

SECRET

DDI #02453-85
17 May 1985

NOTE TO: Director of Central Intelligence
FROM : Deputy Director for Intelligence
SUBJECT: New Art Form for Intelligence Memoranda

1. Two months or so ago, we discussed experimenting with a new kind of paper that would lay out alternative means of resolution of key foreign policy problems. Discussion of each would explore how it might come about and the likely reaction to it. After reading the first two -- on Angola and Suriname -- you indicated interest in our trying it on Afghanistan and Nicaragua.

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2. The Nicaragua paper is attached. I forward the paper because I think you may find it of some interest even though I think it is actually off target. Whereas the Angola paper addressed three or four approaches or strategies in which the conflict in Angola might be resolved, it did so in a way that suggested more a series of scenarios rather than specific policy alternatives for the United States. And therein lies my problem with the Nicaragua paper. It is very specifically constructed as a US policy options paper. In that respect it is interesting and probably worth your reading. But, to carry out the original charge, I think that we should be looking at a paper that would address alternatives such as (1) collapse of the Contras and other internal armed opposition in Nicaragua, (2) growth of the Contras and expansion of activity to the point where the government control is challenged, (3) a negotiated outcome, (4) changing leadership and how that might come about and so on. This type of "alternative resolution" analysis thus would be couched in terms of the different scenarios rather than specific US policies. In this regard it would be more parallel to the approach of the Angola paper.

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3. Also, if we like it, we could get it around; we could not do anything with a paper on US options. Once I have your comments, if you agree, we will take another crack at the Nicaragua paper

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Robert M. Gates

Attachments:

Nicaragua: Impact of Alternative US Strategies, May 1985
Angola: Impact of Alternative Regional Settlements, March 1985
Suriname: Impact of Alternative Policy Options, March 1985

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March 1985

ANGOLA: IMPACT OF ALTERNATIVE REGIONAL SETTLEMENTS**PREFACE**

This memorandum explores alternative strategies that could lead to a resolution of the regional conflict involving Angola, UNITA, and South Africa. It seeks to provide the reader with an understanding of the basic forces at play in the region, sets out alternative strategies that could be employed to resolve the conflict, and assesses the extent to which the problem is susceptible to external influence. The format is purposely provocative; it is not intended to predict what may or may not occur. The paper discusses the viability of each potential course of action, but does not endorse any particular policy alternative. Rather, it provides a structured way of thinking about the costs and opportunities associated with each approach and some idea of what new openings or dangers might emerge if a given course of action were to be pursued.

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THE CURRENT SCENE

UNITA insurgents have made steady gains in Angola's nearly 10-year civil war, despite being outnumbered and outgunned by the Cuban- and Soviet-supported Angolan Army. The insurgents have made good use of their advantages in quality of manpower and leadership to take and hold the military initiative

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We judge, however, that neither side is likely to gain a decisive advantage over the other in the coming year, although the intensity of the fighting probably will increase throughout the country. UNITA most likely will make some gains but not at the pace it has enjoyed in the past; nor will it be able to seize key positions the government chooses to hold and defend. Luanda's inventory of Soviet fighters has tripled in the past year, and Luanda's greater use of air superiority will pose growing problems for UNITA.

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This relatively even match--despite the imbalance of forces--could be changed significantly by outside factors such as Namibian independence under UN Resolution 435 and some form of Cuban troop withdrawal or if the Luanda regime and UNITA initiate negotiations toward a reconciliation agreement. UN Resolution 435 states that following the arrival of a UN peacekeeping forces, South African troops would be confined to their garrisons and, in steps over a period of 12 weeks, would be reduced to a total of 1,500 men. At the end of seven months, elections would

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[redacted]

be held and the remaining South African contingent would depart. This would deprive UNITA of its main lines of outside support, eliminate South Africa as a deterrent to Angolan action, and open UNITA's base areas to Angolan attack. [redacted]

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UNITA's military successes over the past two years also have forced the MPLA regime in Luanda to consider trying to end the fighting through negotiations. Although the MPLA has maintained a rigid public stance opposing talks with UNITA [redacted] [redacted] considerable ferment continues within the party supporting national reconciliation. Many see a rapprochement as a device for ending the civil war, lessening Angola's dependence on the Soviet Union and Cuba, and opening the country to greater Western aid. [redacted]

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Substantial resistance to talks remain, however, particularly among the mulato-hardliners and a large number of their black supporters throughout the government and military. Although the Soviet Union and Cuba appear staunchly opposed to any talks, the MPLA has repeatedly been advised to negotiate by various African neighbors, by countries in both Eastern and Western Europe, and by South Africa. [redacted]

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STRATEGIES FOR RESOLVING THE CONFLICT

The following list of strategies is not intended to be exhaustive; other approaches could be constructed by combining elements from two or more of the strategies discussed below. Nor is the order in which they are presented intended to endorse the adoption of any particular approach. [redacted]

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The four alternative approaches we examine for resolving the conflict involving Angola, UNITA, and South Africa are:

- o Complete and Simultaneous Cuban Withdrawal With Implementation of UN Resolution 435.
- o Partial Cuban Withdrawal After UN Resolution 435 Is Implemented.
- o Withdrawal of All But a Small Residual Cuban Force in Conjunction with UN Resolution 435.
- o Some Form of Reconciliation Agreement involving Luanda and UNITA in Conjunction with UN Resolution 435. [redacted]

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IMPACT AND IMPLICATIONS**Strategy 1: Simultaneous Withdrawal and UN 435**

Cuba withdraws all military personnel--combat troops, advisers, and technicians--from Angola over a period of twelve weeks in such a manner that the number of Cubans and South Africans in the region were essentially equal once the process got underway. [redacted]

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Impact. Essentially the South African position first advanced in May 1982, this approach would be disastrous for the MPLA government. Luanda could not compensate for the loss of 25,000 Cuban troops defending key provincial centers, nor for the advisers and technicians that run Angola's war machine. [redacted]

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UNITA would lose the deterrent value of South African forces stationed in Namibia and Savimbi's base areas would become vulnerable to sustained Angolan attack. UNITA also would lose access to South Africa as an easy and secure arms supplier, but would gain some propaganda advantage by claiming it now was battling the Luanda regime unaided by foreign supporters. [redacted]

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Viability. Luanda and Cuba would oppose this approach because they believe it would lead to the collapse of the MPLA regime. Savimbi would be less resistant, calculating that he would have to strike quick and hard to settle the civil war before supply shortages cut into his capabilities. [redacted]

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Other Considerations. Cuba and the Soviet Union would risk a major propaganda debate if they were seen as unwilling to provide the necessary support to keep their friends in power. [redacted]

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South Africa might view the departure of all Cubans as a golden opportunity to invade Angola in force--as it did in 1975--and install Savimbi as the new head of government in Luanda. They almost certainly would find ways to continue assisting UNITA covertly, but the level of support would fall. [redacted]

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Strategy 2: Partial Cuban Withdrawal After UN 435

In accordance with UN 435, South Africa withdraws its Air Force from Namibia and reduces its troop strength to 1,500 men. Cuba then withdraws 20,000 military personnel over a three-year period. [redacted]

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Impact. This proposal was advanced by Luanda in November and apparently was vetted by the Cubans and the Soviets. Angola could still depend on a substantial force--10,000 by Luanda's count and 15,000 by our estimates--to defend the key provincial

centers and provide essential technical and advisory support. Cubans troops probably would be taken mostly from southwestern Angola were they had helped defend against South African incursions and where UNITA is not particularly active. Soviet weapons deliveries would continue, major urban areas would be protected, and economically vital oil production would be secured. [redacted]

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UNITA would lose the support necessary to sustain the conflict at its present levels and South African protection of its sanctuary in the southeast. Savimbi probably would be able to secure at least minimal levels of support from other donors to continue the conflict for some years, but the trend would be [redacted]

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Viability. Luanda and the Cubans would support this approach wholeheartedly and Moscow somewhat grudgingly. Both UNITA and Pretoria almost certainly would reject it. [redacted]

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Other Considerations. Lacking a South African support structure, Savimbi might be compelled to extend his base areas into Zambia and seek sanctuary for his troops there. [redacted]

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With UNITA on the run, Soviet and Cuban efforts to consolidate the Marxist Leninist regime in Luanda would receive much greater attention. [redacted]

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ANC base areas in Angola would be more secure and the guerrillas could bring considerably more pressure on South Africa. [redacted]

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Strategy 3: Smaller Cuban Residual Force and UN 435

