and made arrangements for repatriation via Merida, Mexico of two plane loads of US citizens in December 1966. These included 169 Americans and their immediate dependents. Despite Mexican efforts, no further repatriation was permitted by Cuba until a similar movement of citizens took place in December 1967.^{40/}

^{40/} From Bern, Airgram A-615, March 1, 1968,
(~~CONFIDENTIAL~~).

DECLASSIFIED

~~SECRET~~Authority NLS 82-39
By us, NARS, Date 2-27-84

SERVICE SET

The Mexican Government continued to extend its good offices in efforts to arrange repatriation on a more regular basis. In January 1968 its Ambassador in Havana was able to obtain the promise that one flight of US citizens could leave via Mexico each month under Mexican auspices.^{41/} This movement has taken place regularly since February 1968. Almost 800 persons were returned to the United States since 1966. As of August 8, 1968, it was estimated that there were 900 persons with claims to US citizenship still in Cuba, and, with their immediate family dependents, there remained a total of approximately 3,000 to be evacuated. Most of these persons were of Cuban family background and had been living in Cuba for many years.

^{41/} From Mexico, Telegram 5312, January 31, 1968, (UNCLASSIFIED).

~~SECRET~~(3) Cuban Exile Activities

Several Cuban exile groups primarily in Florida have devoted themselves, at least in theory, to armed forays against or infiltration into Cuba with a view to harassing the Castro regime or laying the groundwork for its ultimate overthrow. Such activities, however, have recently been on a greatly reduced scale compared with the early years after Castro came to power, partly because of the decreased possibility of success and in large part because since 1963 steps have been taken by US law enforcement officials to stop armed forays that violate our neutrality and other laws.

Some Cuban exile groups have been bitterly critical of the United States for hampering their raids. Armed activities of this type, carried on by private individuals or groups based on US territory, are in violation not only of US neutrality and other laws but of international laws as well and could involve the United States in situations not

DECLASSIFIED

~~SECRET~~

Authority

NL 82-39

By icr, NARS, Date 2-27-84

SERVICE COPY

of its own choosing, thereby limiting our flexibility of foreign policy. Moreover, on purely practical grounds there is a serious question as to whether military operations conducted by exile groups do not do more to strengthen than to weaken the Castro regime, from the psychological and propaganda viewpoint.

Perennial efforts have been made by the exile groups to achieve some form of unity, but these have not been successful. Since 1963 the United States followed a "hands off" policy with regard to the efforts of Cuban exiles to achieve unity, on the premise that unity is a matter for the exiles themselves to attain.

Various Cuban groups have endeavored at times to form a government-in-exile with the thought that this would be recognized by the United States and serve to promote a counter-revolution in Cuba. The United States has consistently maintained the position that, both for legal and for

practical reasons, it cannot recognize a Cuban government-
^{42/}
in-exile.

2. Security and the OAS

a. The OAS Position on Communism, Subversion and Cuba

The OAS position on communism and subversion revolves around the problem of Cuba and Cuba's support for subversion and insurgency, although OAS resolutions do not lack for pronouncements on communism in general.

(1) Position as of 1963

As of the advent of the Johnson Administration, the OAS position was governed primarily by the following acts:

As early as 1948, the OAS had declared that, by its anti-democratic nature and its interventionist tendency,

^{42/} Department of State Memorandum from Coordinator of Cuban Affairs, December 14, 1964, "US Position on Formation of a Cuban Government in Exile or Other Unified Cuban Entity", ~~(CONFIDENTIAL)~~

~~SECRET~~

the political activity of international communism or any other totalitarian doctrine is incompatible with the concept of American freedom . . ." (Resolution 32, Ninth International Conference of American States, Bogota, March-May 1948.)

In 1951, at the time of the Korean War, the Fourth Meeting of Consultation of Ministers of Foreign Affairs recommended, in the face of the "aggressive" and "expansionist" activities of international communism, the adoption of measures to safeguard the peace and the security of the hemisphere and to accomplish the purposes of the "Uniting for Peace" Resolution of the United Nations General Assembly. (Resolutions 1,2 and 3, Fourth Meeting of Consultation, OAS Ministers of Foreign Affairs, Washington, March-April 1951, hereafter referred to as the 4th MFM.)

The OAS declared in 1954 "that the domination or control of the political institutions of any American state by the international communist movement, extending to this

~~SECRET~~

~~SECRET~~

hemisphere the political system of an extra-continental power, would constitute a threat to the sovereignty and political independence of the American states, endangering the peace of America and would call for a Meeting of Consultation to consider the adoption of appropriate action in accordance with existing treaties." (Resolution 93, Tenth Inter-American Conference, Caracas, March 1954.) Although pertinent to the Guatemalan situation of that time, this declaration was not applied then nor since.

With an implied reference to Cuba, the OAS Foreign Ministers declared in 1960 that acceptance by an American state of intervention by an extra-continental power endangered hemispheric solidarity and security. They rejected the attempt of the Sino-Soviet powers to take advantage of the political, economic and social situation in the American states. (Resolution 1, 7th MFM, San Jose, August 1960.)

The first concrete action in the case of Cuba was taken by the Eighth MFM convoked under the Rio Treaty.

~~SECRET~~

SERVICE SET

~~SECRET~~

It took the decision that the present government of Cuba was excluded from participation in the Inter-American system, including the Inter-American Defense Board, on the basis that (a) adherence to Marxism-Leninism is incompatible with the system and (b) alignment with the communist bloc, especially acceptance of military assistance, breaks the solidarity and collective security of the system as established in the OAS Charter and the Rio Treaty. (Resolutions 6 and 7, 8th MFM, Punta del Este, Uruguay, January 1962.) This exclusion is still in effect. The meeting also resolved to suspend all trade in arms with Cuba. (Resolution 8, 8th MFM.) It requested the OAS Council to watch, warn and make recommendations regarding aggression and subversion arising from Sino-Soviet intervention - a function later delegated by the Council to its Special ("Lavalley") Committee - and also created a Special Consultative Committee on Security (SCCS), an advisory committee of experts. (Resolution 2, 8th MFM.) The US became a member of the Lavalley Committee, and an American has been elected to the SCCS since its inception.

~~SECRET~~

SERVICE SET

18

~~SECRET~~

At an informal MFM held in Washington in early October 1962, an "informal consensus" of the Ministers was expressed in favor of suspending shipping with Cuba and asking for the cooperation of other countries, preventing the travel of communist agents, and intensifying surveillance over arms shipments to Cuba. These were recommendations rather than decisions. (Final Communique, Informal Meeting of Ministers of Foreign Affairs of the American Republics, October 2-3, 1962.)

On October 23, 1962 - the day after President Kennedy's announcement on the missile bases in Cuba - the OAS Council met as Provisional Organ of Consultation under the Rio Treaty and called for the immediate dismantling and withdrawal of all missiles and offensive weapons from Cuba. It recommended that member countries "take all measures, individually and collectively, including armed force", to prevent Cuba from receiving aggressive weapons from the Sino-Soviet powers and to prevent the missiles in Cuba from becoming an active threat.

~~SECRET~~

SERVICE SET

~~SECRET~~

On July 3, 1963, the OAS Council urged member governments to implement the recommendations of the first Lavalle Committee Report - which in turn drew from the first SCCS report - relating to the control of: (a) travel to and from communist countries, (b) communist missions and personnel, (c) communist propaganda and (d) the movement of communist funds. (Report of the Special Committee to Study Resolution II.1 and VIII of the Eighth Meeting of Consultations of Ministers of Foreign Affairs, June 4, 1963.)

These various actions in the period prior to the Johnson Administration combined to form the OAS position with respect to Cuba and communist subversion.

(2) Ninth MFM of 1964

The first major step in the development of OAS policy toward Cuba during the Johnson years stemmed from the discovery in November 1963 of a large cache of arms and munitions in an isolated section of the Venezuelan coast. Preliminary investigation by the Venezuelan authorities, assisted at their request by US ordinance technicians,

~~SECRET~~

SERVICE SET

~~SECRET~~

led to a strong presumption that the arms came from Cuba. On November 29 Venezuela brought charges before the OAS Council, accusing the Government of Cuba of "acts of intervention and aggression affecting the territorial integrity and sovereignty of Venezuela, as well as the operation of its democratic institutions."

On December 3 the Council convoked the Organ of Consultation under the Rio Treaty and constituted itself to act provisionally in this capacity. Its first act in this role was to send to Venezuela a five-country Investigating Committee, composed of representatives of Argentina, Colombia, Costa Rica, the United States and Uruguay, to make an on-the-spot examination of the evidence submitted by the Venezuelan Government in support of its charges. Concurrently, at the request of Brazil, the Council offered the Cuban Government an opportunity to comment in writing on the Venezuelan charges, but the Cuban reply stated that "it neither recognizes, admits, nor accepts the jurisdiction of the OAS."

~~SECRET~~

SERVICE SET

~~SECRET~~

In the light of irrefutable proof, the Investigating Committee concluded in its report of February 24, 1964, that "the acts of intervention . . . and, in particular, the shipment of arms, constitute a policy of aggression" by the present Cuban Government against Venezuela.

After some delay (occasioned largely by the Panama crisis which broke out in January 1964), the Council on June 26, 1964 convoked the Ninth Meeting of Consultation of Ministers of Foreign Affairs to commence on July 21, 1964, under the provisions of the Rio Treaty.

At the Conference itself, which took place in Washington July 21-26, 1964, the US Delegation, according to plan, looked to the Venezuelan Delegation for the primary initiative. However, the US Delegation played a very active role in support of this initiative and in securing the necessary two-thirds vote for the principal resolutions adopted.^{43/}

^{43/} Department of State US Strategy Paper with three Draft Resolutions, dated July 17, 1964, for Ninth Meeting of OAS Foreign Ministers, ~~(CONFIDENTIAL)~~.

~~SECRET~~

SERVICE SET

In his speech before the plenary session on July 22, Secretary Rusk outlined in general terms the principal actions the United States recommended to the MFM, including measures directed against the Castro regime (i.e., sanctions, a warning, and steps relating to free world trade), a message to the Cuban people, and a reiteration of the central task in the hemisphere of promoting progress with freedom.

After intense debate on certain controversial issues, the Ninth MFM accused the present Cuban Government of "aggression and intervention" against Venezuela and resolved that member states would maintain no diplomatic or consular relations with Cuba as well as suspend all trade and sea transportation with Cuba, with certain humanitarian exceptions, until it should be determined by the Council that the Government of Cuba had "ceased to constitute a danger to the peace and security of the hemisphere."

Although the paragraphs pertaining to suspension of diplomatic relations, trade and shipping were adopted by a

~~SECRET~~

bare two-thirds majority, all the OAS countries except Mexico subsequently complied with the decisions of the 9th MFM, which, under the Rio Treaty, are supposed to be binding on all members. A number of countries, including the United States, had previously instituted the restrictions.

(3) Twelfth MFM of 1967

In 1967 Venezuela again took the initiative in calling for a Meeting of Foreign Ministers on the subject of Cuban subversion. This request was made after the assassination in March 1967 of Venezuelan Foreign Minister Iribarren's brother by Cuban-supported terrorists and the landing in May of Cuban-trained Venezuelan guerrillas, escorted by members of the Cuban armed forces.

During the spring of 1967, the US Government was in close consultation with the Venezuelan Government and encouraged it to take the initiative in calling for a Foreign Ministers Meeting. ^{44/} This initiative was formalized by a

^{44/} State Department telegrams 152535, March 10; 169342, April 5; 192936, May 12; and 196712, May 17, 1967 to Caracas, (~~All CONFIDENTIAL~~).

~~SECRET~~

~~SECRET~~

note of June 1, 1967 from the Venezuelan Representative to the OAS Council and the Council on June 5 convoked the Twelfth Meeting of Consultation of Ministers of Foreign Affairs, under the first part of Article 39 of the OAS Charter, to consider the problem of continuing Cuban subversion and intervention in the hemisphere. The Venezuelans preferred this to a meeting under the Rio Treaty in the interests of unanimous support for convoking the meeting.

The 12th MFM opened on June 19 at Special Delegate (i.e., OAS Ambassador) level, and later scheduled its final, Ministerial level sessions for September 22-24. Two committees were appointed; the first to investigate the Venezuelan charges (which it corroborated) and the second to report on AALAPSO* and LASO* developments. The US Delegation played a major role in drafting their reports.

Meanwhile, in early June, the US Delegation had privately given the Venezuelans a suggested draft

* Afro-Asian-Latin American Peoples Solidarity Organization; Latin American Solidarity Conference.

~~SECRET~~

~~SECRET~~

^{45/} resolution, which served as the principal basis for an 11-point Venezuelan memorandum circulated at their initiative to other member governments. After a period of bilateral discussions, in which the United States supported the Venezuelan initiative, the United States circulated to the various foreign ministries in early September a suggested revision of the Venezuelan memorandum in the form of a 14-point draft resolution.^{46/} The Venezuelan Foreign Ministry indicated general agreement with these suggested revisions, as did most of the other governments consulted, although there were indications that certain points would give rise to debate.

^{45/} State Department telegrams 207968, June 3; and 211113, June 14, to Caracas; Circular Airgram CA-9817 of June 16, 1967, (All ~~CONFIDENTIAL~~).

^{46/} State Department Circular Telegrams 33416 and 33417, September 9; and Circular Airgram CA-2050, September 12, 1967, (All ~~CONFIDENTIAL~~).

~~SECRET~~

~~SECRET~~

In the opening plenary sessions, September 22, Bolivia joined Venezuela by leveling specific charges and presenting visual evidence of Cuban intervention in Bolivia and the presence of Che Guevara.

