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QUESTIONS ON NICARAGUA

The following questions on Nicaragua have been addressed to the Administration by the Congressional Leadership, and our assistance has been requested in answering them.

QUESTION: Why are East European deliveries to Nicaragua down compared to previous years?

ANSWER: East European military deliveries to Nicaragua have been significantly reduced in 1986 compared to previous years, apparently because these countries are no longer willing to provide military assistance on easy credit terms. They have been disillusioned by the Sandinistas' inability to pay past debts even on the easy terms provided. The Soviet Union, on the other hand, appears to be willing to provide even greater military assistance to Nicaragua despite Moscow's realization that the Sandinistas are unlikely to fully repay their debts. Thus Moscow has more than made up for the slack in East European deliveries.

QUESTION: What changes in Nicaragua have occurred over the last year which indicate continued desire by the Sandinistas to consolidate the Marxist-Leninist regime.

ANSWER: Over the past year, the following Sandinista actions indicate that they are unwilling to compromise with the opposition and are determined to consolidate a Marxist-Leninist regime in Nicaragua.

- Managua declared a state of emergency in October 1985 which ~~allows it to suppress any opposition political activity or other signs of dissent.~~
- The regime has ~~suspended its dialogue with the Church,~~ openly accused Cardinal Obando y Bravo of being a traitor to Nicaragua, closed the Church radio station, and confiscated its newspaper.



- The regime has broken off reconciliation talks with the Miskito Indians in eastern Nicaragua and has launched a new military offensive which has driven over 10,000 of them back into Honduras.
- The regime has arrested over 1,500 political opponents, swelling the already large prison population to perhaps 10,000 inmates.
- The regime has pushed ahead with its ratification of a constitution despite a boycott of the deliberations by several opposition parties in the National Assembly. The constitution bans all political parties that do not support the revolution, grants extraordinary powers to the President, fails to provide guarantees for private property, and maintains the armed forces as a military arm of the Sandinista party.
- The Sandinistas have stepped up confiscation of private property, and Commandante Wheelock has publicly stated that the concept of private property is no longer valid in Nicaragua.
- The Sandinista regime has refused to even acknowledge a declaration by six moderate opposition parties that calls for the lifting of the state-of-emergency, a general amnesty, a dialogue with all elements of the opposition, including the insurgents, and new legislative elections.
- The Sandinistas have continued to reject the signing of a Contadora Treaty which would force them to limit their military buildup, would provide guarantees of democratic pluralism, and would provide comprehensive international verification of its political and security provisions.

QUESTION: How do we know aircraft revetments at Punta Huete are for fighter aircraft?

ANSWER: The aircraft revetments at Punta Huete are similar to revetments at airfields in Cuba used for fighter aircraft. These revetments are large enough to accommodate three MIGs at one time, if necessary, and they also can protect larger aircraft such as bombers and transports.

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QUESTION: What is the likely Soviet response to increased aid for the Contras?

ANSWER: The Soviets will probably continue to provide increased military aid to the Sandinista regime to assist its counterinsurgency effort, such as helicopters, trucks, artillery weapons and small arms. They will probably refrain from supplying US-proscribed arms, such as MIG-21 fighters, but may test the limits of US tolerance in grey areas such as L-39s or surface-to-air missiles.

QUESTION: What proof do we have that the recent Soviet delivery from Nikolayev contained arms?

ANSWER: While we have no positive proof that the recent Soviet delivery from Nikolayev contained arms, the following factors persuade us that such is the case.

-- The ship misrepresented its destination when it left the Black Sea, by declaring for Havana, 

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-- The fact that the ship took a long journey around South America to avoid passing through the Panama Canal indicates it was carrying a sensitive cargo.

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-- The ship which made the deliveries is known to have made a short stop in Peru where arms were off loaded.

QUESTION: How much Soviet and East European economic aid is being provided to Nicaragua?

ANSWER: The Soviet Bloc and radical Arab states have provided Nicaragua with about \$1.9 billion in economic aid since 1979, along with over \$500 million in military aid. The bulk of this has been extended in the past two years, and we expect another \$500 million to be delivered in 1986. Such aid includes all of Nicaragua's oil needs, as well as basic necessities such as food, agricultural equipment, construction materials, and industrial goods. The Soviet Bloc is also engaged in a number of large-scale economic development projects, including textile mills, hydroelectric plants, port development and a large agricultural project.