Cuba withdraws its forces at a faster pace--perhaps within two years--leaving behind only a small residual force of 3,000 to 5,000 troops. South African forces are withdrawn from Namibia in accordance with UN 435. [redacted]

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Impact. UNITA would lose the South African deterrent and sustaining supply within a matter of weeks and probably would opt to intensify the conflict in hopes of achieving a military victory. Luanda, however, would have substantial Cuban forces on hand for at least one year and probably could contain a major thrust by UNITA. [redacted]

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Nevertheless, we believe that Luanda's dependence on Cuban manpower is greater than UNITA's reliance on a South African presence in Namibia, and we expect over time that Savimbi's forces would begin to prevail as the Cuban troop withdrawal neared completion. UNITA would be able to concentrate its forces on the few remaining areas of government strength and probably could take effective control over most of the country. [redacted]

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[redacted]

Viability. South Africa and UNITA might accept this package provided they were assured of satisfactory verification and implementation procedures. Luanda is more likely to balk at the deal, arguing that it would postpone the MPLA's demise by no more than a year or two. MPLA leaders might be persuaded to go along, however, if they believed that they could cheat on the timing or extent of the Cuban force reduction. [redacted]

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Other Considerations. Luanda might try to compensate for the loss of Cuban troops, for example, by forming a "civilian construction corps" populated mostly by able-bodied young Cubans. It also might seek Western assurances of greatly increased economic--and possibly military--assistance as the price for its acceptance. [redacted]

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The Soviet Union and Cuba would retain substantial influence over the Luanda Government at least initially, but the door would be opened to an enhanced Western role and presence. Pressure also would mount on the US Government to afford diplomatic recognition to the MPLA Government. [redacted]

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With UNITA's hopes of achieving a military victory bolstered, Savimbi would press his friends hard for additional support and start to rely more on supply routes through Zaire. Even if Mobutu kept this a low-key operation, it probably would not remain secret. His involvement, in turn, might prompt the Soviet Union and Cuba to step up support to anti-Mobutu rebels. [redacted]

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Strategy 4: Reconciliation and UN 435

The MPLA Government enters into negotiations with UNITA. Both sides agree to stop fighting, a coalition government is formed, and provision is made for the reduction and eventual withdrawal of all Cuban and South African military personnel from Angola. The talks take place in the context of a regional peace settlement that allows for a phased withdrawal of South African forces from Namibia in accordance with UN Resolution 435. [redacted]

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Impact. Successful talks would end the civil war, lessen Luanda's dependence on the Soviet Union and Cuba, and pave the way for greater Western aid and improved relations with Angola's neighbors. A decision to enter into negotiations with UNITA also would appease those within the MPLA government who reportedly may be pushing for a rapprochement, including former members of the Catete group, an amorphous group of Army officers known as the Young Captains, and a few of President dos Santos' closest advisers [redacted]

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On the other hand, reconciliation would entail major risks for Luanda. Influential mulatto hardliners and a sufficient number of their black supporters in the party, military, and

[redacted]

government appear to believe that a compromise with UNITA-- especially one that enhances the stature of UNITA's charismatic leader Jonas Savimbi--could rapidly lead to an UNITA takeover and their own physical demise. They believe that UNITA can eventually be defeated militarily and they might move to oust dos Santos if he tried to engage UNITA in reconciliation talks. [redacted]

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Savimbi would view reconciliation talks as a means of removing the Cuban presence from Angola and legitimizing his claim to represent the political aspirations of the bulk of the Angolan people. He would risk losing direct South African support to his movement and foreclose the possibility of gaining a military victory over the Luanda regime. His willingness to sit down at the same table with the enemy also might cost him the support of some of his more radical advisers. [redacted]

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The talks could conclude with agreement on partition or federation, with UNITA in control of the southern half of the country. This would allow UNITA to consolidate its regional power free from Angolan and Cuban military pressure. Such an arrangement would significantly bolster Angola's case for diplomatic recognition and pave the way for increased Western assistance, thereby strengthening the Luanda government. [redacted]

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Viability. Serious talks between the Luanda government and UNITA are not likely unless the MPLA's military situation deteriorates substantially. We doubt that Luanda's agreement to talk by itself would be enough for Savimbi to accept a package with a sizeable residual Cuban force since the talks could fail and leave Savimbi militarily disadvantaged. Moreover, some MPLA leaders believe they can avoid talks through a military victory, and they would never acquiesce to a complete withdrawal of Cuban military personnel. Although MPLA leaders probably would find the idea of a federation more appealing, they would be inclined to reject it as well. [redacted]

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Cuba would not reject reconciliation out of hand given the economic and political costs of maintaining a substantial Cuban military presence in Angola and their doubts that Luanda could ever defeat the insurgents militarily. Moscow, however, would adamantly oppose any compromise with UNITA. It views Savimbi as a major threat to the consolidation of a Marxist-Leninist government in Angola and believes that his inclusion in a coalition government would severely undermine Soviet and Cuban influence. Cuba almost certainly would acquiesce to Soviet desires on this matter. [redacted]

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South Africa, however, would be a forceful proponent of reconciliation, largely because most key officials in the South African government believe a rapprochement would offer the charismatic Savimbi a shortcut to taking power. Savimbi's

[REDACTED]

capture of Luanda also would facilitate their grand strategic plan of surrounding Namibia with a ring of "moderate" buffer states. [REDACTED]

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Other Considerations. Partition or federation would put Western governments in a much better position to provide military and economic assistance to Savimbi. Both UNITA and the MPLA, however, probably would view partition or a federation as a holding action until the battle for total control of the country is fought. Under such circumstances, UNITA's ability to attract external military support once civil war broke out would improve dramatically in that it had already established itself as a legitimate government. [REDACTED]

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On the other hand, pro-Soviet hardliners in Luanda might rebel against dos Santos and install a more radical Marxist-Leninist regime. They probably would seek Soviet support before making their move and might promise Moscow increased access and extensive base rights in Angola. [REDACTED]

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March 1985

SURINAME: IMPACT OF ALTERNATIVE POLICY OPTIONS**PREFACE**

This memorandum explores alternative policy options that foreign governments could employ in dealing with the situation in Suriname. It seeks to provide the reader with an understanding of the basic forces at play in the region, assesses the extent to which Suriname's problems are susceptible to external influence, and sets out alternative policies that foreign countries could employ in addressing the situation. The format, purposely provocative, is not intended to be predictive. Rather, it provides a structured way of thinking about the costs and opportunities associated with various policies and a sense of the opportunities or risks that might be created if each course of action were to be pursued.

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THE PRESENT SCENE

Suriname has experienced continued political turmoil since 25 February 1980 when 16 Army sergeants led by present Commander Desire (Daysi) Bouterse overthrew the elected civilian government. That turmoil has been affected continually by Bouterse's efforts to consolidate power and by the actions of interested third parties--notably the Dutch, the Cubans, and the Brazilians. The Bouterse regime is unpopular but has been passively accepted out of fear that overt opposition could provoke the military to use brutal force to suppress dissent.

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Bouterse moved quickly to proscribe the traditional political parties and ban all opposition to his regime. He was forced to compromise in December 1983, however, after then prime minister Alibux decided to increase taxes in an effort to deal with a serious economic crisis. This spurred workers in the bauxite industry to launch a prolonged and crippling strike and protests spread to other sectors of the economy. Bouterse responded by agreeing to discharge the Alibux government, suspend the new taxes, and offer business and labor a voice in a newly formed government. He also promised to keep radical leftists out of the cabinet and take steps to return the country to democracy. The new cabinet was headed by a moderate, Prime Minister Udenhout, and labor and business leaders were called in help devise a new democratic structure for Suriname.