Secretary Rusk, in his speech before the plenary session on September 23, outlined the main points of the US position, including the principal measures the United States hoped would be adopted by the MFM, as well as the general US position on Cuban isolation consistent with OAS policy. On the latter, he said that measures to isolate Cuba under its present government must be maintained until Castro desisted from his policies of promoting and assisting subversion and terrorism in the other countries of the hemisphere and of maintaining military arrangements with an extra-continental power,^{47/} i.e., the Soviet Union.

^{47/} For further information on events leading up to conference and on the US position, see US Scope Paper, September 9, 1967; US Position Paper on Prospective MFM Resolution, September 20, 1967; and US Position Paper on Further Prospective Steps for the UN, September 20, 1967, (All ~~CONFIDENTIAL~~).

~~SECRET~~

~~SECRET~~

With an unusual show of solidarity following lengthy discussions of often-controversial points, the principal resolution of the MFM was adopted by a vote of 20 in favor, none against and one abstension (Mexico). This 15-point Resolution III covered, with relatively minor modifications, practically all the points suggested in the Venezuelan 11-point memorandum as well as the changes and additions suggested by the United States. Principal points included (a) a strong condemnation of Cuba for its acts of aggression and intervention against Venezuela, Bolivia and other American states; (b) a request to non-member Free World countries to restrict trade and financial transactions and sea and air transport with Cuba, especially those by government agencies and those financed by government credits or credit guarantees; (c) a request to governments supporting AALAPSO to withdraw their support; (d) an expression of serious concern to non-member governments supporting Cuba that this support stimulates Cuban interventionist and

~~SECRET~~

~~SECRET~~

aggressive activities; (e) a recommendation that member governments deny governmental or government-financed cargoes and bunkers to third-country vessels in the Cuba trade; and (f) recommendations for various steps to strengthen individual and cooperative security measures, including coastal and border vigilance and the coordination of security measures among neighboring countries.

The over-all 20-0-1 vote on the main 15-point resolution was unusual not only in its near unanimity on this controversial subject, but also because it was achieved after certain countries abstained on particular points when voting item-by-item.

In the US view the conference was a success, particularly in the light of the degree of unanimity and solidarity shown in the final act, after the difficult sessions in ^{48/}committees and working groups.

^{48/} Department of State Circular Airgram CA-2516, September 30, 1967, with summary, assessments and voting record, ~~(CONFIDENTIAL)~~.

~~SECRET~~

SERVICE SET

b. Proposed Permanent Inter-American Peace Force

The idea of a permanent Inter-American Peace Force under the control of the Organization of American States had been advocated from time to time, both in the Congress and Executive Branch, prior to the advent of the Johnson Administration.

Since at least 1959, there had been repeated expressions of Congressional interest in this subject. Beginning in 1961, the Foreign Assistance Act contained in Section 502 (Statement of Policy) the assertion that "It is the sense of Congress that an important contribution toward peace would be made by the establishment under the Organization of American States of an international military force." Later under the so-called Fulbright Amendment of 1965, Section 511 of the Foreign Assistance Act was revised to provide that, of the annual grant programs of defense articles for the American Republics, \$25,000,000 might be used for assistance on a cost-sharing basis to an

inter-American military force under the control of the Organization of American States, not including the IAPF serving in the Dominican Republic.

At the Second Special Inter-American Conference at Rio de Janeiro in November 1965 another appropriate opportunity arose to take the issue up in an inter-American forum. Meanwhile, the idea had been given impetus by the experience of two major crises involving the OAS: the Cuban missile crisis of 1962, during which naval and other forces of several countries were made available or were offered for patrol and intercept operations pursuant to OAS resolutions; and the Dominican crisis of 1965, during which an Inter-American Peace Force was created for peace-keeping purposes in the Dominican Republic by decision of the OAS (Part E, below).

Prior to that Conference, Secretary Rusk stated in a press conference of May 26, 1965:

. . . Looking ahead, the hemisphere needs to take up again the question of constituting some standby forces on a continuing basis, on prompt call, and the organization of a political machinery for taking hemispheric decisions promptly in the face of fast-moving events.

~~SECRET~~

Preparatory to the Second Special Inter-American Conference, position papers were prepared by the Department of State, in conjunction with the Department of Defense, under which the US Delegation would attempt to obtain, through informal discussion at the Conference, as much general acceptance as possible of the concept of a permanent Inter-American Peace Force. It was thought that, if general agreement were forthcoming, the IAPF might be established by resolution of an Inter-American Conference or, preferably, that the concept might be included in general, permissive terms in a revised OAS Charter. The proposal envisaged a small skeleton, continuing Combined Command with permanent headquarters, plus earmarked national military and police units available for call, to be employed in accordance with existing treaties, by decision of the Meeting of Consultation (first part of Article 39 of the Charter) or the Organ of Consultation

~~SECRET~~

~~SECRET~~

under the Rio Treaty. ^{49/}

In his opening speech to the Conference on November 22, 1965, Secretary Rusk, after referring to the Cuba missile crisis and the Dominican case as well as to United Nations experience, stated:

It may, therefore, be useful for us to examine, in the light of experience and the nature of our collective responsibilities for peace and security in the hemisphere, and elsewhere, the desirability of establishing these voluntary contributions to international peace-keeping operations on a more orderly basis in advance of their possible future use by the OAS or by the UN.

There was, however, insufficient support among other delegations for the idea of a permanent Inter-American Peace Force. While a number of countries were attracted to the idea, there was particular opposition to the concept

^{49/} US Position Paper on a permanent American Peace Force, November 12, 1965, ~~(CONFIDENTIAL)~~ for use at the Second Special Inter-American Conference.

~~SECRET~~

~~SECRET~~

on the part of Chile, Uruguay, Mexico, Peru and the Dominican Republic. As a result, the US Delegation decided against making a formal proposal, resting content with regarding these conversations as the beginning of an educational process. Following the Conference, additional countries switched to a position opposing the concept, most prominently Argentina and Brazil. Although the Argentine military had previously generally favored the idea, the new government of General Ongania in late October 1966 announced that it would not support a move to create a permanent Inter-American Peace Force. Brazil, which under the Castello Branco Government had strongly and actively advocated the idea, took a contrary position shortly after the inauguration of the Costa e Silva Government in March 1967. Venezuela, Colombia and Bolivia also moved into positions of definite opposition. Moreover, the new OAS Secretary General, Galo Plaza, declared in Mexico on August 7, 1968, that he too opposed the formation of an Inter-American Peace Force.

~~SECRET~~

SERVICE SET

~~SECRET~~

The question of a Permanent Inter-American Peace Force nevertheless arose as an extraneous issue during debates on proposals to incorporate the Inter-American Defense Board into the OAS Charter. This was first suggested informally by the United States at the Special Committee Meeting at Panama, February-April 1966 (which prepared draft amendments to the OAS Charter), and later proposed formally by Argentina at the Third Special Inter-American Conference, February 1967 (which adopted the Charter Amendments). While the proponents of these initiatives made it clear that they had nothing to do with a permanent Inter-American Peace Force, several of the delegates who spoke in opposition argued that this would provide an opening wedge for such a force, to which they were unalterably opposed.

c. Latin American Nuclear Free Zone

Over the years the United States has been favorably disposed to Latin American efforts to develop a Latin American nuclear free zone treaty and has indicated this

~~SECRET~~

SERVICE SET

~~SECRET~~

favorable disposition to the Latin Americans, recognizing that this was and should remain their initiative and their project. ^{50/} In October 1967, after the Latin Americans had agreed on such a treaty, President Johnson informed the President of Mexico in confidence that we intended to sign Protocol II of the proposed treaty with an interpretive statement, after consultations with the Congress. ^{51/} On April 1,

^{50/} Position Paper of September 1965, entitled "Latin American Nuclear-Free Zone", attached to memorandum of September 29, 1965 from Adrian S. Fisher, Acting Director, ACDA to Secretary Rusk, (~~SECRET~~); Letter from Mr. William C. Foster, Director, ACDA, of December 10, 1965, to the chairman of the Negotiating Committee of the Preparatory Commission for the Denuclearization of Latin America (UNCLASSIFIED), attached to Circular Airgram CA-6627 from the Department of State and ACDA to US Embassy Paris, December 29, 1965, (~~CONFIDENTIAL~~); and Department of State Circular Telegram 1878, May 2, 1963 to all ARA Diplomatic Missions, (~~CONFIDENTIAL~~).

^{51/} Memorandum of November 9, 1967, from Mr. Walt Rostow at the White House to Mr. Benjamin Read, Executive Secretary, Department of State, (~~CONFIDENTIAL~~).

~~SECRET~~

SERVICE SET

~~SECRET~~

1968, Vice President Humphrey signed the protocol on behalf of the United States, with an interpretative statement. This statement relates among other things to transit rights for non-contracting states, which are understood not to be affected by the treaty, and to peaceful nuclear explosive devices. This latter point is important because of a difference of interpretation among the signatories to the treaty. Most signatories interpret the treaty to prohibit development or acquisition of nuclear explosive devices for peaceful purposes, as well as nuclear weapons. The United States agrees with this interpretation, but Brazil and a few others do not. The treaty, however, permits collaboration by the United States with contracting parties for carrying out explosions of nuclear devices for peaceful purposes in a manner consistent with non-proliferation.^{52/}

^{52/} For text of interpretative statement, see Department of State Circular Telegram 138827, March 29, 1968, to all ARA Posts, (~~CONFIDENTIAL~~). The text also appears in the Department of State Bulletin, April 29, 1968, Vol. LVIII, No. 1565, p. 555.

~~SECRET~~

SERVICE SET

With regard to the geographical scope the US position has generally been that a nuclear-free zone should include all states in the area whose participation is important. Even though there seemed to be no present prospect of Cuba's becoming a party, the United States saw sufficient utility in the Treaty to sign Protocol II. The United States does not plan to sign Protocol I because we do not wish to have included in the nuclear-free zone the Virgin Islands, since it is US territory, nor the Commonwealth of Puerto Rico, because of its relationship with the United States. From the US viewpoint, we would be agreeable to inclusion of the Panama Canal Zone, although the well-established transit rights would, of course, not be affected. We could also agree to include Guantanamo if Cuba were to participate.

A remaining question is the relationship between the Latin American Nuclear Free Zone and the Organization of American States (OAS). The United States believes that the best relationship at the present time would be a cooperative

arrangement patterned on Specialized Organization status, including such things as periodic reports to the COAS on the agencies' work and annual budget and expenses, consultation on mutual problems, exchange of information and provision for attendance at each others' meetings. Several provisions of the Treaty actually do provide a relationship with the OAS and form a basis for development of such a cooperative arrangement.

A current problem exists in that Guyana is having difficulty becoming a signatory in view of Venezuela's attitude and the provisions of Article 25 of the Treaty. The Department has taken the position that the United States should not intervene in this difference of opinion in regard to Guyana's becoming a party to the Treaty.

P
A
N
A
M
A

SERVICE SET

~~SECRET~~

DECLASSIFIED

Authority 96-333

By iso, NARA, Date 3-1-97

D. PANAMA AND THE CANAL TREATY

1. 1964 Riots and Aftermath

On January 10, 1963 the United States and Panama announced agreement that the Panamanian flag would be flown with the American flag at designated sites in the Canal Zone. A year later (January 7, 1964), in violation of this agreement, ^{1/} American students raised the American flag before Balboa High School in the Zone. Panamanian students, determined to raise the Panamanian flag in an equal position, organized a protest march into the Zone on January 9. For the next several days rioting occurred in both Panama City and Colon with attempts to intrude into the Zone. By January 12, when the rioting finally

1/ "Summary Background, Flying of Panamanian Flag with United States Flag in Canal Zone by Civilian Authorities", statement prepared by Canal Zone Government, January 20, 1964.

~~SECRET~~

SERVICE SET

~~SECRET~~

ended, there were 20 Panamanians and four US soldiers dead and over 100 injured on both sides. The Government of President Chiari accused the United States of aggression, broke diplomatic relations, and demanded an emergency meeting of the OAS Council as well as a session of the UN Security Council. Panama subsequently claimed that the United States had violated the Universal Declaration of Human Rights and appealed to the International Committee of Jurists.

In response to these critical events, President Johnson dispatched to the Canal Zone ^{2/} a special mission headed by Assistant Secretary of State Thomas Mann. The President expressed a willingness to discuss all issues, but only in an atmosphere of calm and reason. Ambassador Stevenson reiterated the President's position on January 10 in the Security Council when he rejected the Panamanian charges of

^{2/} White House Statements, January 10 and 16, 1964, Department of State Bulletin, Vol. 50, pp. 152 and 156.

~~SECRET~~

~~SECRET~~

aggression.^{3/} The Inter-American Peace Committee met January 10-15 to consider the US-Panamanian dispute,^{4/} following which the Panamanian charges were taken up by the Council of the OAS acting as Provisional Organ of Consultation.^{5/}

Panama took the position that it would not resume diplomatic relations until the United States agreed to negotiate a new canal treaty, and efforts to settle the dispute remained

^{3/} Text in Department of State Bulletin, Vol. 50, p. 152.

^{4/} Inter-American Peace Committee Communique, January 10, 1964, loc. cit., p. 152; exchange of letters between US Representative and the Chairman of the Inter-American Peace Committee, January 12-13, 1964, loc. cit., pp. 155-156; White House Statement, January 14, 1964, loc. cit., p. 156; and Inter-American Peace Committee Communique, January 15, 1964, loc. cit., p. 156.

^{5/} Statements by Ambassador Bunker to OAS Council, January 31 and February 4, 1964, loc. cit., pp. 300-304; and OAS Council Resolutions of February 4 and 7, 1964, loc. cit., p. 304.

