

CONFIDENTIAL

PTQ1489

RELEASED IN PART

PAGE 01 SANTO 00220 01 OF 03 191446Z
ACTION WHA-01

B1, 1.4(D)

INFO	LOG-00	ACDA-08	ACDE-00	INLB-01	AID-00	CIAE-00	CTME-00
	INL-01	DODE-00	SRPP-00	EB-00	EUR-01	EXIM-01	E-00
	FRB-00	H-01	TEDE-00	INR-00	ITC-01	L-01	ADS-00
	NSAE-00	NSCE-00	OMB-01	OPIC-01	PA-00	PM-00	PRS-00
	P-00	SP-00	SSO-00	SS-00	STR-00	TRSE-00	T-00
	PMB-00	DRL-02	G-00	SAS-00	/020W		

-----985970 191446Z /45

O 191125Z JAN 99
 FM AMEMBASSY SANTO DOMINGO
 TO SECSTATE WASHDC IMMEDIATE 3395
 INFO AMEMBASSY PORT AU PRINCE
 AMEMBASSY ROME
 AMEMBASSY PARIS
 AMEMBASSY BELIZE
 AMEMBASSY SAN JOSE
 AMEMBASSY PANAMA
 AMEMBASSY CARACAS
 AMEMBASSY KINGSTON
 AMEMBASSY MADRID
 AMEMBASSY NASSAU
 AMEMBASSY PORT OF SPAIN

AMEMBASSY BRIDGETOWN
 AMEMBASSY BUENOS AIRES
 AMCONSUL MONTREAL
 USINT HAVANA

CONFIDENTIAL

PAGE 02 SANTO 00220 01 OF 03 191446Z

DIA WASHINGTON DC
 DIR ONDCP WASHINGTON DC
 USAID WASHDC
 USIA WASHDC 4562
 USDOC WASHDC
 DIRFBI WASHDC
 USINS WASHDC
 DEA HQS WASHDC
 DEPT OF JUSTICE WASHDC
 COMCOGARD GANTSEC SAN JUAN PR
 USCINCSO MIAMI FL//POLAD/SCCC/SCJ2/SCJ3/JOIC/HSE//

C O N F I D E N T I A L SECTION 01 OF 03 SANTO DOMINGO 000220

DEPARTMENT FOR WHA, WHA/CAR, INL, INR, AND L/LEI

UNITED STATES DEPARTMENT OF STATE
 CLASSIFIED BY DEPT. OF STATE, M. GRAFELD, DAS, A/GIS
 REVIEW AUTHORITY: ADOLPH H EISNER
 CLASSIFICATION: CONFIDENTIAL REASON: 1.4(D)
 DECLASSIFY AFTER: 19 JAN 2019
 DATE/CASE ID: 13 JAN 2012 201005498

DEA HQS PLEASE PASS DEA MIAMI FOR STATE/INL - G DEL PRADO
FBI HQS PLEASE PASS FBI SAN JUAN - SA J ESCRIBANO
JUSTICE FOR CRIM/OIA - D WARNER

DECONTROLLED/UNCLASSIFIED

E.O. 12958: DECL: JANUARY 15, 2007
TAGS: ECON, EFIN, SOCI, PGOV, PINR, PREL, DR
SUBJECT: DOMINICAN HIGHLIGHTS -- JANUARY 11 - 15, 1999

CLASSIFIED BY CHARGE D'AFFAIRES LINDA WATT. REASON 1.5(D).

SKIMMING THE CREAM

1. (C) POLITICAL ACTORS HERE CAN SENSE THE END OF THE
ADMINISTRATION OF DOMINICAN PRESIDENT LEONEL FERNANDEZ REYNA JUST
OVER THE NEAR HORIZON. HIS TERM OF OFFICE EXPIRES ON AUGUST 16,
2000. PEOPLE ARE THINKING ABOUT WHAT COMES NEXT, AND AN INCREASE
CONFIDENTIAL

PAGE 03 SANTO 00220 01 OF 03 191446Z
IN CORRUPTION SEEMS TO BE ONE UNFORTUNATE CONSEQUENCE OF SUCH
FORESIGHT. WITH INCREASING FREQUENCY, WE HAVE BEEN HEARING
CREDIBLE REPORTS OF EVER BOLDER GRAFT AND CORRUPTION BY SENIOR
GOVERNMENT OFFICIALS. THE UNIFORMED SERVICES DISTINGUISH
THEMSELVES IN THIS REGARD, BUT ARE IN NO WAY EXCEPTIONAL OR
UNIQUE.

