

**Page Denied**

CENTRAL AMERICA--TALKING POINTS

NICARAGUA

Current

- Marxist-Leninist Directorate of Sandinistas in virtual full control.
- New secret police, new army/security forces, new mass organizations.
- Democratic groups still exist and [ ] could be a more effective [ ] They include: democratic labor unions (70,000 members), business federations (60,000-90,000 members), churches, some media, 5 parties. 25X1  
25X1

Military Buildup Continues

- Well-armed security forces, 19,000-24,000.
- 25 tanks [ ] 25X1
- 16 new military facilities.
- Clear plans for jet fighters--3 airfields, pilot training.
- Full support to guerrillas continues--arms, training, funds, covert action.

Probable Trends

- Arrival [ ] Cuban elite troops may portend further Cuban troops there-- [ ] 25X1  
25X1
- [ ] MIG-21s to Cuba, reports of F-5s from Vietnam--may be new air force 25X1

EL SALVADOR

Current

- Guerrilla forces - about 4,500 plus 6,500 part time; about 2,000-3,000 wounded and killed in 1981. Continuing attacks on the government and economy; receiving good arms supplies.
- Government - about 25,000 forces; casualties in 1981 about 2,200. - coalition holding together; helped by the 15 nations' support.

Probable Trends

- If current pattern continues, most analysts see stalemate in 1982.
- Some believe with continued strong Cuban/Nicaraguan support there is a 50% chance of victory for the guerrillas.

SECRET

SECRET

TALKING POINTS, PAGE 2GUATEMALACurrent

- Guerrillas - sharp growth from 250 in 1979 to about 2,200 today.
  - attacking people and the economy.
- Government - security forces about 15,000.
  - new effort to improve control of forces and become more effective.
  - problem of extreme rightist violence destroys moderates politicizes indians and reinforces international isolation.

Probable

- If El Salvador falls, there is little chance that Guatemala would be able to cope with the new strength of the extreme left (Cuba, Nicaragua, El Salvador). Otherwise, there is some chance depending on events in the region and internal policies.

HONDURASCurrent

- Government - movement toward restoration of constitutional government; November 1981 elections; cooperation with El Salvador, Guatemala.
- Extreme Left - unity meeting in Havana, mid-September; was followed by upsurge in terrorism.
- Clear Cuban/Nicaraguan intention to destabilize Honduras in order to prevent it helping against the guerrillas or being a base for operations against Nicaragua.

Probable

- Nicaragua has entered Honduran territory a number of times.
- 25X1
- likely that extreme left guerrillas will grow in strength and pose a threat similar to that in El Salvador within two years. 25X1

CUBA IN CENTRAL AMERICACurrent

- Cubans in Nicaragua, including  police/military personnel. 25X1
- Active, continuing the pattern beginning 1979; confident of success. 25X1
- Ready for military action to help Nicaragua--if US forces do not oppose.

Probable

- Preemptive expanded military, political propaganda help to all revolutionary groups.
- Possible efforts to subvert Panama, Belize.

SECRET

SECRET

NIO/LA  
15 October 1981

CENTRAL AMERICA: THE SITUATION AND PROBABLE TRENDS\*

This discussion will summarize the current situation in each country and then project the probable trends

[Redacted]

25X1

NICARAGUA

Current Situation

The Marxist-Leninist Directorate of the Sandinista Party in Nicaragua continues to build the coercive apparatus for completely controlling the society: a new secret police, powerful army, and pervasive mass organizations. Moderate groups continue to exist and include democratic trade unions, parties, business associations, the Catholic and Protestant Churches, and one newspaper and two radio stations with a broad following. A hard core of the population remains supportive of the Sandinistas (about 25%), some proportion is opposed (estimates vary from 30-50%), and the remainder is worried but uncertain. Though outside help could make the moderate groups into a stronger political force, right now the Communist Directorate is believed able to control the population.

