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DIA FOR IR BRANCH

E.O. 12356: DECL: OADR
TAGS: PGOV, MILI, PHUM, KPRP, PE
SUBJECT: GARCIA ADMINISTRATION AND THE PERUVIAN
MILITARY

1. [REDACTED] - ENTIRE TEXT.
2. SUMMARY. RELATIONSHIP BETWEEN GARCIA ADMINISTRATION AND PERUVIAN MILITARY HAS NOT BEEN A SOURCE OF MAJOR CONCERN THUS FAR IN TERMS OF REGIME STABILITY. DESPITE HISTORICAL RIVALRY WITH APRA, ARMED FORCES BY AND LARGE ACCEPTED GARCIA'S APRIL 1985 TRIUMPH AT POLLS. MILITARY COMMITMENT TO DEMOCRATIC PROCESS HAS BEEN CLEAR THROUGHOUT ELECTORAL PROCESS AND FIRST SIX MONTHS OF [REDACTED]

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NEW GOVERNMENT. HOWEVER, GARCIA HAS PURSUED HIS OBJECTIVES IN AREAS DIRECTLY AFFECTING MILITARY INTERESTS WITH SAME INTENSITY WHICH HAS CHARACTERIZED HIS PERFORMANCE IN OTHER AREAS. THIS HAS LED TO FRICTION AND LOSS OF SOME OF PRESIDENT'S LUSTER IN BARRACKS. MATTERS SUCH AS MILITARY PAY, DEFENSE SPENDING, ANTI-TERRORIST/HUMAN RIGHTS POLICIES, AND RELATIONS WITH BORDER COUNTRIE

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HAVE BEEN AND REMAIN SENSITIVE. ADMINISTRATION'S RELATIONS WITH MILITARY WILL BEAR WATCHING AS 1986 PROGRESSES, PARTICULARLY IF GARCIA'S PUBLIC SUPPORT BEGINS TO FADE. END SUMMARY.

3. BACKGROUND. PERUVIAN DEMOCRACY WAS NEVER IN REAL DANGER DURING BELAUNDE ADMINISTRATION. HOWEVER, OUR VIEW IS THAT ECONOMIC COLLAPSE IN FINAL YEAR, HAD IT OCCURRED, MIGHT WELL HAVE RESULTED IN A MOVE BY MILITARY TO HEAD OFF CHAOS. ELECTION OF ALAN GARCIA WITH A STRONG POPULAR MANDATE FURTHER STRENGTHENED THE DEMOCRATIC SYSTEM. OUR CONTACTS WITH MILITARY AT TIME MADE CLEAR THAT SENIOR OFFICERS OF ALL THREE SERVICES BELIEVED THAT IT WAS IN COUNTRY'S LONG-TERM INTEREST FOR APRA FINALLY TO HAVE ITS CHANCE. "SECOND PHASE" MILITARY RULER GENERAL MORALES BERMUDEZ TOLD US IN 1984 THAT MILITARY VIEW OF APRA ACTUALLY CHANGED IN 1977 WHEN HIS GOVERNMENT INITIATED RETURN TO DEMOCRACY. IT WAS MORALES BERMUDEZ'S VIEW IN LATE 1970'S THAT APRA WOULD WIN 1980 ELECTIONS. MILITARY WAS FULLY PREPARED, HE TOLD US, TO ACCEPT THAT EVENTUALITY, HAD IT OCCURRED.

