

I. Caribbean Basin Overview *

- 24 countries and 11 soon to be independent entities with a total population of 163 million in the Caribbean Sea and rimland from Suriname to the US border; of these 93 million live in the region from Panama to the US border.
- Two dimensions of strategic interest and threat
 - A/ Continuation of subversive momentum increasingly supported by Cuba since 1978.
 - Could produce several more hostile Marxist-Leninist regimes in Central America by 1983-84
 - Which in turn, according to the September 1981 NIE, would "bring the revolution to Mexico's border, thereby raising the risks of internal destabilization."
 - B/ In addition, a more hostile Caribbean is dangerous because:
 - 45% of all trade and crude oil pass through the Caribbean
 - 50% of US petroleum is now processed in Caribbean refineries
 - 50% of NATO supplies for wartime would pass through Caribbean
 - Sea lines of communication--have become more vulnerable (1970 - 200 Soviet shipdays; 1980 - 2,600 Soviet shipdays)
 - A communist Central America with 20 million people could have military forces of about 500,000--if the Nicaraguan or Cuban proportion held.

II. Cuban Threat and Actions--Three Types

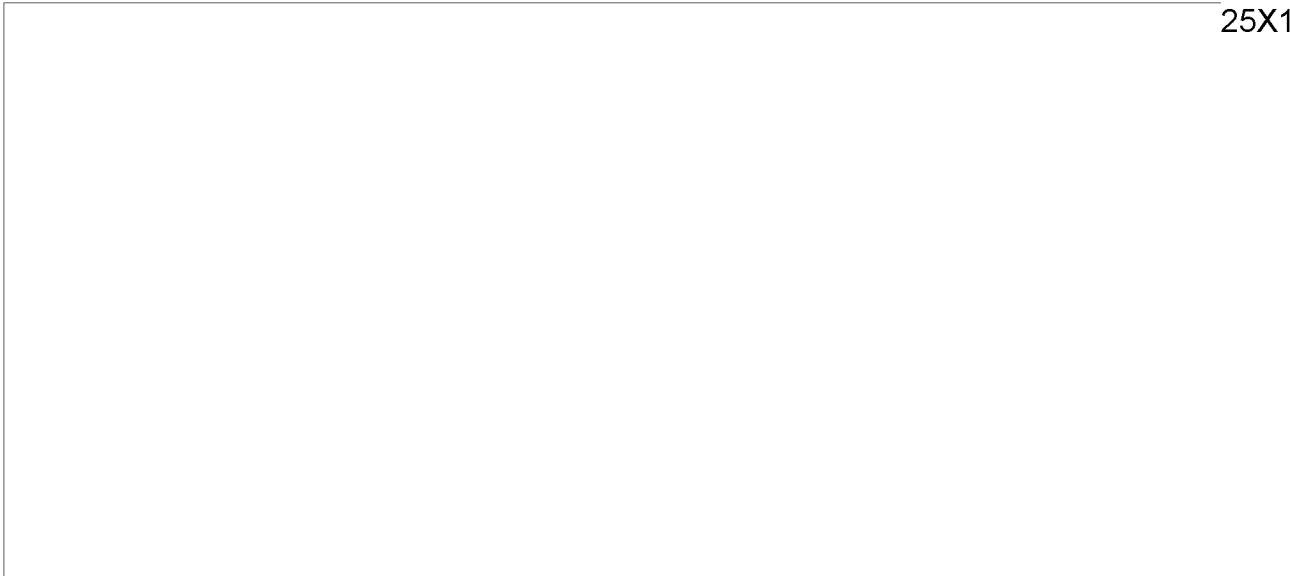
- A/ Military power and buildup
 - 250,000-person army plus ready reserves of 100,000-130,000
 - More than 200 MIGs; 650 tanks; 90 helicopters; other modern weapons
 - 1981 saw massive Soviet-supplied modernization--including 100 major new weapons--MIG-23, SA-6; 66,000 metric tons
- B/ 38,000 Cuban troops supporting pro-Soviet regimes including Ethiopia, Angola, Mozambique, South Yemen...plus 30,000 Cuban civilians.
- C/ Cuban support for subversion--continuous and growing
 - Nicaragua now a full partner vs El Salvador, Guatemala, Honduras, Costa Rica

NOTE: After the four-page briefing, attached are three charts--

- Central American economies and guerrilla strengths 1960-1981;
- Map showing range of unemployment in the entire Caribbean region.
- Chart showing country and region population.

