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AGR	сом	FRB	FROM : Amembassy SANTO DOMINGO DATE: June 11,1969
INT	LAB	TAR	SUBJECT: Current Political Assessment With Short and Middle- Term Prospects
TR	XMB	AIR	REF : A-868, December 8, 1968; SD-182 On 2 Down Rep
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OSD	USIA	NSA	SUMMARY
34		NSC	Since last December there have been a number of factors at play
		6	which have pushed the political temperature up several notches. Among these are: (1) the MPD's abortive attempts in late February
	50		and early March to launch armed actions against the government; (2) growing internal problems within the Partido Reformista and a worsening of personal and official relations between President Balaguer and Vice President Lora; (3) Church pronouncements which have been given a decidedly political interpretation; (4) persistent pressure and public order problems from UASD students; (5) the new wave of terrorism in mid-April; and (6) more activity in connection with the 1970 elections and more concentration on the reelection issue. This latter issue remains (and is expected to remain through 1969) as the single most important political issue.
7 KU 11 167 6961			At this juncture we believe that Balaguer is inclined toward running again in 1970 but we tend to think that he has not yet made up his mind definitively. He is, in any event, laying the groundwork for a political base other than from the PR should he be a candidate again. We think the odds are about even that Balaguer will be required to speak out on his candidacy between September and December this year.
			We continue to believe that Bosch is willing to see the PRD irrevocably split as the price for forging a lean, hard revolutionary party responsive to his leadership and prepared to seize power by other than democratic means. The PRD meanwhile remains split between its "radical" and "electionist" wings. The PRSC has nominated its CONFIDENTIAL GROUP 3 FOR DEPT. USE ONLY
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presidential candidate for 1970 but will take a new look at its electoral participation later this year. The PQD of ex-General Elias Wessin continues to be frustrated by the lack of financial support; we continue to see the potential of the PQD as a "spoiler" in case of a split of the vote on the right or as a source of some support for an extra-constitutional attempt against the government. García Godoy's candidacy has yet to make a visible impact in the country although his political activities most likely will be increased sharply with his return to the country in early June. The Communist groups continue to be split but all appear to see the political vulnerabilities of the reelection issue as providing them with new opportunities. In the meantime, the PCD continues to court the PRD and there is communication between the MPD and the PRD. The extreme left will remain eager to seize advantage from whatever opportunity that arises. The Armed Forces remain essentially loyal to Balaguer; we do not anticipate a change in this attitude during the coming period barring major contingencies.

The possibility exists for the establishment of a broad anti-reelection front during the period under review; but despite the opposition's search for a common basis from which to attack Balaguer and the flirting with extra-constitutional "solutions", we do not see at this time a direct and immediate threat to the government. However, the political atmosphere will continue to be heightened as the country enters further into the pre-electoral period.

INTRODUCTION

- 1. In its last two assessments of the Dominican political scene (A-368, December 8, 1968 and SD-182, January 18, 1969) the Embassy projected the current situation then existing over the short and middle term, with the latter extending to the end of June 1969. It is opportune, therefore, to update the trends and developments, including analysis thereof, as President Balaguer finishes his third year in office and enters his final year. The projections applicable in this report extend through December 1969.
- 2. In its A-868 the Embassy concluded that barring major negative contingencies the Constitutional Government would not face a direct or immediate threat to its survival in the short run; for the longer run, i.e., through June 1969, the Embassy -- again assuming the absence of major negative contingencies -- concluded that Balaguer would be able to sustain his position but with some progressive loss of authority and capacity to govern effectively in the face of mounting pressures. The Embassy further estimated that if the President were to make a decision with respect to reelection, the fragility of the situation would increase but that Balaguer would still be able to maintain himself in power.
- 3. Since February there have been a number of factors at play which have pushed the political temperature up several notches. These will be covered more extensively in the "Trends and Developments" section but in

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