B1

MILITARY ON THE DEFENSE

3. (SBU) THE JUDGE INVESTIGATING THE DISAPPEARANCE OF JOURNALIST
NARCISO GONZALEZ IN 1994 ARRESTED A DOMINICAN AIR FORCE GENERAL TO
PREVENT HIM FROM TAMPERING WITH EVIDENCE FROM THE CASE. GENERAL
LEONARDO REYES BENCOSME, FORMER PILOT FOR EX-PRESIDENT JOAQUIN
BALAGUER, IS ALSO A SUSPECT IN THE CASE. NARCISO GONZALEZ

DECONTROLLED/UNCLASSIFIED

DISAPPEARED IN MAY 1994 AFTER ACCUSING THE ARMED FORCES OF

CONFIDENTIAL DECONTROLLED/UNCLASSIFIED

PAGE 04 SANTO 00220 01 OF 03 191446Z

PARTICIPATING IN ELECTORAL FRAUD TO HELP BALAGUER WIN RE-ELECTION. AT THE SAME TIME, RETIRED GENERAL JUAN BAUTISTA ROJAS TABAR, EX-SECRETARY OF THE ARMED FORCES, PROCLAIMED HIS INNOCENCE IN THIS CASE AND CLAIMED THAT HE NEVER HAD THE INTENTION OF OVERTHROWING THE GOVERNMENT. LEGAL ACTIONS IN THE INVESTIGATION OF THIS DISAPPEARANCE CASE AS WELL AS THE ONGOING INVESTIGATION OF THE 1975 MURDER OF JOURNALIST ORLANDO MARTINEZ HOWLEY, ARE DRAWING ATTENTION TO THE PAST ROLE OF THE MILITARY IN THE DOMINICAN REPUBLIC. THE OUTCOMES OF THESE HIGHLY PUBLICIZED TRIALS MAY EVENTUALLY FORCE A FURTHER HOUSECLEANING FOR THE MILITARY.

FERNANDEZ INVESTMENT SHOPS IN EUROPEAN CAPITALS

4. (U) PRESIDENT LEONEL FERNANDEZ REYNA DEPARTED THIS WEEK FOR AN EIGHT DAY VISIT TO SPAIN, FRANCE AND ITALY. THE TRIP ALREADY APPEARS TO BE A SUCCESS IN GATHERING PROMISES OF INVESTMENT SUPPORT FOR FURTHER ECONOMIC PROJECTS OF THE PLD GOVERNMENT. IN SPAIN, FERNANDEZ AND SPANISH PRESIDENT OF GOVERNMENT JOSE MARIA AZNAR RATIFIED A FINANCIAL AGREEMENT TO PERMIT INVESTMENTS OF \$128 MILLION IN VARIOUS SECTORS, INCLUDING THE MODERNIZATION OF THE ATTORNEY GENERAL'S OFFICE AND THE JUSTICE SECTOR. FERNANDEZ URGED

CONFIDENTIAL

CONFIDENTIAL PTQ1492

PAGE 01 SANTO 00220 02 OF 03 191446Z

ACTION WHA-01

INFO	LOG-00	ACDA-08	ACDE-00	INLB-01	AID-00	CIAE-00	CTME-00
	INL-01	DODE-00	SRPP-00	EB-00	EUR-01	EXIM-01	E-00
	FRB-00	H-01	TEDE-00	INR-00	ITC-01	L-01	ADS-00
	NSAE-00	NSCE-00	OMB-01	OPIC-01	PA-00	PM-00	PRS-00
	P-00	SP-00	SSO-00	SS-00	STR-00	TRSE-00	T-00
	PMB-00	DRL-02	G-00	SAS-00	/020W		