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Bouterse appears to be solidly entrenched as the ruler of Suriname, but increasing economic hardship and the potential for mounting labor unrest over the next year could provoke another challenge to his regime. Economic conditions have declined rapidly under the combined impact of a deteriorating world market

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[redacted]

for bauxite, government paralysis, leftist economic meddling, and the continued suspension of Dutch aid.¹ Foreign exchange reserves have dropped from \$175 million in 1982 to less than \$10 million today, the government is beginning to sell gold, and sources for foreign financing cannot be found. In order to cope with a burgeoning budget deficit, the government is considering suspending salary increases for government workers (affecting 40 percent of the country's work force), a freeze on new hiring, and the abolition of government subsidies. Government leaders are unwilling to raise taxes because they fear that labor unrest could get out of control [redacted]

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Many of the radicals forced out of the government in 1983 found new homes in other ministries. They have used their positions to obstruct Udenhout's initiatives, penalize businessmen who harbor "anti-revolutionary" views, and ensure the continuation of an "anti-imperialist" foreign policy. Bouterse also has given new momentum to the activities of an embryonic radical political party, the 25 February Movement, which favors a pervasive ruling party on the Cuban model. He has instructed cabinet ministers to vet their actions with the Movement and apparently intends to make it the only party in the country. [redacted]

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Labor and business leaders have been able to exert only marginal influence over the decisionmaking process. They doubt that any significant progress toward democratic rule is possible, but are willing to participate in a "social partnership" with the military in order to retain some influence over Bouterse, offset that of the radical left, and protect their own economic interests. Nevertheless, labor still has considerable clout primarily because Bouterse fears that labor unrest could once again seriously threaten his regime. [redacted]

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Early this year Bouterse installed a new cabinet again led by Udenhout and composed of representatives from the military, business, and labor. Although Bouterse hopes this gesture will clear the way for desperately-needed Dutch aid, the Hague continues to require that more tangible progress be made toward returning Suriname to democracy. Meanwhile, members of the radical 25 February Movement are exerting growing pressure to undermine the cabinet's influence [redacted]

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¹The Dutch terminated their substantial aid program in response to the December 1982 massacre of opposition leaders. Dutch aid accounted for more than 90 percent of total bilateral assistance to Suriname in 1982 and had been scheduled to reach some \$90 million in 1983. About half of the \$1.5 billion package--largely grants--that was promised in 1975 remains to be drawn. [redacted]

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FUTURE DIRECTIONS

The near-term future of Suriname hinges on the pace and direction of change that radical leftists are able to achieve. If Bouterse gives the 25 February Movement a more formal and direct role to play in government, political, social, and economic radicalization could quicken dramatically. Over the medium and long term, this trend most likely would lead to pauperization of the economy, nationalization of the bauxite industry, regimentation of political and social life, and closer ties to Cuba, the Soviet Bloc, and the hardline wing of the Nonaligned Movement. [redacted]

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If, on the other hand, organized labor is able to challenge Bouterse more effectively, moderate forces may gain greater influence and limit the leftward drift. Bouterse then may calculate that his best course is to permit some movement toward democratization in order to appease labor and attract a renewal of Dutch aid. One of Bouterse's primary concerns is the high potential for labor unrest, and he probably will try to avoid a confrontation with labor because it might escalate into a serious threat to his power and possibly bring US intervention. Any moves he made toward liberalization, however, would be largely cosmetic and would proceed slowly and cautiously. If such moves were unsuccessful or backfired, Bouterse would then revert to a hardline position. [redacted]

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The potential for military action cannot be totally dismissed. Several of Bouterse's key military advisers oppose any further leftward drift in the government and they may harbor ambitions to seize power for themselves. In addition, members of the military rank and file are complaining about poor leadership and corruption. They are unlikely to support a move to oust Bouterse, however, unless popular unrest appeared to be getting out of control. [redacted]

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SUSCEPTIBILITY TO FOREIGN INFLUENCE

The Bouterse regime has been searching frantically for foreign assistance to stem Suriname's rapid economic decline and keep labor unrest in check. When aid was first suspended in December 1982 The Hague made resumption of assistance contingent on Bouterse's removal and a return to constitutional rule. Since then the Dutch may have softened their preconditions somewhat, but they have yet to see sufficient progress on human rights and democratization to resume aid. Nevertheless, their demands remain a major factor pushing Bouterse toward reform, largely because of his failure to find adequate alternative donors. [redacted]

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Bouterse's initial approaches to other Western donors--the United States, Brazil, Venezuela, Colombia--proved disappointing

[REDACTED]

because these countries were either unwilling or unable to provide substantial assistance. Bouterse then decided to pin his hopes on Cuba, the Soviet Union, and Libya. In early 1983, he negotiated technical, economic, scientific, and cultural cooperation agreements with Cuba but at nowhere near the levels needed to meet Paramaribo's immediate and growing cash requirements. In October 1983, in the wake of the Grenada invasion, Bouterse sent the Cuban Ambassador home, fearing that growing Cuban involvement with Surinamese radicals threatened his own position. Castro responded by closing his entire mission and cancelling the aid program, thereby losing whatever leverage Havana had over Bouterse. Even if Bouterse turns again to the Cubans, Havana is not likely to gain much leverage given the limited amount of aid it can offer, and Bouterse's reluctance to accept large numbers of Cuban advisers because of continuing security concerns. [REDACTED]

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The Soviet Union has increased its level of activity and influence in Suriname since Cuba's departure. They have not stepped forth, however, with substantial economic aid or trade offers. Bouterse also has approached North Korea and Libya for military and economic assistance, but neither country is likely to be in a position to exert much influence over the regime. [REDACTED]

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Brazil decided to offer Paramaribo economic, technical, and military aid in mid-1983, in hopes of displacing the then growing Cuban influence with the regime. Their efforts met with some initial success but now are proceeding more slowly than expected. There is some evidence that Brazilian influence on Bouterse is weakening primarily because the economic assistance program has been largely unproductive. Trade relations also have been stagnant primarily because of Suriname's foreign exchange problems. [REDACTED]

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ASSESSING FUTURE FOREIGN OPTIONS

The following list of potential foreign policy options is not intended to be exhaustive; other approaches could be constructed by combining elements from two or more of the approaches discussed below. Nor is the order in which they are presented intended to endorse the adoption of any particular approach. [REDACTED]

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The four policy sets examined for dealing with the situation in Suriname are:

[REDACTED]

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- o Western States Treat the Regime with Benign Neglect.

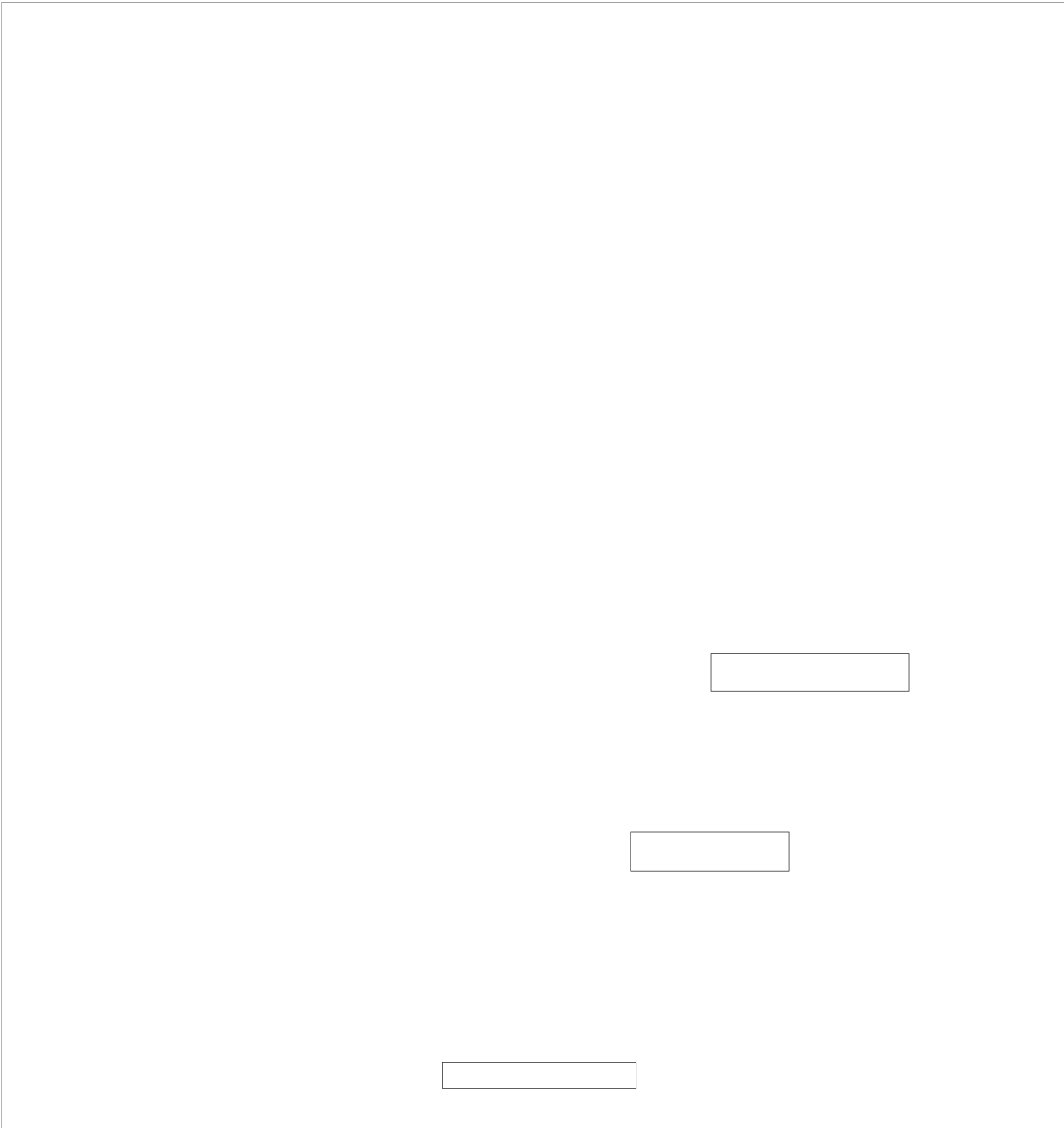
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[Redacted]

