

Rep CW Bill Young



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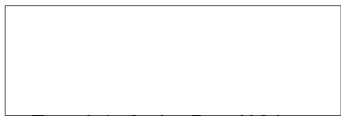
1 October 1980

TO: Madeleine Albright
Congressional Liaison
National Security Council

Madeleine:

As promised, look at page 6 on.

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Frederick P. Hitz
Legislative Counsel

Attachment

FORM 1533 OBSOLETE
3-79 PREVIOUS EDITIONS.

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TESTIMONY OF CONGRESSMAN C.W. BILL YOUNG
BEFORE THE
HOUSE FOREIGN AFFAIRS COMMITTEE
SUBCOMMITTEE ON
INTER-AMERICAN AFFAIRS
SEPTEMBER 30, 1980

MR. CHAIRMAN, ON SEPTEMBER 12, THE PRESIDENT OF THE UNITED STATES SIGNED A CERTIFICATION PURSUANT TO SECTION 536(G) OF THE FOREIGN ASSISTANCE ACT IN WHICH HE SWORE THAT THE GOVERNMENT OF NICARAGUA "HAS NOT COOPERATED WITH OR HARBORS ANY INTERNATIONAL TERRORIST ORGANIZATION OR IS AIDING, ABETTING, OR SUPPORTING ACTS OF VIOLENCE OR TERRORISM IN OTHER COUNTRIES." THE INTELLIGENCE INFORMATION AVAILABLE TO THE PRESIDENT PROVES THE OPPOSITE. I HAVE HAD THE OPPORTUNITY TO EXAMINE INFORMATION MADE AVAILABLE TO THE PRESIDENT BY OUR INTELLIGENCE AGENCIES AND NO REASONABLE MAN, AFTER EXAMINING THAT EVIDENCE, COULD REACH THE SAME CONCLUSION CONTAINED IN THE PRESIDENT'S CERTIFICATION.

AS THIS IS AN OPEN SESSION, I WILL NOT QUOTE FROM ANY OF THE CLASSIFIED INTELLIGENCE REPORTS. I WILL USE INSTEAD THE PUBLIC RECORD WHICH IS THOROUGHLY CONSISTENT WITH THE CLASSIFIED INFORMATION AND IS NOT CONTRADICTED IN ANY WAY BY THE REPORTS OF OUR INTELLIGENCE AGENCIES.

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THE SANDINISTAS HAVE MADE IT CLEAR THAT THEY HAVE NO INTENTIONS OF FULFILLING ANY REQUIREMENTS THAT THE CONGRESS OF THE UNITED STATES HAS PLACED ON THE \$75 MILLION LOAN. INTERIOR MINISTER TOMAS BORGE SAID ON SEPTEMBER 5, "IF THEY COULD BUY US WITH \$75 MILLION OR WITH ONE BILLION DOLLARS, WE WOULD STOP BEING REVOLUTIONARIES. WE REVOLUTIONARIES WOULD RATHER STARVE IF NECESSARY BEFORE FALLING ON OUR KNEES IN THE FACE OF YANKEE IMPERIALISM. LET THEM REFUSE ONCE AND FOR ALL TO GIVE US THE \$75 MILLION. THEY THINK WE ARE GOING TO BEG. HOW LITTLE DO THEY KNOW THE SANDINISTS." (BROADCAST OVER MANAGUA RADIO SANDINO, ON SEPTEMBER 6, 1980.)