~~SECRET~~

SERVICE SET

~~SECRET~~

4

stalled on this issue.^{6/} In the meantime, the investigating commission of the International Committee of Jurists visited Panama March 1-14. The report later issued by the Commission made clear that the extreme charges of violation of the Declaration of Human Rights by Panama against the United States were unfounded.^{7/} On April 3 resumption of diplomatic relations was finally arranged on the basis of a joint US-Panamanian declaration issued under the auspices of the OAS Provisional Organ of Consultation. The declaration called for each country to designate special ambassadors to conduct bilateral talks without limitations or preconditions with a view to eliminating the causes of conflict between the two countries.^{8/} President

6/ Speech by President Johnson at Pan American Union, March 16, 1964, loc. cit., pp. 537-538.

7/ Investigating Committee appointed by International Commission of Jurists, Report on the Events in Panama, January 9-12, 1964, International Commission of Jurists, Geneva, Switzerland, 1964.

8/ OAS Announcement, April 3, 1964, Department of State Bulletin, Vol. 50, p. 656.

~~SECRET~~

SERVICE SET

Johnson in a separate statement hailed this agreement and announced the selection of Mr. Robert B. Anderson as the United States Special Representative for Panama.^{9/} Panama interpreted the declaration as committing the United States to negotiate a completely new treaty, although the United States did not accept this interpretation.

2. Canal Negotiations

As a result of the crisis in US-Panamanian relations stemming from the January riots, further consideration was given to means of eliminating friction between the two countries over the Canal. On March 21, President Johnson announced that he was prepared to appoint a special representative with full authority to discuss every US-Panamanian difficulty.^{10/} The President's proposal was incorporated in the April 3 agreement for resumption of diplomatic relations,

^{9/} Statement by President Johnson, April 3, 1964, loc cit., p. 655.

^{10/} President's Statement, March 21, 1964, Department of State Bulletin, Vol. 50, p. 538.

~~SECRET~~

which provided for bilateral talks between special ambassadors appointed by the Presidents of the United States and Panama. Talks between Ambassador Anderson and the Panamanian Special Ambassador, Jorge Illueca, began after the latter's arrival in Washington in May 1964.

Following a recommendation by Mr. Ralph Dungan of the White House staff, President Johnson on April 25 created the Panama Review Group and the Panama Review Committee to provide inter-departmental coordination of policy on Panama.^{11/} The Assistant Secretary of State for Inter-American Affairs was designated chairman of the Panama Review Group, and the Secretary of the Army, Ambassador Anderson and a White House representative (Walt W. Rostow), as members. The Panama Review Group was established as the principal point of focus

^{11/} National Security Action Memorandum No. 296, McGeorge Bundy to Secretary of State and Secretary of Defense, April 25, 1964, (~~SECRET~~); Memorandum for the President from Ralph A. Dungan on Panama, April 13, 1964, (~~SECRET~~).

~~SECRET~~

SERVICE SET

~~SECRET~~

below the President for the formulation and execution of policy on Panama. The function assigned to the Panama Review Committee was that of coordination among the chief representatives in Panama of those agencies chiefly concerned with US-Panamanian relations. Its membership was established as follows: the Ambassador to Panama, Chairman; the Commander in Chief Southern Command; and the Governor of the Canal Zone.

In the ensuing months the development of US policy regarding the canal proceeded along two lines. In connection with the Anderson-Illueca talks, a review was undertaken of measures that might be adopted to resolve US-Panamanian differences over the existing Canal and the 1903 Treaty. Emphasis was on steps that would not involve revision of the existing Treaty, although minor modifications to permit return of certain lands to Panama were considered.

At the same time, planning proceeded for a possible sea-level canal. Acting on an Administration proposal, Congress on September 22, 1964, adopted Public Law 88-609 creating the Atlantic-Pacific Interoceanic Canal Study Commission, to

~~SECRET~~

~~SECRET~~

determine the feasibility of the most suitable site for a sea-level route. President Johnson appointed Ambassador Anderson Chairman of the Commission, a post he was to hold concurrently with that which he already occupied as President's Special Representative for Panama.

The Departments of State and of the Army proceeded with preparation of a draft sea-level canal treaty with a view to initiating simultaneous discussions with Panama and other possible site countries by the beginning of 1965.^{12/} Most of the provisions of the drafts represented ideas shared by both Departments; however, certain provisions could be clearly identified as originating with State. These included the possible administration of a sea-level canal by an international commission, the conclusion of base rights agreements covering both hemispheric and canal defense simultaneously

^{12/} Memorandum to the Secretary of State from Assistant Secretary Thomas C. Mann concerning a Sea Level Canal, November 11, 1964, (~~SECRET~~).

~~SECRET~~

with conclusion of a sea-level canal treaty, and definition of jurisdiction within the area adjacent to the canal in the ^{13/} treaty itself and not in an ancillary agreement.

The approach of the first anniversary of the January 1964 riots re-emphasized the need for substantive progress in alleviating the sources of US-Panamanian conflict over the ^{14/} canal. A change in administration in Panama had slowed the pace of the Anderson-Illueca talks; President Robles, who succeeded President Chiari on October 1, 1964, appointed new negotiators to represent Panama. Intensive consideration was given to divising a US initiative that would reduce the risk of a renewed outbreak in Panama. Since Panamanian dissatisfaction was directed primarily against the 1903 Treaty, the key question for the United States was the feasibility of making basic adjustments in the existing treaty arrangements.

^{13/} Department of State Memorandum on Issues Relating to Sea-Level Canal Treaty, November 21, 1964, drafted by the Legal Adviser, L.C. Meeker, (~~CONFIDENTIAL~~).

^{14/} From Panama, Airgram A-161 to the Department, November 6, 1964, (~~SECRET~~).

10

~~SECRET~~

By November, the Department's Office of the Legal Adviser had prepared a proposal for a new treaty that would abrogate existing treaties, expressly recognize Panamanian sovereignty over the Canal subject to exercise by the United States of the rights necessary to operate and protect the Canal, eliminate the term "Canal Zone", and terminate a short time after the opening of a sea-level canal. This draft went through various modifications in the course of discussions within the Department, and with the Department of the Army.^{15/} On the basis of the State Department proposals, Administration officials concluded that changes that would meet some of the basic Panamanian grievances could be made without threatening the fundamental US interest in the Canal, provided that suitable provision could simultaneously be

^{15/} Draft Treaty for Existing Panama Canal - prepared for signature of Thomas C. Mann (Assistant Secretary of State for Inter-American Affairs) and Leonard C. Meeker (Legal Adviser), December 2, 1964, ~~(CONFIDENTIAL)~~.

~~SECRET~~

SERVICE SET

~~SECRET~~

made for eventual replacement of the lock canal by a sea-level one. ^{16/}

Accordingly, on December 18 President Johnson announced US willingness to negotiate a new treaty with Panama to replace the 1903 Treaty. ^{17/} The new treaty would retain for the United States the rights necessary for the operation and defense of the canal but would also recognize Panama's sovereignty over the waterway, provide for a termination date based on the operational date of a sea-level canal, and provide for effective discharge of our common responsibilities for hemispheric defense. The President also announced our plans to begin discussions with Panama, Colombia, Nicaragua

^{16/} "Four Principles Presented for President Johnson's Consideration by Ambassador Anderson at the White House, December 2, 1964, Memorandum prepared by Mr. E.W. Clark (ARA/PAN), Department of State, December 10, 1964, (SECRET).

^{17/} Statement by President Johnson, December 18, 1964, Department of State Bulletin, Vol. 52, p. 5.

~~SECRET~~

SERVICE SET

12

~~SECRET~~

and Costa Rica on the terms and conditions for the possible construction of a sea-level canal.

In January and February 1965 Assistant Secretary of State Thomas C. Mann and Secretary of the Army Stephen Ailes visited those four countries for the purpose of exploring with their government officials their interest in entering into discussions with us on rights to conduct surveys of possible sea-level canal routes, and for the possible future construction of such a canal. It was found through these talks that all of the governments concerned were interested in undertaking such discussions.

During the same time, Ambassador Anderson met with the new Panamanian negotiators to begin talks on the basis of the President's December 18 statement.^{18/} On April 18 President

^{18/} National Security Action Memorandum No. 323, McGeorge Bundy to the Secretary of State, the Secretary of Defense, the Director of Central Intelligence Agency, the Chairman of Atomic Energy Commission, the Director of the Bureau of the Budget, and the Director of US Information Agency, January 8, 1965, (~~SECRET~~).

~~SECRET~~

SERVICE SET

13
~~SECRET~~

Johnson announced the appointment of Ambassador John N. Irwin II as Special Representative of the United States for Sea-Level Interoceanic Canal Negotiations. Ambassador Irwin was to act also as Ambassador Anderson's deputy in the negotiations with Panama on a new treaty for the existing canal.

During May, intensive negotiations commenced with Panama. In recognition of the historically unique and close relationship between the United States and Panama, the vital interest of Panama in a sea-level canal through its territory, and the mutual interest that both countries had in reaching agreement, the US negotiators told their Panamanian counterparts that the United States was prepared to try to negotiate a sea level canal treaty with Panama first, before approaching the other governments concerned.^{19/} At the same time, the US

^{19/} Memorandum from Under Secretary Thomas Mann to McGeorge Bundy on Sea-Level Canal, May 7, 1965, (SECRET); Memorandum of Conversation, Mr. McGeorge Bundy, Mr. Bromley Smith, Ambassador Robert Anderson and Ambassador John Irwin, on the Canal Negotiations, May 6, 1965, ~~(CONFIDENTIAL)~~.

~~SECRET~~

SERVICE SET

~~SECRET~~

US negotiators obtained agreement from the Panamanians that concurrent negotiations should be conducted regarding a treaty for the existing canal, a treaty for construction of a sea-level canal, and a base rights and status-of-forces agreement.^{20/}

As the negotiations proceeded during the summer of 1965, it became urgent for the United States to define its position regarding possible Panamanian participation in the management of the existing canal.^{21/} After extensive consideration, it was agreed that the United States should propose the creation of a joint US-Panamanian authority to operate the canal.

^{20/} Department of State Memorandum from ARA - Mr. Vaughn through M - Mr. Mann to the Secretary of State, on Panama Canal Negotiations, June 22, 1965 (~~CONFIDENTIAL~~).

^{21/} Memorandum to the President from Ambassadors Anderson and Irwin on Panama Canal Treaty Negotiations, September 2, 1965 (~~CONFIDENTIAL~~).

~~SECRET~~

~~SECRET~~

With the US position established on this key issue, the way was clear for President Johnson and President Robles to issue a joint statement on the progress of the treaty negotiations.^{22/} The statement, which was released on September 24, 1965, announced that the US and Panamanian negotiators had reached agreement that the 1903 Treaty should be abrogated, that the new treaty for the existing canal should effectively recognize Panamanian sovereignty over the area of the present Canal Zone and should have a specific termination date, that provision should be made for appropriate integration of the area used in the canal operation with the rest of the Republic of Panama, and that the rights and interests of the Panamanian and US employees of the canal should be appropriately safeguarded.

Shortly after the joint presidential statement, the US negotiators handed their Panamanian counterparts a draft of

^{22/} Statement by President Johnson, September 24, 1965, Department of State Bulletin, Vol. 53, p. 624.

~~SECRET~~

a proposed base rights and status-of-forces agreement.^{23/}
Preparation of draft treaties covering the existing canal and a possible sea-level canal continued with the US Government during the remainder of 1965, and the two completed drafts were presented to the Panamanian negotiators on January 14, 1966. Negotiations for permission to conduct a site survey for a sea-level canal in the Darien region of Panama were initiated by the US Embassy in Panama in November 1965 and resulted in an agreement formulated in an exchange of notes that took place on February 15, 1966.^{24/}

The Panamanian Government had difficulty developing agreed counter-proposals to the three US drafts, and the negotiations were suspended for a prolonged period. On May 9, 1966, Assistant Secretary of State Gordon met

^{23/} Department of State, Memorandum to M - Mr. Mann from ARA - Robert M. Sayre on Status of United States-Panamanian Canal Treaty Negotiations, February 23, 1966, (~~CONFIDENTIAL~~).

^{24/} Memorandum to M - Mr. Mann from ARA - Robert M. Sayre on Status of United States-Panamanian Treaty Negotiations, February 23, 1966, (~~CONFIDENTIAL~~).

17

~~SECRET~~

Panamanian Foreign Minister Eleta in Costa Rica during the inauguration ceremonies for the new Costa Rican President and reiterated the US interest in proceeding with negotiations, as well as willingness to discuss any points the Panamanians might wish to raise.^{25/} However, a Panamanian response was not forthcoming until June 27, 1966, when Foreign Minister Eleta presented Panamanian statements of principle on the subjects dealt with in the three draft treaties to Ambassador Anderson in New York.^{26/}

At the time Minister Eleta presented the Panamanian response to the US treaty proposals, the government of President Robles was again facing severe internal pressures

^{25/} Talking Paper for Assistant Secretary Gordon's meeting with Panamanian Foreign Minister Eleta, May 4, 1966, drafted by ARA/PAN, S.W. Bosworth, (SECRET).

^{26/} Department of State, Memorandum to the Acting Secretary of State from ARA - Lincoln Gordon, on Status of United States-Panama Treaty Negotiations, June 30, 1966 (CONFIDENTIAL).