The steady buildup of the Sandinista military-security force apparatus continues as seen by these facts:\*\*

- Current strength of the security forces is about 19,000-24,000 well-armed regulars.
  - About 25 Soviet T-54/55 tanks are there.
  - An extensive Cuban air and sea bridge has brought large quantities of weapons including artillery, anti-aircraft guns, armored personnel carriers; total flights from Cuba to Nicaragua were 435 (Sept. 80-Jun. 81) and 40 plus shiploads of weapons arrived (Apr. 80-Jul. 81).
  - About 2,300 Cuban military/police personnel are there--550 "elite troops" who entered in September 1981 with large amounts of equipment
- [Redacted]
- [Redacted]
  - A total of 16 new military installations have been built while the 9 existing ones have mostly been expanded.

25X1

25X1

\*This final paper has been coordinated with NFAC-ALA/MCD.  
See Appendix I for overview of guerrilla strengths, economic growth rates, 1960-81.

[Redacted]

25X1

25X1

SECRET

MAY BE DOWNGRADED TO  
SECRET WHEN SEPARATED  
FROM APPENDIX II.

25X1

[Redacted]

Nicaragua continues to provide arms, training, funds, communications and covert support to the guerrillas in El Salvador and Guatemala. There has been no real positive response to three proposals made during the US initiative of mid-August 1981. In fact, hostile anti-US propaganda increased; guerrilla support increased and repression of moderates continues.

= Probable Trends

[Redacted]

25X1

Nicaraguan military help for the guerrillas will continue and might even be augmented by Nicaraguan and other Latin American "volunteers" who could be easily infiltrated into insurgent groups within Salvador, Guatemala or Honduras.

The Nicaraguan military buildup will continue, and the clear signs are that it will include a new air force of jet fighters and possibly additional Cuban troops. Indicators of this include:

- Extension of runways and military construction/activities at three airfields in addition to the building of revetments at the main airport in Managua.
- Nicaraguan pilot training in Bulgaria to be completed in October 1981.

● [Redacted]

25X1

- Airborne training has begun at one of the airfields.

● CIA estimates another 40 tanks will arrive next year [Redacted]

25X1

- Two Soviet mobile tank ferries have been seen practicing with the tank forces.
- Estimated total military/security forces in the next year: 40,000 regular; 40,000 ready reserve and about 40,000 with militia training for the irregular territorial forces.

This military/police apparatus would permit Nicaragua to intimidate Costa Rica and Honduras into neutrality.

EL SALVADOR

Current Situation

The extreme left continues with three main aspects of its strategy: attacks on government security forces, destruction of the economy with the current

[Redacted]

SECRET

harvest a particular target to cut export earnings, and an international propaganda campaign to gain support and discredit the Duarte Government. There are increasingly serious splits among the guerrilla groups, however these have been resolved in the past.

Estimated current strengths and casualties since the start of 1981:

- Guerrillas - strength about 4,500 fighters plus about 6,500 part-time "militia supporters". Casualties about 2,000-3,000 killed and wounded, about half of which are militia supporters.
- Security Forces - strength about 25,000; casualties about 2,200 killed and wounded.

The government continues to function, despite civil-military distrust and growing economic problems. Support from 15 Latin American nations (including nine democracies) in rejecting the Mexican-French initiative, the impressive public attendance (50,000-60,000) at the 15 September 1981 National Day celebrations, and the Duarte visit to the US were positive developments. However,

[REDACTED] The Socialist International again condemned the Duarte Government and US support.

25X1

#### Probable Trends

Arms supplies to the guerrillas are increasing, and there are many signs that their operations will expand both in military and political/propaganda terms. They will try to stop the March 1982 elections and accelerate the economic and political breakdown of the country.

The Cuban-supported extreme left in Honduras and Guatemala will try to step up violence in order to prevent military cooperation which could help El Salvador. That, and increased Nicaraguan support to the Salvadoran revolutionaries combined with further international isolation of the Duarte Government could lead to major gains for the guerrillas in 1982. Some expect continued stalemate, but others believe that there is a 50% or greater chance for the extreme left to take power next year and that this would be followed by dramatic expansion of the Guatemala insurgency.