4. GARCIA RECOGNIZED EARLY, HOWEVER, THAT EVEN IF MILITARY VETO OF APRA HAD CEASED TO EXIST, SUSPICIONS AND UNEASE REMAINED IN CERTAIN SENIOR QUARTERS
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BASED ON YEARS OF ANTI-APRA INCULCATION. HE PROCEEDED IN 1984, THEREFORE, TO COURT ELEMENTS OF ARMY WHO HAD GROWN DISAFFECTED WITH BELAUNDE GOVERNMENT. IN PARTICULAR, HE WORKED WITH A GROUP OF RETIRED GENERALS (INCLUDING VELASQUISTA GENERALS GALLEGOS, ARBULU, TANTALEAN, AND MERCADO) WHO HAD RETAINED INFLUENCE WITHIN THE ARMED FORCES THROUGH THE CENTER FOR ADVANCED MILITARY STUDIES (CAEM, THE NATIONAL WAR COLLEGE EQUIVALENT), AND THE COMMAND AND GENERAL STAFF SCHOOLS OF THE ARMY, NAVY AND AIR FORCE. GARCIA WAS ALSO IN CLOSE CONTACT WITH SEVERAL KEY ACTIVE DUTY GENERAL OFFICERS, GENERAL LUIS ABRAM CAVALLERINO, THE AIR FORCE CHIEF OF STAFF, AND ADMIRAL GERONIMO CAFFERATA MARAZZI, THE NAVY COMMANDER. IN 1984 AND EARLY 1985, GARCIA REQUESTED OFFICIAL MILITARY INPUT TO THE PARTY PLATFORM ("PLAN DE GOBIERNO").

5. NEW CIVILIAN-MILITARY RELATIONSHIP. BUT HAVING

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ACHIEVED PRESIDENCY, GARCIA CEASED TO COURT MILITARY IN SAME SENSE. A PRIMARY EARLY OBJECTIVE OF HIS GOVERNMENT HAS BEEN PRECISELY TO IMPOSE CIVILIAN AUTHORITY OVER MILITARY. WE RECALL PRESIDENT REMARKING ACIDLY IN PRIVATE PRIOR TO ELECTION THAT BELAUNDE HAD BEEN HAMSTRUNG IN DEALING WITH TERRORISM, HUMAN RIGHTS, AND MILITARY EXPENDITURES ISSUES BECAUSE OF HIS FEAR OF ANOTHER MILITARY COUP. GARCIA MADE IT PLAIN THAT HE DID NOT INTEND TO FALL VICTIM TO SAME SYNDROME. GARCIA'S TACTICS TOWARD THIS END HAVE INCLUDED BUILDING DOMESTIC POPULARITY TO SUCH A LEVEL THAT MILITARY MOVE AGAINST HIM WOULD BE POLITICALLY IMPOSSIBLE, WHILE ASSERTING HIS CONSTITUTIONAL PREROGATIVES BOLDLY AND BLATANTLY IN

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DIA FOR IR BRANCH

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SUBJECT: GARCIA ADMINISTRATION AND THE PERUVIAN

A NUMBER OF AREAS. IN INAUGURAL ADDRESS ITSELF, GARCIA SURPRISED AIR FORCE BY ANNOUNCING SIGNIFICANT CUTS IN KEY MIRAGE PURCHASE. MILITARY CHIEFS WERE FORCED TO SWEAR ALLEGIANCE TO PRESIDENT (FOR FIRST

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TIME) IN SPECIAL INAUGURATION DAY CEREMONY. HE PURPOSEFULLY KEPT BRASS WAITING FOR INITIAL MEETINGS AND LUNCHEONS, AND REPORTEDLY TREATED TOP GENERALS/ADMIRALS FORMALLY AND CURTLY, MAKING CLEAR WHO WAS IN CHARGE. HE CARRIED PRESIDENTIAL BATON CONSPICUOUSLY IN EVENTS INVOLVING MILITARY, AND PLACED COMMANDER IN [REDACTED]

