

Page Denied

Next 1 Page(s) In Document Denied

[Redacted]
The Director of Central Intelligence
Washington, D.C. 20505

National Intelligence Council

NIC 04346-87
20 October 1987

MEMORANDUM FOR: Director of Central Intelligence
Deputy Director of Central Intelligence

FROM: John J. Bird
National Intelligence Officer for Warning

SUBJECT: Bi-Weekly Warning Support

1. Attached is my bi-weekly warning review list which is intended to keep true warning issues in sight during periods when current events do not necessarily require continual reporting. The effort is a joint one, taking into account the views of other NIOs as well as Intelligence Community perceptions developed during regular warning meetings.

2. I would be pleased to provide you with amplification of any item.

[Redacted]

25X1

for John J. Bird

Attachment
Bi-Weekly Warning Review

[Redacted]

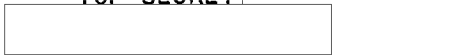
25X1

CL BY SIGNER
DECL OADR

~~TOP SECRET~~

[Redacted]

25X1
25X1



NIO/W
20 October 1987

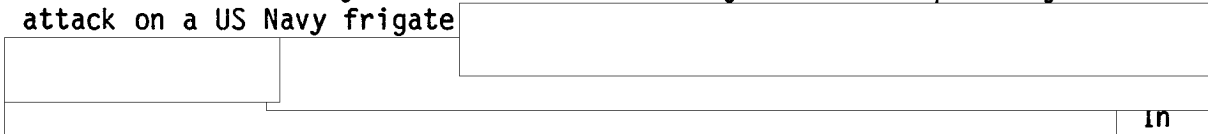
NEAR EAST/SOUTH ASIA

IRAN/GULF ARAB STATES/US: Collision Course

The US helicopter attack on three Iranian gunboats on 8 October and the 19 October destruction of an oil platform have strengthened the likelihood of Iranian reprisals against US naval vessels in the Gulf or eastern Mediterranean and attacks on American personnel in the Middle East and Western Europe. Pressures in Tehran for retaliation against the US will also build as the Iraqi anti-shipping campaign squeezes the oil flow. An Iranian Revolutionary Guard commander already has called publicly for an attack on a US Navy frigate

25X1

25X1



25X1

In addition, the Iranians continue to plan attacks on oil and harbor facilities of Gulf Cooperation Council states and have moved boats to Khark Island--a staging area for major attacks. Iran's strategy evidently aims at influencing US congressional and public opinion in a way that will oblige the Administration--on the Lebanon precedent--to withdraw US forces from the Gulf. This strategy was summarized by Prime Minister Mousavi, when he warned on 6 September that the US should withdraw "rather than go any farther down into the quagmire it has created for itself." Mousavi predicted that, "However long the US may linger in the Gulf, it will eventually pull out and let the (Gulf) states bear the consequences of their hostility toward Iran." As hostilities in the Gulf escalate, the Gulf Arabs will become more demanding of US support or threaten the consequences of their separate accommodation with the Ayatollah or the Soviets.

IRAN/LIBYA: More Naval Threats

Iranian Revolutionary Guard naval forces in Lebanon may present a new kind of threat to US and allied maritime interests in the Mediterranean Sea

25X1



25X1

encountered a mine off southern Lebanon alleged to be similar to those used recently in the Persian Gulf while Lebanese found three others; a Revolutionary Guard commander claimed at about the same time that his contingent already had laid [redacted] near Tyre. In addition, Libya may try to lay mines off the Suez Canal. In all cases, the minelaying is likely to be covert. It may be difficult to prove responsibility, since we cannot count on catching those minelayers red-handed.

25X1

TOP SECRET

25X1

25X1

AFGHANISTAN/PAKISTAN/USSR: Soviet Pressure

Soviet diplomatic initiatives, violations of Pakistani ground and airspace, and possibly financial inducements are maintaining pressure on President Zia to stop providing aid to the Afghan resistance and to reach an accommodation with Moscow. Some cross border attacks on Afghans in Pakistan continue, and harassment attacks against Pakistani civilian targets are contributing to wearing down Pakistani domestic support of the war. In an effort that will boost pressure further, Moscow proposed a shorter timetable for Soviet withdrawal from Afghanistan during talks last month in Geneva.