IN AN INTERVIEW PUBLISHED SEPTEMBER 14, 1980, IN THE NEWSPAPER LAPRENSA, THE JUNTA MEMBER ARTURO CRUZ POINTED OUT THAT, "AT THE SAME TIME CONGRESS WAS APPROVING THE LOAN, THERE WERE PRECISE RECOMMENDATIONS TO PRESIDENT CARTER TO AFFECT THE DISBURSEMENT AND THE USE OF THE LOAN, BASED ON DIRECT AND PRECISE OBSERVATIONS OF NICARAGUA." HE CALLED SPECIFIC ATTENTION TO THE CLAUSE THAT PREVENTED THE SANDINISTAS FROM GETTING MONEY IN THE EVENT THAT NICARAGUA IS "PROVED TO BE INVOLVED IN ACTS OF TERRORISM OR TO BE SHELTERING GROUPS WHICH CARRY OUT SUCH ACTIONS." CRUZ CONTINUED, "I WISH TO MAKE IT VERY CLEAR, THAT THIS IS A DUTY IMPOSED BY THE U.S. LEGISLATURE ON THE PRESIDENT. IN OTHER WORDS, IT IS 'THEIR' POLITICAL PROBLEM. THE "REVOLUTIONARY GOVERNMENT IN NO WAY ACCEPTS, UNDER ANY CIRCUMSTANCES, ANY AGREEMENT -- WHETHER FOR A LOAN OR FOR FINANCIAL COOPERATION -- WITH THE UNITED STATES OR WITH 'ANY' COUNTRY IN THE WORLD NOT EVEN WITH THE HOLY SEE, THAT CONTAINS ANY CLAUSE THAT IS IN INJURIOUS TO THE NATIONAL DIGNITY OR THAT IMPOSES FINANCIAL CONDITIONS OF A UNILATERAL NATURE."

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DESPITE THE FACT THAT THE SANDINISTAS HAVE MADE IT CLEAR THAT THEY WILL NOT ACCEPT THE \$75 MILLION IF THAT MEANS THAT THEY MUST STOP SUPPORTING TERRORISM IN LATIN AMERICA, CRUZ CLAIMED THAT AS SOON AS CONGRESS APPROVED THE LOAN, \$15 MILLION WAS MADE AVAILABLE AND THAT WHEN THEY SIGN THE AGREEMENT THEY WILL RECEIVE ANOTHER \$40 MILLION AND THE REST WILL COME A SHORT TIME LATER. IN OTHER WORDS, THE FIRST 15 MILLION WAS RELEASED TO THEM LONG BEFORE THE PRESIDENT CERTIFIED THAT THEY WERE NOT INVOLVED IN THE EXPORT OF TERRORISM.

THE MOST SIGNIFICANT SUPPORT TO TERRORISM GIVEN BY THE SANDINISTAS IS THE AID AND TRAINING THAT THEY SUPPLY TO TERRORIST GROUPS IN EL SALVADOR. ON JUNE 23, 1980, THE PRESS AND RADIO IN EL SALVADOR PUBLISHED THE STATEMENT OF A CAPTURED TERRORIST JULIAN IGNACIO OTERO ESPINOSA. OTERO TESTIFIED THAT HE, HIMSELF WAS INVOLVED IN THE SHIPMENT OF ARMS FROM NICARAGUA TO THE TERRORISTS IN EL SALVADOR. HE SAID, "ON SEVERAL OPPORTUNITIES WE WENT TO THE BORDER WITH HONDURAS TO RECEIVE ARMS COMING FROM NICARAGUA. ON OTHER OCCASIONS, WE RECEIVED ARMS COMING DIRECTLY FROM THE SOVIET UNION AND THE SOCIALIST REPUBLIC OF CUBA." HE REFERRED TO "THE ACTIVE COLLABORATION OF THE GOVERNMENT OF NICARAGUA. NOT LONG AGO LANDING EXERCISES WERE CARRIED OUT IN THE CORINTO AREA AND THEY HAVE TRAINING CAMPS IN NICARAGUA."