- SECRET
- 6,000 Cubans in Nicaragua, about 1,800 military/security
 - Clear pattern in Central America--unification, training, weapons, communications, propaganda, funds
 - Full Soviet Bloc support
 - Grenada--a propaganda partner--75KW radio-free Grenada will have strongest in Eastern Caribbean other than Cuba's planned 100 KW radio
 - Cuba politically active in Mexico*

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III. Brief Country Reviews--Two Different Caribbean Contexts

A/ Serious subversion which makes the economic problems even worse-- most of Central America and Colombia

B/ Economic problems with noticeable subversive danger in some countries-- rest of Caribbean region

A/ Serious Subversion and Economic Problems (8 countries with 50M population)

El Salvador

- As the 28 March elections approach, we expect stepped-up attacks on power lines and bridges; more raids on military installations and small towns; and continued assassinations of public figures.
- The 24,000-man government security forces took 2,200 casualties last year; they are spread thin.
- Successful elections should provide a political boost, but time now favors the guerrillas because of the continuing outside support and economic destruction.

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Guatemala

- Guerrilla activity has increased sharply.
- The insurgency there is entering a new, more active phase.
- Guerrilla forces doubled to 4,500 during the past year.
- Cuba and Nicaragua appear to be increasing their support.
- If Salvador falls, there is little chance Guatemala can survive; otherwise, there is some chance depending on events in the region and the internal policies of the Guatemalan government.

Honduras

- The restoration of constitutional government in January 1982 is a positive step.
- But the Cubans and Nicaraguans are working to unify extreme left groups for an insurgency--probably in the next 12-18 months.
- Some terrorist actions began in 1981 and will likely increase.
- Terrorist/guerrilla unity meeting scheduled for mid-February '82 in Havana.

Costa Rica

- Successful democratic election of 7 February.
- New Social Democratic president is anti-communist, will take office May 1982.
- However Cuba/Nicaragua are financing a radical left political front and a paramilitary force which is intended to neutralize and destabilize Costa Rica.

B/ Countries with Mainly Economic Problems (16 countries with 113M population)

- Their economies are being undercut by global economic conditions such as high oil prices, declining commodity prices (sugar, coffee, bauxite), stagnating foreign investment, soaring unemployment, and declining tourism.
- Middle-class emigration is siphoning off technical skills as well as some moderate political leadership (particularly in Suriname and Guyana).
- Economic conditions have made the youth increasingly susceptible to/ radical leftist influence (median age in region is 16).
- Most governments lack adequate security force or intelligence structures and are extremely vulnerable to the growing threat posed by radical, Cuban and Libyan-backed movements.

IV. Significant new level of other international involvement in crisis areas
For El Salvador government and regional moderates

- Christian democratic parties of Europe and Latin America
 - national and international condemnations of the extreme left
 - frequent endorsements of Duarte government - Dec 81 most recent
- International non-communist trade unions and their federations
 - [redacted]
- All the Latin American democracies including Venezuela and Colombia
- September 1981, 15 nations condemned the Mexican-French initiative
- December 1981, 22-23 vote in St. Lucia (OAS endorses Salvador election; ✓
 Nicaragua, Mexico, Grenada opposed)
- 19 January 1982, formation of Central American Democratic Community
 involving El Salvador, Honduras, Costa Rica.

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For the extreme left

- Libya in Nicaragua including \$100M in aid and advisors; seeking to
 become active in several Caribbean states (Trinidad, Dominica, Bahamas,
 St. Lucia)
- Several Palestinian terrorist groups
 - about 500 guerrillas have been trained in Palestinian camps
 - PLO--since 1979. . . recent increase. . . public admission by
 Arafat that Palestinians are helping the guerrillas in El Salvador
 and that Palestinian pilots are in Nicaragua
 - DFLP is Soviet-controlled and has been involved
 - Evidence of Soviet encouragement since 1979 for their involvement.