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CHIEF FLAG ON PRESIDENTIAL LIMOUSINE, SYMBOLIC AFFIRMATIONS OF HIS POWER. ON ONE OCCASION, PRESIDENT APPEARED FOR LUNCH IN ENLISTED MESS WITHOUT PRIOR COORDINATION WITH BRASS. IN MAJOR MOVES IN SEPTEMBER, GARCIA FIRED PRESIDENT OF JOINT COMMAND (AIR FORCE GENERAL ENRICO) AND REMOVED TWO OTHER TOP ARMY GENERALS (JARAMA AND MORI) FROM COMMAND AS RESULT OF HUMAN RIGHTS ATROCITIES COMMITTED BY THEIR SUBORDINATES. MOST RECENTLY, HE WAS PROBABLY BEHIND THE RECENT FORCED RETIREMENT OF A NUMBER OF TOP ARMY GENERALS, INCLUDING TWO SLATED TO BE FUTURE COMMANDING GENERALS. IN RECENT DAYS HE ORDERED THAT MILITARY EQUIPMENT BE USED TO TRANSPORT POTATOES TO MARKET IN ORDER TO AMELIORATE CURRENT SHORTAGES OF THIS STAPLE, WHICH HAS IRKED GENERALS. GARCIA, THOUGH, HAS PLAYED HIS HAND EXTREMELY WELL IN THIS REGARD. AS PLANNED, EXTENT OF HIS PUBLIC SUPPORT HAS RENDERED HIM VIRTUALLY IMPREGNABLE. MILITARY HAS, FOR ALL INTENTS AND PURPOSES, BEEN FORCED TO SWALLOW NEW PRESIDENT'S ACTIONS, LIKE THEM OR NOT.

6. THE ISSUES: GARCIA, HOWEVER, HAS NOT ACTED WITH COMPLETE ABANDON. EXTREMELY SAVVY WITH REGARD TO PERUVIAN DOMESTIC POLITICS, HE HAS BEEN CAREFUL TO BALANCE HIS ASSERTIONS OF AUTHORITY OVER MILITARY INSTITUTIONS WITH SUPPORT FOR THEM ON ASPECTS OF THE HUMAN RIGHTS PROBLEM AND A WILLINGNESS TO TAKE MILITARY CONCERNS INTO ACCOUNT IN EVOLVING RELATIONSHIPS WITH BORDER COUNTRIES. GARCIA STILL ENJOYS SUBSTANTIAL SUPPORT, PRIMARILY IN ARMY, AND HAS LINKS WITH A NUMBER OF GENERALS WHO HAVE ASSUMED KEY POSITIONS IN NEW ARMY HIERARCHY. IT IS ALSO TRUE, THOUGH, THAT DISGRUNTLEMENT AND CONCERN EXIST IN BARRACKS ON A [REDACTED]

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RANGE OF ISSUES OF IMPORTANCE TO MILITARY.

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A. ANTI-TERRORISM POLICY. GARCIA ADMINISTRATION CAME TO OFFICE WITH BELIEF THAT ANTI-TERRORIST STRATEGY HAD TO COMBINE REPRESSION WITH VIGOROUS EFFORT TO DEVELOP THE AFFECTED AREAS. ARMY, FOR MOST PART, SHARED THIS VIEW. EMERGENCY ZONE COMMANDER IN 1984, GENERAL ADRIAN HUAMAN, ARTICULATED THIS POSITION PUBLICLY WITH RESULT THAT HE WAS RELIEVED OF COMMAND BY THEN PRESIDENT BELAUNDE. GARCIA ADMINISTRATION HAS NOT YET BEGUN FULL IMPLEMENTATION OF EMERGENCY ZONE DEVELOPMENT STRATEGY, PRIMARILY BECAUSE UNTIL YEAR END IT WAS OPERATING WITH BUDGET PREPARED AND APPROVED BY BELAUNDE AND AP-DOMINATED CONGRESS. AS IMPLEMENTATION BEGINS, THERE MAY WELL BE FRICTION BETWEEN MILITARY AND CIVILIAN OFFICIALS WITH REGARD TO CONTROL OF RESOURCES AND PROJECTS THEMSELVES. FURTHERMORE, IT MAY PROVE DIFFICULT TO PROVIDE ADEQUATE SECURITY FOR DEVELOPMENT PROJECTS IN ISOLATED AREAS, LEADING TO ADDITIONAL FRUSTRATIONS AND FRICTIONS. MORE IMPORTANTLY, GARCIA ADMINISTRATION MAY MOVE TO ELIMINATE EMERGENCY ZONES ALTOGETHER IN 1986. OBJECTIVE WOULD BE TO ELIMINATE JUSTIFICATION FOR MILITARY CONTROL OF REGIONS AS WELL AS TO PROJECT IMPRESSION OF GOP PROGRESS IN ANTI-TERRORIST EFFORT. SOUTH CENTRAL SIERRA REGION, HOWEVER, HAS NOT YET BEEN PACIFIED. RETRENCHMENT OF MILITARY FORCES COULD LEAD TO RECRUDESCENCE OF VIOLENCE IN AREAS IN WHICH GOVERNMENT CONTROL HAS BEEN OSTENSIBLY REESTABLISHED. OUR UNDERSTANDING IS THAT NEW ARMY COMMANDER AND CHAIRMAN OF JOINT COMMAND (GENERAL MONZON) AND NAVY COMMANDER (ADMIRAL NICOLINI) OPPOSE FURTHER REDUCTION IN EMERGENCY ZONES UNTIL

