

ABC WORLD NEWS TONIGHT
25 November 1983

NICARAGUA/U.S. ROBINSON: There's been controversy in this country and outrage in Nicaragua over covert U.S. aid to guerrillas trying to overthrow the Sandinista government. A recent CIA report casts doubt on the rebels' ability to achieve their goals. However, ABC's Jack Smith says U.S. intelligence experts now believe the secret operation may turn out to be a qualified success.

SMITH: The U.S.-backed Nicaraguan counter revolutionaries, or contras, have long predicted military victory over Nicaragua's leftist government. And earlier this year administration hardliners like CIA Director William Casey also reportedly predicted a contra victory by year's end. But sources say this was never the view of U.S. intelligence professionals. And, according to the CIA now, the U.S.-backed contras lack the training, numbers and popular support ever to defeat the Nicaraguan regime. Sources say this analysis was given Congress two months ago as it debated funding for the covert operation. According to a number of officials, the covert operation was only intended to soften up Nicaragua's leftist regime. And here, the CIA analysis, according to sources, concluded the operation was succeeding. Analysts point to the following signs. This summer, for the first time, the Nicaraguan government agreed to unconditional talks with its neighbors, the so-called Contadora Group, on ending the crisis in Central America. Sources say Nicaragua's support for leftist guerrillas in El Salvador has diminished this year, and press censorship within Nicaragua has eased in recent weeks. In fact, the covert operation appears to be going so well, there are reports the Reagan administration has even considered ways of winding it down. Congressional sources confirm that this fall, as Congress debated further funding for the operation, the White House submitted a plan whereby the Nicaraguan government would grant the contras amnesty if the fighting ended. But sources caution this was done merely to get more money out of the Congress, by convincing skeptics there that administration support for the contras is not open-ended. In fact, say sources, the administration believes the covert operation is necessary, is succeeding and should continue. Jack Smith, ABC News, Washington.