Many but not all Social Democratic parties in Europe and Latin America.

- Growing concern about the Marxist-Leninist regime in Nicaragua
 by formerly gullible Social Democrats.

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		'60-'70	'71-'77	'78	'79	'80	'81 est.
Nicaragua	No. of Guerrillas	150	300	2,000	4,500	0	0
	Real GNP (%)	+6.4	+6.0	-5.5	-25.8	+10	0
El Salvador	No. of Guerrillas	0	300	850	2,000	3,500	4,500
	Real GNP (%)	+5.5	+5.2	+4.4	+3.5	-10	-10
Guatemala	No. of Guerrillas	300	250	600	1,000	2,000	4,500
	Real GNP (%)	+5.2	+6.2	+5.0	+4.5	+3.5	-2
Honduras	No. of Guerrillas	0	0	0	0	0	100
	Real GNP (%)	+4.5	+3.8	+7.9	+6.7	+2.5	0
Costa Rica	No. of Guerrillas	0	0	0	0	0	0
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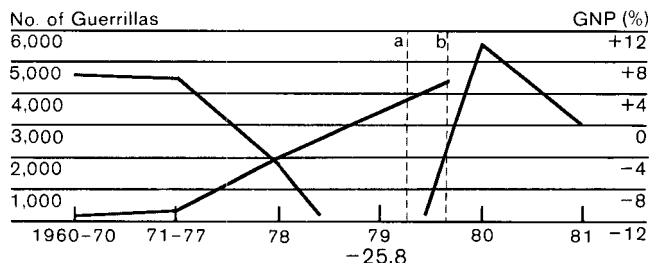
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Central America: Guerrilla Strengths, Economic Growth Rates, 1960-81

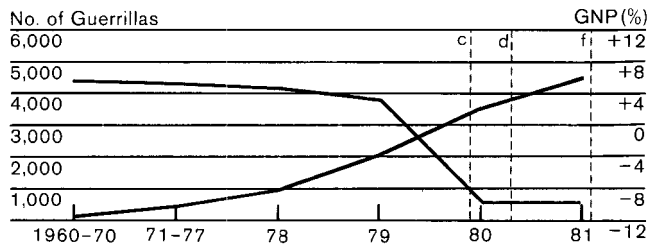
Key Events

Nicaragua



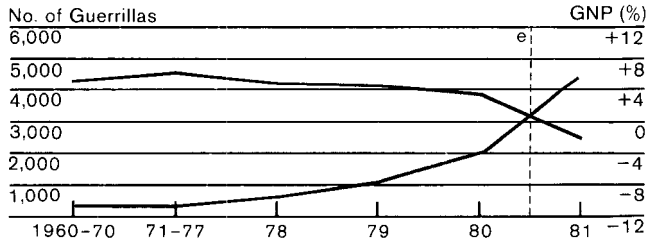
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El Salvador



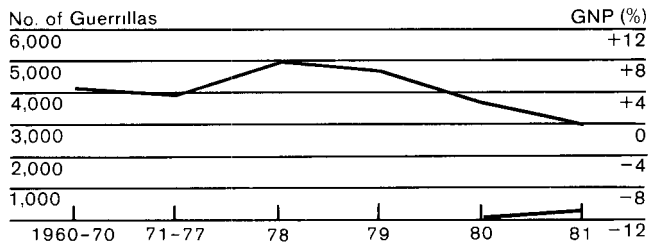
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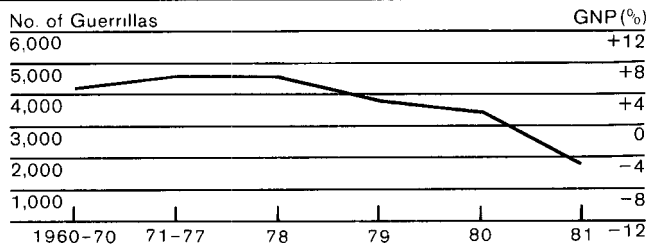