ON JUNE 25, 1980, THE OFFICIAL MANAGUA RADIO SANDINO, REPORTED THE UNIFICATION OF THE TERRORIST GROUPS IN EL SALVADOR. THEY STATED "A SINGLE ARMY WILL EMERGE FROM THEIR FORCE, THEIR HEROISM, THEIR REVOLUTIONARY AWARENESS, THEIR RESPONSIBILITY TOWARD THE PEOPLES OF THE WORLD AND THEIR

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UNITY." THE DAY BEFORE THE ANNOUNCEMENT OF THE UNITY OF THE TERRORIST GROUPS IN EL SALVADOR OVER THE OFFICIAL NICARAGUAN RADIO, THE TERRORISTS SENT LETTERS TO A NUMBER OF PROMINENT POLITICIANS AND JOURNALISTS IN EL SALVADOR THREATENING THEIR LIVES. THOSE THREATENED INCLUDE REPRESENTATIVES OF THE FRENCH NEWS AGENCY, REUTERS, ASSOCIATED PRESS AND UNITED PRESS INTERNATIONAL.

IT IS INTERESTING TO NOTE THAT THE CUBAN AMBASSADOR TO NICARAGUA JULIAN LOPEZ, IS A MEMBER OF THE AMERICAS DEPARTMENT OF THE CENTRAL COMMITTEE OF THE COMMUNIST PARTY OF CUBA. THE AMERICAS DEPARTMENT IS RESPONSIBLE FOR PROVIDING SUPPORT TO TERRORISTS AND INSURRECTIONARY GROUPS THROUGHOUT THE HEMISPHERE.

IT IS ALSO OF SOME SIGNIFICANCE THAT THE PRESS IN KUWAIT REPORTED ON AUGUST 23 THAT A DELEGATION FROM THE PALESTINE LIBERATION ORGANIZATION HAD GONE TO NICARAGUA TO SUPERVISE MILITARY TRAINING. ACCORDING TO THE NEWSPAPER, AR-RAY AL-AMM THE INSTRUCTORS WERE SENT IN ACCORDANCE WITH AN AGREEMENT BETWEEN YASIR ARAFAT AND THE LEADERS OF THE SANDINISTA GOVERNMENT IN NICARAGUA. ACTUALLY, THERE HAS BEEN A LONG STANDING RELATIONSHIP BETWEEN THE PLO TERRORISTS AND THE SANDINISTA TERRORISTS. ON AUGUST 7, 1979, THE KUWAIT NEWSPAPER AL-WATAN REPORTED AN INTERVIEW WITH JORGE MANDI, THE SANDINISTA REPRESENTATIVE IN EUROPE. MANDI SAID, "THERE IS A LONG STANDING BLOOD UNITY BETWEEN US AND THE PALESTINIAN REVOLUTION. WE HAVE LONG HAD CLOSE RELATIONS WITH THE PALESTINIANS. MANY OF THE UNITS BELONGING TO THE SANDINISTA MOVEMENT WERE AT PALESTINIAN REVOLUTION BASES IN JORDAN...AS AN EXAMPLE OF OUR COOPERATION WITH THE PALESTINIAN REVOLUTION, A NUMBER OF OUR

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COMRADES TOOK PART IN THE OPERATION TO DIVERT FOUR PLANES WHICH THE POPULAR FRONT FOR THE LIBERATION OF PALESTINE SEIZED AND LANDED AT A DESERT AIRFIELD IN JORDAN. ONE OF OUR COMRADES WAS ALSO WOUNDED IN ANOTHER HIJACK OPERATION IN WHICH LAYLA KHALID WAS INVOLVED. SHE WAS IN COMMAND OF THE OPERATION AND OUR COMRADES HELPED HER CARRY IT OUT."

THIS CLOSE ASSOCIATION BETWEEN THE SANDINISTA TERRORISTS AND THE PLO PERHAPS EXPLAINS WHY, WHEN THE AMERICAN JEWISH COMMITTEE INVESTIGATED THE SITUATION OF JEWS IN LATIN AMERICA IN MAY, THEY FOUND THAT THE ENTIRE JEWISH COMMUNITY OF NICARAGUA, SOME 70 FAMILIES, ABOUT 350 PEOPLE, HAD VANISHED FROM THAT COUNTRY. THIS WAS REPORTED IN THE JEWISH PRESS, NEW YORK, MAY 23, 1980.