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QUESTION: What evidence is there that the insurgency will bring the Sandinistas to the negotiating table?

ANSWER: The anti-Sandinista insurgency undoubtedly was a major factor in bringing the Sandinistas to the negotiating table. The Sandinistas only agreed to serious Contadora talks in mid-1983, after the insurgency became a major threat to the economy. Without a viable insurgency, Sandinista incentives to make negotiating concessions would be reduced and the democratic opposition would be weakened. A stronger and more viable insurgency would tempt Managua to accept a less advantageous Contadora Treaty and undertake at least minimal talks with the internal opposition on national reconciliation. Nevertheless, there is some possibility that no amount of incentives or other pressure would induce Managua to make fundamental concessions.

QUESTION: Which of the Sandinista Commandantes are more willing to compromise and reach a settlement with the external opposition?

ANSWER: Although the Sandinista Commandantes disagree over whether to make tactical concessions to the opposition, there is no disagreement over the basic objective of consolidating a Marxist-Leninist regime in Nicaragua. It would be an illusion to believe that any of the Commandantes are willing to make any basic compromises on democratic pluralism or security that would threaten the survival of the Sandinista regime.



- Three things I'd like to tell you about the situation in Nicaragua.

First the positive side.

- Strength of resistance is high--close to 10,000 combat troops inside Nicaragua and another 5,000 being reprovisioned and refitted in Honduras--1,000 Indian troops under arms in the eastern part of the country--flight of Indian refugees over the border has created more potential recruits than can be armed.

- In the south, six field commanders previously loyal to Pastora will create a stronger front--with 1,500 men inside Nicaragua now, they recently received supplies and are now more active than at any time in the past two years. Resistance avoiding combat and concentrating on maintaining itself in Nicaragua for the long haul.

- Negative side without early renewal of support the resistance forces can collapse. They are at the end of a tenuous and increasingly unreliable supply line. Shortages of food and ammunition have reduced the effectiveness of combat units fighting inside Nicaragua.

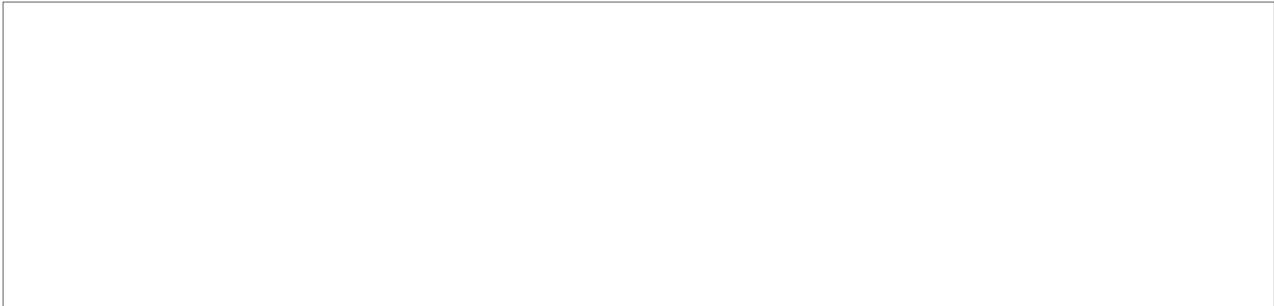
- Units which have been exfiltrated for renewed provision cannot be brought sufficiently up to strength to send them back inside. Absence of a reliable supply network and transport prevents them from getting enough food and supplies. A renewed availability of supplies and improved logistics and communications are urgently needed if the opposition is to remain strong and intact.

- The Soviets and the Cubans are significantly stepping up their support for the Sandinistas.

- Military deliveries to Nicaragua in the first five months of this year already exceed total tonnage over all of 1985.

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- About a month ago, a Soviet ship brought 100 shipping containers directly from [redacted] the Black Sea. Another ship brought five helicopters to Nicaragua recently.

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- More are on the way. [redacted]

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- We have seen the deployment of three Soviet-style field hospitals in areas of heavy insurgency activity since early March. These are located near air strips to assist the rapid evacuation of Sandinista casualties. There are also two major Soviet-built and Cuban-run hospitals in rear areas.