### GUATEMALA

#### Current Situation

The strength of the extreme left guerrillas increased from about 250 in 1977 to 1,000 in 1979 and about 2,300 today. The combination of leftist terror and counter-violence by the government and extreme rightist groups has produced a monthly death toll rising in 1981 from about 300 in March to about 500 in August. Formerly neutral or passive Indian communities in the highlands have become increasingly politicized, and there is evidence that one group (ORPA) has had success in recruiting among the Indians.

3

SECRET

25X1

SECRET

Cuba and Nicaragua provide active support of all types, and the guerrilla strategy is similar to that in El Salvador and Honduras--use violence to fragment the governing coalition and bring about counter-terror as well as economic breakdown and international isolation.

The 15,000-man army is under new leadership which intends to improve the effectiveness of its counterinsurgency operations. There have been some recent [redacted] successes against the guerrillas, but economic problems have produced a temporary slowdown in government operations.

25X1

#### Probable Trends

There is every sign that the arms supplies to the guerrillas will continue and that their international friends, Cuba and Nicaragua, will continue their support--therefore their operations will expand and the Guatemalan economy will deteriorate further. If El Salvador holds, there is a high probability that Guatemala could defeat the insurgents. However, if the extreme left wins in El Salvador, there is a high probability that the extreme left could be successful in Guatemala. That in turn raises the probability of the revolutionary governments in Central America providing support for radical and extreme left groups within Mexico.

### HONDURAS

#### Current Situation

Elections for the first phase of a return to constitutional government were successfully held in 1980, and the final end to military government is expected after the elections scheduled in late November 1981. Honduras has begun to work cooperatively with El Salvador and Guatemala against what is perceived as a common threat, and until recently it was the optimistic exception to its neighbors.

In September 1981 Cuba invited the various extreme left groups to Havana for a unity meeting; and in the pattern which has now been repeated four times, offered additional help and encouragement for more effective terrorist action. An upsurge of violence followed. This, in turn, has provoked unprecedented extralegal activity by the security forces--possibly heralding a spiral of violence.

#### Probable Trends

It is highly likely that extreme left violence and terrorism will increase in the next months as Cuban-trained Hondurans and other terrorist cadre are infiltrated into the country.

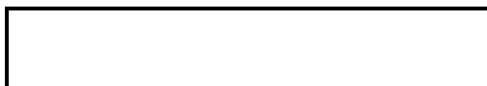
### CUBA IN CENTRAL AMERICA

#### Current Situation

A continuation of the pattern since late 1978--encouragement for the extreme left counseling unity, deception with attention to international

4

SECRET



25X1

SECRET

propaganda and the provision of a wide array of military and covert support. Cuba seems confident that [redacted] its current political-paramilitary strategy can be successful in bringing Central America under revolutionary governments.

25X1

Probable Trends

[redacted] Cuba will probably increase its support to all the extreme left groups in Central America. This is likely to occur at a faster rate in order to give the Nicaraguan regime more time to consolidate its position and to take advantage of the current momentum favoring the guerrillas on the ground and in the international and Western public opinion arenas.

25X1

Cuba also wants to [redacted] help their Soviet partners in the Persian Gulf and Europe. In addition, it is highly probable that Panama and Belize will be the focus for a Cuban-led subversion effort which might employ Nicaragua or Grenada as agents. Cuban military help will be given to the Sandinistas at whatever level needed-- including the use of troops [redacted]

25X1

[redacted] Cuba will not be deterred by US rhetoric [redacted]

25X1

25X1

25X1

SECRET

[redacted]

