

Nicaragua: Arms Source for Guerrillas, or Not?

A former CIA analyst has challenged one of the basic tenets of the Reagan administration's Central America policy: that Nicaragua continues to supply massive amounts of arms to guerrillas battling the government of El Salvador.

David C. MacMichael, a CIA contract employee from 1981-83, charged in a press release and a series of interviews that the administration has been unable since 1981 to produce specific information backing the claim of Nicaraguan gun-running to El Salvador.

The administration, MacMichael told *The New York Times*, has "systematically misrepresented Nicaraguan involvement in the supply of arms to Salvadoran guerrillas." In so doing, he said, the administration is attempting to justify its support for the "contras" who are trying to overthrow the leftist Nicaraguan regime. (*Contra aid*, p. 1469)

The CIA did not renew MacMichael's contract when it expired in March 1983. He has said he was told he did not fit in; the agency declined to discuss details of his employment. Later that year and early this year, MacMichael traveled to Nicaragua and participated in a demonstration, at the U.S. Embassy in Managua, by U.S. citizens who oppose President Reagan's policies in Central America.

Senior administration officials disputed MacMichael's charges, but declined, as they have for nearly three years, to disclose specific details about arms shipments from Nicaragua to El Salvador.

Reagan's campaign against the Nicaraguan government is based,

in large part, on the claim that El Salvador is being subverted by leftist guerrillas who obtain arms, training and other support from Nicaragua. In turn, Nicaragua gets the arms from Cuba and the Soviet Union, administration officials say. In his May 9 nationally televised

Reagan's campaign against the Nicaraguan government is based largely on the claim that El Salvador is being subverted by leftist guerrillas with Nicaraguan support.

speech on Central America, Reagan referred to the Nicaraguans as "Cuba's Cubans."

Secretary of State George P. Shultz, CIA Director William J. Casey and Under Secretary of Defense Fred C. Ikle disputed MacMichael's charge. Each official said the administration had proof of the gun-running, but could not reveal details because doing so would jeopardize intelligence-gathering sources and methods.

Shultz, meeting with reporters on June 12, reportedly expressed surprise that the gun-running issue was open to question. "The evidence is everywhere," he said.

Ikle, under secretary of defense for policy, said on June 13 that the administration has "photographs, documents, speeches" to back up its statements.

Ikle pointed to a May 1983 report of the House Intelligence

Committee as "proof" of Nicaraguan gun-running. That report (H Rept 98-122, Part 1) accompanied a committee bill (HR 2760) that nevertheless would have cut off the CIA's aid for the contras in Nicaragua. (*1983 Almanac*, p. 123)

At that time, the report said, "the committee believes that the intelligence available to it continues to support" several judgments about Nicaraguan support for the guerrillas "with certainty." One judgment was that "a major portion of the arms and other material sent by Cuba and other communist countries to the Salvadoran insurgents transits Nicaragua with the permission and assistance of the Sandinistas," who run Nicaragua.

The administration's refusal to disclose specific information about Nicaraguan arms shipments stands in contrast to its willingness to reveal similar information about Soviet arms shipments to Cuba.

A "fact sheet" released by the White House to bolster Reagan's May 9 speech included a chart showing "Soviet Military Deliveries to Cuba" in thousands of tons for each year from 1962-82. According to the chart, such shipments exceeded 250,000 tons at the time of the Cuban missile crisis in 1962, leveled off at 10,000 to 20,000 tons annually for most of the 1960s and 1970s, and surged to about 70,000 tons annually in the 1980s. The chart cited no source for the data.

The "fact sheet" also said the Soviet bloc had delivered \$350 million worth of military supplies to Nicaragua from 1980-84; it did not say how much of that, if any, had been passed on to the Salvadoran guerrillas.

In implementing that provision, the committee said, the president must not allow into the United States more diplomats from the Soviet Union and its allies than the number of U.S. diplomats those countries will admit.

The provision did not require the president to expel or refuse to admit only Soviet diplomats suspected of intelligence activity. However, Huddleston and Leahy have said that re-

ducing the overall number of Soviet diplomats in the United States would force the Soviet Union to cut back the number of its intelligence agents.