- o **Friendly Western Countries Like Brazil Become More Involved with the Regime, but Washington and the Hague Maintain Cooler Relations.**
- o **Western States, Lead by the United States and the Netherlands, Openly and Actively Support the Bouterse Regime in an Effort To Entice It Fully into their Camp.**

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[Redacted]



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[Redacted]

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[Redacted]

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Option 2. Benign Neglect

The United States and other Western states would dedicate few, if any, resources toward supporting [Redacted] the regime in the expectation that Bouterse's position would become increasingly weaker. Diplomatic relations would be maintained, but no new initiatives would be undertaken. [Redacted]

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Impact. The economic implications of this strategy would be similar to [Redacted] Although the impact would be extended over a longer period of time. Moderate leaders would be increasingly reluctant to push for change, and the prospects for any more toward democraticization would be dimmer. [Redacted]

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[Redacted]

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[redacted]

Lacking any positive signal from Washington, Bouterse would continue to suspect US and Western intentions and fear that the United States might be planning an invasion. As a result, he would be careful not to embrace the leftists in his government too openly nor to push too strongly for improved Soviet, Libyan, or Cuban ties. Popular dissatisfaction with the regime would mount, but there would be no stimulus for taking direct action against Bouterse. [redacted]

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Likelihood of Success. This option would be very difficult to sustain. As economic pressures mounted, Bouterse would renew his plans for Western economic assistance, thereby forcing Western countries to take a stand, particularly in multilateral fora such as the IADB and the World Bank. Bouterse also could try to force the US or Dutch hand by nationalizing their bauxite facilities [redacted]

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Other Possible Risks. Bouterse might interpret US inaction as hostility and turn increasingly to the Soviets and their radical friends for support. [redacted]

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Sensing a loss in the moderates' position or vacillation on the part of Bouterse, the radical leftists could move--possibly in collusion with the Cubans and the Soviets--to oust Bouterse and install a more progressive Marxist-Leninist regime. [redacted]

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Other Possible Gains. The West could not be portrayed as openly meddling in another country's affairs. [redacted]

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Option 3. Use of Friendly Surrogates

Friendly Western countries like Brazil would provide economic, military, and technical assistance to the Bouterse regime in the expectation that this would further limit Soviet, Libyan, and Cuban influence. The United States and the Netherlands would agree to the initiation of some modest assistance programs in non-controversial areas, but continue to keep the regime at an arms length until significant progress is made on human rights, democratization, and continuing or greater restrictions on the Soviet, Libyan, and other radical state presence. [redacted]

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Impact. Economic problems would become more manageable, giving Bouterse more room to deal with political matters. Bouterse would be more amenable to reforming the system, perhaps by giving a greater political role to the National Assembly, but he would not allow any change that would undercut his dictatorial powers. However, if he were to show even limited progress on the economic front and some moves toward democratization, additional aid would be forthcoming. The West would obtain slightly more leverage and influence over the regime, but Bouterse still would be inclined to play one side

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[redacted]

(the Soviets, Libyans, North Koreans, etc.) against the other (the United States, the Netherlands, Brazil). [redacted]

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Likelihood of Success. Despite Brazilia's commitment to become more involved with its neighbor, it has been able to provide only a modicum of economic assistance and the chances that other countries such as Venezuela or Colombia could increase trade or assistance are far more limited. Although significant amounts of aid probably could be obtained from multilateral institutions such as the IADB and the World Bank, Bouterse still would require additional support. This option would go a long way toward meeting Bouterse's needs and probably would succeed in limiting--but not eliminating--the radical leftist presence and influence. [redacted]

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Other Possible Risks. If this approach spurs Bouterse to move to the center domestically and turn away from the Soviets and Cubans, radical leftists might decide to launch a countercoup before economic conditions improved and popular disgruntlement with Bouterse began to wane. [redacted]

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Bouterse might opt for a two track approach--taking money from the West, while imposing a radical/socialist or Cuban model of government. [redacted]

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Brazil or other donor states could be portrayed as US "lackeys", thus damaging their standing among non-aligned states. [redacted]

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Other Possible Gains. Brazilian involvement in Suriname could set a valuable precedent if the situation in Guyana takes a serious turn for the worse. [redacted]

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Option 4. Open and Active Support

The United States would be responsive to Bouterse's entreaties for economic, technical, and military assistance and urge other Western countries to be forthcoming (within certain bounds) in the expectation he could be coopted fully into the Western camp. Basically, Bouterse would receive the benefit of the doubt while the West tried to use the increased assistance and the access-it provided to various segments of government and society as a lever to reduce or eliminate Soviet, Cuban, and other radical state influence. [redacted]

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Impact. Over time, Suriname's economic slide could be halted, and the door might be opened to a turnaround--assuming some increase in the demand for bauxite. Soviet and other radical state influence would diminish as their activities were increasingly proscribed. Moderate business and labor leaders would gain influence and a greater role in managing the day-to-day affairs of government. Bouterse probably would acquiesce to

[redacted]

some additional reforms, but any moves toward liberlization would be mostly cosmetic and proceed slowly and cautiously. He would not alter his commitment to revolution and would never concede any real authority to any of the psuedo-democratic structures that would be created. [redacted]

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Likelihood of Success. If Bouterse allowed some form of democratic opening, The Hague would be inclined to resume its assistance program. Given differences on this issue within the Dutch Government, however, aid would begin to move only slowly. Brazil would be in a position to offer some modest assistance, but most other countries lack the resources to make a significant commitment. US efforts to assist the regime also would be impeded by language problems. Bouterse would never be won over entirely, and the leftist rhetoric would continue--albeit at less inflammatory levels. [redacted]

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Other Possible Risks. Although most Surinamers probably would welcome a greater US and Western role in their country, a significant proportion might resent it bitterly, arguing that such a strategy served only to keep a brutal and repressive ruler in power. [redacted]

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Other Possible Gains. Bouterse, believing his position was secure, might reject Libyan assistance and possibly oust the Soviets. [redacted]

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**EXECUTIVE SECRETARIAT
ROUTING SLIP**

TO:

		ACTION	INFO	DATE	INITIAL
1	DCI		X		
2	DDCI		X		
3	EXDIR		X		
4	D/ICS				
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6	DDA				
7	DDO				
8	DDS&T				
9	Chm/NIC				
10	GC				
11	IG				
12	Compt				
13	D/Pers				
14	D/OLL				
15	D/PAO				
16	SA/IA				
17	AO/DCI				
18	C/IPD/OIS				
19	NIO				
20	ER				
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SUSPENSE _____
Date

Remarks

Executive Secretary

3 Apr 85

Date

3637 (10-81)

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Executive Registry	
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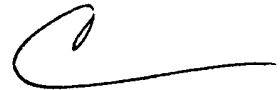
3 April 1985

MEMORANDUM FOR: Deputy Director for Intelligence
 FROM: Director of Central Intelligence
 SUBJECT: Development of New Art Form for
 Intelligence Memoranda

1. The new art form addressing alternative means of resolving specific problems is an interesting experiment which should be pressed further. I would like to see it tried on Afghanistan and Nicaragua.

2. The Suriname paper indicates a bleak outcome no matter how it is addressed. The Angola paper is more interesting and potentially useful. I am going to ask to see if he can give it a more lively and practical twist.