INDIA/CHINA: Risk of Confrontation

Chinese initiatives since mid-July to defuse the border issue--and New Delhi's conciliatory actions--have helped ease tensions along the Sino-Indian border; there also have been some troop withdrawals from the border. However, a breakdown in talks scheduled in Beijing for 16-18 November could result in new confrontations despite the impending onset of winter weather. In addition, the current turmoil in Tibet could complicate the strategies of both countries.

INDIA/PAKISTAN: Continued Uncertainty and Nuclear Weapons

[REDACTED] if a decision to do so. The Pakistani nuclear program enjoys widespread domestic support, and external pressures against the nuclear program are not likely to dissuade Pakistan from maintenance of the nuclear option. This has also triggered Indian reassessment of its nuclear weapons options that will further fuel tensions in the subcontinent.

25X1

25X1

INDIA/SRI LANKA: Indian Imperialism?

India's intervention in Sri Lanka seems to reflect Rajiv Gandhi's adoption of a doctrine--formulated by his mother and reaffirmed recently in writing--asserting an Indian right and responsibility to protect ethnic Indians anywhere, even when they resist protection. India committed most of an infantry division plus police forces to northern and eastern Sri Lanka to help enforce a peace agreement concerning the Tamil (ethnic Indian) insurgency before the outbreak of fighting with Tamil militants. New Delhi continues to increase its troop strength, which now numbers nearly 20,000. In addition to introducing a force that could dominate the whole Sri Lankan Army, the Indians have obtained Colombo's agreement to restructure the Sri Lankan state and to a virtual Indian veto of national security policy in Sri Lanka. It is not yet clear how far Gandhi intends to go in establishing dominance over Sri Lanka, but Tamil resistance to the Indian invasion will complicate any plans to withdraw and make a long stay likely. The instability in Fiji between the native Fijians and the ethnic Indians may soon be another case for Indian intervention using the Navy to "protect" ethnic Indians.

TOP SECRET

25X1

25X1

[Redacted]

25X1

IRAN/IRAQ: Developments on the Ground

[Redacted]

25X1

against Iraq in the near future. The Iraqi military recall of reservists born in 1945--and placing reservists born in 1943 and 1944 on standby status--indicate Iraq is becoming increasingly hard-pressed to replace casualties. No matter the military outcome of a new offensive, the potential for sudden collapse of either government is out of proportion to actual or likely military results. Iraqi President Husayn still faces domestic military and civilian opposition and is vulnerable to assassination. Meanwhile in Iran, Ayatollah Khomeini's death could lead to major instability within any successor government.

LIBYA/CHAD: Chemical Warfare

Colonel Qadhafi is embarked on a program to acquire an offensive chemical warfare capability and has had some success. Libya probably has received limited quantities of chemical bombs and artillery shells from Iran and will [Redacted] We should be prepared for additional use of chemical agents already in stockpile in Libya against Chad. [Redacted]

25X1

25X1
25X1

KURDS/TURKEY/IRAQ/IRAN: Kurdish Rebellion

Kurdish separatist activity is continuing in southeastern Turkey, drawing Ankara closer to border conflict. In May, Iran conducted a raid inside Turkey following two Turkish raids against Kurdish targets in Iran. [Redacted] Kurdish camps located in Iran and states that [Redacted] Iranian irregulars recently captured while infiltrating intended to attack Iraq's pipeline through Turkey. Tehran's continued support of the Kurds is seriously straining Turkish-Iranian relations. A recent Kurdish attack in Istanbul--the first in a major city since 1980--could boost pressures on Prime Minister Ozal to launch more preemptive strikes against Kurdish camps in Iran.

25X1

25X1
25X1

SYRIA: Internal Struggle

President Assad's poor health could leave him incapacitated at any time. In the absence of a named successor, with new pressures in Lebanon, and with an ever-deteriorating economic situation, any successor could become overwhelmed with key issues, leading to governmental instability and sudden change.