THE ROLE OF THE SANDINISTA GOVERNMENT OF NICARAGUA, AND THE TERRORISTS THAT THEY SUPPORT FROM OTHER PARTS OF LATIN AMERICA, IN THE MURDER OF FORMER PRESIDENT SOMOZA IS OBVIOUS TO EVERYONE. ONLY THE SANDINISTAS BENEFITED FROM THE MURDER, AND THE ARGENTINIAN TERRORIST KILLED IN A SHOOT OUT WITH POLICE SHORTLY AFTER THE MURDER HAD CLOSE TIES WITH THE SANDINISTA GOVERNMENT. HE WAS A MEMBER OF THE TROTSKYITE TERRORIST ORGANIZATION ERP (REVOLUTIONARY ARMY OF THE PEOPLE) WHICH HAS LONG COLLABORATED WITH THE NICARAGUAN SANDINISTAS.

YOU MAY RECALL THAT MY INTEREST IN THIS SUBJECT IS NOT A RECENT ONE. I WAS INSTRUMENTAL IN CALLING FOR THE CLOSED SESSION OF CONGRESS HELD 25 FEBRUARY 1980 IN ORDER THAT CLASSIFIED INFORMATION COULD BE PRESENTED TO THE FULL CONGRESS IN CONSIDERING AID FOR NICARAGUA. EVEN PRIOR TO THAT TIME, THE SUBCOMMITTEE ON EVALUATION OF THE HOUSE PERMANENT SELECT COMMITTEE ON

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INTELLIGENCE, OF WHICH I AM A MEMBER, HAD BEEN ENGAGED, AS PART OF THEIR REGULAR DUTIES, IN MONITORING THE QUALITY OF INTELLIGENCE PERFORMANCE IN THIS PART OF THE WORLD. SO THIS HAS BEEN A CONTINUING AND ONGOING EFFORT.

I AM VERY CONCERNED ABOUT THE PRESIDENT MAKING THE CERTIFICATION THAT THE GOVERNMENT OF NICARAGUA IS NOT INVOLVED IN THE EXPORTING OF TERRORISM OR IN SUPPORTING THE OVERTHROW OF OTHER DULY CONSTITUTED GOVERNMENTS IN CENTRAL AMERICA, SINCE I HAVE HAD ACCESS TO THE INTELLIGENCE INFORMATION OF THE CIA AND THE DEFENSE INTELLIGENCE AGENCY CONCERNING THIS MATTER. WHILE I CANNOT QUOTE CLASSIFIED INFORMATION IN THIS OPEN SESSION, I CAN TELL YOU THAT THE INTELLIGENCE REPORTS CONFIRM IN OVERWHELMING DETAIL THAT THE SANDINISTA CLIQUE THAT RULES NICARAGUA IS ENGAGED IN THE EXPORT OF VIOLENCE AND TERRORISM.

I FEEL THAT YOU SHOULD ALSO KNOW ABOUT THE DIFFICULTIES THAT WE HAVE RECENTLY HAD IN OBTAINING THE CLASSIFIED INFORMATION ON THIS SUBJECT FROM THE EXECUTIVE BRANCH.

AS I PREVIOUSLY NOTED, THE STAFF OF THE SUBCOMMITTEE ON EVALUATION HAS HAD AN ONGOING STUDY OF INTELLIGENCE ON NICARAGUA WHICH BEGAN IN LATE 1978. AS PART OF THAT RESPONSIBILITY THE STAFF OFTEN MAKES VISITS TO THE CIA TO TALK WITH ANALYSTS AND PERIODICALLY REQUESTS STUDIES PRODUCED BY THE CIA AND OTHER INTELLIGENCE AGENCIES IN WASHINGTON, AND IN GENERAL HAS PAID ATTENTION TO WHAT IS GOING ON.

