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NOTE FOR: Director, Intelligence and Research
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Mort,

Here is a copy of the final version of
the testimony the DCI used last week before the
Senate and House Armed Services Committees.
It will also be the basis of his testimony
Tuesday before the HPSCI.

[Redacted Signature Box]

STAT

Executive Secretary

Attachment:
As stated



DCI
3 Feb 1986
1600 hrs.

WORLDWIDE BRIEFING

Senate Armed Services Committee, 29 January 1986
House Armed Services Committee, 30 January 1986
House Permanent Select Committee on Intelligence, 4 February 1986

Intelligence must not only report developments around the world as they occur. It must also step back to discern patterns, linkages, and strategies that may work to endanger the United States and its interests. During 1985, the pattern of challenges and threats to our strategic interests broadened, sharpened and intensified.

The main thrust still comes from the Soviet Union, which is increasingly posing a many dimensioned global challenge to the United States and the Free World. This threat resides:

- (1) in the military might the Russians are piling up on the Eurasian land mass,
- (2) in its steady acquisition of geopolitical bridgeheads in Asia, Africa and Latin America, and
- (3) in the development, linking and use of these bridgeheads for growing Soviet naval and air operation and to further enlarge the Soviet geopolitical position.

The Soviets continue the modernization and expansion of their military forces both conventional and strategic. The conventional weapons threat from the Warsaw Pact countries was the first element of this threat to emerge. It has been intensified in recent years and has now progressed to the point where the Pact enjoys huge military advantages, and is now developing more exotic arms for the future.

In the European Central Region, the Pact maintains a three-to-one advantage in tanks and artillery, and more than two-to-one in armored vehicles and aircraft.

CHART
#1

While NATO has historically had the qualitative edge in military weapons, this edge is eroding.

The newest Soviet tanks are at least the equal of those in NATO's arsenal. In some aspects, such as firepower and armor protection, they are superior.

The fielding of more self-propelled artillery is boosting the maneuverability, survivability, and tactical nuclear firepower of Soviet ground forces. Soviet bridging equipment to cross the rivers of Europe is so good that our army has reverse engineered to field models of Soviet design.

Soviet aircraft are among the world's finest. Newer fighters and fighter-bombers have improved performance, larger payloads, and better avionics--though the latest US aircraft still maintain leads in sortie rate and avionics.

The Soviets have developed and used in Afghanistan fuel-air explosives which inflict massive destruction without crossing the nuclear threshold.

We know that the Soviets are working to acquire the technology to develop aircraft and cruise missiles employing stealth features, and remotely piloted vehicles for attacking armored vehicles. At the same time they are developing their own anti-tank warheads with increased penetration ability, precision guided munitions with enhanced accuracy, and a new generation of fighters, some with multiple target look-down/shoot-down capability.

GRAPHIC
#2

The Soviet Union maintains the world's largest chemical warfare capability--with an agent stockpile nearly three times larger than ours. The Soviet armed forces are trained and equipped to operate on battlefields contaminated by nuclear and chemical weapons.

These Soviet developments add up to a dominance in land warfare which requires the West to count on its maritime reinforcement capability to counter and on its strategic forces to deter.

Some of the Soviets' greatest strides have been in submarine production. In the last three years, they have introduced three new types of nuclear attack submarines which are quieter, faster and able to dive deeper than ours. They have also launched a 65,000 ton aircraft carrier, and in their naval deployment and naval exercises have brought US-Soviet competition into Atlantic and Pacific waters where until now we have enjoyed a near monopoly.

GRAPHIC
#3

The second element of Soviet military power to emerge is its strategic force and over the last 10 years it has at least caught up and probably surpassed ours. By the mid-1990s, nearly all of the Soviets' currently deployed intercontinental nuclear attack forces--land- and sea-based ballistic missiles and heavy bombers--will be replaced by new and improved systems. The number of deployed strategic force warheads will increase by a few thousand over the next five years, with the potential for greater expansion in the 1990s.

CHART
#4

The Soviets are protecting their missile force by making much of it mobile. They have already deployed their first new mobile ICBM and will soon begin deploying a second.

Follow-on missile programs--with improved accuracy, greater throw weight potential and probably more warheads--will begin flight-testing in the 1986-90 time period.

GRAPHIC
#5

Major improvements are also under way in Soviet ballistic missile submarines and bomber forces.

GRAPHIC
#6

We expect the Soviets to complete improvements to their operational ABM defenses at Moscow by 1987. This provides them with all the components necessary for a much larger, widespread ABM defense, including transportable engagement radars, above-ground launchers, and a new high-acceleration short-range interceptor.

The distinction between missions for surface-to-air missiles (SAMs) and ABMs is becoming increasingly blurred as the result of technology improvements to SAMs such as the SA-X-12. That system's capabilities against tactical ballistic missiles gives it the potential to function in a missile defense role.