TUNISIA: Increasing Instability

Ailing President Bourguiba's appointment of former Interior Minister and regime strongman Ben Ali as Prime Minister probably is a sign that the succession process has begun. Ben Ali's appointment probably is designed to

TOP SECRET [Redacted]

25X1
25X1

provide stable government while the political process produces a longer-term successor. Although two Islamic fundamentalists were hanged last week, the moderate sentences given most of the 700 other defendants probably are intended to limit tension after the past months of heightened internal unrest and tightened security. Nevertheless, Islamic fundamentalists have promised retaliation for executions. In addition, the Libyan threat almost certainly will increase in the post-Bourguiba period, and Algeria too seems poised to influence the succession struggle.

WESTERN EUROPE

WEST GERMANY: Pressures on Defense Policy

Chancellor Kohl's decision to scrap the Pershing 1As marked a turning point in Bonn's security policy. The Christian Democrats have decided that they will be champions of arms control--an increasingly popular stance among many segments of the German population--and will not concede that ground to either the Free Democrats or the Social Democrats. The government may also be debating how to improve conventional capabilities as Soviet and US nuclear weapons are withdrawn. Public statements indicating that nuclear weapons hold the only key to defense, according to some influential Bundestag members, are working against efforts to improve conventional defenses. Meanwhile, working against such efforts, the Soviets continue their "peace offensive" in West Germany. In addition, the Soviets, by allowing the recent much desired visit by East German leader Honecker to the Federal Republic, are hoping to demonstrate a lowered threat to West Germans.

GREECE/TURKEY/CYPRUS: More Tension

Another crisis may be brewing. Frequent reports of Greek troop redeployments, new tensions over Cyprus, and ongoing issues such as rights to the Aegean seabed, militarization of islands, and differences over air and sea navigation rights point to heightened tensions. Whether the Greek actions are for domestic consumption or to affect US/Aegean relations is not clear, but the effect is to heighten tensions with the Turks. Both countries may move toward confrontation because they believe the US will act to prevent war.

EAST ASIA

SOUTH KOREA/NORTH KOREA: Rocky Road to December

Agreement by the major parties on a new draft constitution sets the stage for a presidential election late this year, but hardliners on both sides continue to oppose the pact. The radicals are likely to instigate street demonstrations. Additional, perhaps greater, unrest could result from labor strife. There appears to be general popular belief that a major breakdown in order could occur before December. A collapse of public order could yet result in the imposition of martial law.

Disorder would encourage North Korea to attempt

25X1

25X1

TOP SECRET

25X1

25X1

actively to capitalize on anti-government riots and mount some sabotage operations. Moreover, the Chinese evidently want the US to know that North Korea intends to disrupt the Seoul Olympics.

PHILIPPINES: Who's Next?

President Aquino's support continues to weaken. A rally late last month in Manila drew a scant 3,000 people, for example, and both civilian and military opposition is growing. Meanwhile, the communist New People's Army is stepping up attacks on bridges, possibly signaling a shift in tactics toward sustained attacks on economic targets. Continued guerrilla successes, aided by splits within the military, will accelerate political polarization and encourage opponents of Aquino to increase their efforts to organize a broad coalition that can force her from office, possibly by the end of the year. Aquino's efforts to impose censorship on the news media, unsatisfactory leadership within the military, continued decline of the economy and threats to impose martial law--all amidst rumors of a coup-- will critically damage Aquino's democratic credentials and may bring about her early downfall. At present, the more likely beneficiaries are the communist New People's Army and other insurgent movements.

LATIN AMERICA

BRAZIL/ARGENTINA: Tougher Stances on Debt

Brazil and Argentina may soon be taking significantly tougher stands on repayment of their international debt, threatening more confrontations and, ultimately, the solvency of major US banks. The recent mid-term election defeat of Argentine President Alfonsin's party by the Peronists will increase pressure on him to adopt a harder line on repayments; he recently closed the nation's banks to prepare for domestic bank reform. Brasilia continues to insist on "alternative" approaches to the debt problem--all of which probably will be costly to the banks. Continuing balance of payments problems in both countries make early resolutions unlikely. The chances of declarations of debt moratorium are increasing even though Brazil's efforts to organize a debtors' cartel are likely to fail.