- e. 5/80-Formation of FDCR/Guatemala

Honduras



Costa Rica



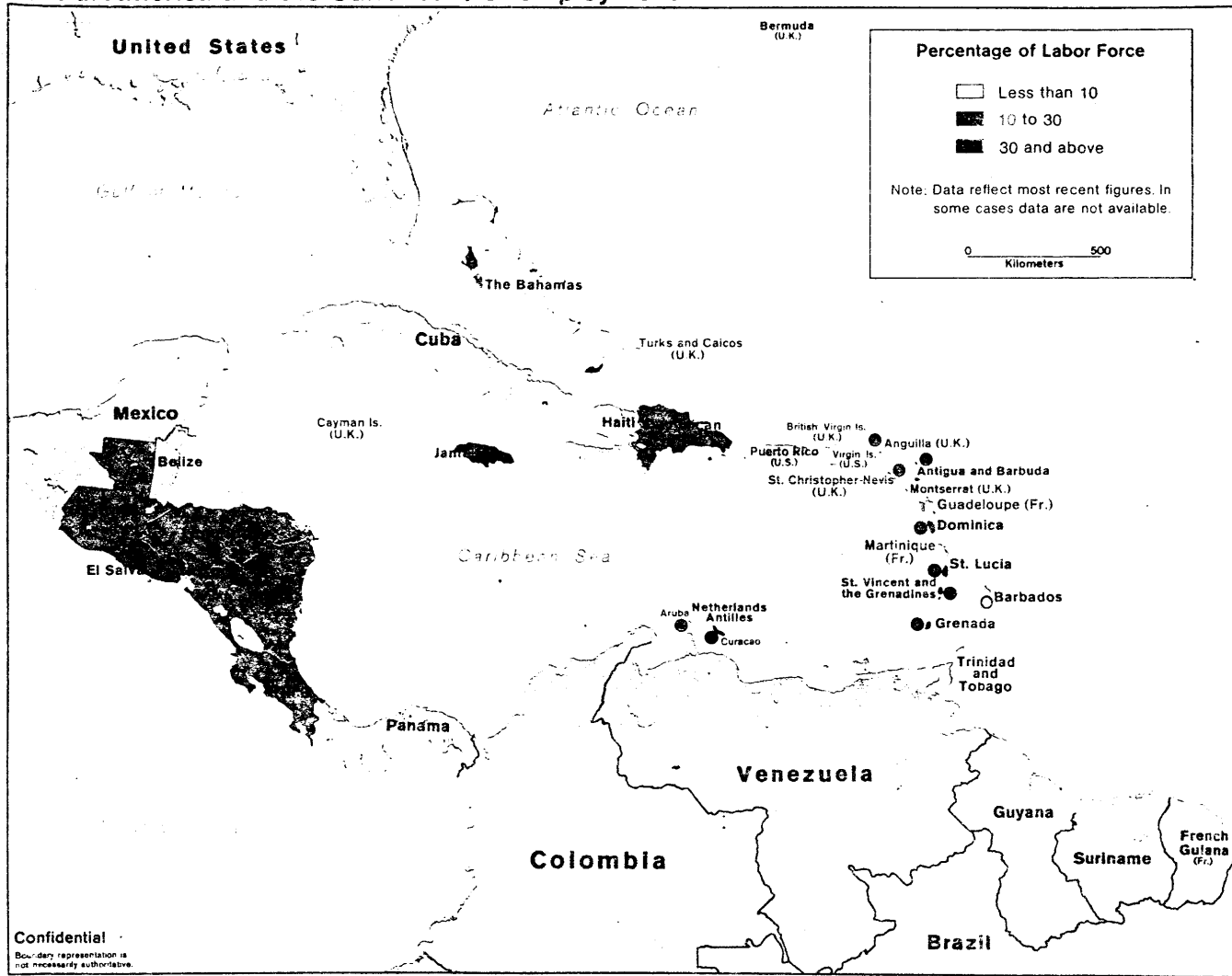
— Guerrillas
— GNP

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Central America and the Caribbean: Unemployment