~~SECRET~~

~~SECRET~~

resulting from an outbreak of rioting in Panama City and Colon in early June. In considering how to proceed with the treaty negotiations, US policymakers had to decide not only how to respond to the points presented by Eleta but, more importantly, whether it was advisable to continue negotiating with Robles' Government, and what steps, if any, should be taken to assist his Government in withstanding the internal pressures to which it was being subjected.^{27/} On July 26, 1966, President Johnson, in a meeting with key officials concerned with Panama, decided that the negotiations should be continued and that plans should be made to undertake as rapidly as possible economic assistance projects that would have an immediate human impact in Panama. In

^{27/} Memorandum to the President from the Secretary of State on Panama, July 25, 1966, (SECRET).

~~SECRET~~

addition, the President authorized further grant assistance ^{28/} to strengthen the Panamanian National Guard.

The Panamanian Government surmounted the internal crisis of June 1966 and the treaty negotiations continued during the latter half of that year. At the outset of the next year, however, many key issues remained unresolved, while the time available to the Panamanian Government to ^{29/} conclude the agreement was running short. President Robles desired to have new treaties ready for presentation to the Panamanian National Assembly not later than mid-1967 in

28/ Memorandum from Mr. W.W. Rostow to the Secretary of State, AID Administrator Gaud, CIA Director Helms, Secretary of the Army Resor, Assistant Secretary of State Gordon and Ambassador Anderson, on Presidential Directives on Panama, July 27, 1966, (SECRET).

29/ Memorandum to Members of the Panama Review Group from Assistant Secretary of State Lincoln Gordon, Chairman, on December 22, Meeting of Panama Review Group - December 20, 1966 (SECRET).

22

~~SECRET~~

order to permit consideration of them before the start of campaigning for the May 1968 elections. In a conversation with President Johnson at the Latin American Summit Conference in Punta del Este on April 13, 1967, President Robles stressed his desire that the negotiations be speeded up, and President Johnson agreed to instruct the US negotiators to proceed expeditiously.^{30/}

The US and Panamanian negotiators met intensively in New York during May and June 1967, and on June 26 Presidents Johnson and Robles announced that agreement had been reached on three draft treaties dealing respectively with the present canal, a possible sea-level canal in Panama, and defense matters. The three proposed treaties were to be referred^{31/} by the negotiators to their respective governments.

^{30/} Department of State Telegram 18034 to American Embassy, Panama, April 28, 1967, (~~CONFIDENTIAL~~).

^{31/} White House Announcement, June 26, 1967, Department of State Bulletin, Vol. 57, p.65.

~~SECRET~~

21

~~SECRET~~

Although President Robles indicated a few days later that he was prepared to sign the three treaties, differences developed within the Panamanian Foreign Relations Council over the documents, while political opposition to them mounted in Panama. With the start of the Panamanian election campaign, in October 1967, it became evident that the Panamanian Government could not proceed further with the treaties, and consideration of them was suspended with our tacit consent.

3. Economic Development

Following the resumption of diplomatic relations in April 1964, the United States re-established its economic assistance program in Panama. Our efforts to promote Panama's economic development had evolved within the general framework of the Alliance for Progress. Two aspects of our program reflected our peculiar interests in Panama and the ongoing canal treaty negotiations.

~~SECRET~~

SERVICE SET

~~SECRET~~

In June 1966 serious rioting occurred in Panama's second city, Colón, and, to a lesser extent, in Panama City. Coming at a time when the United States was in the midst of delicate treaty negotiations with Panama, the disturbances served to dramatize the danger which social tensions in the major urban centers presented to Panama's stability and thus to the successful resolution of the outstanding issues between the United States and Panama.

We responded to this challenge by providing \$3 million in loan funds to initiate a slum clearance and rehabilitation program, and by dispatching to Panama a high-level study mission headed by former Ambassador Philip M. Klutznick. The mission's task was to assess Panama's urban needs and propose additional US actions in this area. The mission recommended major efforts to alleviate urban blight, unemployment and poverty through programs in housing, community

~~SECRET~~

~~SECRET~~

development, public works, and human resources development.^{32/}
After the mission's recommendations had been reviewed in Washington, President Johnson ordered the implementation of a special urban assistance program with emphasis on measures that would have an immediate human impact.^{33/} This program was initiated in FY 1967.

Another special problem arose in connection with the need to assist the Panamanian Government to increase the size of the National Guard--the country's police force--in order to have a sufficiently large force to meet any future threat of disorders on the scale of those that broke out in January 1964.

^{32/} Report of the Panama Review Team, August 1966 Capital Assistance Paper, AID-DLC/P-479, Panama - Special Program, Part I, October 14, 1966 (UNCLASSIFIED).

^{33/} Memorandum from Mr. Walt W. Rostow to Secretary of State Rusk, AID Administrator Guad, CIA Director Helms, Secretary of the Army Resor, Assistant Secretary of State Gordon and Ambassador Anderson, on Presidential Directives on Panama, July 27, 1966, (SECRET).

~~SECRET~~

SERVICE SET

24

~~SECRET~~

The Panamanian Government first requested US assistance for this purpose in July 1964. Utilization of \$500,000 from budgetary support loan funds was approved in February 1965^{34/} but, in view of the Panamanian Government's political inability to secure legislative authorization to borrow funds for this purpose, and the urgency of the need, our Embassy proposed that the funds be made available on a grant basis; and this proposal was approved by the Acting Administrator of AID.^{35/} The funds were to provide salaries for one year to increase the total number of Guardsmen from approximately 3,800 to 4,300.

34/ Memorandum to the Acting Administrator from Thomas C. Mann, February 12, 1965, (CONFIDENTIAL); Department of State Telegram AIDTO 426 to Panama, March 4, 1965, (CONFIDENTIAL).

35/ Memorandum to Assistant Secretary of State Vaughn from PAN - Edward W. Clark on Budgetary Support Assistance to the National Guard, April 27, 1966, (SECRET); Airgram TOAID A-295 from Embassy Panama to AID/Washington, November 23, 1964, (SECRET) and Department of State Telegram AIDTO-520 to Embassy Panama, May 4, 1965, (SECRET).

~~SECRET~~

SERVICE SET

~~SECRET~~

Because of the political sensitivity of providing this type of assistance, which drew criticism from elements in Panama opposed to the Robles Government, the United States did not desire to prolong or expand this program. However, the Panamanian Government, because of internal political pressures, was unable to obtain funds from Panama's ordinary budget appropriation that would permit it to pay the salaries of the newly recruited Guardsmen and requested the continuation of US assistance for salaries. In June 1966, before a decision had been reached on this issue, Panama requested additional financial support to enable it to recruit another 500 National Guardsmen.^{36/} The outbreak of the June 1966 riots in Panama demonstrated again the importance of an adequate police force to the maintenance

^{36/} Memorandum to ARA - Mr. Sayre from PAN -
Mr. Clark on Proposed Grant to Panama
National Guard, June 2, 1966, (CONFIDENTIAL).

~~SECRET~~

SERVICE SET

~~SECRET~~

of political stability in Panama,^{37/} and consequently, as part of the special measures taken to provide support to the Robles Government in July 1966, President Johnson^{38/} authorized additional assistance to the Guard. In 1967 the Panamanian Government succeeded in having funds included in the budget approved by the National Assembly to cover the salaries of a part of those Guardsmen that had been US-financed. In 1968 the budget provided for all the salaries of these Guardsmen, and US salary assistance was terminated.

^{37/} From Panama, Telegram 799 to Department of State, April 25, 1966, (CONFIDENTIAL); Memorandum to the Administrator from the Deputy United States Coordinator for the Alliance for Progress, June 10, 1966, (CONFIDENTIAL).

^{38/} Memorandum from Mr. Walt W. Rostow to Secretary of State Rusk, AID Administrator Gaud, CIA Director Helms, Secretary of the Army Resor, Assistant Secretary of State Gordon and Ambassador Anderson on Presidential Directives on Panama, July 27, 1966, (SECRET).

~~SECRET~~

~~SECRET~~

DECLASSIFIED

Authority 96 333By iso, NARA, Date 3-1-974. October 1968 Coup

On the evening of October 11, 1968, the Panamanian National Guard overthrew President Arnulfo Arias, who had been inaugurated only ten days earlier. Arias, most of his cabinet, a majority of the National Assembly, and other Arias supporters took refuge in the Canal Zone. Although US authorities in the Canal Zone advised Arias and his group that they were not to engage in political activity while in the Zone, it soon became evident that Arias would seek to take advantage of his sanctuary in the Zone to incite resistance against the Provisional Government in Panama and to plan for a return to power. The unstable political situation in Panama resulting from the coup and the possibility that political tensions might lead to violence which could involve the Zone were cause for great concern to the United States. ^{39/}

Within two hours after news of the coup reached Washington, special measures were being taken to coordinate US Government policy and action with regard to the situation

39/ From Panama, Telegram 4900, October 12, 1968,
~~(CONFIDENTIAL).~~

~~SECRET~~

SERVICE SET

~~SECRET~~

in Panama. An inter-departmental working group chaired by Assistant Secretary Oliver was established to provide continuous staff support; and the Interdepartmental Regional Group for Latin America, also chaired by Assistant Secretary Oliver, was designated to formulate policy guidance.^{40/} Frequent communication, by telephone, cable, and other means between the Interdepartmental Regional Group and the Panama Review Committee, made possible consultation and coordination with the principal US officials responsible for US activities in Panama: Ambassador Charles W. Adair, Jr., Canal Zone Governor Walter P. Leber and General Robert W. Porter, Jr.

On October 12 Secretary Rusk issued a statement deploring the action taken by the Panamanian National Guard in overthrowing a constitutional President. On October 15, the United States announced that diplomatic relations with Panama were suspended, and that US economic and military assistance

^{40/} Memorandum from ARA - Covey T. Oliver to the Under Secretary on Panama Crisis Management, October 12, 1968, (LIMITED OFFICIAL USE).

~~SECRET~~

~~SECRET~~

programs were being placed under review.^{41/} The United States also informed the General Committee of the OAS Council about the tense situation in Panama.^{42/}

The problem of most immediate concern to US policy-makers was the status of Dr. Arnulfo Arias in the Canal Zone. His presence there constituted an unstabilizing influence in Panama and caused the Provisional Government to urge his prompt removal. At the same time, the United States, mindful of his status as a Panamanian political leader, wished to avoid if possible imposing severe restrictive measures on his activities, or using force to secure his departure. Both the Interdepartmental Regional Group and the Panama Review Committee considered the problem at length from October 12 to ^{43/}21. However, on October 21 Arias voluntarily requested the

^{41/} Department of State Telegram 255892 to Panama, October 16, 1968, (UNCLASSIFIED).

^{42/} Department of State Telegram 256764 to Panama, October 17, 1968, (LIMITED OFFICIAL USE).

^{43/} Memorandum from ARA -Covey T. Oliver to the Secretary on the Secretary's Meeting with the President about Panama, October 21, 1968, (CONFIDENTIAL).

~~SECRET~~

~~SECRET~~

US authorities to arrange for him to travel to Washington. He arrived in Washington on the morning of October 22 aboard a US military aircraft.^{44/}

Following the procedure provided in Resolution XXVI of the Second Special Inter-American Conference, the State Department on October 16 instructed the American Embassies in other OAS member nations to initiate consultations with their host governments concerning relations with the new Government of Panama.^{45/} During the following four weeks the Department considered carefully the various factors affecting a possible resumption of relations with Panama. These included the actions and policies of the newly established Provisional Government, US and hemispheric opinion, and the requirements of US special interests in Panama. In response to a State

^{44/} From Panama, Telegram 5009, October 22, 1968, (CONFIDENTIAL).

^{45/} Department of State Telegram 255908, October 16, 1968, (CONFIDENTIAL).

~~SECRET~~

~~SECRET~~

Department recommendation, the President on November 12 authorized resumption of relations, which was effected November 13.^{46/}

^{46/} Memorandum for the President from the Secretary of State on Resumption of Diplomatic Relations with the new Panamanian Government, November 1, 1968, ~~(SECRET)~~; Memorandum from ARA - Viron P. Vaky to Mr. Samuel W. Lewis, the White House, on Resumption of Diplomatic Relations with the Panamanian Provisional Junta of Government, November 8, 1968, (LIMITED OFFICIAL USE); and Department of State Telegram 270098, November 12, 1968, ~~(CONFIDENTIAL)~~.

~~SECRET~~

D
O
M
I
N
I
C
A
N

R
E
P
U
B
L
I
C

SERVICE SET

~~SECRET~~

DECLASSIFIED
E.O. 12356, Sec. 3.4
NLJ 93-330
By , NARA, Date 5-24-94

E. THE DOMINICAN REPUBLIC

1. The US Troop Landings, 1965

a. Introduction

One of the most important foreign policy steps with regard to Latin America during President Johnson's Administration was the United States' decision in 1965 to send military forces to the Dominican Republic. During the Dominican crisis that occurred in April of that year, the Administration decided that preventive action was necessary to protect American lives and, ultimately, to prevent the spread of communism in Latin America. The US action led to widespread debate in the press and in Congress, as well as throughout Latin America and elsewhere in the world, as to how the need had arisen and as to the means we had used in dealing with the crisis. Elements in the United States who equated Juan Bosch with liberal democracy were generally critical. The negative response in Latin America, centering on the non-intervention principle, was widespread and ranged across the political spectrum. It varied greatly

~~SECRET~~

SERVICE SET

~~SECRET~~

in intensity, being generally strongest in those countries most remote from the Caribbean, and in those political groups to the left of center. It included some violent manifestations, mainly by students. Thus the United States was faced with the task of allaying the misgivings and gaining the cooperation of the other Latin American nations which, despite their dislike of Castroism, were disturbed by the spectre of old-fashioned unilateral American interventionism which the US action recalled. The Dominican episode therefore became a major test of our relations with the other states of this hemisphere and with the OAS.