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 William J. Casey

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DDI #01682-85/1
29 March 1985

NOTE TO: Director of Central Intelligence

1. About a month ago, you asked that we experiment with a new kind of paper that would attempt to address a few key foreign policy problems with a view to laying out alternative means of resolution of those problems. Discussion of each alternative would explore how it might be formulated and the likely reaction to it. You suggested that we simply take an earlier Angola paper, and reformat it to see what it would look like using this approach.

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2. Attached are two prototypes of such papers, one on Angola and the other on Suriname. I would be interested in your reaction to the approach. If you think it has merit, we could next tackle Afghanistan and perhaps Nicaragua.

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3. My criticisms of the attached papers is that the alternatives put forward are pretty conventional and do not demonstrate very much creativity in looking at these problems. If this type of paper is to have real value, it seems to me we need to deal not only with the rather routine alternatives but try to dream up two or three that perhaps people haven't given serious attention to so far. This would be particularly true in Afghanistan and Nicaragua.

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4. Again, your thoughts on this approach would be welcome.

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Robert M/ Gates

Deputy Director for Intelligence

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Attachment:
As Stated

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CL By Signer
DECL OADR

[Redacted]

NDI- 01682/85

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22 March 1985

MEMORANDUM FOR: Deputy Director for Intelligence

VIA: Director of Global Issues

FROM: [Redacted] Chief, Instability and Insurgency Center/OGI

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SUBJECT: Development of a New Art Form for Intelligence Memoranda [Redacted]

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1. The attached memoranda were prepared by the Instability and Insurgency Center in response to your request for a new art form that will help policymakers focus on resolutions to particular issues or problems. As we understand it, the inspiration for this project was a typescript memorandum, Angola: Impact of Alternative Regional Settlements, drafted by the Office of African and Latin American Analysis. [Redacted]

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2. In developing these two sample papers our primary objective is to provide the reader with a structured way of thinking about the costs and opportunities associated with pursuing specific policy sets. We applied our model first to the Angolan settlement issue, but felt the situation was unique given the complexity of this problem and the number of actors involved. In order to test the flexibility of new art form and further develop some of its elements, we prepared a second paper addressing the impact of alternative strategies the West could adopt toward Suriname. This version allows for a fuller discussion of the underlying conditions in a country, future directions a country could take, and the extent to which it is susceptible to foreign influence. To this end, it is more representative of future issues open to similar treatment. [Redacted]

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3. In drafting these papers, it quickly became evident that the simple act of thinking about issues in this way has stimulated analysts to be much more creative. On the whole we found the exercise stimulating and look forward to your reactions and comments on its utility. [Redacted]

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Attachments:
As stated

Secret Noform when separated from Attachment. [Redacted]

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ANGOLA: IMPACT OF ALTERNATIVE REGIONAL SETTLEMENTS**PREFACE**

This memorandum explores alternative strategies that could lead to a resolution of the regional conflict involving Angola, UNITA, and South Africa. It seeks to provide the reader with an understanding of the basic forces at play in the region, sets out alternative strategies that could be employed to resolve the conflict, and assesses the extent to which the problem is susceptible to external influence. The format is purposely provocative; it is not intended to predict what may or may not occur. The paper discusses the viability of each potential course of action, but does not endorse any particular policy alternative. Rather, it provides a structured way of thinking about the costs and opportunities associated with each approach and some idea of what new openings or dangers might be emerge if a given course of action were to be pursued. [REDACTED]

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THE CURRENT SCENE

UNITA insurgents have made steady gains in Angola's nearly 10-year civil war, despite being outnumbered and outgunned by the Cuban-and Soviet-supported Angolan Army. The insurgents have made good use of their advantages in quality of manpower and leadership to take and hold the military initiative. [REDACTED]

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We judge, however, that neither side is likely to gain a decisive advantage over the other in the coming year, although the intensity of the fighting probably will increase throughout the country. UNITA most likely will make some gains but not at the pace it has enjoyed in the past; nor will it be able to seize key positions the government chooses to hold and defend. Luanda's inventory of Soviet fighters has tripled in the past year, and Luanda's greater use of air superiority will pose growing problems for UNITA. [REDACTED]

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This relatively even match--despite the imbalance of forces--could be changed significantly by outside factors such as Namibian independence under UN Resolution 435 and some form of Cuban troop withdrawal or if the Luanda regime and UNITA initiate negotiations toward a reconciliation agreement. UN Resolution 435 states that following the arrival of a UN peacekeeping forces, South African troops would be confined to their garrisons and, in steps over a period of 12 weeks, would be reduced to a total of 1,500 men. At the end of seven months, elections would

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[redacted]

be held and the remaining South African contingent would depart. This would deprive UNITA of its main lines of outside support, eliminate South Africa as a deterrent to Angolan action, and open UNITA's base areas to Angolan attack. [redacted]

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UNITA's military successes over the past two years also have forced the MPLA regime in Luanda to consider trying to end the fighting through negotiations. Although the MPLA has maintained a rigid public stance opposing talks with UNITA, [redacted]

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[redacted] considerable ferment continues within the party supporting national reconciliation. Many see a rapprochement as a device for ending the civil war, lessening Angola's dependence on the Soviet Union and Cuba, and opening the country to greater Western aid. [redacted]

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Substantial resistance to talks remain, however, particularly among the mulato-hardliners and a large number of their black supporters throughout the government and military. Although the Soviet Union and Cuba appear staunchly opposed to any talks, the MPLA has repeatedly been advised to negotiate by various African neighbors, by countries in both Eastern and Western Europe, and by South Africa. [redacted]

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STRATEGIES FOR RESOLVING THE CONFLICT

The following list of strategies is not intended to be exhaustive; other approaches could be constructed by combining elements from two or more of the strategies discussed below. Nor is the order in which they are presented intended to endorse the adoption of any particular approach. [redacted]

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The four alternative approaches we examine for resolving the conflict involving Angola, UNITA, and South Africa are:

- o Complete and Simultaneous Cuban Withdrawal With Implementation of UN Resolution 435.
- o Partial Cuban Withdrawal After UN Resolution 435 Is Implemented.
- o Withdrawal of All But a Small Residual Cuban Force in Conjunction with UN Resolution 435.
- o Some Form of Reconciliation Agreement involving Luanda and UNITA in Conjunction with UN Resolution 435. [redacted]

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[REDACTED]

IMPACT AND IMPLICATIONS

Strategy 1: Simultaneous Withdrawal and UN 435

Cuba withdraws all military personnel--combat troops, advisers, and technicians--from Angola over a period of twelve weeks in such a manner that the number of Cubans and South Africans in the region were essentially equal once the process got underway. [REDACTED]

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Impact. Essentially the South African position first advanced in May 1982, this approach would be disastrous for the MPLA government. Luanda could not compensate for the loss of 25,000 Cuban troops defending key provincial centers, nor for the advisers and technicians that run Angola's war machine. [REDACTED]

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UNITA would lose the deterrent value of South African forces stationed in Namibia and Savimbi's base areas would become vulnerable to sustained Angolan attack. UNITA also would lose access to South Africa as an easy and secure arms supplier, but would gain some propaganda advantage by claiming it now was battling the Luanda regime unaided by foreign supporters. [REDACTED]

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Viability. Luanda and Cuba would oppose this approach because they believe it would lead to the collapse of the MPLA regime. Savimbi would be less resistant, calculating that he would have to strike quick and hard to settle the civil war before supply shortages cut into his capabilities. [REDACTED]

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Other Considerations. Cuba and the Soviet Union would risk a major propaganda debate if they were seen as unwilling to provide the necessary support to keep their friends in power. [REDACTED]

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South Africa might view the departure of all Cubans as a golden opportunity to invade Angola in force--as it did in 1975--and install Savimbi as the new head of government in Luanda. They almost certainly would find ways to continue assisting UNITA covertly, but the level of support would fall. [REDACTED]

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Strategy 2: Partial Cuban Withdrawal After UN 435

In accordance with UN 435, South Africa withdraws its Air Force from Namibia and reduces its troop strength to 1,500 men. Cuba then withdraws 20,000 military personnel over a three-year period. [REDACTED]

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Impact. This proposal was advanced by Luanda in November and apparently was vetted by the Cubans and the Soviets. Angola could still depend on a substantial force--10,000 by Luanda's count and 15,000 by our estimates--to defend the key provincial

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[REDACTED]

centers and provide essential technical and advisory support. Cubans troops probably would be taken mostly from southwestern Angola were they had helped defend against South African incursions and where UNITA is not particularly active. Soviet weapons deliveries would continue, major urban areas would be protected, and economically vital oil production would be secured. [REDACTED]

