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The Director of Central Intelligence

Washington, D.C. 20505

National Intelligence Council

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27 October 1983

MEMORANDUM FOR: Director of Central Intelligence

FROM : Stanley M. Moskowitz
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SUBJECT: The USSR and the Fall of Marxist Elements in Grenada

1. The fall of the leftist/Marxist regime in Grenada is an important blow to Soviet interests in Central America and the Caribbean. The "loss" of Grenada is particularly troublesome to the USSR because:

- It checks the Soviet/Cuban attempt to increase their power in the region. It also exposes the fact that despite the great gains in power projection capability over the past decade, the USSR still cannot come close to matching US power in the Western hemisphere. (The reverse is not true for the Eastern hemisphere).
- It may result in recriminations with Cuba over the handling of the Bishop government and the events of the past two weeks.
- It interrupts a string of Soviet/Cuban "successes" stretching from Angola to Ethiopia to Nicaragua, and Grenada. The expulsion of Cubans from Suriname underlines the potential fall-out from the events in Grenada.
- It comes at a time when the Soviets seem headed for a major reversal in Western Europe on the INF issue, and when the Soviet clients are under considerable pressure in Angola, Mozambique, and Nicaragua.
- It suggests that the Reagan Administration has the political power and the will to successfully pursue US interests -- even on the heels of a bloody setback in another part of the world.
- The US was able to work in concert with regional states, which will somewhat offset the USSR's coming "gunboat diplomacy" propaganda offensive.

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A Watershed in the Third World?

2. The Politburo members who make Soviet foreign policy -- Andropov, Gromyko, and Ustinov -- have experienced serious setbacks before; they will not be predisposed to change Soviet strategy in the Caribbean or the Third World. Indeed, the Soviets are likely to see the events in Grenada as additional evidence of the wisdom of their post-Chile emphasis on the internal consolidation of power by local Marxists. For the Soviets, the problem of Grenada was that they and the Cubans did not have sufficient control over the principal wielders of power on the island; these things happen in the Third World. Moreover,

- o Grenada's intrinsic military importance to the USSR or to Cuba is limited.
- o The USSR had not committed itself to the defense of Grenada, nor had it proclaimed the island a Marxist state whose socialist character has become irreversible.
- o Widespread criticism of the US action in the West, including from some of our allies, mitigates the Soviet loss.

Cuba and Nicaragua

3. While a strategic reappraisal seems unlikely, events in Grenada will almost certainly cause the Soviets to make tactical adjustments elsewhere in the Caribbean and the Third World. Moscow will be concerned that the US will be encouraged by the success in Grenada to increase the pressure on other states friendly to the USSR in Latin America. Also, it will want to send a message that the USSR is prepared to thwart any such effort. Since the USSR's most important client is Cuba, a tangible way of doing this is to accelerate help being provided to Castro to strengthen his defenses on Cuba; the early introduction of SA-5s and other sophisticated air defense systems into Cuba is a possible response to the Grenada development. The Soviets might also augment their military combat presence in Cuba for deterrent purposes.

4. Nicaragua will be trickier. Events in Grenada will underline to the Soviets the value of keeping a certain distance from unstable situations in the US' backyard. They will also draw the lesson that it is sometimes better to exercise restraint in the short-term for future gain -- i.e., Nicaragua and Cuba should concentrate on consolidating and defending the revolution in Nicaragua and let El Salvador and the other Central American countries ply the slow track to socialism.

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5. Urging restraint beyond Nicaragua's border is not inconsistent with doing more to help the Sandinistas. The Soviets and the Cubans had been under intense pressure from Ortega for more assistance, before Grenada. The Soviets are now likely to find this pressure irresistible and it seems likely that Moscow will want to strengthen Nicaragua's defensive capabilities with additional hardware, and better air defense systems. The Soviets -- brandishing the rationale that the US intervention in Grenada has created a threat which they and Nicaragua have been compelled to respond to -- may well introduce additional numbers of their own military advisors, and technicians into Nicaragua.

