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Special National Intelligence Estimate  
Memorandum to Holders

# Nicaragua: Prospects for the Insurgency

Key Judgments

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SNIE 83.3-4-85W  
March 1986

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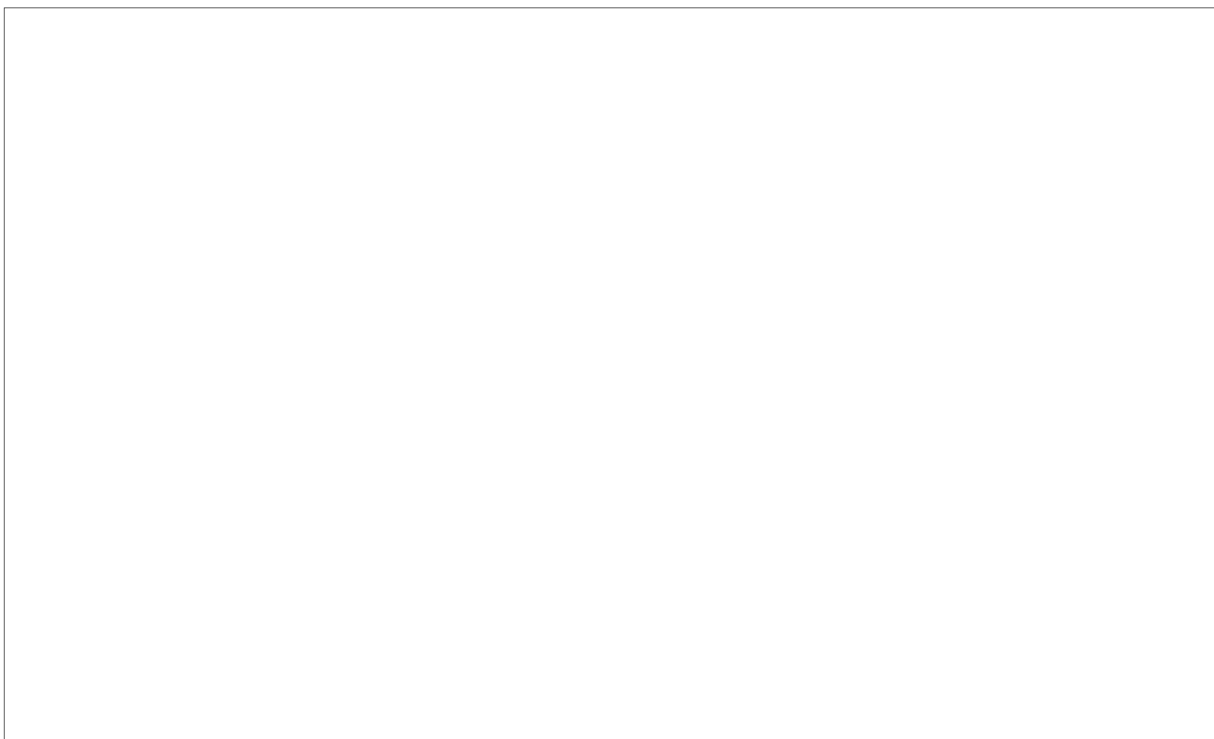
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**Memorandum to Holders of SNIE 83.3-4-85W**

**NICARAGUA: PROSPECTS FOR  
THE INSURGENCY**

**KEY JUDGMENTS**

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### SCOPE NOTE

This Memorandum to Holders updates the Special National Intelligence Estimate, *Nicaragua: Prospects for the Insurgency*, prepared in July 1985. It will look first at recent trends in the conflict and the strengths and weaknesses of both sides. It will also examine the significance of foreign support to Managua and to the insurgents. It will then discuss prospects for the insurgency over the next year or so, depending primarily on alternative scenarios of US support for the rebels and the likely Soviet-Cuban response. Finally, it discusses other key variables likely to affect the outcome, and the prospects for a negotiated solution to the conflict.



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## KEY JUDGMENTS

Whether the Nicaraguan insurgents are able to obtain substantial military aid and training assistance from the United States over the next few months is likely to have a significant impact not only on their own prospects, but also for Sandinista consolidation as well. The Managua regime remains intent on ultimately consolidating a Marxist-Leninist, totalitarian state in Nicaragua, and the insurgency has remained a major obstacle to its success. We believe that, should the insurgency be greatly reduced or defeated, the generally weak and divided internal opposition would present little challenge to the Sandinistas.