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ABSOLUTELY JUSTIFIED BY FACTS. GARCIA IS UNLIKELY TO ACT IN THIS REGARD WITHOUT MILITARY ACQUIESCENCE, BUT, WERE HE TO DO SO, IT COULD CAUSE DEEP MISGIVINGS IN INSTITUTIONS FUNDAMENTALLY RESPONSIBLE FOR NATIONAL SECURITY.

- B. HUMAN RIGHTS. THIS IS POTENTIALLY MOST EXPLOSIVE ISSUE IN GOVERNMENT-MILITARY RELATIONS. PERUVIAN ARMED FORCES HAVE WATCHED WITH SIGNIFICANT DEGREE OF CONCERN JUDICIAL PROCESSES IN ARGENTINA LEADING

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TO CONVICTION OF TOP GENERALS FOR HUMAN RIGHTS VIOLATIONS. WHEN GARCIA FIRED ENRICO, JARAMA AND MORI IN SEPTEMBER AFTER PUCAYACU AND ACCOMARCA MASSACRES, ARMY AND MARINE PATROLS IN EMERGENCY ZONE WERE HALTED. COMMANDERS WERE AFRAID TO ENGAGE IN ACTIONS WHICH MIGHT LATER BE CONSTRUED AS HUMAN RIGHTS VIOLATIONS. GARCIA APPARENTLY COMMUNICATED ADEQUATE ASSURANCES TO ARMY AND NAVY COMMANDERS IN THIS REGARD AND PATROLS WERE RESUMED IN OCTOBER, ALTHOUGH MILITARY WAS ADMONISHED TO AVOID MASSACRES AND OTHER ABUSES. A KEY ISSUE FROM MILITARY'S VANTAGE POINT IS WHETHER TRIALS OF MILITARY PERSONNEL ACCUSED OF RIGHTS VIOLATIONS WILL TAKE PLACE WITHIN CIVIL OR MILITARY SYSTEMS OF JUSTICE. HUMAN RIGHTS GROUPS AND IMPORTANT SENATORS, INCLUDING APRA SEC GEN ARMANDO VILLANUEVA AND JAVIER VALLE RIESTRA, HAVE PRESSED FOR CASES TO BE BROUGHT TO CIVILIAN COURT. MILITARY HAS VIGOROUSLY ARGUED CONTRARY TO PROTECT ITS INSTITUTIONS AND INDIVIDUALS. MATTER WILL PROBABLY ULTIMATELY BE RESOLVED BY SUPREME COURT. OUR UNDERSTANDING IS THAT PRESIDENT UNDERSTANDS SENSITIVITY OF THIS ISSUE FOR MILITARY

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AND PLANS TO WEIGH IN TO SWING OUTCOME OF DECISION AT THE APPROPRIATE TIME. HE MAY BE ARRANGING FOR VALLE Riestra TO BE NAMED AMBASSADOR TO FRANCE, WHICH WOULD SERVE TO TAKE HIM OUT OF THE COUNTRY. SHOULD DECISION GO AGAINST MILITARY, PROCESS COULD ULTIMATELY BE DESTABILIZING. OVER THREE YEAR PERIOD SINCE AYACUCHO EMERGENCY ZONE WAS DECLARED, HUNDREDS OF PERUVIAN OFFICERS HAVE PARTICIPATED IN ANTI-SUBVERSIVE ACTIONS AND COULD ULTIMATELY BE CALLED TO ACCOUNT FOR THEIR ACTIONS.

