



Intelligence Information Report

4-FBI

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C.P.

DATE DISTR. 19: September 1972

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COUNTRY El Salvador

DOI

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SUBJECT ~~Review of the Present Status and Future Policies of the Communist Party of El Salvador (PCES) by that Party's Political Committee~~

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Summary. In a document for internal Party use, the Political Committee of the Communist Party of El Salvador (PCES) has examined at length the present status and future policies of the PCES in the light of developments during the past two years. The document analyzes past developments, pointing out that the revolutionary momentum which was built up within the National Opposition Union (UNO) during the recent national election campaign could not be maintained because the PCES is a small party and because the PCES leadership failed to take proper advantage of conditions favoring a "general political strike." The military occupation of the National University of El Salvador (UES) in July 1972 is characterized as a counter-offensive on the part of the Government of El Salvador (GOES) following a year of struggle within the GOES and aggressive popular opposition to the GOES. PCES members are exhorted to be clearly aware that the occupation of the UES represents a significant step towards the establishment of a Fascist regime in El Salvador. This regime will base its policies upon internal reform and a restructuring of an expanded economy which will undoubtedly raise the general level of life in the country. The PCES must take advantage of the stresses and strains in national life which are bound to develop and must be ever mindful that there is still widespread opposition to the present national administration among the people. End Summary.

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1. In a restricted document for internal Party use, the Political Committee of the PCES has examined at length the present status and future policies of the PCES in the light of developments during the past two years. This document, written in August 1972 and approved by the PCES Central Committee, is apparently the first of a series of documents to be prepared by PCES policy-making groups in preparation for the Seventh Congress of the PCES which will be held at an as yet undetermined date in the relatively near future.

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2. The PCES Political Committee found that, since late 1970, El Salvador has passed through a period of considerable upset or commotion during which the following events or developments were of particular importance:

a. Rupture in the unity of command of the Armed Forces which led to the arrest of General Jose Alberto Medina and the kidnapping of Ernesto Galindo Dueñas, a wealthy Salvadoran businessman, in late 1970.

b. The Salvadoran National Teachers' Association strike in July and August 1971.

c. The UNO electoral campaign prior to the recent national elections.

d. The military occupation of the UES in July 1972.

3. The military occupation of the UES constituted a counter-offensive on the part of the GOES following a year of struggle within the GOES and aggressive popular opposition to the GOES. Moreover, the events listed above took place within a framework of a deteriorating economy. Thus, the national regime which has been developing over the past ten years or more is now in crisis because the ruling class refused to contemplate reforms in the economic structure of the country and put its entire trust in the beneficial effects which were to have derived from the Central American Common Market (CACM).

4. Faced with the impending collapse of the existing national regime in El Salvador, the United States has decided to try to salvage the situation by instituting a series of reforms, particularly agricultural reform, which will bring about a diminution of the power of large landholders, will reinforce the local hegemony of the United States, and will permit the middle class to play a more prominent role. The mere mention of such reforms will give rise to much ferment within the Salvadoran ruling class, and conflicts within this group will become acute if the reforms are actually carried out. Finally, the present national crisis will bring the revolutionary struggle of the masses to the fore.

5. The occupation of the UES by the GOES has received considerable support in many sectors of Salvadoran society, and the forces of repression in the nation have seized the initiative. Although the general mass of the people is now apathetic, it nevertheless remains in opposition to the present national administration. A struggle has also begun between the extreme left and the PCES for the leadership of the masses. The extreme left, which has launched a campaign of lies against the PCES, believes that the time has come to engage in terrorist activity and has apparently already committed acts of terrorism.

6. The period from late 1970 to date can be divided into three phases:

a. The period extending from the arrest of General Medrano to the initiation of the ANDES strike.

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b. The period extending from the beginning of the ANDES strike to the abortive coup d'etat on 25 March 1972 which was characterized by divisions within the Armed Forces.

c. The period since 25 March 1972 which has been characterized by decreasing tensions.

7. The PCES was unable to maintain the momentum built up during the national elections largely because it is a small party and because the PCES leadership failed to take proper advantage of conditions favoring a "general political strike." This loss of momentum has had a retarding effect upon Party development, and the lack of a sufficiently combative spirit within the PCES has deprived the masses of inspiration to follow the Party.

8. It appears that the basic socio-economic policies of the national administration led by President Arturo Armando Molina were worked out by the Inter-American Development Bank (IDB) and involve large-scale efforts in most areas of the Salvadoran economy. The key to structural changes to be brought about in the Salvadoran economy lies in a new phase of dynamic industrialization. Rather than rely upon industrialization deriving from CACM activity as in the past, the new economic phase planned for El Salvador will be based upon an expanded internal market and upon an export effort targeted primarily outside CACM. In this new economic phase, the GOES will not limit its economic activities to public service type operations but will move into industrial and agricultural production. The most important elements of the new Salvadoran economy, which will seek primarily to attract foreign capital, will be:

- a. Agricultural reform.
- b. Nationalization of coffee, cotton, and sugar export activities.
- c. Consolidation of GOES financing operations.
- d. Development of projects for the establishment of industrial free zones.
- e. Strengthening of the "democratic" trade union movement.

9. The above reforms will certainly give rise to conflicts within the present governing class. However, it is also certain that these reforms will stimulate the Salvadoran economy and raise the general level of life in the country.

10. PCES members must be clearly aware that the occupation of the UES represents a significant step towards the establishment of a Fascist regime in El Salvador, the policies of which will combine reform and large-scale repression. Faced with such a prospect, the PCES should not abandon policies of open opposition in favor of reliance upon a clandestine struggle. Party members must be ever mindful that the institution of reforms will not eliminate basic conflicts both within the military and within the ruling class. The Salvadoran structural crisis is very acute and will tend to hinder the establishment of a Fascist regime. Widespread opposition to the present national administration and the existence of a well-established united opposition front will greatly assist the PCES in facing up to a nascent Fascist regime.

11. Factors militating against the PCES are the following:

- a. The fact that the PCES is a small and not very combative party.

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b. Divisions within the trade union movement and the prevalence of economic considerations in union activity.

c. Anti-PCES activities of certain "sick" revolutionary groups.

d. Current apathy among the masses.

12. With regard to the recent crisis at the UES, the conflict was badly managed by the UES authorities who allowed the students to draw them into extremist positions. PCES members unfortunately became too much involved with extreme leftists. The basic reasons for communist disorientation in the UES are the following:

a. Lack of coordination among PCES units in the UES.

b. Failure to impose basic PCES policies as guidelines for activity within the UES.

c. Failure on the part of the PCES top leadership to give sufficient attention to the situation within the UES.

13. It should be noted that American Intelligence had long been at work on the ideological level within the UES, and the most prominent factor undermining PCES activity in the UES was the ideological dispersion or sectarianism which prevailed there. Much of the ideological confusion and mutual distrust which existed among leftist groups in the UES was created by the extreme left.

14. The agenda for the Seventh Congress of the PCES is as follows:

a. Report by the Central Committee on PCES activities.

b. Approval of changes in the PCES statutes.

c. Approval of the General Program of the PCES.

d. Approval of the PCES Rural Program.

e. Election of the Central Committee.

15. Dissem: Embassy, Defense Attache at San Salvador;
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