9 February 1982

CARIBBEAN BASIN: POPULATION AND COUNTRY STATISTICS

<u>Country or Region</u>	<u>Population (millions)</u>
Mexico	70
Central America (6)	21
Guatemala	7.2
El Salvador	5.0
Honduras	3.7
Nicaragua	2.5
Costa Rica	2.3
Belize	.1
Panama	2
Venezuela	15
Colombia	27
Caribbean (14 independent countries and 11 dependent entities)	28
Cuba	9.9
Haiti	5.8
Dominican Republic	5.7
Jamaica	2.2
Trinidad & Tobago	1.1
Guyana	.8
Suriname	.35
Barbados	.28
Bahamas	.24
St. Lucia	.12
St. Vincent	.11
Grenada	.10
Dominica	.08
Antigua	.07
Dependent Entities	1.10
TOTAL	163

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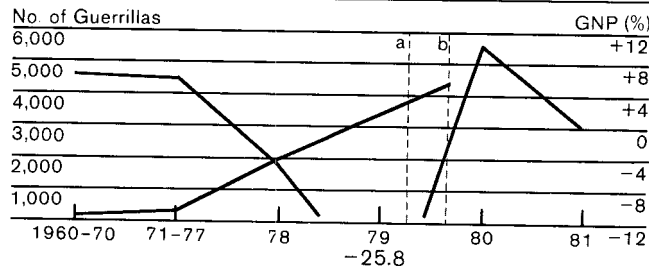
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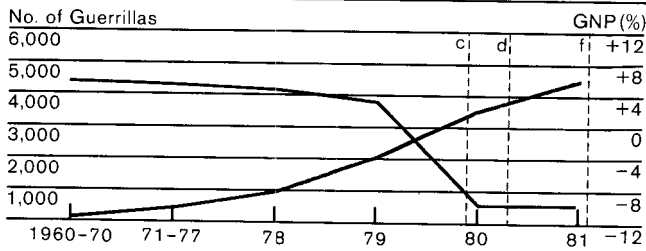
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Nicaragua



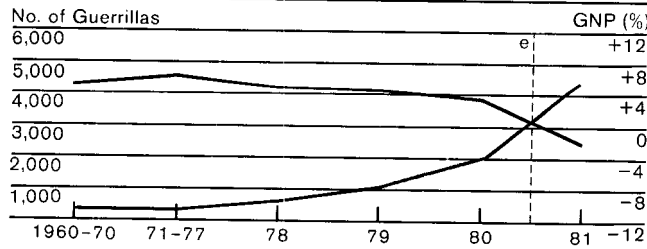
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El Salvador



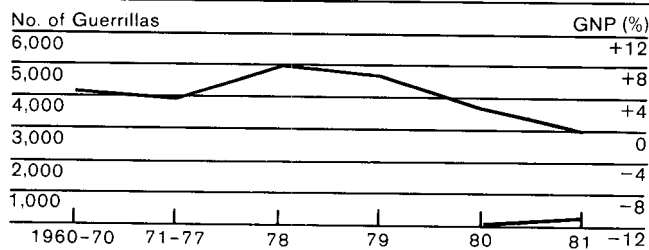
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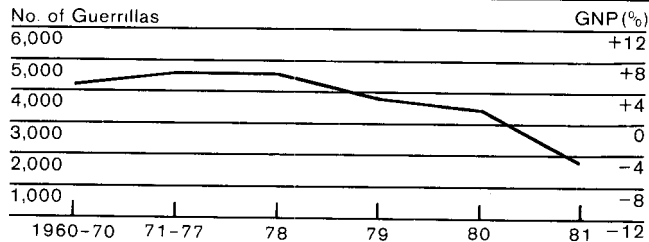


