

POLITICAL: THE ELECTION CAMPAIGN1. PR Nominates Balaguer and Lora

A. The Partido Reformista formally nominated its President, Joaquin BALAGUER, and its 1st Vice President, Francisco Augusto LORA, as its presidential and vice presidential candidates at a national convention in Santo Domingo on April 17. The convention also approved the party platform which is an expansion of its program of government written in 1964. In his keynote speech, Lora hit hard at the support enjoyed by the PRD in the machinery of government and its institutions, with emphasis on the Sugar Corporation.

B. Balaguer keyed his acceptance speech to the continued split in the forces opposing the PRD. He asserted "there will be but two battlefronts" on June 1, stating that the country will then decide between two different concepts of social justice and democratic order in one of the most crucial moments of Dominican history. In a more partisan vein, Balaguer held that should the PRD win there would be a "fatal repetition of the history of 1963", but he pledged that the PR would never be party to any conspiracy against Constitutional normality. The PR rather would assume a role of constructive opposition. Should the PR win, he said, the nation could be assured of government order (under) law and that power would never be used as an instrument of vengeance and persecution. He pledged the nation truly civilized institutions, administrative austerity, and immediate attack on unemployment and the high cost of living. He forecast a total expenditure of \$1 billion on "useful works" during his administration.

C. In his only reference to the intervention, Balaguer promised the PR would "raise our flag from the mud". The party's platform contained a provision for the "rapid withdrawal of foreign troops".
(LIMITED OFFICIAL USE)

Comment:

D. The question of PRD use of the government machinery is also of serious concern to the PR, and plans were underway as the week ended, the Embassy was told, to make it a major campaign issue. Among other tactics being considered was a threat by Balaguer to withdraw from the race unless the Sugar Corporation were "neutralized" (he had publicly demanded earlier that it be placed under the authority of the Central Electoral Board during the last month of the campaign.) (CONFIDENTIAL)

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2. Social Christians will Support Bosch

A. The Social Christian Party (PRSC) national convention April 17 voted (84 to 30) to support Juan Bosch in the presidential elections. It reached this decision after a lengthy floor fight between party President Antonio Rosario, who urged a separate PRSC ticket, and Secretary General Caonabo Javier. Arguing for an alliance with the PRD, Javier stated that the common enemies of the democratic forces were "the oligarchy, militarism, and US imperialism." Bonnelly's candidacy Javier saw as a "second front" opened by the US, which feared a popular boycott of the elections. He warned that the oligarchy's candidates, Bonnelly and Balaguer, will join forces, while at the same time the oligarchy hopes to keep the constitutionalists divided. Rosario announced afterward his acceptance and support of the decision and in return received a vote of confidence from the convention. The convention named a commission to meet with the PRD to discuss the two parties' platforms. Jose Rafael MOLINA Urefia, who headed a delegation of several PRD observers, delivered the convention a personal message from Bosch urging the unity of all democratic forces. (UNCLASSIFIED)

Comment:

B. Antonio Rosario emerged from the convention with considerably impaired prestige and leadership. The almost three-to-one vote against him dramatized the ascendancy within the party of Caonabo Javier and the young nationalistic wing of the party. (CONFIDENTIAL)

3. 14th of June Backs Bosch

A. At a closed convention on April 15, the newly-legalized 14th of June Revolutionary Movement decided--it was announced at a public demonstration on the 17th--to support conditionally the Bosch-Guzman ticket, but to run its own candidates for lesser offices in certain selected areas. Five demands would be made on a PRD government in exchange for the 14th's support: expulsion of the IAPF; restoration of national sovereignty; restoration of the 1963 constitution; retention in the Armed Forces of the constitutionalist military; and adoption of nationalistic policies coupled with "absolute repudiation" of US intervention in Dominican life. (UNCLASSIFIED)

Comment:

B. The 14th thus joined the Dominican Communist Party (PCD) in its decision to try again (as in 1963) to ride Bosch's coattails to power. The country's third Communist party, the Peking-oriented