BRAZIL: Political Turmoil

President Sarney's ruling coalition has collapsed, and his efforts to break the political impasse may have set the stage for new challenges to his leadership. Sarney wants to keep the presidential system of government in the new constitution despite prevailing sentiment in the Constituent Assembly for a parliamentary system. Meanwhile, the economy remains troubled and Finance Minister Bresser's recent failure to secure a solution to Brazil's debt crisis is triggering more accusations. In addition, military discontent is rising. Pamphlets are circulating that criticize Sarney's leadership and demand pay increases. The next few months will be critical as Congress debates the constitution. Increasing economic problems could lead to broad based opposition, providing a pretext for military intervention.

TOP SECRET

CHILE: Intransigence

General Pinochet appears more determined than ever to maneuver to remain in power beyond 1989. Having prepared plans for carrying out a major reshuffle of the army to force his critics into early retirement, Pinochet now seems determined to run as a civilian with junta backing. Pinochet's actions to maintain control may precipitate a new crisis of confidence over his leadership within the rank-and-file armed forces and middle class, fueling momentum for decisive change before 1989.

HAITI: Descent Into Anarchy

The situation continues to deteriorate. A second presidential candidate was gunned down last week. Street violence and acts of anti-Americanism will continue to endanger the safety of US citizens. Radical Catholic priests and communists are actively involved in anti-government activities. Economic problems--plus harsh military reactions--increase the likelihood of a governmental crisis before the presidential elections scheduled to be held in November. Even General Namphy seems to yearn for a return to strongman rule.

PANAMA: Stalemate

Anti-government protests are tapering off, but the opposition could yet unify and force Noriega's resignation. General Noriega under siege would increase his demagogic campaign against the US, crack down roughly on the opposition and, if necessary, install a military junta. As the crisis evolves, there will be an ever increasing risk that Noriega will target more sensitive US interests in Panama for subversion. Deliberate harassment of US citizens is increasing.

SOUTHERN AFRICA

SOUTH AFRICA: Confrontation

Conservative electoral gains and deep divisions within the Afrikaner community have revealed increased domestic polarization that has further undermined the influence of moderate blacks and whites who seek compromise. In extending the emergency decree to a quasi-permanent condition and stifling legitimate dissent, the government has evidently demonstrated that its authority can be perpetuated only by force. Externally, until Pretoria's increasingly coercive measures against Frontline States subside, there will be greater opportunities for both West and East to capitalize on the Frontline States' heightened senses of vulnerability.

TOP SECRET

SOVIET UNION/EASTERN EUROPE

EASTERN EUROPE: Under Pressure

To various degrees, the regimes are under increasing pressures:

- Growing economic and political problems, coupled with Gorbachev's glasnost campaign and Soviet trade demands, have had unsettling effects on the aging East European leaderships. Prospective succession dilemmas, particularly in Hungary and Czechoslovakia, are adding to the potential for instability. In Hungary, strikes and demonstrations may grow as the impact of recent economic austerity measures are felt this fall. Even the normally docile legislature appears restive over austerity proposals.
- Pressures are especially great in Romania, where continuing debt problems and economic mismanagement have exacerbated already abject living conditions. Poor nutrition and worsening sanitary conditions are contributing to new outbreaks of diseases like cholera. Popular discontent may reach its peak in late winter, when consumer goods supplies are lowest. Elements in the security services are disaffected. Should they decide to move against the ailing Ceausescu, we may have little additional warning. Moscow would seek to draw Bucharest back to the fold.

A wild card is popular reaction to Gorbachev's political reforms. He appeals both to younger party functionaries and apolitical persons seeking greater personal freedoms. Over the long haul, the unintended erosion of party unity and popular demands are destabilizing and could lead to system-shaking unrest.

YUGOSLAVIA: More Financial Troubles

Belgrade has worsening payments problems and little prospect that it can solve them any time soon. After failing to make scheduled payments twice since June, the Yugoslavs face new rounds of rescheduling negotiations with both banks and Western governments late this month and in November. The banks, especially, are likely to be cool to requests for new lending in light of other debtors' problems and the Yugoslavs' insistence earlier this year that they had no financial troubles. With export prospects poor, Yugoslavia probably will have financing gaps of \$1 billion or more annually for the rest of the decade.

TOP SECRET

25X1
25X1