-----985984 191446Z /45

O 191125Z JAN 99
FM AMEMBASSY SANTO DOMINGO
TO SECSTATE WASHDC IMMEDIATE 3396
INFO AMEMBASSY PORT AU PRINCE
AMEMBASSY ROME
AMEMBASSY PARIS
AMEMBASSY BELIZE
AMEMBASSY SAN JOSE
AMEMBASSY PANAMA

DECONTROLLED/UNCLASSIFIED

DECONTROLLED/UNCLASSIFIED

AMEMBASSY CARACAS
AMEMBASSY KINGSTON
AMEMBASSY MADRID
AMEMBASSY NASSAU
AMEMBASSY PORT OF SPAIN

AMEMBASSY BRIDGETOWN
AMEMBASSY BUENOS AIRES
AMCONSUL MONTREAL
USINT HAVANA

CONFIDENTIAL

PAGE 02 SANTO 00220 02 OF 03 191446Z
DIA WASHINGTON DC
DIR ONDCP WASHINGTON DC
USAID WASHDC
USIA WASHDC 4563
USDOC WASHDC
DIRFBI WASHDC
USINS WASHDC
DEA HQS WASHDC
DEPT OF JUSTICE WASHDC
COMCOGARD GANTSEC SAN JUAN PR
USCINCSO MIAMI FL//POLAD/SCCC/SCJ2/SCJ3/JOIC/HSE//

C O N F I D E N T I A L SECTION 02 OF 03 SANTO DOMINGO 000220

DEPARTMENT FOR WHA, WHA/CAR, INL, INR, AND L/LEI
DEA HQS PLEASE PASS DEA MIAMI FOR STATE/INL - G DEL PRADO
FBI HQS PLEASE PASS FBI SAN JUAN - SA J ESCRIBANO
JUSTICE FOR CRIM/OIA - D WARNER

E.O. 12958: DECL: JANUARY 15, 2007
TAGS: ECON, EFIN, SOCI, PGOV, PINR, PREL, DR
SUBJECT: DOMINICAN HIGHLIGHTS -- JANUARY 11 - 15, 1999

SPANISH COMPANIES TO PARTICIPATE IN THE PRIVATIZATION OF THE
DOMINICAN POWER SECTOR WHILE HIS TECHNICAL SECRETARY, TEMISTOCLES
MONTAS, ANNOUNCED THE APPROVAL OF CREDIT LINE OF \$25 MILLION FOR
THE INSTALLATION OF ELECTRICAL TRANSMISSION LINES AND CONSTRUCTION
OF SEWER TREATMENT PLANTS IN SANTO DOMINGO.

5. (U) IN FRANCE, FERNANDEZ SIGNED AN AGREEMENT WITH PRIME
MINISTER LIONEL JOSPIN FOR THE FINANCING OF AN ELECTRIC COMMUTER
TRAIN (USD 146-175 MILLION) AND RECEIVED FIVE HELICOPTERS TO BE

CONFIDENTIAL

PAGE 03 SANTO 00220 02 OF 03 191446Z
USED BY THE DOMINICAN MILITARY ON ASSISTANCE MISSIONS.

DECONTROLLED/UNCLASSIFIED

AIRPORT PRIVATIZATION BIDS

 6. (U) FIVE CONSORTIA SUBMITTED BIDS ON JANUARY 12 FOR THE RECONSTRUCTION AND LONG-TERM OPERATION OF THE INTERNATIONAL AIRPORTS IN SANTO DOMINGO, PUERTO PLATA, SAMANA, AND BARAHONA. AMONG THE STRONGEST CONTENDERS ARE MULTI-NATIONAL GROUPS LED BY OGDEN AVIATION (US), AIRPORTS OF PARIS (FRANCE), AND CALMAQUIP (US). ANOTHER US-LED GROUP FAILED TO FOLLOW THE TERMS OF REFERENCE FOR SUBMISSION OF BIDS AND WAS DISQUALIFIED.