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MPD, has opposed elections of any kind, but is showing signs of giving some ground. On April 17 it passed out a handbill stating it would utilize the elections to prove their uselessness, to strengthen the united front movement, and to convince the people that armed struggle is the only solution. (LIMITED OFFICIAL USE)

4. MIN Takes New Steps Toward Unity--and Edges Toward Deal with Balaguer

A. The national convention of the small, personalistic Vanguardia Revolucionaria Dominicana (VRD) on April 17 unanimously acclaimed the Bonnelly-Alvarez slate proposed the week before (Week #15) by the PLE, its fellow member in the Movimiento de Integración Nacional (or Third Force). The VRD convention also authorized efforts at the provincial level to conclude agreements for common slates, as suggested by the MIN.

B. The Unión Cívica Nacional (UCN) ran into a flare-up at its convention on April 17 of the internal dispute between the ambitious Alcibiades ESPINOSA, around whom extreme rightist elements have gathered, and the more moderate, influential group of party leaders in the Cibao. Espinosa's hopes for the presidential nomination were thwarted by the Cibao wing which nominated Bonnelly and the UCN's young, active Abel FERNANDEZ Simó for vice president. The moderates also elected a new national directorate excluding Espinosa and his associates. At week's end both groups were seeking recognition of their positions from the JCE.

C. Meanwhile, mounting concern in anti-Bosch circles that the PRD would win the elections added to pressures on Bonnelly and Balaguer to come to an understanding. Consulate Santiago reported during the week that some Santiago civic leaders were working with PLE president Luis AMIAMA to persuade Bonnelly of the need to cooperate with Balaguer. Bonnelly reportedly indicated he would if his "political dignity" were respected and Amiama reportedly had at week's end arranged for a Bonnelly-Balaguer meeting on April 20. Embassy sources high in Balaguer's party, however, remained wary of a formal deal with Bonnelly. (CONFIDENTIAL)

5. Representatives of "Commission on Free Elections" Arrive

A. Eight prominent private US citizens, members of a self-styled "Commission on Free Elections in the Dominican Republic", arrived April 17 for a five-day visit during which they planned to meet with representatives (including Bosch and Balaguer) of a broad range of Dominican opinion and observe the conditions obtaining in this phase of the pre-electoral period. They told the press they

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represent a commission of US citizens who are concerned over the US role in Dominican events and who hope for the rapid establishment of a democratically elected government. They said they wished to learn how groups such as theirs could help to remove obstacles to free elections. The group is composed of Father George B. Ford of Freedom House; New York attorney Allard K. Lowenstein; Thomas Matthew of the University of Puerto Rico; Rev. Jack Mendelsohn of Arlington Street Church, Boston; Victor Reuther of the UAW; David Carliner; Bayard Rustin, organizer of the 1965 March on Washington; and Richard Schaul of Princeton Theological Seminary. The group is sponsored by Norman Thomas and Clarence Senior.

B. During a visit to the Embassy shortly after its arrival, the group was cautioned as to the sensitivity of Dominican officials to anything they could consider meddling or as a reflection on their ability to hold free and honest elections. This sensitivity was given blunt expression the next day by Central Electoral Board (JCE) president Angel LIZ, who flatly refused to cooperate on the grounds that conducting Dominican elections was the business only of Dominicans. Garcia Godoy had earlier expressed reservations concerning the group's visit--and warned specifically against any real or apparent infringement of JCE prerogatives--to the group's advance man.