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ON 12 AUGUST OF THIS YEAR THE STAFF MADE A ROUTINE REQUEST TO TALK WITH AN ANALYST AT CIA'S NATIONAL FOREIGN ASSESSMENT CENTER ABOUT NICARAGUA. THE STAFF WAS TOLD THAT THEY WOULD NOT BE ABLE TO TALK WITH THE ANALYST AT CIA SINCE THERE WAS "A PRESIDENTIAL EMBARGO" ON TALKING ABOUT NICARAGUA. I WAS UNAWARE OF THIS AT THE TIME SINCE THIS TOOK PLACE DURING THE RECESS, BUT THE STAFF WAS QUITE CONCERNED. THE CHAIRMAN OF THE COMMITTEE, MR. BOLAND, SENT A LETTER TO THE DIRECTOR OF CENTAL INTELLIGENCE ON THIS MATTER, ON AUGUST 22. TO DATE THE CIA HAS NOT RESPONDED TO THAT LETTER.

I WOULD FURTHER NOTE THAT THE STAFF WAS NOTIFIED VIA TELEPHONE ON SEPTEMBER 10 THAT THE EMBARGO HAD BEEN LIFTED AND THAT DISCUSSIONS COULD BE HELD WITH CIA ANALYSTS. TWO DAYS LATER THE PRESIDENT MADE HIS CERTIFICATION THAT NICARAGUA IS NOT EXPORTING TERRORISM AND/OR ACTING AS A CONDUIT FOR ARMS OR SANCTUARY FOR REVOLUTIONARIES IN OTHER CENTRAL AMERICAN COUNTRIES.

ON SEPTEMBER 15 THE STAFF OF THE HOUSE INTELLIGENCE COMMITTEE WAS BRIEFED ON NICARAGUA. THE EVIDENCE OF SANDINISTA EXPORT OF VIOLENCE AND TERRORISM WAS PRESENTED. AS A RESULT OF THAT BRIEFING THE STAFF REQUESTED CERTAIN MATERIALS FROM THE CIA. ONE OF THOSE PAPERS WAS A STUDY PRODUCED FOR THE NATIONAL SECURITY COUNCIL. ALTHOUGH THE STAFF WAS ALLOWED TO READ THE STUDY, AS I WAS, WE WERE NOT ALLOWED TO KEEP THE PAPER. WE WERE LATER GIVEN A STUDY WHICH, FOR THE MOST PART, IS THE SAME AS THE PAPER WHICH HAD BEEN SUPPLIED TO THE NATIONAL SECURITY COUNCIL. ONE OF THE OTHER DOCUMENTS IS STILL DENIED TO US.

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AT THE SAME TIME THE STAFF WAS TALKING WITH ANALYSTS IN THE INTELLIGENCE COMMUNITY AND ALSO REVIEWING PRODUCTION BY THE DEFENSE INTELLIGENCE AGENCY AND THE DEPARTMENT OF STATE TO ASCERTAIN IF THERE WAS ANY KIND OF A DISPUTE IN REGARD TO THE FACTS, OR IF THE INTELLIGENCE WAS SO AMBIGUOUS THAT DIFFERING INTERPRETATIONS COULD BE PLACED ON IT.

THE STAFF OF THE SUBCOMMITTEE ON EVALUATION FOUND THAT THERE IS ESSENTIALLY NO DISAGREEMENT WITHIN THE INTELLIGENCE COMMUNITY ON THE EVIDENCE. THERE MAY BE SLIGHT NUANCES HERE OR THERE, BUT IN GENERAL THE COMMUNITY IS IN AGREEMENT.