Because of existing diplomatic agreements and other considerations, reaching equality in the size of diplomatic staffs will have to be accomplished "over a period of time," the committee said. But the panel demanded annual reports from the pres-

ident on how he was implementing the provision, saying it expected "substantial and continuous momentum" toward equality in the size of diplomatic staffs.

That provision was referred jointly to the Senate Foreign Relations Committee. A Foreign Relations aide said the provision would be discussed at the full committee's business meeting June 19.

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President Reagan, with Vice President Bush and CIA Director William J. Casey, breaks ground at ceremonies for the agency's new building in Langley, Va.

CIA Building

The House committee included \$114.5 million to complete a \$190 million, two-year authorization for design and construction of a new building at CIA headquarters in Langley, Va.

The fiscal 1984 intelligence bill, approved by Congress in November 1983, had authorized the first \$75.5 million installment for the new building, which will double the size of the current CIA building. The building is intended to consolidate offices that had been in several dozen locations in the Washington area. The \$190 million total cost includes the building, parking lots and new access roads to the heavily guarded CIA complex on the banks of the Potomac River.

Reagan on May 24 spoke at the ground-breaking ceremonies for the new building, lavishing praise on the agency as "essential to the survival and to the spread of human freedom." Reagan told agency employees: "You are the 'tripwire' over which the totalitarian world must stumble in their quest for global domination."

Intelligence Budgets

Without giving any figures, the House committee said it cut Reagan's requests for the intelligence agencies. The committee said it deferred some requested programs, deleted others and made some across-the-board cuts. Overall, the committee said, its cut

was "similar" to a 7.3 percent cut that the House Armed Services Committee made in Reagan's request for Defense Department authorizations in fiscal 1985. (*Defense cuts, Weekly Report p. 1016*)

"The committee has stated repeatedly in the past that increases of the magnitude requested over the past several years cannot be sustained," the report said. "These requests represent a program to increase capabilities and respond to new requirements, but they also represent funding commitments that already promise to become difficult to meet in years to come."

The panel called on the administration to exercise "more realism" in future budget requests.

By contrast, the Senate panel apparently supported nearly all the administration's requests and signaled its willingness to continue increases in future years. Citing cutbacks in the CIA budget in the early Carter years, the committee report said: "Deficiencies remain and additional investments will be necessary to revitalize intelligence capabilities throughout the 1980s."

Aside from authorization for the new CIA building, only two parts of the intelligence budget were revealed publicly in the reports: funding for the "intelligence community staff," a group of about 300 persons that serves Casey in his capacity as coordinator of

all the intelligence agencies, and the retirement and disability program for the CIA.

The Senate committee approved Reagan's full \$21.8 million request for the intelligence community staff, while the House committee cut that budget to \$20.3 million. The request represented a 25 percent increase over the fiscal 1984 authorization.

Both panels approved the \$99.3 million request for the CIA retirement and disability program.

The House committee included in its bill several provisions from previous authorization laws intended to require intelligence agencies to notify Congress before transferring funds from one account to another. Under those provisions, the committees must be notified 15 days before such transfers, and funds cannot be transferred to a program that had been rejected by Congress.

The House committee said it debated the question of whether to disclose overall budget figures for the intelligence agencies, and — as in the past — decided against such a step.

Releasing a single budget figure for intelligence "probably would not harm intelligence activities or capabilities," the committee said in its report. But, the report added, a single budget amount "would be meaningless" without supporting details — and releasing such details "can be harmful and inconsistent with the primary purpose of secrecy in intelligence matters."

The committee noted that intelligence programs "can be countered or frustrated rapidly simply on the basis of knowledge of their existence." Because of this, disclosing any budget information "might well mean more to this country's adversaries than to any of its citizens."

The Senate panel's report did not discuss the budget disclosure issue.

Various estimates by observers outside the government have put overall spending by the intelligence agencies in the tens of billions of dollars.

The National Security Agency, which conducts electronic surveillance of global communications, reportedly is the largest agency, followed by the CIA, the Defense Intelligence Agency (DIA) and the intelligence bureaus of each military branch.

In a rare break with the traditional secrecy that surrounds intelligence matters, Defense Secretary Caspar W. Weinberger revealed on May 23 that the DIA has 5,000 employees.