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UNITA would lose the support necessary to sustain the conflict at its present levels and South African protection of its sanctuary in the southeast. Savimbi probably would be able to secure at least minimal levels of support from other donors to continue the conflict for some years, but the trend would be [REDACTED]

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Viability. Luanda and the Cubans would support this approach wholeheartedly and Moscow somewhat grudgingly. Both UNITA and Pretoria almost certainly would reject it. [REDACTED]

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Other Considerations. Lacking a South African support structure, Savimbi might be compelled to extend his base areas into Zambia and seek sanctuary for his troops there. [REDACTED]

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With UNITA on the run, Soviet and Cuban efforts to consolidate the Marxist Leninist regime in Luanda would receive much greater attention. [REDACTED]

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ANC base areas in Angola would be more secure and the guerrillas could bring considerably more pressure on South Africa. [REDACTED]

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Strategy 3: Smaller Cuban Residual Force and UN 435

Cuba withdraws its forces at a faster pace--perhaps within two years--leaving behind only a small residual force of 3,000 to 5,000 troops. South African forces are withdrawn from Namibia in accordance with UN 435. [REDACTED]

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Impact. UNITA would lose the South African deterrent and sustaining supply within a matter of weeks and probably would opt to intensify the conflict in hopes of achieving a military victory. Luanda, however, would have substantial Cuban forces on hand for at least one year and probably could contain a major thrust by UNITA. [REDACTED]

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Nevertheless, we believe that Luanda's dependence on Cuban manpower is greater than UNITA's reliance on a South African presence in Namibia, and we expect over time that Savimbi's forces would begin to prevail as the Cuban troop withdrawal neared completion. UNITA would be able to concentrate its forces on the few remaining areas of government strength and probably could take effective control over most of the country. [REDACTED]

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[REDACTED]

Viability. South Africa and UNITA might accept this package provided they were assured of satisfactory verification and implementation procedures. Luanda is more likely to balk at the deal, arguing that it would postpone the MPLA's demise by no more than a year or two. MPLA leaders might be persuaded to go along, however, if they believed that they could cheat on the timing or extent of the Cuban force reduction. [REDACTED]

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Other Considerations. Luanda might try to compensate for the loss of Cuban troops, for example, by forming a "civilian construction corps" populated mostly by able-bodied young Cubans. It also might seek Western assurances of greatly increased economic--and possibly military--assistance as the price for its acceptance. [REDACTED]

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The Soviet Union and Cuba would retain substantial influence over the Luanda Government at least initially, but the door would be opened to an enhanced Western role and presence. Pressure also would mount on the US Government to afford diplomatic recognition to the MPLA Government. [REDACTED]

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With UNITA's hopes of achieving a military victory bolstered, Savimbi would press his friends hard for additional support and start to rely more on supply routes through Zaire. Even if Mobutu kept this a low-key operation, it probably would not remain secret. His involvement, in turn, might prompt the Soviet Union and Cuba to step up support to anti-Mobutu rebels. [REDACTED]

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Strategy 4: Reconciliation and UN 435

The MPLA Government enters into negotiations with UNITA. Both sides agree to stop fighting, a coalition government is formed, and provision is made for the reduction and eventual withdrawal of all Cuban and South African military personnel from Angola. The talks take place in the context of a regional peace settlement that allows for a phased withdrawal of South African forces from Namibia in accordance with UN Resolution 435. [REDACTED]

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Impact. Successful talks would end the civil war, lessen Luanda's dependence on the Soviet Union and Cuba, and pave the way for greater Western aid and improved relations with Angola's neighbors. A decision to enter into negotiations with UNITA also would appease those within the MPLA government who reportedly may be pushing for a rapprochement, including former members of the Catete group, an amorphous group of Army officers known as the Young Captains, and a few of President dos Santos' closest advisers. [REDACTED]

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On the other hand, reconciliation would entail major risks for Luanda. Influential mulatto hardliners and a sufficient number of their black supporters in the party, military, and

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[redacted]

government appear to believe that a compromise with UNITA-- especially one that enhances the stature of UNITA's charismatic leader Jonas Savimbi--could rapidly lead to an UNITA takeover and their own physical demise. They believe that UNITA can eventually be defeated militarily and they might move to oust dos Santos if he tried to engage UNITA in reconciliation talks. [redacted]

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Savimbi would view reconciliation talks as a means of removing the Cuban presence from Angola and legitimizing his claim to represent the political aspirations of the bulk of the Angolan people. He would risk losing direct South African support to his movement and foreclose the possibility of gaining a military victory over the Luanda regime. His willingness to sit down at the same table with the enemy also might cost him the support of some of his more radical advisers. [redacted]

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The talks could conclude with agreement on partition or federation, with UNITA in control of the southern half of the country. This would allow UNITA to consolidate its regional power free from Angolan and Cuban military pressure. Such an arrangement would significantly bolster Angola's case for diplomatic recognition and pave the way for increased Western assistance, thereby strengthening the Luanda government. [redacted]

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Viability. Serious talks between the Luanda government and UNITA are not likely unless the MPLA's military situation deteriorates substantially. We doubt that Luanda's agreement to talk by itself would be enough for Savimbi to accept a package with a sizeable residual Cuban force since the talks could fail and leave Savimbi militarily disadvantaged. Moreover, some MPLA leaders believe they can avoid talks through a military victory, and they would never acquiesce to a complete withdrawal of Cuban military personnel. Although MPLA leaders probably would find the idea of a federation more appealing, they would be inclined to reject it as well. [redacted]

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Cuba would not reject reconciliation out of hand given the economic and political costs of maintaining a substantial Cuban military presence in Angola and their doubts that Luanda could ever defeat the insurgents militarily. Moscow, however, would adamantly oppose any compromise with UNITA. It views Savimbi as a major threat to the consolidation of a Marxist-Leninist government in Angola and believes that his inclusion in a coalition government would severely undermine Soviet and Cuban influence. Cuba almost certainly would acquiesce to Soviet desires on this matter. [redacted]

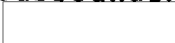
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South Africa, however, would be a forceful proponent of reconciliation, largely because most key officials in the South African government believe a rapprochement would offer the charismatic Savimbi a shortcut to taking power. Savimbi's


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capture of Luanda also would facilitate their grand strategic plan of surrounding Namibia with a ring of "moderate" buffer states. 

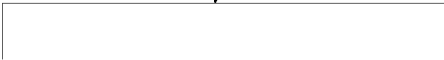
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Other Considerations. Partition or federation would put Western governments in a much better position to provide military and economic assistance to Savimbi. Both UNITA and the MPLA, however, probably would view partition or a federation as a holding action until the battle for total control of the country is fought. Under such circumstances, UNITA's ability to attract external military support once civil war broke out would improve dramatically in that it had already established itself as a legitimate government. 

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On the other hand, pro-Soviet hardliners in Luanda might rebel against dos Santos and install a more radical Marxist-Leninist regime. They probably would seek Soviet support before making their move and might promise Moscow increased access and extensive base rights in Angola. 

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[REDACTED]

SURINAME: IMPACT OF ALTERNATIVE POLICY OPTIONS

PREFACE

This memorandum explores alternative policy options that foreign governments could employ in dealing with the situation in Suriname. It seeks to provide the reader with an understanding of the basic forces at play in the region, assesses the extent to which Suriname's problems are susceptible to external influence, and sets out alternative policies that foreign countries could employ in addressing the situation. The format, purposely provocative, is not intended to be predictive. Rather, it provides a structured way of thinking about the costs and opportunities associated with various policies and a sense of the opportunities or risks that might be created if each course of action were to be pursued. [REDACTED]

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THE PRESENT SCENE

Suriname has experienced continued political turmoil since 25 February 1980 when 16 Army sergeants led by present Commander Desire (Daysi) Bouterse overthrew the elected civilian government. That turmoil has been affected continually by Bouterse's efforts to consolidate power and by the actions of interested third parties--notably the Dutch, the Cubans, and the Brazilians. The Bouterse regime is unpopular but has been passively accepted out of fear that overt opposition could provoke the military to use brutal force to suppress dissent. [REDACTED]

