

The Director of Central Intelligence Washington, D.C. 20505

National Intelligence Council

NIC #00847-84 3 February 1984

MEMORANDUM FOR	:	Acting Director of Central Intelligence
FROM	:	David Y. McManis National Intelligence Officer for Warning
SUBJECT	:	Monthly Warning and Forecast Meetings for January

The highlights of the NIO Warning and Forecast meeting subjects and comments on the warning situation follow:

a. <u>Yugoslavia</u>

The political leadership appears to be unable to come to grips with the country's problems.

some military leaders favor stronger action for the good of the country leading to speculation about the imposition of martial law. Most analysts agree with the U.S. Embassy's judgment that the military are not likely to act on their own and that it is not likely that politicians would join with the military to stage a coup in the near future.

Although most analysts believe Yugoslavia will not impose martial law any time soon, if at all, the NIO/Warning has reservations about that judgment because it downplays the attitudes of senior civilian security and military leaders who are very concerned about internal conditions and are determined to prevent economic and social collapse the economy as collapsed; crime, corruption, and anti-regime activity as increasing; and

Slovenian nationalism as resurgent.

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Yugoslav economic assessments are essentially in agreement with IMF analysts. The sectarian and short-sighted views of politicians and the workings of the federal system itself are responsible for the crisis.

Civilian internal security officials and the military judge themselves the overseers of political and economic stability. They have publicly aired grievances against politicians.

The Soviets have indicated that martial law in Yugoslavia would be viewed favorably, shoring up efforts to strengthen the socialist camp. Hence, they will be cautiously attempting to nudge the situation their way.

IMF loan requirements for sterner economic measures require a degree of central control that may only be achievable with martial law or constitutional change. Although the security leaders resent the IMF terms as internal meddling under an economic guise, they have not rejected the underlying premises.

Martial law is an option

We believe one or more of the following conditions might force exercise of the option:

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-- widespread disorder in a republic or nationwide;

-- a major corruption scandal;

-- a spectacular terrorist incident, as at the Sarajevo games;

-- a strong political or social reaction to austerity, especially in one of the poorer republics;

-- a threat by a republic to increase its autonomy more than allowed under the federal structure.

b. Europe and the MNF

European MNF participants are looking for ways to end their involvement in Lebanon. Although the French and Italians have made only limited withdrawals so far, the French are trying to convince the Soviets and Syrians to agree to a UN force to replace the MNF. Europeans will view any U.S. redeployment that reduces American risks as a step toward U.S. withdrawal and could precipitate European withdrawal.

c. <u>Terrorism</u> in Lebanon

Analysts see a trend toward terrorist attacks using small arms and hit-and-run tactics on individuals, including foreign nationals, diplomats, and MNF soldiers, exemplified by the murder of AUB President Kerr. Kerr's murder may also indicate a disagreement over tactics between Syria and the radical Shiites, since Syria worked for the release of AUB President Dodge after he was kidnapped in 1982.

d. Iran-Iraq Missiles

Analysts do not believe that the Soviets have sent or will send SS-12 Scaleboard missiles to Iraq. However, they do believe that Iran is trying to procure Exocet missiles from third country suppliers.

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e. <u>Angola-USSR</u>

UNITA's successes have clearly warned the Soviets and Cubans and motivated them to increase their military assistance to Luanda. South Africa's activity in Angola complicates Soviet concern as Pretoria continues to maintain a force of as many as 1,000 men and South Africa continues to improve the roads leading from Northern Namibia to the Angolan border. The recent economic agreements concluded between Moscow and Luanda probably indicate that the Angolan economy is as bad as we had thought. Considering past Soviet failures to follow through on economic commitments, their economic support is not assured.

f. The President's Trip to China

With the success of the Zhao visit to Washington, relations have grown in tone and substance. It would take a major unforeseen event to disrupt the President's planned trip.

g. <u>Tunisia</u>

The government, with President Bourguiba playing a key role, was able to quell rioting sparked by economic grievances, but only by backing down on austerity measures. If Bourguiba were to die in the near future, Prime Minister Mzali, his successor, would be considerably weakened and unlikely to appear as pro-Western as Bourguiba. Further outbreaks of rioting might lead the military to seek to replace Mzali as their price for assuming a greater role in internal security.

h. <u>Nigeria</u>

Apparently senior military officers seized power in order to prevent a coup by lesserranking officers. Therefore, the new government might be under some pressure in handling the economy and the corruption issue. Because the country seems to be headed for prolonged economic and political instability, a second coup by more radical middle-level officers may be in the offing.



i. <u>Ghana</u>

Rumors of coup plotting persist as Lt. Rawlings and his supporters chart a moderate course and appeal for Western aid. Special advisor Kojo Tsikata is the leading Marxist radical

Tsikata lacks any other support because Rawlings is popular, although the government is not. A successful coup by Tsikata will certainly bring Cuban and Libyan support. However, present evidence suggests that Tsikata prefers his role as an advisor where for the present he still holds considerable influence.

j. <u>Nicaragua</u>

Anti-Sandinista activity is on the rise with the FDN continuing to make deep incursions in northern Nicaragua. Insurgent activity has had an impact on the coffee harvest with some 75 percent of the producers reporting manual labor shortages. However, there is little evidence that harassment activity at Corinto or Puerto Sandino had a significant effect on trade.

k. <u>Hawkins-Gilman Amendment</u>

The intelligence community will have to provide adequate support for the State Department's annual report to Congress on the narcotics situation in forty-one producing and transiting countries as prescribed by the Hawkins-Gilman Amendment to Foreign Assistance Act HR 2915. Congress plans to pass the report to the concerned countries,

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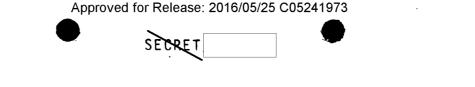
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