C. The group nevertheless went ahead with its plans, including a tour of the countryside. Some of its members expect to participate as individuals in a scheduled "national discussion of US policy in the DR" in New York on April 27. (LIMITED OFFICIAL USE)

Comment:

D. It was widely believed in knowledgeable anti-Bosch political circles that Bosch had in some way instigated the visit. The electoral climate, however, had improved markedly since early March when first plans for the visit appear to have been made. On the eve of the group's arrival, the press carried statements by Vice President Castillo and Inter-American Human Rights Commission Chairman Bianchi, to the effect that complete tranquility reigned throughout the country. (CONFIDENTIAL)

6. Garcia Godoy and MOD Define Apolitical Role of Armed Forces

A. MOD General Enrique PEREZ y Perez joined Garcia Godoy on the TV program "Presidential Audience" April 13 to emphasize

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the united efforts of the PG and military in preparing for elections. Garcia Godoy said an adequate electoral climate exists and praised actions taken by the Armed Forces and Police since command changes were made in February. Perez y Perez asserted that all military units throughout the country are under his control and are removed from political activity, except for some isolated acts. On election day, he said, only those troops whose presence outside is indispensable will leave the barracks, and they will be under the control of the JCE. The MOD also said the military would help transport voters to the polls and soldiers would be on duty at each polling place. He went on to explain that these soldiers would have nothing to do with the elections themselves but their presence would assure citizens of their right to vote without fear.

B. Both Garcia Godoy, who claimed that military coups are a thing of the past, and Perez y Perez expressed the view that the Armed Forces will respect the popular will and accept the government elected on June 1. (UNCLASSIFIED)

Comment:

C. Perez later told our Defense Attaché that he made these comments by way of explaining services the military could provide under the direction of the JCE if requested. In the 1962 elections soldiers were stationed at the polling places under the direction of the electoral authorities. (LIMITED OFFICIAL USE)

POLITICAL: GENERAL

7. Revolution Victims to be Treated Abroad--Possibly in East Europe

A. A group of 24 persons maimed in the revolution left on the 17th ostensibly for therapy in Europe. Two will go to hospitals in France; the destination of the others was not disclosed, although according to an AP wire service account published in both of the capital's daily newspapers, they were being sent to iron curtain countries for the "purpose of exhibiting their wounds as victims of US aggression."

Comment:

B. Arrangements for the project, according to CAS, were made by the Communist-front World Federation of Trade Unions in local coordination here with the 14th of June. Garcia Godoy made one attempt to halt the departure by cancelling the landing permission

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for an Air France plane enroute here on the 14th to pick up the group but stopped short of preventing a private Dominican airline from taking the group out. Bosch also was reportedly concerned over the Communist involvement and sent an emissary to the Embassy with a last minute appeal for the US to provide treatment for the group.

C. While the almost certain appearance of the group of Constitutionlists in various Communist countries may prove an embarrassment to Bosch, he apparently did not view the danger as great enough to justify action on his part to block their departure (the airline involved is controlled by ardent Bosch supporter Diego Bórdas) for treatment.

8. Student Protests Lead to Disorders

A. The Communist-controlled Revolutionary Students Union (UER) and the Revolutionary Christian Youth (JRC) joined this week in promoting a hunger strike and picketing at the Ministry of Education to protest the poor condition of two Santo Domingo secondary schools. Student demonstrators parading to and from the Ministry tangled on several occasions April 14 with followers of Joaquin BALAGUER in front of his residence. The incidents, which press reports state inflicted minor injuries on at least three students, were protested by the UER, JRC, PRSC and the Dominican Students Federation (FED). The students claimed they were attacked by Reformistas and police without provocation, but Reformista witnesses said the students, carrying 14th of June placards and literature, tore down Balaguer posters, threw rocks and shouted insults. The PR blamed not the students for the incidents, but the "political parties that sense defeat in the coming elections." The protest movement ended with the Government's agreement to provide \$16,000 immediately for repairs. (UNCLASSIFIED)

Comment:

B. The 14th of June and the Dominican Popular Movement (MPD) worked through the UER to spark the student demonstrations in the hope of heating up the atmosphere just before and during the April 24-30 "Dominican Republic Solidarity Week." Reports indicate that student activities and demonstrations will loom large in the week's program. The FED announced this week it plans a huge parade and