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Bouterse moved quickly to proscribe the traditional political parties and ban all opposition to his regime. He was forced to compromise in December 1983, however, after then prime minister Alibux decided to increase taxes in an effort to deal with a serious economic crisis. This spurred workers in the bauxite industry to launch a prolonged and crippling strike and protests spread to other sectors of the economy. Bouterse responded by agreeing to discharge the Alibux government, suspend the new taxes, and offer business and labor a voice in a newly formed government. He also promised to keep radical leftists out of the cabinet and take steps to return the country to democracy. The new cabinet was headed by a moderate, Prime Minister Udenhout, and labor and business leaders were called in help devise a new democratic structure for Suriname. [REDACTED]

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Bouterse appears to be solidly entrenched as the ruler of Suriname, but increasing economic hardship and the potential for mounting labor unrest over the next year could provoke another challenge to his regime. Economic conditions have declined rapidly under the combined impact of a deteriorating world market

[REDACTED] 25X1

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[redacted]

for bauxite, government paralysis, leftist economic meddling, and the continued suspension of Dutch aid.¹ Foreign exchange reserves have dropped from \$175 million in 1982 to less than \$10 million today, the government is beginning to sell gold, and sources for foreign financing cannot be found. In order to cope with a burgeoning budget deficit, the government is considering suspending salary increases for government workers (affecting 40 percent of the country's work force), a freeze on new hiring, and the abolition of government subsidies. Government leaders are unwilling to raise taxes because they fear that labor unrest could get out of control. [redacted]

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Many of the radicals forced out of the government in 1983 found new homes in other ministries. They have used their positions to obstruct Udenhout's initiatives, penalize businessmen who harbor "anti-revolutionary" views, and ensure the continuation of an "anti-imperialist" foreign policy. Bouterse also has given new momentum to the activities of an embryonic radical political party, the 25 February Movement, which favors a pervasive ruling party on the Cuban model. He has instructed cabinet ministers to vet their actions with the Movement and apparently intends to make it the only party in the country. [redacted]

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Labor and business leaders have been able to exert only marginal influence over the decisionmaking process. They doubt that any significant progress toward democratic rule is possible, but are willing to participate in a "social partnership" with the military in order to retain some influence over Bouterse, offset that of the radical left, and protect their own economic interests. Nevertheless, labor still has considerable clout primarily because Bouterse fears that labor unrest could once again seriously threaten his regime. [redacted]

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Early this year Bouterse installed a new cabinet again led by Udenhout and composed of representatives from the military, business, and labor. Although Bouterse hopes this gesture will clear the way for desperately-needed Dutch aid, the Hague continues to require that more tangible progress be made toward returning Suriname to democracy. Meanwhile, members of the radical 25 February Movement are exerting growing pressure to undermine the cabinet's influence. [redacted]

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¹The Dutch terminated their substantial aid program in response to the December 1982 massacre of opposition leaders. Dutch aid accounted for more than 90 percent of total bilateral assistance to Suriname in 1982 and had been scheduled to reach some \$90 million in 1983. About half of the \$1.5 billion package--largely grants--that was promised in 1975 remains to be drawn. [redacted]

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FUTURE DIRECTIONS

The near-term future of Suriname hinges on the pace and direction of change that radical leftists are able to achieve. If Bouterse gives the 25 February Movement a more formal and direct role to play in government, political, social, and economic radicalization could quicken dramatically. Over the medium and long term, this trend most likely would lead to pauperization of the economy, nationalization of the bauxite industry, regimentation of political and social life, and closer ties to Cuba, the Soviet Bloc, and the hardline wing of the Nonaligned Movement. [redacted]

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If, on the other hand, organized labor is able to challenge Bouterse more effectively, moderate forces may gain greater influence and limit the leftward drift. Bouterse then may calculate that his best course is to permit some movement toward democratization in order to appease labor and attract a renewal of Dutch aid. One of Bouterse's primary concerns is the high potential for labor unrest, and he probably will try to avoid a confrontation with labor because it might escalate into a serious threat to his power and possibly bring US intervention. Any moves he made toward liberalization, however, would be largely cosmetic and would proceed slowly and cautiously. If such moves were unsuccessful or backfired, Bouterse would then revert to a hardline position. [redacted]

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The potential for military action cannot be totally dismissed. Several of Bouterse's key military advisers oppose any further leftward drift in the government and they may harbor ambitions to seize power for themselves. In addition, members of the military rank and file are complaining about poor leadership and corruption. They are unlikely to support a move to oust Bouterse, however, unless popular unrest appeared to be getting out of control. [redacted]

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SUSCEPTIBILITY TO FOREIGN INFLUENCE

The Bouterse regime has been searching frantically for foreign assistance to stem Suriname's rapid economic decline and keep labor unrest in check. When aid was first suspended in December 1982 the Hague made resumption of assistance contingent on Bouterse's removal and a return to constitutional rule. Since then the Dutch may have softened their preconditions somewhat, but they have yet to see sufficient progress on human rights and democratization to resume aid. Nevertheless, their demands remain a major factor pushing Bouterse toward reform, largely because of his failure to find adequate alternative donors. [redacted]

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Bouterse's initial approaches to other Western donors--the United States, Brazil, Venezuela, Colombia--proved disappointing

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[REDACTED]

because these countries were either unwilling or unable to provide substantial assistance. Bouterse then decided to pin his hopes on Cuba, the Soviet Union, and Libya. In early 1983, he negotiated technical, economic, scientific, and cultural cooperation agreements with Cuba but at nowhere near the levels needed to meet Paramaribo's immediate and growing cash requirements. In October 1983, in the wake of the Grenada invasion, Bouterse sent the Cuban Ambassador home, fearing that growing Cuban involvement with Surinamese radicals threatened his own position. Castro responded by closing his entire mission and cancelling the aid program, thereby losing whatever leverage Havana had over Bouterse. Even if Bouterse turns again to the Cubans, Havana is not likely to gain much leverage given the limited amount of aid it can offer, and Bouterse's reluctance to accept large numbers of Cuban advisers because of continuing security concerns. [REDACTED]

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The Soviet Union has increased its level of activity and influence in Suriname since Cuba's departure. They have not stepped forth, however, with substantial economic aid or trade offers. Bouterse also has approached North Korea and Libya for military and economic assistance, but neither country is likely to be in a position to exert much influence over the regime. [REDACTED]

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Brazil decided to offer Paramaribo economic, technical, and military aid in mid-1983, in hopes of displacing the then growing Cuban influence with the regime. Their efforts met with some initial success but now are proceeding more slowly than expected. There is some evidence that Brazilian influence on Bouterse is weakening primarily because the economic assistance program has been largely unproductive. Trade relations also have been stagnant primarily because of Suriname's foreign exchange problems. [REDACTED]

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ASSESSING FUTURE FOREIGN OPTIONS

The following list of potential foreign policy options is not intended to be exhaustive; other approaches could be constructed by combining elements from two or more of the approaches discussed below. Nor is the order in which they are presented intended to endorse the adoption of any particular approach. [REDACTED]

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The four policy sets examined for dealing with the situation in Suriname are:

[REDACTED]


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- o **Western States Treat the Regime with Benign Neglect.**