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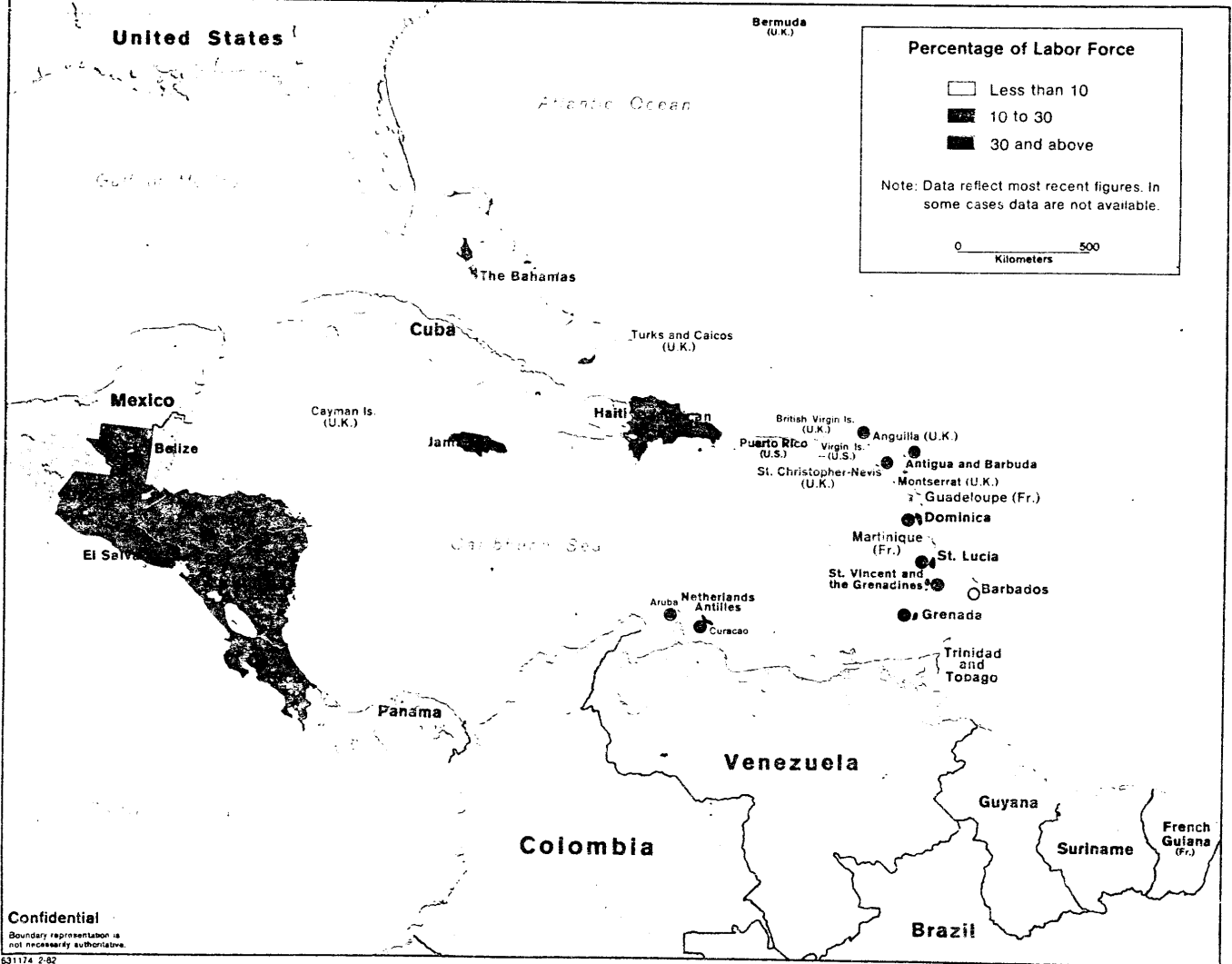
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THE DIRECTOR OF
CENTRAL INTELLIGENCE

National Intelligence Officers

9 January 1982

NOTE FOR: Mr. Robert Gates, DDI



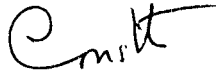
DD, ALA
, C/ALA/MCD
SA/DCI/IA

Mr. Duane Clarridge, C/LAD/DDO

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In response to the request of the DCI this morning, I gave him a first draft of this Caribbean Basin intelligence briefing for possible use at the NSC meeting tomorrow.

Your comments and suggestions on this draft would be welcome.



Constantine C. Menges
NIO/LA

Att: (1)

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