- The conflict is becoming increasingly brutal. Over 850 clashes have taken place from January to May this year. The Sandinistas are increasingly cracking down on the opposition, confiscating the property of opposition leaders, harassing the Church, even taking away Cardinal ^oAbando y Bravo's electricity.

- What's the net of all this? Clearly the Soviets and the Sandinistas are driving hard to extinguish the resistance. They are far advanced in establishing the machinery of permanent control with political commissars in the military, with units to enforce population control, to monitor the activities of the Church and the media, to perform telephone, mail and personal surveillance on the internal opposition, goon squads stage demonstrations and mass rallies, block committees control and report on the people and their activities on a street by street basis in all the cities.

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- If the regime succeeds in consolidating itself, this kind of control will be irreversible. The Sandinistas have comparable mechanisms for spreading the revolution which means continuing support for the insurgency in El Salvador, support for the insurgency in Guatemala, fomenting revolution in Honduras, undermining the government of Costa Rica, support of the M-19 insurgents in Colombia, and providing assistance for terrorists elsewhere in South America, and close relations with exiled Chilean communists. This all spells greater trouble for the future, including Mexico on our southern border.

- The opposition in Nicaragua is at a critical point. The contras have established themselves well inside Nicaragua. With a reasonable flow of support they can prevent the consolidation of the communist regime in Nicaragua and force the Sandinistas to either risk the collapse of their government or honor their 1979 commitment to establish democracy.

- History shows that progressive withdrawal of domestic support and gradual erosion of international support is what brings down or alters oppressive governments. This process is under way in Nicaragua. The insurgents have made gains among rural peasants who resent agricultural collectivization and resettlement programs as well as the government's mandatory military draft and anti-church policies. The heavy financial burden of the counterinsurgency effort--about half of the Nicaraguan budget last year--combined with poor economic management has created mounting discontent with the Sandinista regime.

- Castro was able to eliminate virtually all internal opposition in Cuba within the first two years. But after almost seven years in power, the Sandinistas, faced with a continuing insurgency that enjoys only very modest US support, have not been able to consolidate and eliminate their opposition.

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- We've seen this contrast in Africa where the communist regime consolidated itself in Ethiopia in two years, while Angola has been kept open by what started out as a small insurgency. Despite the regimes they installed in Afghanistan, Angola, Ethiopia, Mozambique, and Nicaragua, the Soviets now find themselves supporting a Marxist-Leninist government that is combatting an insurgency. The cost of this to Moscow and its allies is considerably greater than the cost of aiding the insurgents. In El Salvador, for example, a low-level US commitment in support of the government has been a major factor in reversing the fortunes of Nicaraguan and Cuban-backed insurgents.

- With modest assistance, the Nicaraguan resistance can demonstrate that the Sandinistas are incapable of providing for the basic needs of the population. This can create political circumstances and pressure to require the Sandinistas to reach a political accommodation with the resistance and restoring basic democratic freedoms.

- There is a proven formula for insurgent and political action against repressive and vulnerable governments. It can be applied successfully in Nicaragua if resolve and renewed support can be mustered before the resistance is allowed to wither away and before the Marxist regime is allowed to irreversibly entrench itself in Managua.

- None of us want that on our historical record.

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Status of the Insurgency

The Insurgents

In absolute terms, and relative to the Sandinistas, the democratic resistance is at one of its strongest points ever.

- The FDN, the largest of the insurgent organizations, has nearly 10,000 combat troops inside Nicaragua, with another 5,000 re provisioning and refitting in Honduras. The FDN appears to have shifted to a strategy of avoiding combat except on its own terms in an effort to remain inside Nicaragua, rather than make a few attention-grabbing raids and then withdrawing.
- The Indian organization, KISAN, has been receiving some supplies from NHAO and the FDN and probably now has some 1,000 troops under arms. The recent mass exodus of refugees in the east coast border area has given KISAN access to more potential recruits than it can arm.
- The affiliation with UNO of six field commanders previously loyal to Eden Pastora raises the real possibility of a more viable southern front. We believe the southern front -- including Pastora's former commandantes -- has about 1,500 men inside Nicaragua. They have received some supplies and are now more active than they have been at any time during the past two years.