WHILE THERE IS NO INTELLIGENCE ISSUE, THERE IS A POLICY ISSUE. WHILE THE INTELLIGENCE COMMUNITY IS REPORTING ONE THING ABOUT WHAT IS OCCURRING IN NICARAGUA, OUR CHIEF EXECUTIVE OFFICER, THE PRESIDENT OF THE UNITED STATES, CHOOSES TO DISREGARD THAT EVIDENCE AND CERTIFY OTHERWISE. IT IS CLEAR THAT EITHER THE PRESIDENT HASN'T READ THE SAME INTELLIGENCE REPORTS THAT I HAVE, OR HE HAD RECEIVED THEM THROUGH A FILTER. IN EITHER EVENT, IT IS A SERIOUS MATTER. I BELIEVE THAT YOU SHOULD EXPLORE THIS MATTER IN DEPTH WITH THE AGENCIES.

AS I MENTIONED THERE ARE DOCUMENTS WHICH THE INTELLIGENCE COMMITTEE STAFF HAS REQUESTED WHICH THEY HAVE NOT RECEIVED. THEY HAVE BEEN GIVEN VARIOUS REASONS AND EXCUSES FOR WHY THEY CANNOT HAVE THEM. MY OWN VIEW IS THAT THEY TOUCH ON POLITICAL SENSITIVITIES RATHER THAN SOURCES AND METHODS. LET ME SAY THAT IN THE DELIBERATIONS OVER THE INTELLIGENCE OVERSIGHT ACT OF 1980, H.R.

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7658, I WAS A FIRM PROponent, ALONG WITH MY COLLEAGUES ON THE COMMITTEE, THAT THE CIA DESERVED PROTECTION FOR INTELLIGENCE SOURCES AND METHODS. OBVIOUSLY OUR NATIONS INTELLIGENCE EFFORTS NEED THIS KIND OF PROTECTION. HOWEVER, THEY MUST NOT BE MANIPULATED BY ANYONE TO USE THE SOURCES AND METHODS CAVEAT, TO WITHHOLD INFORMATION WHICH IS ESSENTIALLY POLITICALLY SENSITIVE RATHER THAN SOURCE SENSITIVE. LET ME REITERATE THAT AN EMBARGO WAS PLACED ON DISCUSSING THIS MATTER WITH THE STAFF OF A COMMITTEE OF THE CONGRESS WHICH IS EMPOWERED TO OVERSEE THE INTELLIGENCE COMMUNITY, ASSESS ITS PERFORMANCE AND EVALUATE ITS EFFECTIVENESS. THE EMBARGO WAS REMOVED ONLY AFTER THE PRESIDENT MADE A POLITICAL DECISION ABOUT THE INFORMATION. AND AT THIS TIME, SOME DATA IS STILL BEING DENIED TO US.

IT IS VERY DISTURBING THAT THE CENTRAL INTELLIGENCE AGENCY WAS DIRECTED TO NOT PROVIDE AN ANSWER TO THE CHAIRMAN OF THE HOUSE PERMANENT SELECT COMMITTEE ON INTELLIGENCE TO THE QUESTIONS THAT HE ASKED IN HIS LETTER OF AUGUST 22.

WHAT WE HAVE IS A CASE OF THE INTELLIGENCE COMMUNITY BEING MANIPULATED BY THE EXECUTIVE BRANCH TO PROTECT A POLITICAL SENSITIVITY. WHAT DISMAYS ME IS THE POLITICAL MISUSE OF THE INTELLIGENCE COMMUNITY, WHICH RIGHTFULLY HAS A REPUTATION FOR OBJECTIVITY. THE INTELLIGENCE COMMUNITY MUST BE FREE OF POLITICAL BIAS SO THAT OUR DECISION MAKERS CAN USE THEIR REPORTS TO REACH DECISIONS BASED ON THE FACTS OF THE MATTER, AND NOT ON DESIRED POLITICAL OUTCOMES.

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I LOOK FORWARD TO HEARING THE TESTIMONY OF THE WITNESSES FROM THE INTELLIGENCE COMMUNITY. THEY HAVE A HARD PROBLEM IN LIGHT OF THE PRESIDENT'S CERTIFICATION. BUT, I AM SURE THAT THEY WILL BE CANDID WITH THIS COMMITTEE.