7. (SBU) A DECISION IS EXPECTED WITHIN SIXTY DAYS, AND THE DOMINICAN GOVERNMENT INSISTS THAT THE SELECTION PROCESS WILL BE ABSOLUTELY TRANSPARENT AND OBJECTIVE. MANY OBSERVERS DISAGREE, SAYING THAT THE APPEARANCE OF TRANSPARENCY IS A SHAM AND THAT THE WINNER WILL BE DETERMINED BY POLITICS AND GREED.

 PRD RUNNING SCARED IN MUNICIPAL LEAGUE ELECTIONS

8. (C) DOMINICAN REVOLUTIONARY PARTY (PRD) LEADERS ARE INCREASINGLY CONCERNED THAT AN ALLIANCE BETWEEN FORMER PRESIDENT JOAQUIN BALAGUER'S SOCIAL CHRISTIAN REFORM PARTY (PRSC) AND PRESIDENT LEONEL FERNANDEZ REYNA'S DOMINICAN LIBERATION PARTY (PLD) WILL WREST CONTROL OF THE DOMINICAN MUNICIPAL LEAGUE (LMD) -- A KEY SOURCE OF POLITICAL PATRONAGE -- FROM THEM IN THE JANUARY 26 ELECTIONS. THE PLD AND PRSC, WITH AMPLE USE OF PUBLIC RESOURCES, HAVE IMPLEMENTED A CAMPAIGN TO BUY OFF OR INTIMIDATE TEN OR MORE PRD CITY COUNCILMEN FROM VARIOUS MUNICIPALITIES TO REVERSE THE

CONFIDENTIAL

PAGE 04 SANTO 00220 02 OF 03 191446Z
 SIGNIFICANT MAJORITY EARNED BY THE PRD IN THE MAY 1998 MUNICIPAL ELECTIONS. SEVERAL PRD LEADERS HAVE TOLD US THAT THE "THEFT" OF THE LEAGUE WILL MEAN TO END OF ANY HOPE OF COOPERATION BETWEEN THE PRD-DOMINATED SENATE AND THE FERNANDEZ ADMINISTRATION, AND THEY IMPLIED THAT THEY MIGHT NOT BE ABLE TO CONTROL THE POSSIBLY VIOLENT REACTION OF THE PRD RANK-AND-FILE. THE FIGHT FOR THE LMD WILL BE COVERED IN DETAIL IN SEPTTEL.

 BALAGUER FAILING?

9. (SBU) THERE HAVE BEEN SEVERAL RECENT INDICATIONS THAT 92 YEAR-OLD FORMER PRESIDENT AND PRSC PARTY LEADER JOAQUIN BALAGUER IS IN POOR HEALTH. ACCORDING TO CLOSE ASSOCIATES WHO HAVE SEEN HIM LATELY, BALAGUER HAS SUFFERED FROM A SERIES OF NAGGING AILMENTS AND IS NEARLY IMMOBILE PHYSICALLY. THE FORMER CAUDILLO'S INNER CIRCLE, HOWEVER, DENIES REPORTS THAT HE WILL BE FLOWN TO MIAMI SOON FOR MEDICAL TREATMENT. THEY SAY THAT HE INSISTS ON REMAINING IN SANTO

DOMINGO TO MASTERMIND THE PRSC'S ROLE IN THE FIGHT FOR THE LMD.

DECONTROLLED/UNCLASSIFIED

CDE'S HOLLOW THREAT

CONFIDENTIAL

CONFIDENTIAL PTQ1493

PAGE 01 SANTO 00220 03 OF 03 191447Z
ACTION WHA-01

INFO	LOG-00	ACDA-08	ACDE-00	INLB-01	AID-00	CIAE-00	CTME-00
	INL-01	DODE-00	SRPP-00	EB-00	EUR-01	EXIM-01	E-00
	FRB-00	H-01	TEDE-00	INR-00	ITC-01	L-01	ADS-00
	NSAE-00	NSCE-00	OMB-01	OPIC-01	PA-00	PM-00	PRS-00
	P-00	SP-00	SSO-00	SS-00	STR-00	TRSE-00	T-00
	PMB-00	DRL-02	G-00	SAS-00	/020W		