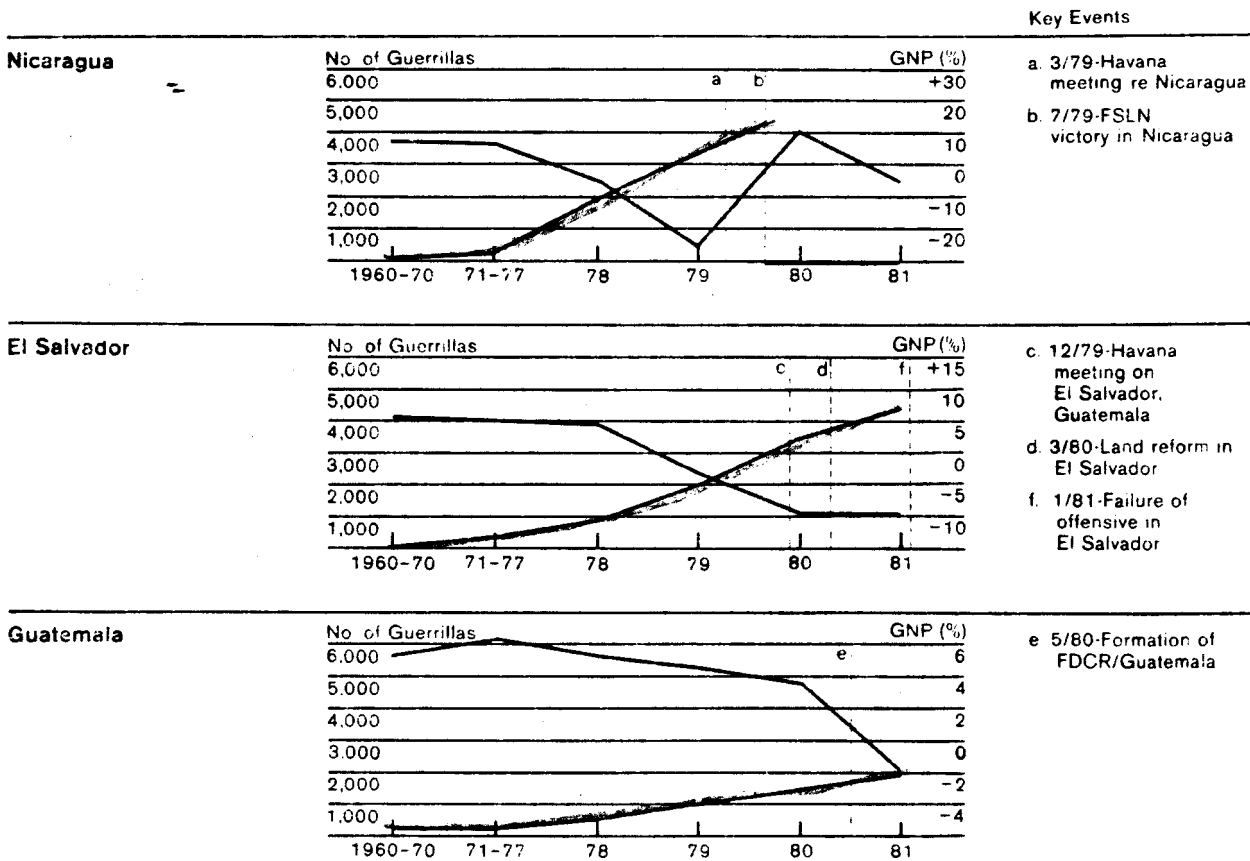
25X1



SECRET

APPENDIX I

Central America: Guerrilla Strengths, Economic Growth Rates, 1960-81\*



		'60-'70	'71-'77	'78	'79	'80	'81 est.
Nicaragua	No. of Guerrillas	150	300	2,000	4,500	0	0
	GNP (%)	+6.4	+5.5	-5.5	-25.8	+10	-6
El Salvador	No. of Guerrillas	0	300	850	2,000	3,500	4,500
	GNP (%)	+5.5	+4.9	+4.4	-3.5	-10	-10
Guatemala	No. of Guerrillas	300	250	600	1,000	1,500	2,000
	GNP (%)	+5.2	+6.2	+5.2	+4.5	+3.5	-2

Notes: Red line designates numbers of guerrillas  
 Black line designates annual percentage of GNP growth in comparison with previous year  
 For 1960-77, the data refer to the average for the years indicated  
 The GNP axes do not all refer to the same quantity of change

\*From Insurgency & Instability in Central America, NIE 82/83-81, Sept. '81.

Secret



**Page Denied**

Next 2 Page(s) In Document Denied