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memorial meeting April 24, and a "national day of repudiation of the invader" April 28, featuring demonstrations throughout the country, crepe-draped flags, and picketing at the Embassy.
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9. Porvenir Workers Purge Extremist Leadership

A. Workers at the government-owned Porvenir sugar mill at San Pedro de Macoris have elected a new union executive board to replace the group headed by Chichi Castro, who was accused of mishandling union funds, and Luis Sosa, Secretary General of the MPD in San Pedro. The new executive board was supported in its election bid by both the CONATRAL sugar federation FENATA and the PRD labor group under Miguel Soto. (LIMITED OFFICIAL USE)

Comment:

B. The Porvenir millworkers union, formerly a CONATRAL-FENATA affiliate, was taken over last October by the extreme-leftist FOUPSA-CESITRADO, with the help of the MPD youth organization, JOR. When the union subsequently withdrew its support for the AIFLD sponsored and AID-financed JFK Housing Cooperative at San Pedro, work on the project was nevertheless continued by AIFLD and AID and 50 homes are either finished or nearing completion. This concrete evidence of the benefit to Dominican workers of cooperation with US Labor and the Alliance for Progress undoubtedly was a factor in the ousting of the Communist dominated executive board, although other political factors were involved. It is understood that the new executive board will not affiliate with CONATRAL for the time being. (CONFIDENTIAL)

10. Foreign Exchange Reserves Lowest Since June 1965

A. Gross foreign assets of the Central Bank declined to US\$40.6 million on April 8, 1966, some US\$4.4 million below their April 1 level. The decline was principally due to unusually large import payments made during the week, which were only partially offset by US\$1.3 million in foreign exchange receipts, largely from export earnings. By April 13, foreign exchange reserves had increased to US\$42.4 million as export earnings that had accumulated over the Easter weekend were received. (UNCLASSIFIED)

Comment:

B. Imports have increased from US\$10.8 million in January and US\$9.0 million in February (when the week-long general strike delayed some import shipments) to US\$13.8 million in March. The

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the official strength for the MAP Brigade units, it reflects a realistic appraisal of what the MAAG believes it can efficiently employ with available equipment.

C. According to the MAAG chief, the Dominican First Brigade (MAP-supported) is still not ready to cope with a serious problem of insurgency if such a situation should develop from the public demonstrations set for late this month in connection with the anniversary of the Revolution. Its members intend to be ready by mid-May, but as of April 24 their training and equipment will still be inadequate. Training is being given in use of shotguns, gas, gasmasks, and riot control techniques, but so far only 400 military police can be considered fully trained. (LIMITED OFFICIAL USE)

ALLIANCE FOR PROGRESS

13. Supporting Assistance Loan Negotiations

USAID/Embassy negotiations with the PG for the utilization of the \$25 million supplemental appropriation for the DR have bogged down temporarily in the PG's politically-motivated reluctance to increase the foreign debt level. President Garcia Godoy may be willing to accept a \$15 million loan (\$10 million for budget, \$5 million for development activities) but he is withholding his decision pending clarification of revenue trends. However, the Central Bank's acute foreign exchange needs are expected to exert increasing pressures for acceptance of the badly-needed loan. (LIMITED OFFICIAL USE)

14. USAID Signs University Contract

A \$750,000 two-year contract was signed on April 12 in Washington with the University of St. Louis to provide assistance to the Universidad Catolica Madre y Maestra in Santiago. St. Louis will help improve the administration and academic programs through creation of a Social Science Department, establishment of a library and language laboratory facilities, improvement of teacher training programs, and development of a fund-raising operation. A six-year program is envisioned subject to the availability of funds. (UNCLASSIFIED)

15. Tax Collection and Agricultural Extension Courses

A. An IRS Instruction Team arrived April 12 to assist in presenting a four-week audit techniques course to instruct Dominican tax investigators and to train local instructors to continue the training. (UNCLASSIFIED)

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B. Forty field agents who will staff agricultural extension offices across the country are now being trained in a short course that began April 18. (UNCLASSIFIED)

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