6. The odds of the Soviets bowing to Sandinista pressure for high performance jet aircraft, has increased because, as indicated, the Soviets will want to demonstrate tangible support for progressive nations, and because they now have a better rationale. Given the history of US representations on this question, however, it is still unlikely the Soviets will do so.

Other Beleagured Clients

7. The logic of events will most likely push the Soviets into a greater effort to maintain their clients and surrogates which will increase the cost of new setbacks. Similarly, the Soviets will also want to have greater control over local events, which will increase the risk of mischance and doing more harm than good. (Indeed, there is a report that the Soviets were involved in the move to oust Bishop, presumably because of his inconstancy. If true, then Grenada is evidence of the great risk of playing Kingmaker when you have incomplete control over the situation and little power to bring to bear in event of mischance. But as we take Soviet ruthlessness for granted, so too must we take into account their capacity for overestimating their ability to control events. Also, if the Soviets acted, as this report implies, without closely coordinating with the Cubans, then there is likely to be some fallout in Soviet/Cuban relations, in due course).

8. The Grenada episode will increase Moscow's sensitivity to the troubles of its African clients -- Angola, Mozambique, and Ethiopia. The Soviets have already in recent months increased the quality of its military assistance to Angola and Mozambique. They will be even more convinced than before to keep the Dos Santos and Machel regimes afloat and we can anticipate greater assistance if its needed. (This will put a greater premium on Cuban assistance, and on keeping the Castro connection strong, which will, incidentally, make it more difficult for the Soviets to cut back their subsidy to Cuba.) The Soviets will also be more suspicious of Dos Santos -- whom they do not trust totally -- and increasingly sensitive to any Angolan overtures to the West.

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The Middle East and Afghanistan

10. The Grenada set-back is not likely to affect, except in the most marginal of ways, the Soviet approach to the Middle East or Afghanistan. Moscow will have somewhat more reason to see US interests thwarted in the Middle East, but this has been the root of their policy for many years anyway. While Grenada is a reminder of the vagaries of Third World politics, the Soviets have long since learned this about Afghanistan and their commitment there is far too deep (and costly) to be significantly affected by a tiny island in the eastern Caribbean.

Relations with the United States

11. For the Soviets, the linchpin of their foreign policy is the relationship with the United States. As they demonstrated in 1972, when they went ahead with the Summit with President Nixon after the bombing of Haiphong, their long-term objectives vis-a-vis the US takes precedence over their interests in the Third World. The Soviets have long expected the US to accept their view that competition between the two superpowers in the Third World is immutable and should not be allowed to interfere with the bilateral relationship. This was easy enough for the Soviets when they were making the inroads (Angola, Somalia, Ethiopia, etc), but when it's their interests and gains that are being eroded?

11. It is unlikely that the loss of Grenada will have a significant impact on Soviet tactics vis-a-vis the US. As the premier realpoliticians in the world, the Kremlin leaders will be impressed by the Administration's display of will and power. It will reinforce their appreciation that the US, and in particular this Administration, is set on a course of challenging Soviet efforts to change the correlation of forces. Hence, it will bias Moscow, as did the US reaction to the KAL shootdown, in the direction of being nastier and even less accommodating to the US, lest it appear that the President's policies are working. They will be even more inclined than before to avoid agreements or accommodations before the Presidential election.

12. Moscow will have an increased interest in creating problems for the US, but at the same time, a greater concern over US countermeasures. It may strengthen Soviet resolve to support subversive elements in the Third World and encourage more mischief-making on their part, even if it proves counter-productive. The invasion of Grenada will probably make the Soviets more cautious about making "analogous responses" to the INF deployment that involve Cuba or Nicaragua.

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Internal Implications

13. Foreign policy reversals do not usually reverberate politically in the Kremlin. Grenada, however, comes on the heels of the KAL fiasco and the profound set-back on INF (although that game will continue into 1984). In view of Andropov's prolonged absence and physical infirmity, and the unusual semi-public recriminations on the KAL, it is possible that Grenada will have some political fall-out. The odds will increase somewhat if it is true that the Soviets initiated the removal of Bishop.



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