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- C. WAGES. MILITARY PAY IS A SOURCE OF CONTENTION, AS IT HAS BEEN SINCE VALUE OF COMPENSATION PACKAGE (IN DOLLAR TERMS) BEGAN TO DROP DURING BELAUNDE ADMINISTRATION. MONTHLY PAY OF A LT. GENERAL IS NOW EQUIVALENT OF DOLS 415 A MONTH (PLUS USE OF A CAR AND 125 GALLONS OF GASOLINE). A SECOND LIEUTENANT MAKES ABOUT DOLS 125 A MONTH. IN SOME CASES THERE ARE ADDED SIGNIFICANT PERQUISITES AND BENEFITS. BUT FACT REMAINS THAT MILITARY CONSIDERS ITSELF VERY POORLY COMPENSATED BOTH IN ABSOLUTE TERMS AND IN COMPARISON TO HISTORIC NORMS. ADMINISTRATION ARGUES THAT ALL PUBLIC WORKERS ARE IN SIMILAR SITUATION AND COUNTRY AS WHOLE IS IN ECONOMIC CRISIS. MILITARY SEEMS TO UNDERSTAND REASONING, BUT BITE IS FELT. WE HAVE NOTICED SOME SENIOR OFFICERS QUITE DISTRAUGHT ABOUT THEIR PERSONAL FINANCIAL PREDICAMENTS. HISTORICALLY, MILITARY PAY HAS BEEN DELICATE ISSUE WITH DESTABILIZING POTENTIAL IN LATIN AMERICA.

- D. MILITARY SPENDING. GARCIA HAS SQUEEZED DOWN ON MILITARY PROCUREMENT. BEYOND MIRAGE AFFAIR, HE HAS MADE IT CLEAR TO ARMED SERVICES THAT COUNTRY HAS OTHER PRIORITIES. REGIONAL ARMS REDUCTION HAS BECOME A MAJOR FOREIGN POLICY OBJECTIVE AS PRESIDENT HAS SOUGHT TO CREATE A CLIMATE FOR STILL GREATER REDUCTIONS IN WEAPONS' PROCUREMENT. ON ONE OCCASION WHEN GENERALS PROTESTED LOW PROCUREMENT BUDGET LEVELS PROPOSED FOR 1986, GARCIA REPORTEDLY TOOK OUT A SHEAF OF PICTURES OF HUNGRY AND DISEASED PERUVIAN CHILDREN, THREW THEM ON TABLE, AND ASKED HOW MILITARY COULD DEMAND MORE WHEN POVERTY OF THIS NATURE WAS SO WIDESPREAD IN COUNTRY. GENERALS' ANSWER, WE ARE TOLD, WAS SILENCE. FOR MOMENT, WE DO

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DIA FOR IR BRANCH

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NOT DETECT RUMBLINGS IN MILITARY ABOUT EQUIPMENT PURCHASES. AIR FORCE SEEMS TO HAVE ASSIMILATED DECISION TO REDUCE MIRAGE PURCHASE. BUT PERUVIAN MILITARY DOCTRINE REMAINS THAT COUNTRY FACES POTENTIAL SIMULTANEOUS CONFLICT ON TWO FRONTS. PERCEIVED EXTERNAL THREAT IS CURRENTLY AUGMENTED BY DOMESTIC TERRORISM. AT CERTAIN POINT, ARMED FORCES MAY WELL INSIST ON GREATER PRIORITY FOR SECURITY-RELATED EXPENDITURES.