Although the insurgents reopened and expanded a second front in central Nicaragua during the latter part of 1985, they have continued to suffer from serious logistic problems made more acute by inconsistent Honduran cooperation and the insurgents own inadequate management and delivery capabilities. This has precluded force expansion, forced them to keep large units in Honduras awaiting resupply, and made it difficult to support forces deep inside Nicaragua. Furthermore, although the insurgents have received some popular support in rural areas, their inability to maintain a dominant presence anywhere in Nicaragua has limited their ability to attract more active support, and they remain unable to operate in urban areas. Finally, insurgent units now find themselves confronting experienced and aggressive Sandinista counterinsurgency forces supported by artillery and helicopter gunships.

Insurgent success in obtaining US military aid would have an immediate positive impact on their morale and would send a clear message to Nicaragua's neighbors about Washington's commitment to the struggle. Many Latin countries will fear that the result will be an intensified conflict, but specific reactions within the region are likely to vary considerably. The Honduran Government, in particular, would feel reassured by approval of military aid, providing it remains in covert channels. But it would expect compensation for its support, would remain nervous about the US commitment to Honduran security and the prospect of an indefinitely prolonged guerrilla presence in Honduras. Costa Rica, for its part, is unlikely to change past policy and allow the insurgents more extensive activities inside Costa Rica.

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With increased US support, the armed conflict inside Nicaragua is likely to intensify, and, with better management and delivery capability, the insurgents would likely be able to sustain a large force presence inside Nicaragua. It also may enable the insurgents to expand their operations and add to their strength—now estimated at about 20,000. Although the insurgents are unlikely to achieve military victory within the next year, the Sandinistas will increasingly face the prospect of a long and costly conflict that they may ultimately lose. Much will depend on the type and size of the aid, however, and the degree to which the insurgents respond to US training and guidance. The rebels still have serious administrative, leadership, tactical, and training weaknesses that are not susceptible to quick fixes.

A key variable for insurgent prospects will be the ability of the political leadership to achieve greater unity, develop a more effective political strategy, and establish better links with the internal opposition in order to mobilize greater popular support. This has been a major weakness so far, despite growing popular dissatisfaction with the Sandinista regime. Increased military success, coupled with a viable political program, probably would begin to shift the strategic balance in the insurgents' favor. We believe, however, this is unlikely to happen within the next year.

Managua probably will use increased US support for the insurgents to justify even greater sacrifices from its population and tighter controls on the internal opposition. The Sandinistas are also likely to step up diplomatic pressure and, whenever necessary, use military pressure on Honduras and Costa Rica to deny sanctuary to the rebels. Finally, Managua is likely to continue its support for radical and subversive groups in neighboring countries and encourage bombings and sabotage in an effort to raise the cost of support to the Nicaraguan insurgents.

A major factor in Managua's capability to contain the insurgency will be how much additional military support the Soviet Bloc and Cuba are willing—and able—to provide. We believe the Soviet Union will continue to provide substantial military and economic support to buttress the Sandinista regime. In particular, they or their surrogates are likely to provide additional helicopters and other material to support the counterinsurgency effort. The Soviets may provide new air defense weapon systems, and they may test the levels of US tolerance by supplying L-39s or comparable aircraft. They will still feel constrained about providing advanced jet fighter aircraft for fear of provoking a US response.

Cuba would probably be willing to commit additional military advisers and trainers. But we do not believe that Castro would be willing to send ground combat units to Nicaragua for fear of a US

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response. And, although he may step up support for neighboring radical groups, he will be wary of being openly linked to terrorist acts on their part.

We believe that, should the insurgents fail to obtain military aid from the United States but continue to receive nonlethal support at current levels, they are likely to be discouraged, and the incentives for cooperation among the various factions of the external opposition would be reduced. The insurgents probably would be unable to obtain sufficient funds from other sources to purchase necessary transport aircraft or meet other critical military needs. Furthermore, Nicaragua's neighbors are likely to have greater doubts about the ultimate viability of the insurgency and the US commitment to oppose Sandinista consolidation. Honduran military support for the insurgency would become increasingly problematic. We doubt that the insurgency would precipitously disintegrate, but, over time, the strategic balance is likely to shift gradually in Managua's favor as its own capabilities continue to improve and the rebels fail to keep pace.

Although increased US military aid to the insurgency probably would not change the Sandinista negotiating posture in the near term, a stronger and more viable insurgency would tempt Managua to accept a less advantageous Contadora Treaty and undertake nominal talks with the internal opposition on national reconciliation. On the other hand, there is some possibility that no amount of insurgent or other pressure will induce the Sandinistas to make fundamental concessions.

Nevertheless, without a viable insurgency, Sandinista incentives to make negotiating concessions would be greatly reduced, and the remaining domestic opposition would rapidly become irrelevant. Although Managua argues publicly that it cannot make concessions while subject to external aggression, we do not believe it would be significantly more conciliatory were the insurgency weakened. Instead, this would improve Nicaragua's chances of obtaining advantageous bilateral agreements with Costa Rica and Honduras, thereby undermining the Contadora process.

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