-----985990 191447Z /45

O 191125Z JAN 99
 FM AMEMBASSY SANTO DOMINGO
 TO SECSTATE WASHDC IMMEDIATE 3397
 INFO AMEMBASSY PORT AU PRINCE
 AMEMBASSY ROME
 AMEMBASSY PARIS
 AMEMBASSY BELIZE
 AMEMBASSY SAN JOSE
 AMEMBASSY PANAMA
 AMEMBASSY CARACAS
 AMEMBASSY KINGSTON
 AMEMBASSY MADRID
 AMEMBASSY NASSAU
 AMEMBASSY PORT OF SPAIN
 AMEMBASSY BRIDGETOWN
 AMEMBASSY BUENOS AIRES
 AMCONSUL MONTREAL
 USINT HAVANA
 DIA WASHINGTON DC
 DIR ONDCP WASHINGTON DC

CONFIDENTIAL

PAGE 02 SANTO 00220 03 OF 03 191447Z
 USAID WASHDC
 USIA WASHDC 4564
 USDOC WASHDC
 DIRFBI WASHDC
 USINS WASHDC
 DEA HQS WASHDC
 DEPT OF JUSTICE WASHDC
 COMCOGARD GANTSEC SAN JUAN PR

DECONTROLLED/UNCLASSIFIED

DECONTROLLED/UNCLASSIFIED

C O N F I D E N T I A L SECTION 03 OF 03 SANTO DOMINGO 000220

DEPARTMENT FOR WHA, WHA/CAR, INL, INR, AND L/LEI
DEA HQS PLEASE PASS DEA MIAMI FOR STATE/INL - G DEL PRADO
FBI HQS PLEASE PASS FBI SAN JUAN - SA J ESCRIBANO
JUSTICE FOR CRIM/OIA - D WARNER

E.O. 12958: DECL: JANUARY 15, 2007
TAGS: ECON, EFIN, SOCI, PGOV, PINR, PREL, DR
SUBJECT: DOMINICAN HIGHLIGHTS -- JANUARY 11 - 15, 1999

10. (SBU) THE ADMINISTRATOR OF THE DOMINICAN ELECTRIC CORPORATION (CDE) HAS ANNOUNCED THAT CDE WILL BEGIN AT ONCE TO BILL DOMINICAN GOVERNMENT AGENCIES FOR POWER USE. FEW IF OF THESE AGENCIES HAVE EVER PAID CDE DIRECTLY, IT BEING ASSUMED THAT DOMINICAN GOVERNMENT POWER USAGE WAS COVERED BY THE MONTHLY SUBSIDY TO CDE OF AROUND \$15 MILLION. HOWEVER, THE DOMINICAN GOVERNMENT HAS APPARENTLY REDUCED TRANSFERS TO CDE BY MORE THAN FIFTY PERCENT RECENTLY, EXACERBATING THE UTILITY'S ALREADY DISMAL PAYMENTS RECORD TO PRIVATE SUPPLIERS. WHILE WE ACTUALLY HAVE SOME SYMPATHY FOR CDE IN THIS INSTANCE, WE WOULD ASSESS ITS CHANCES OF ACTUALLY COLLECTING ANYTHING AT ZERO.

CONFIDENTIAL

PAGE 03 SANTO 00220 03 OF 03 191447Z

JUEGA PELOTA!

11. (U) ACCORDING TO PRESS REPORTS, DOMINICAN OFFICIALS HOPE TO LURE THE MONTREAL EXPOS AND THE NEW YORK METS TO SANTO DOMINGO'S QUISQUEYA STADIUM TO PLAY TWO PRE-SEASON EXHIBITION GAMES. THE GAMES, WHICH WOULD TAKE PLACE MARCH 5 AND 6, WOULD BE THE FIRST SUCH MATCH-UPS PLAYED IN THE DOMINICAN REPUBLIC SINCE 1984.

WATT

CONFIDENTIAL

<< END OF DOCUMENT >>

DECONTROLLED/UNCLASSIFIED