- E. RELATIONS WITH BORDER COUNTRIES. GARCIA HAS
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BEEN SENSITIVE TO ARMED FORCES' LEGITIMATE CONCERN ABOUT RELATIONS WITH BORDER COUNTRIES. MOST NOTABLY, WHEN CHILEAN PRESIDENT PINOCHET PUBLICLY ANNOUNCED PROPOSAL FOR MUTUAL TROOP PULLBACK FROM BORDER, AND PERUVIAN MILITARY OBJECTED PRIVATELY TO

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GARCIA, GARCIA IMMEDIATELY MADE PUBLIC STATEMENT DISTANCING HIMSELF FROM PROPOSAL. HE HAS MADE SURE THAT NEGOTIATIONS ON ARMS REDUCTIONS WITH CHILEANS AND ECUADOREANS, WHICH FOLLOW FROM FOREIGN MINISTER WAGNER'S VISITS TO QUITO AND ARICA IN LATE 1985, WILL BE CONDUCTED BY ARMED FORCES THEMSELVES. GARCIA HAS ALSO BEEN SENSITIVE TO MILITARY CONCERNS ABOUT ROLE FOR BRAZILIANS IN PETROLEUM DEVELOPMENT IN PERUVIAN JUNGLE REGIONS ADJACENT TO PERU. BUT IF RAPPROCHEMENT WITH CHILE AND ECUADOR PROCEEDS AT POLITICAL LEVEL, THERE IS POTENTIAL FOR STRESS IN RELATIONS WITH MILITARY. MILITARY POSITION IS ALMOST CERTAIN TO EMPHASIZE CAUTION IN DEALINGS WITH BOTH NEIGHBORS, WHILE GARCIA, FOR POLITICAL REASONS, MIGHT PRESS FOR FURTHER DEMONSTRABLE ACHIEVEMENTS IN PROCESS OF NORMALIZATION OF BORDER RELATIONS.

7. PROGNOSIS. TENSIONS WHICH EXIST BETWEEN ADMINISTRATION AND ARMED FORCES, AND THOSE WHICH ARE ON HORIZON, ARE RESULT BOTH OF GARCIA'S ASSERTIVENESS AND INHERENTLY COMPETING INTERESTS BETWEEN CIVILIAN ADMINISTRATION AND MILITARY INSTITUTIONS. WE REGARD PRESIDENT'S EFFORT TO ESTABLISH CONTROL OVER SERVICES AND TO SUBORDINATE THEM TO DEMOCRATICALLY ELECTED LEADERSHIP AS INTRINSICALLY POSITIVE IN TERMS OF STRENGTHENING DEMOCRATIC INSTITUTIONS. AT TIME WHEN PRESIDENT IS RIDING A WAVE OF POPULARITY, WHICH MAY BE [REDACTED]

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HISTORICALLY UNPRECEDENTED IN PERU, HE IS IN POSITION TO TAKE STEPS IN THIS REGARD. DANGER IS THAT ADMINISTRATION'S POPULARITY MAY BE EPHEMERAL. CONSTITUTIONAL MANDATE IS FOR FIVE YEAR TERM OF OFFICE, AND GARCIA HAS STILL NOT COMPLETED FIRST SIX MONTHS. PROBLEMS HAVE ALREADY BEGUN TO APPEAR. LABOR STRIFE HAS RESUMED, ALBEIT SOMEWHAT TEPIDLY, AND HOUSEWIVES ARE CONFRONTING SHORTAGES IN MARKET FOR FIRST TIME SINCE GARCIA TOOK OFFICE. CONTRADICTIONS IN PRICE CONTROL POLICY WILL ALMOST CERTAINLY LEAD TO MORE, NOT LESS, TURMOIL. IN THESE CIRCUMSTANCES, THE KIND OF RELATIONSHIP GARCIA AND HIS CIVILIAN COLLEAGUES HAVE WITH ARMED FORCES WILL BECOME FAR MORE SIGNIFICANT. IT IS NOT IMPOSSIBLE THAT SOME OF GARCIA'S ACTIONS IN EARLY MONTHS MAY COME BACK TO HAUNT HIM FURTHER DOWN THE LINE. IF HIS PUBLIC SUPPORT BEGINS TO ERODE, GARCIA

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WILL NEED TO BE INCREASINGLY CAREFUL IN DEALING WITH
MATTERS OF VITAL INTEREST TO MILITARY. JORDAN

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