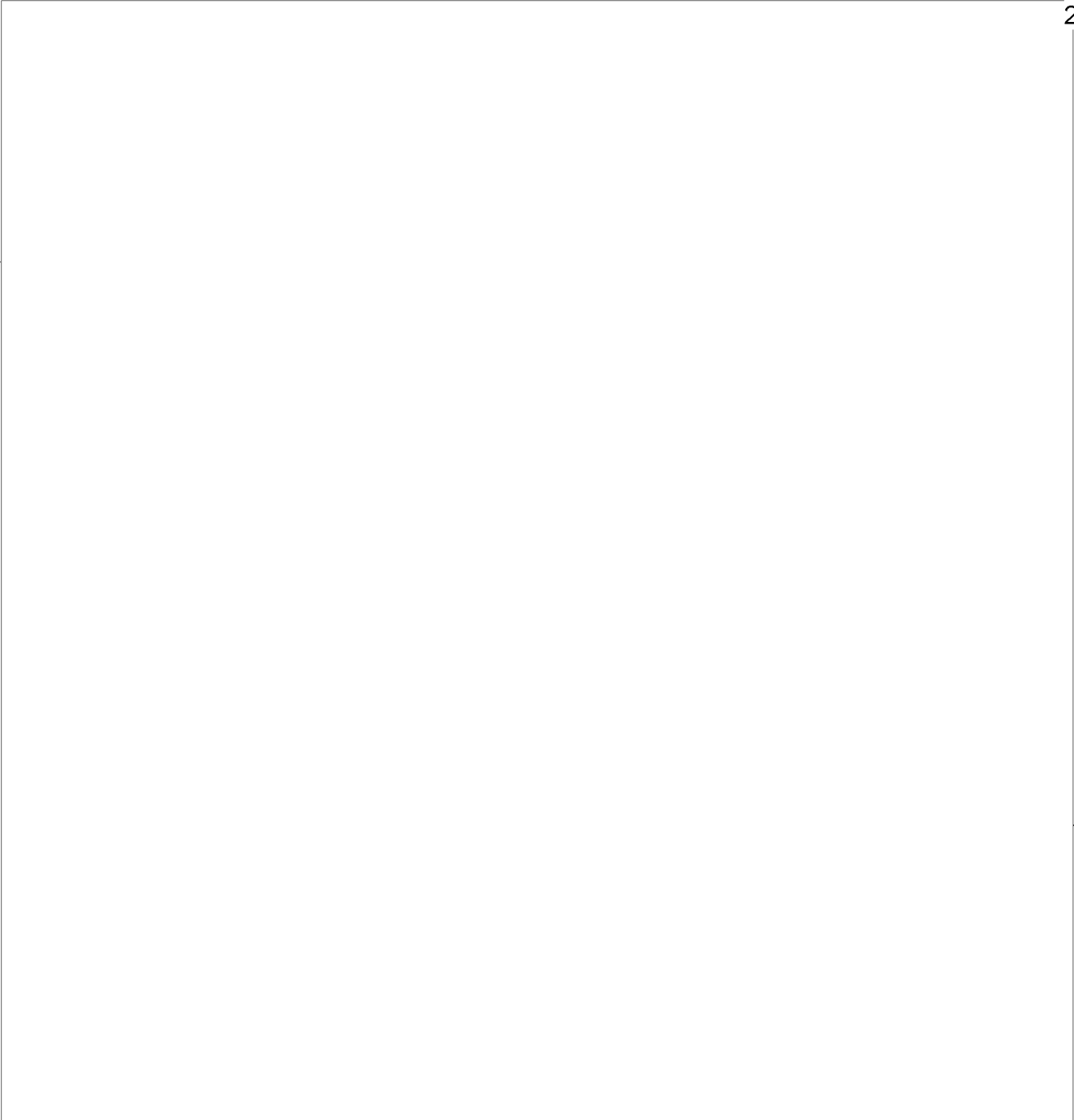
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- o **Friendly Western Countries Like Brazil Become More Involved with the Regime, but Washington and the Hague Maintain Cooler Relations.**
- o **Western States, Lead by the United States and the Netherlands, Openly and Actively Support the Bouterse Regime in an Effort To Entice It Fully into their Camp.** 

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[Redacted]

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[Large Redacted Area]

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Option 2. Benign Neglect

The United States and other Western states would dedicate few, if any, resources toward supporting [Redacted] the regime in the expectation that Bouterse's position would become increasingly weaker. Diplomatic relations would be maintained, but no new initiatives would be undertaken. [Redacted]

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Impact. The economic implications of this strategy would be similar to [Redacted]. Although the impact would be extended over a longer period of time. Moderate leaders would be increasingly reluctant to push for change, and the prospects for any more toward democraticization would be dimmer. [Redacted]

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[Redacted]

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[REDACTED]

Lacking any positive signal from Washington, Bouterse would continue to suspect US and Western intentions and fear that the United States might be planning an invasion. As a result, he would be careful not to embrace the leftists in his government too openly nor to push too strongly for improved Soviet, Libyan, or Cuban ties. Popular dissatisfaction with the regime would mount, but there would be no stimulus for taking direct action against Bouterse. [REDACTED]

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Likelihood of Success. This option would be very difficult to sustain. As economic pressures mounted, Bouterse would renew his plans for Western economic assistance, thereby forcing Western countries to take a stand, particularly in multilateral fora such as the IADB and the World Bank. Bouterse also could try to force the US or Dutch hand by nationalizing their bauxite facilities. [REDACTED]

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Other Possible Risks. Bouterse might interpret US inaction as hostility and turn increasingly to the Soviets and their radical friends for support. [REDACTED]

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Sensing a loss in the moderates' position or vacillation on the part of Bouterse, the radical leftists could move--possibly in collusion with the Cubans and the Soviets--to oust Bouterse and install a more progressive Marxist-Leninist regime. [REDACTED]

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Other Possible Gains. The West could not be portrayed as openly meddling in another country's affairs. [REDACTED]

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Option 3. Use of Friendly Surrogates

Friendly Western countries like Brazil would provide economic, military, and technical assistance to the Bouterse regime in the expectation that this would further limit Soviet, Libyan, and Cuban influence. The United States and the Netherlands would agree to the initiation of some modest assistance programs in non-controversial areas, but continue to keep the regime at an arms length until significant progress is made on human rights, democratization, and continuing or greater restrictions on the Soviet, Libyan, and other radical state presence. [REDACTED]

25X1

Impact. Economic problems would become more manageable, giving Bouterse more room to deal with political matters. Bouterse would be more amenable to reforming the system, perhaps by giving a greater political role to the National Assembly, but he would not allow any change that would undercut his dictatorial powers. However, if he were to show even limited progress on the economic front and some moves toward democratization, additional aid would be forthcoming. The West would obtain slightly more leverage and influence over the regime, but Bouterse still would be inclined to play one side


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(the Soviets, Libyans, North Koreans, etc.) against the other (the United States, the Netherlands, Brazil). 


25X1

Likelihood of Success. Despite Brazilia's commitment to become more involved with its neighbor, it has been able to provide only a modicum of economic assistance and the chances that other countries such as Venezuela or Colombia could increase trade or assistance are far more limited. Although significant amounts of aid probably could be obtained from multilateral institutions such as the IADB and the World Bank, Bouterse still would require additional support. This option would go a long way toward meeting Bouterse's needs and probably would succeed in limiting--but not eliminating--the radical leftist presence and influence. 


25X1

Other Possible Risks. If this approach spurs Bouterse to move to the center domestically and turn away from the Soviets and Cubans, radical leftists might decide to launch a counter coup before economic conditions improved and popular disgruntlement with Bouterse began to wane. 

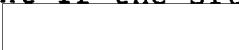
25X1

Bouterse might opt for a two track approach--taking money from the West, while imposing a radical/socialist or Cuban model of government. 

25X1


Brazil or other donor states could be portrayed as US "lackeys", thus damaging their standing among non-aligned states. 

25X1

Other Possible Gains. Brazilian involvement in Suriname could set a valuable precedent if the situation in Guyana takes a serious turn for the worse. 

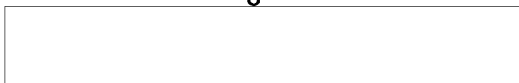
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Option 4. Open and Active Support

The United States would be responsive to Bouterse's entreaties for economic, technical, and military assistance and urge other Western countries to be forthcoming (within certain bounds) in the expectation he could be coopted fully into the Western camp. Basically, Bouterse would receive the benefit of the doubt while the West tried to use the increased assistance and the access it provided to various segments of government and society as a lever to reduce or eliminate Soviet, Cuban, and other radical state influence. 

25X1


Impact. Over time, Suriname's economic slide could be halted, and the door might be opened to a turnaround--assuming some increase in the demand for bauxite. Soviet and other radical state influence would diminish as their activities were increasingly proscribed. Moderate business and labor leaders would gain influence and a greater role in managing the day-to-day affairs of government. Bouterse probably would acquiesce to



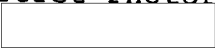
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25X1

some additional reforms, but any moves toward liberlization would be mostly cosmetic and proceed slowly and cautiously. He would not alter his commitment to revolution and would never concede any real authority to any of the psuedo-democratic structures that would be created. 

25X1

Likelihood of Success. If Bouterse allowed some form of democratic opening, The Hague would be inclined to resume its assistance program. Given differences on this issue within the Dutch Government, however, aid would begin to move only slowly. Brazil would be in a position to offer some modest assistance, but most other countries lack the resources to make a significant commitment. US efforts to assist the regime also would be impeded by language problems. Bouterse would never be won over entirely, and the leftist rhetoric would continue--albeit at less inflammatory levels. 

25X1

Other Possible Risks. Although most Surinamers probably would welcome a greater US and Western role in their country, a significant proportion might resent it bitterly, arguing that such a strategy served only to keep a brutal and repressive ruler in power. 

25X1

Other Possible Gains. Bouterse, believing his position was secure, might reject Libyan assistance and possibly oust the Soviets. 

25X1



25X1