Despite these positive signs, the situation for the resistance nevertheless remains precarious.

- Resistance forces operate inside Nicaragua at the end of a tenuous and unreliable resupply apparatus. Lack of adequate and reliable resupply already has caused the effective strength of combat units fighting deep inside Nicaragua to shrink from a high earlier this year of nearly 5,500 to a current figure of some 2,900.
- Units which have exfiltrated Nicaragua and currently are re provisioning prior to reinfiltration do not have sufficient supporting weaponry (RPGs, machine guns, mortars) to get up to full strength. This is reportedly having a negative impact on unit morale.
- The absence of a reliable resupply network and the lack of sufficient logistical transport has prevented KISAN and southern forces from being adequately provisioned.

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The Sandinistas

Sandinista counterinsurgency operations have improved, but the Nicaraguan military continues to encounter significant difficulties.

- Command-and-control has been streamlined and the war effort now is being directed by one commander, who controls the action regardless of what branch of service is involved or where the fighting is taking place.
- The 14 counterinsurgency battalions and several lighter Cazador (hunter) units continue to bear the brunt of the fighting, and continue to make effective use of Sandinista communications intercept and direction finding capabilities as well as poor FDN communications security.
- The Air Force provides the regime major advantages in firepower and mobility as well as in logistic support, but it continues to be hamstrung by command-and-control problems. Senior FDN field commanders have attested to the effectiveness of the Sandinistas' helicopter gunships.

Unlike the democratic resistance, the Sandinistas are well supplied via a continuous flow of arms and equipment from the Soviet Union and Cuba.

- The Nicaraguans have received some 10 badly needed Soviet MI-8/17 transport helicopters during the past few months.



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- The Soviets recently began flying tactical support missions over northwestern Nicaragua. We believe they have been conducting aerial reconnaissance flights in search of insurgent infiltration routes and troop concentrations. Some information gained from these flights, we believe, already has been passed to the Sandinistas.
- This unprecedented Soviet participation in the war effort could presage even greater support to Sandinista counterinsurgency operations. We believe it likely that additional helicopters, and especially helicopter gunships, will be provided, and the Soviets at some point may furnish surface-to-air missile systems of the SA-2 or SA-3 type.

The Current Tactical Situation

The pace of the fighting has picked up over the past two months, and the focus of the action has been in the northwest. The Sandinistas, however, continue to probe the Honduran border and pursue resistance elements operating deep inside Nicaragua.

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- Casualties on both sides remain high, but we have no firm or reliable figures. Continuing high casualty rates favor the Sandinistas, as resistance forces have inadequate in-country facilities for treating wounded.

The tactical initiative is in flux as each side seeks to establish its objectives.

- The resistance apparently wants to continue its strategy of stretching Sandinista capabilities by tying up Nicaraguan forces in the northwest (and simultaneously relieving pressure on those units operating deep inside the country) while trying to revive efforts in the south and in the northeast.
- The Sandinistas appear to be concentrating forces in the northwest in an effort to prevent resistance elements in Honduras from returning to combat inside Nicaragua, while at the same time seeking to prevent the exfiltration of those FDN units operating farther to the southeast.

Outlook

The military stalemate will continue over the next six months or so.

- The insurgents probably will attempt to tie up Sandinista units in the northwest while they try to expand activities in central Nicaragua as well as in the northeast and southeast.
- With their current force structure, the Sandinistas can contain the insurgency as it currently operates in the countryside, but cannot defeat it.

The regime is likely to expand its advantage, however, if the rebels do not receive US aid.

- The FDN has sufficient stocks of most types of small arms ammunition to sustain operations at current levels for about 60 days. It is likely, however, that stores of food and other non-lethal items like medicines and boots will be depleted before the ammunition runs out.
- A delay in aid will probably force the insurgents to continue fighting in small units and will leave them vulnerable to the Sandinistas' increasingly effective helicopter force.

If no definite date is set for a vote on aid, the NHAO funding runs out, and prospects for eventual approval become problematical, a more serious drop in rebel fortunes is likely.

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-- The loss of morale among the troops will cause many to give up, and insurgent strength is likely to decline by up to 20 percent in a matter of months.

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