Controversial as was the necessity for the US troop landing, the action provided protection and safehaven for the Americans and other endangered foreigners. (Some 5,000 persons from 46 nations were evacuated from Santo Domingo during the crisis, each at his own request.) It almost certainly prevented a widening of the bloody civil war (in which an estimated 2,500 Dominicans were killed, most of them in its first few days). Following a political settlement under the auspices of the Organization of American States, the

~~SECRET~~

SERVICE SET

SECRET

Dominicans were then able freely to choose a government of their own, which has brought them more stability than any of its post-Trujillo predecessors as well as better prospects for progress than ever before, and has rekindled hopes that there may be a moderate and constitutional solution to Dominican problems.

b. Background of US Concern

When President Johnson took office, the United States had been deeply involved for several years in the turbulent Dominican political situation. In May 1961, when Trujillo's overthrow appeared imminent, President Kennedy approved a contingency plan with the objective of insuring that Trujillo would be succeeded by a friendly, democratic government and not by Castro-Communist or other unfriendly elements. The plan envisioned US military intervention -- preferably in conjunction with selected Latin American countries -- at the request of any moderate provisional government that might emerge, if necessary to assist the latter in maintaining internal order and resisting subversion. The plan also provided that, should unfriendly elements take over, either

SECRET

SERVICE SET

Trujillo supporters or possibly Castro-Communists, United States forces should move into the Dominican Republic immediately upon the request of any acceptable group attempting to constitute itself into a provisional government.^{1/}

The United States supported OAS action against the Trujillo dictatorship, which had a part in bringing about the subsequent downfall of the Trujillo dictatorship. With the demise of the latter, the United States assisted Dominican efforts to form a stable democratic government. When the first post-Trujillo general elections in 1962 brought Juan Bosch, the head of the Dominican Revolutionary Party (PRD), to the Presidency, we offered his administration strong support. Although the Embassy and the Department came to have doubts of Bosch's competence as a statesman, an administrator, and chief executive, as well as misgivings over his tolerance

^{1/} Department of State Telegram 14482 to Ciudad Trujillo, May 29, 1961 (~~TOP SECRET~~).

SECRET

of Castro-Communists, the United States quickly showed its displeasure when the Bosch administration was overthrown by a military coup in September 1963. In the weeks that followed we withdrew our AID and military missions. The Johnson Administration extended recognition to the subsequent regime in December 1963 but only after the latter had announced a schedule of future elections.

The Administration continued to watch with concern as the Dominican situation again deteriorated in 1964 and early 1965. The new President, Donald Reid Cabral, faced a whole complex of crushing economic problems, chief of which was the plummeting price of sugar, the country's main export. The regime was beset by growing dissension within the military, as well as labor hostility and opposition from the principal political parties, increasingly distrustful of Reid's intentions with regard to free elections. A special US concern, here as elsewhere in Latin America, was the possibility that

SECRET

SERVICE SET

communists might be able to take advantage of any political disorders. On April 23, 1965, US Ambassador William Tapley Bennett, Jr., returned home for consultation, to report to the Department on the disquieting state of affairs.

c. Outbreak of the April Rebellion

By coincidence a coup against the Reid Government began the next day (April 24, 1965), set off disjointedly, prematurely according to later testimony of participants, by a combination of disaffected military and civilian elements, some of whom hoped for the return of Bosch.

Our Chargé d'Affaires, William B. Connett, Jr., in a series of messages that evening, first informed the Department that a group claiming to represent younger army officers had seized Radio Santo Domingo and that the Reid Government was apparently in serious straits.^{2/} It was not immediately

^{2/} From Santo Domingo, Critic One, April 24, 1965
~~(CONFIDENTIAL)~~.

~~SECRET~~

clear who was taking part in the rebellion against the existing government, but the Charge d'Affaires believed that individuals of "leftist PRD ilk" were among those involved.^{3/} The street crowds were predominantly pro-Bosch, he reported, with a sprinkling of pro-Balaguer sentiment. The Secretary General of the PRD expressed concern over communist activity, but attributed the coup to the dissatisfaction of junior officers and noncoms. Although the radio was retaken and Reid proclaimed the situation under control, two army camps remained in rebel hands and the outlook was confused.^{4/} During the first brief period of rebel radio control, an executive of the extremist-controlled dock-workers union was actively broadcasting. The Embassy received reports during the night that the rebels had been

^{3/} From Santo Domingo, Telegram 1037, April 24, 1965, (~~CONFIDENTIAL~~).

^{4/} From Santo Domingo, Telegrams 1034, 1035, 1036, April 24, 1965, (~~CONFIDENTIAL~~).

~~SECRET~~

SERVICE SET

~~SECRET~~

indiscriminately distributing arms to civilians.

Early on the morning of April 25, the Embassy reported the further deterioration of public order, increased activity by the extreme left, the approach of rebellious troops, and sounds of shooting. President Reid called our Air Attache at about 4:30 a.m. (5:30 a.m. Washington time) to ask if the latter had any information as to whether the Air Force would be willing to fight at 5:00 a.m. The Air Attache checked with Air Force Chief of Staff Juan de los Santos and reported that the Air Force would not join in the military operation as scheduled. De los Santos had added that a delegation of Air Force officers was leaving for the headquarters of General Elias Wessin y Wessin, Commander of the Armed Forces Training Center at San Isidro, to seek a formula to avoid shedding more Dominican blood.^{5/}

Upon receipt of these reports, the Department arranged

^{5/} From Santo Domingo, Telegrams 1039, 1040, 1041, April 25, 1965 (~~CONFIDENTIAL~~). Note: As Washington went on Daylight Saving Time the morning of April 25, there is a one-hour time differential between Washington and Santo Domingo for the remainder of the crisis.

~~SECRET~~

SERVICE SET

with the Pentagon for the immediate dispatch to the vicinity of Santo Domingo of a naval force suitable for embarking up to 1,200 American civilians in accordance with routine evacuation plans.

Reid also learned early that morning that the senior military commanders had held back substantial forces to protect their own positions and had sent only token contingents to support the Government. Losing hope of effective military support, Reid appealed to our Chargé for American intervention to persuade the rebels to desist. He claimed the situation to be extremely dangerous, with communists taking advantage of it and with government forces unwilling to act. Connett replied that there seemed little we could do. He suggested acceptance of the proposal to form a military junta so as to avoid bloodshed, but Reid was not receptive.^{6/}

^{6/} Operations Center Log, Chronology of Telephone Conversations, Entries for 7:50 a.m. and 9:45 a.m., April 25, 1965; Santo Domingo's Telegram 1043, April 25, 1965 (~~CONFIDENTIAL~~).

~~SECRET~~

After seizing Reid, rebel forces and politicians took over the Palace (with several known communists among them, it was later learned). They reached agreement on an interim government headed by a moderate PRD leader, José Rafael Molina Ureña, and called for the return of Bosch. (As former President of the National Assembly, Molina Ureña was third in succession to the Presidency under the previous Bosch Government.) A rebel-controlled radio announced the return to constitutionality under Bosch.

d. US Attitude on the Return of Bosch

The Embassy and the Department had misgivings about an effort by Bosch to return to complete his term of office by force of arms and without new elections. The Department was concerned that Bosch would be unable to recognize or cope with a communist danger. However, the Embassy informed the Department by telephone that "the PRD wave was very strong" and that the United States probably could not stop Bosch from returning even if it tried. No attempt was

~~SECRET~~

SERVICE SET

made to help or hinder his return but, as it turned out, Bosch decided not to return at that time. The Embassy in its contacts with the Dominican military leaders was urging them to close ranks and restore order; but while Wessin y Wessin and de los Santos appeared in agreement with each other on resisting any return of Bosch, there was doubt^{7/} about the outcome of the efforts to form a junta.

e. Fear of Communist Exploitation

In its first cabled instruction to the Embassy at midday, April 25, the Department expressed concern over the "appearance of extreme leftist elements" in the Santo Domingo demonstrations. It encouraged the Embassy to urge the armed forces leaders to unite and form some type of provisional government capable of restoring order and preventing a communist take-over. It noted that Embassy reporting indicated

^{7/} Operations Center Log, April 25, 1965, Chronology of Telephone Conversations, p.4 (SECRET).

~~SECRET~~

that Americans were not the target of the demonstrations, but it directed the Embassy to report immediately any developments indicating jeopardy to American lives.^{8/} The Embassy informed the Department that it had received no reports so far of Americans in danger.^{9/}

The Embassy learned on April 25 from its intelligence sources that various Dominican communist leaders, initially taken by surprise by the sudden crisis, had met that morning and decided to try to seize control of the revolt. They had joined in the distribution of arms and had also been exhorting the people, distributing inflammatory posters, and setting up command posts with arms caches.^{10/}

^{8/} To Santo Domingo, Telegram 633, April 25, 1965, (sent 12:55 p.m.) (~~SECRET~~).

^{9/} From Santo Domingo, Telegram 1053, April 25, (~~CONFIDENTIAL~~).

^{10/} The Martin paper, pp. 11-13 provides a summary of pertinent TDCSes. See also TDCS-314/05421-65, (~~SECRET~~); TDCS-314/05410-65 (~~SECRET~~).

~~SECRET~~

SERVICE SET

~~SECRET~~

f. Air Attack on Rebel Headquarters

On the afternoon of April 25, Connett reported that his Air Attache had just been informed by de los Santos that the Air Force had decided to fight to prevent the return of Bosch and that Wessin y Wessin agreed to support the Air Force effort. The decision was "based on feeling of Air Force and Training Center officers that return of Bosch would mean surrendering the country to communists." They believed the "fight is now against latter and not exclusively with rebel elements of Army. As result of this Air Force now* willing to bomb rebel headquarters." The Embassy's Country Team, Connett stated, strongly felt that a return of Bosch to power "at this time" would be against United States interests, "especially in view extremist participation in coup and announced communist advocacy of Bosch's return as favorable to their long term interests." The Country Team "reluctantly agreed among ourselves de los Santos-Wessin Plan only course of action having real possibility of preventing Bosch's return and

* See previous reference to Air Attache in Section C.

~~SECRET~~

SERVICE SET

~~SECRET~~

containing growing disorders and mob violence." Recognizing that such a course of action might mean further bloodshed, the Country Team thought that "we should be prepared to take this risk."^{11/}

That same afternoon Air Force planes made firing passes at the Palace and the Navy fired shells over the Palace. Connett telephoned the Department that American citizens were safe, and that the original military leaders of the revolt, realizing they had played into the hands of the communists,^{12/} were seeking rapprochement with the non-rebel military bloc.

Dominican Air Force attacks on the Palace resumed on April 26, but the Navy apparently had second thoughts about cooperating with the other two services and did not engage in any attack. Wessin and de los Santos now appealed to the Embassy, asking for US troops, and were told that there were

^{11/} From Santo Domingo, Telegram 1051, April 25, 1965
(~~CONFIDENTIAL~~) received 5:00 p.m.

^{12/} Operations Center Log, April 25, 1965, pp. 6-8
(~~SECRET~~).

~~SECRET~~

SERVICE SET

~~SECRET~~

no plans to bring in such forces.^{13/} The Embassy summed up the situation in a report to the Department stating that the position of Wessin and de los Santos had been considerably weakened, chances of a military junta were very slim, and Bosch's return would probably be prevented only by a major US involvement. The Embassy believed, however, that committing American combat forces in the present circumstances would have extremely serious implications for US foreign policy, especially in Latin America. The Embassy felt it could not effectively make a case that the rebels as of that moment were communist-controlled, but it believed there was a serious threat of a communist take-over, with very little time remaining in which to act. It recommended that it be authorized to express this concern to Molina Ureña and rebel officers, and to stress to them that formation of a military junta with the promise of elections in September would be in the best

^{13/} From Santo Domingo, Telegram 1066, April 26, 1965, (~~CONFIDENTIAL~~), received 7:25 a.m.

~~SECRET~~

~~SECRET~~

interests of the republic. The Embassy felt that any US decision to use a show of force should meanwhile be held in reserve.^{14/}

g. Initial Evacuation of Americans

With the increasingly chaotic situation, protection of Americans had become an urgent concern. The Department instructed the Embassy to approach both sides for a cease fire and for cooperation in evacuating our citizens. It added, for the Embassy's information, that it hoped to build on the cease fire to obtain some kind of provisional government which presumably would be committed to fair and impartial elections at the earliest practicable date.^{15/} Accordingly, the Embassy sought and obtained assurances from both sides that there would be no interference with the evacuation and that a cease-fire would be in effect during it.

^{14/} From Santo Domingo, Telegram 1071, April 26, 1965
(~~SECRET~~) received 10:08 a.m.

^{15/} To Santo Domingo, Telegram 634, April 26, 1965
(~~CONFIDENTIAL~~) sent 2:28 p.m.

~~SECRET~~

After some serious incidents and delays -- including a rebel-led shooting episode at the Hotel Embajador which unnerved the assembled Americans, though none was injured -- the first group of Americans desiring evacuation, numbering about 1,000, were successfully gotten out the next day, April 27. They were moved by bus to the Haina Naval Base, ^{16/} evacuated to nearby US ships, and carried to Puerto Rico.

While keeping the Department informed of the continuing civil strife, the Embassy passed on further rumors of communist involvement, including an intelligence report that the PRD was receiving instructions from Cuba. ^{17/} The radio at San Isidro, meanwhile, had begun broadcasting that the Molina Ureña group was controlled by Fidelista communists.

On the 27th, the Department instructed the Embassy to make contact with the military leaders of the contending forces and suggest to them the establishment of a military

^{16/} From Santo Domingo, Telegram 1120, April 27, 1965 (~~CONFIDENTIAL~~) received 7:35 p.m.

^{17/} From Santo Domingo, Telegram 1075, April 26, (~~CONFIDENTIAL~~).

~~SECRET~~

junta to act as a provisional government, restore law and order, prevent a communist take-over, and arrange to hold free elections as promptly as possible. The Embassy was instructed not to become involved in the details of formation of the junta but to urge that there be no preconditions on participation and to seek assurance from both sides that there would be no reprisals.^{18/}

Ambassador Bennett returned at this point from Washington, reaching Santo Domingo via Puerto Rico and the carrier Boxer offshore, shortly after midday, April 27. In a telephone call to the Department immediately after his arrival, he reported that fighting continued and that it looked as though the situation were turning toward Wessin. The Ambassador said that the role of the communists was very evident and getting clearer all of the time, and that they were calling all of the shots; the rebels had resumed firing, he said, each

^{18/} To Santo Domingo, Telegram 644, April 27, 1965, (~~SECRET/LIMDIS~~) sent 11:37 a.m.

~~SECRET~~

~~SECRET~~

of the four times the Embassy had tried to get a cease-fire
19/
to stick.

h. Collapse of Molina Ureña's Regime

The next development was the collapse of Molina Ureña's attempt to establish his provisional government. Molina Ureña, accompanied by his advisers, came to the Embassy around 4:00 p.m., April 27, and indicated to Ambassador Bennett that they were prepared to negotiate a settlement in the interest of preventing further bloodshed. Bennett replied that the United States strongly felt the bloodshed must end, and he pointed out to Molina Ureña that it was his side's action on April 24 that had started the fratricide. He reminded Molina Ureña that the United States had loyally supported Bosch when the latter was President and had disapproved of his overthrow; but that had happened eighteen months before; he said this latest effort to restore Bosch

19/ Notes on Under Secretary Thomas C. Mann's (hereafter referred to as TCM's) telephone conversations, April 27, 1965 (~~SECRET~~) 2:30 p.m.

~~SECRET~~

~~SECRET~~

was obviously unsuccessful and it was high time to approach the opposing side for talks. He made it clear the Embassy was talking in similar terms to both sides. The Ambassador, however, while reminding the delegation of the Embassy's extension of good offices on numerous occasions during recent days, declined to mediate. He made the point that he was not authorized to do so, and stressed the US view that an accord should be reached by Dominicans talking to Dominicans. Bennett called Molina Ureña's attention to communist infiltration in the rebel movement; he reminded Molina Ureña that the PRD had tolerated and even encouraged this and had in effect given the communists a free rein, especially through military distribution of arms to civilians, tolerance of widespread looting and mistreatment of innocent persons.^{20/}

Molina Ureña and his aides refused to accept these statements, and they departed from the Embassy after an hour.

^{20/} From Santo Domingo, Telegram 1128, April 28, 1965 (~~CONFIDENTIAL~~) received 12:26 a.m.

~~SECRET~~

~~SECRET~~

They failed, however, to approach the other side for negotiations; instead, during the night Molina Ureña and a number of PRD leaders took asylum in the Colombian Embassy. Colonel Francisco Caamaño, however, returned to a rebel headquarters to organize further resistance.

i. Formation of Military Junta

The collapse of the Molina Ureña regime removed any semblance of civil authority in the capital and marked a new phase of the crisis. Wessin's forces had not yet made headway into Santo Domingo. Our Embassy recommended assistance in the form of a supply of US walkie-talkie sets, which Air Force Chief de los Santos had requested for use by military forces and police in mop-up operations.^{21/} Ambassador Bennett urged the same thing by telephone, but the Department at that stage preferred to hold off; it replied that the United States wanted to maintain a position of non-intervention (except to

^{21/} From Santo Domingo, Telegram 1136, April 28, 1965 (~~CONFIDENTIAL~~).

~~SECRET~~

SERVICE SET

~~SECRET~~

urge unity and restoration of law and order) "unless outcome in doubt."^{22/} Under Secretary Mann and others in the Department believed that unless Bosch partisans could be split away from their communist supporters, a rebel victory would be a ready-made vehicle on which the communists could ride into power. The Embassy was instructed to press for a policy of moderation and Dominican unity on the San Isidro military group, urging the latter to form a junta to which would-be-rebel^{23/} defectors could give up.

Such a junta finally was formed under Air Force Colonel Pedro Bartolomé Benoit at military headquarters in San Isidro on the morning of April 28. Subsequently Bennett repeated in still stronger terms his recommendation that we supply walkie-talkie sets to the newly-constituted military junta. He wired that the equipment was already critically needed; that the situation had now deteriorated to the point where

^{22/} To Santo Domingo, Telegram 657, April 28, 1965, (~~CONFIDENTIAL~~).

^{23/} From Santo Domingo, Telegram 1139, April 28, 1965, (~~CONFIDENTIAL~~).

~~SECRET~~

SERVICE SET

~~SECRET~~

all valid elements of the democratic left had gone into diplomatic asylum or were in hiding, as much from extremists who had come to dominate the rebel situation as from opposing military forces. It had become a fight between "Castro-type elements" and those opposing them; and that if the latter were to lose for lack of heart or otherwise, "we may very well be asking in the near future for landing of Marines to protect US citizens or for other purposes. Which would Washington prefer?"^{24/}

j. The US Decision to Land Marines

Before the Ambassador's urgent question was answered, events took a new turn on the afternoon of April 28 with a telephone request from Colonel Benoit on behalf of the junta that 1,200 Marines be landed "to help restore peace." In reporting this request to Washington, Ambassador Bennett said he did not believe the situation justified such action at the

^{24/} From Santo Domingo, Telegram 1146, April 28, 1965 (~~CONFIDENTIAL~~).

~~SECRET~~

~~SECRET~~

time, and in any event, Marines should not be used for street clearing operations. Nevertheless, he said, the junta was not yet making much military headway against the rebels and the outcome remained in doubt. He suggested that the Department begin planning in case the situation should deteriorate rapidly to such an extent that Marines would be quickly needed for protection of American citizens.^{25/} Bennett also urged the Department to get in touch with Bosch, who at that time was in Puerto Rico, to convince him that his movement had by now completely fallen into the hands of "Castro-type" extreme leftists. Bennett stressed: "If rebels victorious now, let us make no mistake about it, this will be take-over by extreme left."^{26/}

Within the hour, Bennett also forwarded to Washington the text of a formal request from the junta for "unlimited and

^{25/} From Santo Domingo, Telegram 1149, April 28, 1965 (~~CONFIDENTIAL~~).

^{26/} From Santo Domingo, Telegram 1152, April 28, 1965 (~~CONFIDENTIAL~~).

~~SECRET~~

SERVICE SET

~~SECRET~~

immediate military assistance"^{27/} and his own further recommendation for US action. The Ambassador reported that the Chief of MAAG had just returned from the San Isidro base, where he had found the general atmosphere dejected and emotional. Colonel Benoit, referring to the written request for assistance, had assured the MAAG Chief that without American help the junta would "have to quit." Benoit said, "I don't have the personnel necessary to maintain order in the city or to guarantee the lives and property of foreign nationals. You must help me."^{28/}

It was this report and those from intelligence sources, together with the receipt of the junta's request, that led the Embassy to call for the Marines. Ambassador Bennett told Washington that it was the unanimous opinion of the Country Team that the time for such a step had come. He stated that American lives were in danger and that, "if Washington wishes,

^{27/} From Santo Domingo, Critic Four, April 28, 1965
(~~CONFIDENTIAL~~).

^{28/} From Santo Domingo, Airgram No. A-18, August 1, 1965, enclosing memorandum of July 23, 1965 signed by MAAG officers (~~CONFIDENTIAL~~).

~~SECRET~~

. . . the Marines . . . can be landed for purpose protect evacuation American citizens. We have just been informed by Police Chief, for instance, that he cannot provide protection route Haina Naval Base which has been used until now for ^{29/} evacuations." Bennett recommended an immediate landing.

Though the walkie-talkie request had become of secondary importance, the request was now quickly granted and a message was dispatched from the Department at 5:32 p.m. so informing the Embassy. ^{30/}

About 5:55 p.m., Mann talked with Ambassador Bennett by telephone. Bennett told Mann that the Embassy had received

^{29/} From Santo Domingo, Critic Four (Five), April 28, 1965, ~~(CONFIDENTIAL)~~ received 5:16 p.m. Ambassador Bennett realized that Washington would have to issue a public statement. He did not regard this landing as intervention, as evidenced by his telegram later that evening pointing out the restricted purpose of the landing and stressing his disinclination to recommend intervention. See Telegram 1176 from Santo Domingo cited in Section k, below.

^{30/} To Santo Domingo, Telegram 660, April 28, 1965, ~~(CONFIDENTIAL)~~.

~~SECRET~~

oral statements from the junta that the lives of American citizens could no longer be protected.^{31/} Mann asked Bennett to get in writing the statement of junta leaders that American lives were in danger.^{32/} The Ambassador's subsequent efforts to get written confirmation from the junta on this point encountered communication problems (the only way to reach the junta, other than uncertain open-voice communications by side-band radio relayed through the Navy offshore, was one rickety Dominican helicopter) and it was not until 1:16 a.m. April 29 that the Department received the requested message from Bennett. It quoted Colonel Benoit as stating in writing that, regarding his earlier request for intervention, he wished to add that American lives were in danger and it was impossible to provide adequate protection.^{33/}

^{31/} From Santo Domingo, Telegram 238, July 25, 1965, ~~(CONFIDENTIAL)~~.

^{32/} TCM's telephone conversations, April 28, 1965, ~~(SECRET)~~.

^{33/} From Santo Domingo, Telegram 1163, April 29, 1965, ~~(CONFIDENTIAL)~~. An OAS Committee confirmed the evident lack of security and effective Government control over the situation. See First Report of the Special Committee of the 10th MFM, OEA/Ser. F/11.10, Doc. 47, June 2, 1965.

~~SECRET~~

~~SECRET~~

The Marines, some 400 of them, began landing at approximately 7:00 p.m. (6:00 p.m. Dominican time) April 28. The landing took place while Under Secretary Ball, Mann, Assistant Secretary Vaughn and others were holding a teleconference with Ambassador Bennett, which began about 6:30 p.m. and lasted about an hour. After Bennett was informed of the statement to be issued by the President on the situation, the Ambassador replied that the Marines were then landing and it was in good time, since the evacuation area was under fire.^{34/}

At about 7:30 p.m., the President met with Congressional leaders and at 8:40 p.m., he made a brief statement to the American people over a nation-wide radio and television network. Announcing that he had reported the "serious situation in the Dominican Republic" to the leaders of the Congress,

^{34/} Teleconference between the Department of State and the American Embassy, Santo Domingo, April 28, 1965, 6:30 p.m., (~~SECRET~~).

~~SECRET~~

SERVICE SET

~~SECRET~~

the President said he had informed the Congressional leaders of the decisions the Government considered necessary "in order to protect American lives", and those leaders had expressed their support of the decisions. He told the American public that, as a result of orders he had given the Secretary of Defense, 400 Marines had already landed to protect Americans and other nationals and to escort them safely out of the Dominican Republic. He had, he said, repeatedly appealed for a cease-fire between the contending forces, and now he repeated this urgent appeal. President Johnson concluded by stating that the Council of the Organization of American States had been advised of the situation and would be kept fully informed.^{35/}

^{35/} Statement by President Johnson, April 28, 1965, 8:40 p.m. (text American Foreign Policy: Current Documents, 1965, pp. 955-965).

~~SECRET~~

~~SECRET~~k. Expanding the Role of the Marines

While the arrival of the Marines on April 28 facilitated the evacuation of Americans from Santo Domingo, the question of safeguarding others and of ending the widespread civil violence remained. Should there be an armed intervention which would go beyond protection of Americans and seek to establish order in the country? Ambassador Bennett raised this question in a message the same evening in which he reported a rapidly deteriorating situation, and the possibility that the remaining forces available to the junta might soon tire or become physically incapable of maintaining their positions. If they should fail, he believed, power would be assumed by groups clearly identified with the Communist Party. If this should come to pass, he recommended that the United States should "intervene to prevent another Cuba from arising out of the ashes of this uncontrollable situation."^{36/}

^{36/} From Santo Domingo, Telegram 1155, April 28, 1965 (~~CONFIDENTIAL~~).

~~SECRET~~

~~SECRET~~

The Ambassador, in a message received in Washington at 3:54 a.m. the next morning, pointed out that the landing of the Marines had had the restricted purpose of providing security for American citizens and arranging their evacuation. Bennett stated that he did not want "to recommend intervention for /m/any reasons /s/", as it would take the United States down a tortuous path whose end we could not see", but that he was quite prepared to recommend it if the situation continued to deteriorate.^{37/}

Thus, the continuance of the military junta seemed necessary in order to have an organized force capable of preventing an immediate takeover of the countryside by the rebels. In a conversation with Defense Secretary McNamara at 8:40 a.m., Under Secretary Mann observed that landing the Marines had been a shot in the arm to the junta but that

^{37/} From Santo Domingo, Telegram 1167, April 29, ~~(CONFIDENTIAL)~~ The cable as sent said "many reasons" but it was garbled in transmission and was received as "any reason".

~~SECRET~~

~~SECRET~~

the United States was trying to maintain a position of impartiality. Before giving any military support to the junta, Mann suggested waiting to see what reaction to the initial landings there was within the Organization of American States, whose Council was scheduled to meet later that morning.^{38/}

However, Under Secretary Mann did urge Ambassador Bennett to consider development of operational plans by the junta "with quiet assistance of few US officers" for the deliberate and systematic reduction of insurgent-held parts of the city."^{39/} The Ambassador sent American military personnel to the junta base for this purpose and expanded the role of the US Air Force personnel already there working on communications.

^{38/} TCM's telephone conversations, April 29 (~~SECRET~~).

^{39/} Department's immediate LIMDIS Telegram 675 to Santo Domingo, April 29, 1965 (~~SECRET~~).

~~SECRET~~

~~SECRET~~

Later the same day, after being informed by the Department that "highest authority has ordered debarkation of the remaining Marines aboard Boxer,^{40/} Bennett proposed to Washington that the Marines be spread out to occupy a wider territory so as better to protect American lives and property.^{41/} In a teleconference that evening between the Department and the Embassy, the Department proposed that the Marines establish an international safety zone and also seal off "the downtown section of Santo Domingo containing the heaviest communist concentration." The Department said that the political concept would be to create a cordon sanitaire, thus establishing an enforced cease-fire, on the basis of which the OAS would be asked to negotiate a political settlement between the conflicting sides, with United States' influence applied to

^{40/} To Santo Domingo LIMDIS, Telegram 680, April 29, 1965 (~~CONFIDENTIAL~~) sent 2:12 p.m..

^{41/} From Santo Domingo, Telegram 1187, April 29, 1965 (~~SECRET~~).

~~SECRET~~

SERVICE SET

~~SECRET~~

42/
avoid a communist solution. A decision on such action was deferred, however, pending the outcome of an OAS Council meeting in session.

1. Consultation with the OAS

The United States had been in contact with the OAS as early as April 27. On that day officials of the Department of State had discussed the situation with several Ambassadors of OAS countries. At the request of the United States, the Inter-American Peace Committee had been convoked that afternoon to hear reports on the situation from the Dominican Ambassador and the US Alternate Representative in the OAS.

42/ Teleconference between the Department of State and the American Embassy, Santo Domingo, April 29, 1965 (~~SECRET~~/EXDIS), time 6:40 p.m. Participants: Secretary Rusk, Under Secretary Mann, Ambassadors Bunker and Bennett, Assistant Secretary Vaughn, General Wheeler, Admiral Raborn and DCM Connett.

~~SECRET~~

~~SECRET~~

At its regular session on April 28, the Council of the OAS heard another report from the Dominican Ambassador. That night, the Department of State informed the Ambassadors of the OAS countries that US troops had landed in Santo Domingo to protect the lives of Americans and other foreign nationals. At the same time, the United States requested a special meeting of the OAS Council the next day.

At this meeting, which occurred on April 29, the US Ambassador to the OAS, Ellsworth Bunker, reviewed the developments that had made it necessary to land US Marines. He proposed a Meeting of Foreign Ministers of the OAS countries to be convened the following day, April 30. The Council sent a message to the Papal Nuncio in Santo Domingo requesting his good offices in arranging a cease-fire between the contending Dominican forces.

At a second meeting on the night of April 29, the Council adopted a resolution introduced by the US reiterating.

~~SECRET~~

SERVICE SET

~~SECRET~~

the earlier appeal for a cease-fire and calling for the establishment of an international zone of safe-haven in Santo Domingo. In the early morning hours of April 30, the Council decided to convoke a Meeting of Consultation of ^{43/}Ministers of Foreign Affairs. In the afternoon, the Council decided to send Secretary General Mora to Santo Domingo. The same day, in Santo Domingo, the Papal Nuncio prevailed upon the contending factions to sign a cease-fire in accordance with the request to him by the OAS Council.

m. Expanding the US Operation

The United States, after waiting for the conclusion of the OAS Council meeting in the early morning of April 30, went ahead at that time with establishment by our Marines of

^{43/} The meeting was convoked under the first part of Article 34 of the OAS Charter and not under the Rio Treaty. Collective security commitments under the Rio Treaty were, thus, not involved.

~~SECRET~~

~~SECRET~~

the international safety zone which the Council had approved. At the same time the US forces were heavily reinforced by the landing of some 2,000 airborne troops of the 82nd Airborne Division at the San Isidro Airfield. The decision to widen the Marine-held area still further was taken two days later on May 2, when Washington ordered the establishment of a line of communications for United States forces, between the international safety zone and the Ozama River bridge. This line had the effect of interposing US forces between the major elements of the rebels and the junta forces.

The 10th Meeting of Consultation of the Ministers of Foreign Affairs ^{44/} convened on May 1 and adopted a US-sponsored resolution establishing a five-nation Special Committee to investigate the situation in Santo Domingo and to seek the

^{44/} The OAS Foreign Ministers themselves did not meet; the Meeting was held at the Special Delegate level with country Ambassadors to the OAS mostly in attendance.

~~SECRET~~

SERVICE SET

~~SECRET~~

re-establishment of peace and normal conditions. The United States also submitted a draft resolution at this meeting requesting Member States to offer military contingents to assist the Committee in carrying out its mission.

On the night of May 2, 1965, President Johnson gave a major address to the nation over radio and television. He reviewed the Dominican crisis from its inception, saying, in part, that "what began as a popular democratic revolution . . . very shortly moved and was taken over and really seized and placed into the hands of a band of communist conspirators." He stated that the American nations would not permit a communist take-over; that he joined with the OAS in appealing to the Dominicans to lay down arms and to start building a Dominican democracy. He stressed that the United States was there only to save lives and to prevent a communist take-over; he said that the form and nature of the free Dominican government was solely a matter for the Dominican people to decide, but he hoped to see a government freely chosen by the will of the people. He added that he felt it was the mutual

~~SECRET~~

SERVICE SET

~~SECRET~~

responsibility of every citizen of the hemisphere "to help the people of the Dominican Republic toward the day when they can freely choose the path of liberty and justice and progress."^{45/}

m. Rebels Form Constitutional Government

On May 4, the rebel leaders, with the consent of Bosch, announced the establishment of a "Constitutional Government"^{46/} with Caamaño as President.^{47/} To counter this move former Ambassador John Bartlow Martin, who had been sent down by Washington to assist the Embassy, began consulting with General Antonio Imbert to try to form a broad-based

^{45/} President Johnson's address to the Nation, May 2, 1965 (text in American Foreign Policy: Current Documents, 1965, pp. 961-965).

^{46/} From Santo Domingo, Telegram 1343, May 4, 1965 received 11:29 a.m. ~~(CONFIDENTIAL)~~.

^{47/} From Santo Domingo, Telegram 1348, May 4, 1965 received 1:57 p.m., ~~(SECRET)~~.

~~SECRET~~

civilian-military junta,^{48/} while Ambassador Bennett tried to get rid of the "old line" generals such as Wessin who gave the junta a reactionary image.^{49/}

Meanwhile, on May 5, Benoit, who represented the military junta, joined with Caamano in signing the "Act of Santo Domingo", which was sponsored by the OAS Special Committee, and by which both sides ratified the cease-fire reached on April 30, recognized the establishment of the international safety zone, agreed to permit the evacuation of persons who had taken asylum, and undertook to assist the International Red Cross or other agencies in relieving hunger and suffering. On May 6, at US initiative, the OAS, by a vote of 14 (including the vote of the DR's representative) to 5 (Mexico, Uruguay, Chile, Peru and Ecuador), with one abstention (Venezuela), took the unprecedented step of establishing an inter-American force (later called the Inter-American Peace Force). On

^{48/} From Santo Domingo, Telegram 1377, May 5, 1965, received at 1:11 p.m., (~~CONFIDENTIAL~~).

^{49/} From Santo Domingo, Telegram 1374, May 5, 1965, received 10:45 a.m., (~~SECRET~~).

SECRET

May 7, after many lengthy discussions and frustrations, in part because Martin and Imbert had difficulty finding willing and able candidates for the job, Imbert was able to announce the formation of a five-member civilian-military junta headed by Imbert (Benoit was the other military member) to be called the "Government of National Reconstruction (GNR)." ^{50/}

The Embassy's efforts to remove the old-line generals remaining from the Trujillo era met with considerable success. Imbert announced on May 9 that seven generals and one commodore had resigned. Wessin, however, remained, and Bennett could not induce him to retire, ^{51/} despite an earlier promise.

With the GNR now established, Washington turned to the next step in its efforts to reach a political solution.

^{50/} From Santo Domingo, Telegram 1445, May 7, 1965, received 2:45 p.m. (~~SECRET~~).

^{51/} From Santo Domingo, Telegrams 1544, May 9, 1965, received 10:24 p.m. (~~CONFIDENTIAL~~) and 1590, May 11, 1965, received 1:49 a.m. (~~SECRET~~).

SECRET

SERVICE SET

~~SECRET~~

Although the GNR had requested recognition, the Department told the Embassy it regarded it as an interim grouping, explaining that recognition would also make collective responsibility and action through the OAS impossible.^{52/} The Department still had in mind trying to establish a coalition regime, in which Caamaño and possibly another non-communist member of his group could be added to the GNR. Such an arrangement would split Caamaño and, hopefully, the Bosch partisans from the more extremist faction among the rebels,^{53/} and it would consolidate political control over the country. This idea of a coalition junta never materialized, as neither Martin nor Bennett nor other foreign diplomats were able to get the leaders of the two factions together for talks.

^{52/} To Santo Domingo, Telegram 872, May 7, 1965, sent 5:11 p.m. (~~SECRET~~).

^{53/} To Santo Domingo, Telegram 949, May 10, 1965, sent 10:22 p.m. (~~SECRET~~).

~~SECRET~~

SERVICE SET

~~SECRET~~

The Embassy informed Washington on May 13 that the general political situation was at a stalemate. At the same time, sporadic fighting had broken out again.^{54/}

o. The UN Involvement

The UN was brought into the Dominican crisis on May 13, 1965, when Caamaño's "Minister of Foreign Relations", Jottin Cury, requested an urgent meeting of the Security Council to consider the situation created by the alleged movement of United States troops outside the security zone and the bombing of Radio Santo Domingo. The Council unanimously adopted a resolution the next day calling for a strict cease-fire and inviting the Secretary General to send representatives to the Dominican Republic to report on the situation.

The Embassy commented that the UN involvement "can be expected to complicate an already difficult situation" and that it was likely to "tie the hands of the United States."^{55/}

^{54/} From Santo Domingo, Telegram 1710, May 14, 1965, received 9:06 p.m. (~~SECRET~~).

^{55/} From Santo Domingo, Telegram 1720, May 19, 1965, (~~CONFIDENTIAL~~).

~~SECRET~~

~~SECRET~~

At the same time, our UN Mission urged prompt action by the OAS and full cooperation with the UN representative to guarantee UN recognition of OAS priority. The Department advised the Embassy that the OAS should receive the UN representatives on the basis of their role as reporters and not as competitors.^{56/}

U Thant immediately sent José Antonio Mayobre to the Dominican Republic as his representative. On May 19 our UN Mission, expressing concern over ineffective OAS action, considered the possibility that the United States might have to use its first veto if the Security Council tried to get into the "peacekeeping act."^{57/}

On the same day, after lengthy Security Council debate, the President of the Council said that, in accordance with the unanimous desire of the Council, he would ask the

^{56/} To Santo Domingo, Telegram 1057, May 15, 1965
(~~CONFIDENTIAL~~).

^{57/} Memorandum to the Secretary of State from Cleveland, May 19, 1965 (~~CONFIDENTIAL~~).

~~SECRET~~

SERVICE SET

~~SECRET~~

Secretary General to request the UN representatives to make urgent efforts to suspend hostilities immediately.

As a result Mayobre obtained a written agreement for a 24-hour Red Cross truce to start at noon on May 21, signed by Imbert, Caamaño and Red Cross officials.

On May 22, a Uruguayan resolution urging the expansion of UN activity in the Dominican Republic was "abstained to death" as a result of successful U.S. lobbying against such a step.
58/

On May 25, the President of the Security Council, noting that a de facto cessation of hostilities continued to prevail in the Dominican Republic and that there were no new developments to report, suggested that the Council might adjourn, which it did. The item remained on the agenda, however, and the Department stressed to the Embassy the importance of continued close liaison with Mayobre. Although UN representatives remained in the Dominican Republic until 1966, no further significant action was taken at the UN.

58/ Memorandum for the Secretary, the Under Secretary and Mr. Mann from Cleveland, May 22, 1965 (NO CLASSIFICATION).

~~SECRET~~

SERVICE SET

~~SECRET~~

p. Establishment of Inter-American Peace Force

Although the first Latin American contingents of the OAS-authorized Inter-American Force arrived in the Dominican Republic on May 14, the formal agreement establishing the military command structure was not signed until May 23. With the arrival of the Brazilian contingent, Brazilian General Hugo Panasco Alvin assumed over-all command on May 29. Contingents from Brazil, Honduras, Paraguay, Nicaragua, Costa Rica, and officers from El Salvador, joined with units of the United States to make up this first temporary peace-keeping force ever established by the members of the inter-American system.

U.S. forces, which had been built up to 21,000 by May 14, were reduced during the period May 25-29 by the withdrawal of 1,700 Marines. By July 12, US forces were down to around 11,000. The last IAPF unit was not to leave Santo Domingo until more than a year later.

~~SECRET~~

SERVICE SET

q. The Political Settlement

United States officials meanwhile had tried still another approach to the continuing political problem. A Presidential mission consisting of Presidential Assistant McGeorge Bundy, Under Secretary Mann, Deputy Secretary of Defense Vance and Assistant Secretary of State Vaughn had left Washington on May 15 to consider solutions to the problem of forming a government. They explored the possibility of installing Antonio Guzman, a respectable civilian who had been Bosch's Minister of Agriculture, as provisional president. Martin had returned to Washington with Mann on May 18, but the others had remained until May 25, trying unsuccessfully to work out the "Guzman formula".^{59/}

^{59/} Draft Study of the Bundy-Vance Mission by R.W. Adams, Special Assistant to Mr. Mann, undated, ~~(SECRET)~~.

~~SECRET~~

OAS efforts eventually proved successful. Secretary Mora had taken over the role of the Special OAS Committee after mid-May and of the Bundy mission after May 25. He was succeeded in June by a 3-member Ad Hoc Committee, established by an OAS resolution of June 2 and charged with continuing the task of providing good offices to all parties for the purposes of achieving the establishment of a climate of peace and reconciliation that would permit the functioning of democratic institutions in the Dominican Republic.

The work of the Committee was to take three months of patient, sometimes painful, negotiations. The three members, Ambassadors Ilmar Penna Marinho of Brazil, Ramon de Clairmont Duenas of El Salvador and Ellsworth Bunker of the United States, first submitted a "Declaration to the Dominican People" on June 18, appealing for popular support for their proposal for a peaceful solution to the crisis through free elections, general amnesty, and a provisional government. On August 8,

~~SECRET~~

~~SECRET~~

they published a proposal for a provisional government under García-Godoy, a respected civilian, with elections scheduled within nine months. This proposal, entitled "The Act of Dominican Reconciliation", was signed by the "Constitutional Government" on August 31. The GNR had resigned en masse the day before but the Chiefs of the Armed Forces accepted the Act by signing a declaration appended to it in the place for the GNR signature.

The García-Godoy government was installed on September 3 and was promptly recognized by the United States. In his recognition statement, President Johnson extended full support to the new President and to the people of the Dominican Republic and stated that the United States was ready to participate fully in the work of rehabilitation.^{60/}

^{60/} Statement by President Johnson, September 4, 1965, (text in American Foreign Policy: Current Documents, 1965, pp. 1001-1002).

~~SECRET~~

SERVICE SET

2. US Economic Assistance and Subsequent Developments

a. Background

Although our AID mission returned to the Dominican Republic in 1964 several months after we recognized the Reid Government, authorized technical assistance projects had barely gotten started and disbursements under authorized development loans had not begun when the disorder began in April 1965.

b. Aid During and After the Crisis

Immediately after the fall of the Reid Government and the landing of US troops in the Dominican Republic, US assistance was largely of an emergency nature and was devoted primarily to emergency relief, prevention of economic chaos, payment of government salaries and operating expenses, and funding employment-generating activities. In addition to large amounts of

~~SECRET~~

food provided by the United States under the PL-480 Program, US grants from May 1965 through February 1966 totaled \$85,700,000. Some \$56,500,000 of this was used to pay salaries and operating expenses of the Dominican Government, while \$29,200,000 went for emergency relief and employment-generating activities. A greatly expanded technical assistance program was launched with the Dominican Republic receiving top priority after Viet-Nam in the assignment of personnel.^{61/} AID employees increased from 54 in April 1965 to 95 in February 1966 and to over 200 by December 1966.

c. The Return to Constitutional Government

The Garcia-Godoy Provisional Government, beset by recurrent plotting and clashes between the opposing factions, had the support of Ambassador Bunker and the

^{61/} Department of State Telegram AIDTO 1608, February 25, 1966, (LIMITED OFFICIAL USE).

~~SECRET~~

SERVICE SET

~~SECRET~~

other members of the OAS Ad Hoc Committee as well as our regular Embassy, in meeting the crises which arose in its ten months of existence. The military-civilian conflict and the eventual general strike which followed a Constitutional-military firefight in the provincial capital of Santiago in December were finally resolved in February 1966 by a reshuffling of police and military leaders, including Colonel Caamaño. These actions set the stage for the ensuing electoral campaign in which ex-Presidents Joaquín Balaguer, Juan Bosch and Rafael Bonnelly were the candidates for the Presidency.

Bosch had contended almost from the inception of the Provisional Government that impartial and meaningful elections would not be possible by June 1966, the date set in the Institutional Act. He alleged that a proper electoral climate did not exist, because of the presence of foreign troops and repressive acts by the military and police

~~SECRET~~

SERVICE SET

~~SECRET~~

against the Constitutionals. However, following various moves by the Provisional President to assure a free electoral campaign, the PRD convention on April 9, 1966, unanimously agreed to enter the electoral contest, and Bosch accepted the presidential candidacy the following day.

The campaign developed relatively peacefully, although there was some violence and complaints continued from the supporters of the two major contenders, Balaguer and Bosch, both of whom temporarily withdrew in pre-election maneuvering. Despite these obstacles, García-Godoy successfully took the country to free elections on June 1, 1966, which OAS observers from eighteen hemisphere countries characterized as an "outstanding action of democratic purity."^{62/}

^{62/} Report Presented by the Mission of Observers to the President of the Dominican Republic, dated June 2, 1966, and published by the General Secretariat of the Organization of American States.

~~SECRET~~

SERVICE SET

In a record turnout, some 1,340,000 Dominican voters chose Balaguer by a decisive margin over Bosch and Bonnelly, giving him 57 percent of the total vote and his party a sizable majority in both houses of the Congress. The election outcome was generally interpreted as a popular response to Balaguer's promise of peace and tranquility.

On July 1, Balaguer took office for a four-year term in a ceremony witnessed by Vice President Humphrey as President Johnson's personal representative and by other high officials of the US and other governments. The Inter-American Peace Force completed its withdrawal on September 21, 1966, ahead of schedule. The Dominican Congress, sitting as a Constituent Assembly, wrote a new constitution which was proclaimed on November 28, 1966, thus completing the return to constitutional government in the Dominican Republic.

Balaguer took office with wide acceptance or support among the populace in general, the Armed Forces and political elements of the center-left, the center and the right.

55

SECRET

Through at least the first half of his term he largely maintained this support, despite the repeated efforts of his intransigent opposition, both left and right, to put together a united front organization by exploiting such issues as assertions of police excesses against the civilian population, of a rise of Trujilloism in the administration, and of an intention of Balaguer to run for re-election. Although politically inspired violence occurred and continued to lurk as a threat to Balaguer, it was not sufficient to prevent the successful holding of the May 1968 municipal elections, in which independent and Social Christian candidates won eleven of the 77 mayor's positions. Despite the formal abstention of Bosch's party, over a million votes were cast in the second free election since the 1965 crisis.

d. Subsequent US Assistance

Upon taking office in July 1966, President Balaguer found himself faced with an inflated civilian

SECRET

SERVICE SET

and military bureaucracy, unemployment, a flood of red ink in the state-owned enterprises, government deficits, and a serious deficit in international payments. Rejecting American advice to devalue the currency,^{63/} Balaguer embarked on an austerity program which included reduction of government workers' salaries, freezing of wages in the private sector, and measures to reduce imports. Simultaneously he initiated a major public investment program to stimulate the economy recovery of the country and provide employment. The United States committed \$40 million in supporting assistance loans to finance the investment program. In addition, the United States provided substantial technical

^{63/} Country Assistance Program - FY 1968 - Dominican Republic - Part I, dated November 1966, pp. 4-5, (~~CONFIDENTIAL~~); Memorandum for the Record, dated February 19, 1968, from A. Firfer, subject: Current SA/PL 480 Negotiations & Devaluation (Annex Vii to the Supporting Assistance Paper AID-DLC/P-688, dated 3/8/68, (~~CONFIDENTIAL~~).

assistance grants, several development loans and a special allocation to the Dominican Republic for US sugar imports. ^{64/}

By September 1967 it was apparent that Balaguer's strategy had failed to reduce either the high level of unemployment or the balance of payments deficit. The Country Team decided that a further injection of US assistance was necessary in order to avoid an economic crisis which could undermine the continuance of stable constitutional government in 1968. ^{65/} A \$30 million assistance package was proposed and it was considered of vital importance to announce this assistance prior to the Dominican municipal

^{64/} Country Assistance Program - FY 1968 - Dominican Republic - Part I, dated November 1966 (esp. pp. 1-7, 15-18, 24 and 77) (~~CONFIDENTIAL~~); Department of State Telegram 1213, June 29, 1966 (~~CONFIDENTIAL~~).

^{65/} Program Memorandum - FY 1969 - Dominican Republic, dated September 1967, pp. 1-3 and 35-39 (~~CONFIDENTIAL~~).

~~SECRET~~

elections of May 1968 which were to be a crucial test of Balaguer's strength and the ability of the constitutional government to complete its four-year term.^{66/} The new package was signed on April 1, 1968.

e. Dominican Republic - Puerto Rican Economic Commission

A unique arrangement for assisting in Dominican development was initiated by Puerto Rico. In a conversation with Vice President Humphrey in late December 1966, Puerto Rican Governor Sanchez Vilella proposed closer relationships between Puerto Rico and the Dominican Republic.^{67/} He also suggested that Puerto Rico coordinate its efforts more closely with our Embassy at Santo Domingo. Shortly

^{66/} Supporting Assistance Paper AID-DLC/P-688, dated March 8, 1968 (~~CONFIDENTIAL~~). Santo Domingo Telegram 1801, Feb. 15, 1968, (~~CONFIDENTIAL~~).

^{67/} Memorandum from Vice President Humphrey to Assistant Secretary Gordon, January 2, 1967 concerning the Vice President's conversation with Puerto Rican Governor Sanchez in Puerto Rico (unmarked but should be considered ~~CONFIDENTIAL~~); Memorandum from Assistant Secretary Gordon to Vice President Humphrey, January 9, 1968, concerning Puerto Rico's foreign affairs role (~~CONFIDENTIAL~~).

SECRET

~~SECRET~~

after, Eudoro Sanchez y Sanchez, Head of the Dominican Technical Secretariat of the Presidency, met with the Puerto Rican Governor to discuss these proposals. On March 27-29, 1967, Puerto Rican Secretary of Commerce Baquero visited Santo Domingo to explore possibilities for closer commercial relations and to express his solidarity with Balaguer's plans for closer ties.

During the Summit Conference at Punta del Este, Balaguer reiterated to President Johnson his desire for some form of special trade relationship with Puerto Rico including preferential treatment for certain Dominican ^{68/}vegetables in the Puerto Rican market.

68/ Memorandum of Conversation between President Johnson and President Balaguer, April 11, 1967, concerning preferential treatment for certain Dominican vegetables in the Puerto Rican market (LIMITED OFFICIAL USE).

~~SECRET~~

SERVICE SET

~~SECRET~~

60

In the succeeding months, contacts between the neighboring islands increased, particularly at the technical level. The Puerto Ricans reportedly wanted to do something that went beyond the efforts of the Federal Government itself,^{69/} while the Dominicans sought additional assistance to bolster their budding development efforts.

On October 6, 1967, Sanchez visited President Johnson to propose an early announcement of the willingness of the Commonwealth to extend technical assistance to and seek closer commercial relations with the Dominican Republic through the Caribbean Economic Development Corporation

^{69/} Memorandum from Santo Domingo Embassy AID Director Firfer and Economic Counselor Taylor to Ambassador Crimmins, September 4, 1967, concerning their August meeting with Puerto Rican officials. (Not marked, should be ~~CONFIDENTIAL~~)

~~SECRET~~

SERVICE SET

~~SECRET~~

(CODECA). ^{70/} The Commission's formation was formally announced jointly by Presidents Johnson and Balaguer and Governor Sanchez on October 18. ^{71/} On November 8, the Puerto Rican Commission, headed by Secretary of State Guillermo Irrizarry, arrived in Santo Domingo for three days of talks with the Dominicans. At the close of the meeting, which Embassy officials attended, the Commission itself issued a joint declaration reiterating the desire of both Puerto Rico and the Dominican Republic for greater interdependence. ^{72/}

-
- ^{70/} Department of State Telegrams 50381, October 6, 1967 (~~CONFIDENTIAL~~) concerning proposals made by Governor Sanchez during visit to President Johnson; No. 786, October 10, 1967, (~~CONFIDENTIAL~~) detailing the Embassy's response to proposals for greater Puerto Rican-Dominican cooperation made by Governor Sanchez; and No. 54047, October 13, 1967 (~~CONFIDENTIAL~~) elaborating on Governor Sanchez' proposals and the timing of an announcement.
- ^{71/} White House Press Release, "Joint Statement on Puerto Rican-Dominican Republic Economic Cooperation", October 18, 1967.
- ^{72/} From Santo Domingo, Telegram 1070, November 13, 1968, transmitting the text of the Commission's declaration (LIMITED OFFICIAL USE).

~~SECRET~~

SERVICE SET

~~SECRET~~

Actual work and exchanges of visits at the technical level began almost immediately and a second meeting of the Commission was held in early 1968.

Several sensitive constitutional, legislative and economic issues remained. Principal among these were the foreign affairs role of Puerto Rico as a Commonwealth and the Dominican desire for formal or informal US trade preferences.^{73/} Other problems included the extent and timing of Puerto Rican participation in the Caribbean Development Bank and the modification of the Dominican customs structure to permit the economic transfer of Puerto Rican-based labor intensive industries to the Dominican Republic.

^{73/} From Santo Domingo, Telegram 998, November 1, 1967, (~~CONFIDENTIAL~~); State Telegram 64720, November 4, 1967, (~~CONFIDENTIAL~~); Santo Domingo Telegram 1058, November 10, 1967, (~~UNCLASSIFIED~~); Santo Domingo Telegram 1059, November 10, 1967, (~~CONFIDENTIAL~~); and Santo Domingo Telegram 1068, November 13, 1967, (~~CONFIDENTIAL~~).

SECRET

SERVICE SET