The Soviets have long been working on technologies basic to our own Strategic Defense Initiative. Their work on directed-energy and kinetic-energy weapons goes back many years with more than 10,000 engineers involved.

We estimate that between 1980 and 1983, the cost of the Soviet space program nearly doubled. The costs of their military space activities alone are about the same as those for their strategic offensive forces. Soviet space systems are likely to be an integral part of any strategic missile defense system the Soviets might develop and deploy.

The five-year plan which Gorbachev will soon propose to the Party Congress will call for an 80 percent increase in the investment in machine building.

There will also be ambitious goals for high tech support industries. This will include the microelectronics and computers essential for developing the more complex weapons systems the Soviets plan for the next decade. We believe the current high level of military spending will continue to grow at the rate that has prevailed for the past ten years.

Even at a time of economic difficulty and a reordering of domestic priorities, Soviet defense programs have been protected. For example, during the next five year plan we expect ICBM production to increase substantially over the 1981-85 plan, submarine production to be up about 20-25 percent, and tank production to jump well over 50 percent. There will be some 4,000 fighters and helicopters and a few hundred new strategic bombers produced during this period. While the number of aircraft are somewhat lower than in the preceding five-year period, the new aircraft will be substantially more technically advanced and capable. Thus, the prospect is for continuation of the steady 20-year expansion and modernization of Soviet strategic and conventional forces. The cumulative effect of this buildup is so great that the United States has only begun to catch up.

Because of accumulated earlier investment and defense industrial capacity, the number of weapons systems that they will be able to buy over the next five years will be substantially greater than what they acquired the past five years.

Despite the much increased US spending for arms of the past five years, only recently has the US begun to catch up with Soviet weapons acquisition; until then, we simply were not falling behind as fast as we had been.

The important thing is not how much the Soviets spend on arms, but the quantity and quality of arms they get for their money. When you compare US and Soviet procurement of major weapons systems, from 1974-1984, the Soviet advantage in:

ICBMs and SLBMs	is roughly about	3 times
IRBMs and MRBMs	is roughly about	6 times
Surface-to-Air missiles	is roughly about	9 times
Long and Intermediate Range Bombers	is more than	50 times
Fighters	is roughly about	twice
Helicopters	is more than	twice
Submarines	is more than	twice
Tanks	is more than	3 times
Artillery pieces	is more than	10 times

The steady growth of Soviet weapons procurement from the high level of the last decade will give the Soviets a massive cumulative inventory of weapons, and they will continue to substantially modernize their forces in the next five years and buy larger numbers of weapons.

This huge military force and its continued growth may never be used against the United States or NATO--although the Soviets clearly are prepared to use it if their vital interests are threatened. The mere existence of this force not only validates the Soviet Union as a superpower, but has an intimidating effect on countries around the world helping the Soviets expand their presence, influence, and power. It represents the backdrop for an aggressive challenge being played out worldwide, but most particularly on the ground in the Third World and in the vicinity of critical sea lanes.

The Soviet Union has acquired bridgeheads in Cuba, Cambodia, South Yemen and Ethiopia, Angola, Nicaragua, and Afghanistan. Gorbachev, since coming to power, has moved sharply to strengthen the Soviet hold on these bridgeheads. In the last six months alone, he has extended a \$600 million credit to Nicaragua, \$1 billion in new economic assistance to Vietnam, and completed the supply of \$1.5 billion in military equipment to Angola. Soviet and Cuban troops have become more active in Angola, Nicaragua, and South Yemen, and Soviet forces have been reinforced and pursued more aggressive tactics in Afghanistan. Each of these countries has become an outpost for Soviet intelligence collection, propaganda and subversion in its respective region. Several have undertaken on their own to destabilize neighboring regimes. Virtually all are strategically located either near important strategic choke points or in areas of almost certain regional conflict.

As the map indicates, the USSR now has Marxist-Leninist allies or clients spread around the globe. It has naval and air basing rights close to sea lane choke points vital to the Free World. These strategic positions which the Soviets have acquired around the world are being linked, moreover, in a growing logistic and infrastructure network.

MAP
#7

Let me illustrate by describing the Soviet complex in the Caribbean and its links. The Soviets have created in Cuba the strongest military force in the Western Hemisphere, with the exception of our own. The Soviets have created in Cuba the strongest military force in the Western Hemisphere, with the exception of our own. Over the last few years the Soviets have given Cuba massive infusions of MIG-23 and MIG-27 aircraft, T-62 tanks, multiple launch rocket systems, infantry combat vehicles, anti-aircraft guns,

helicopter gunships, SA-2 and SA-6 surface to air missiles, fast torpedo and missile attack boats and Foxtrot-class submarines. The Soviets have also provided Cuba with more than 250,000 tons of other military assets over the last four years. In addition, the Soviets themselves have at their own military bases in Cuba 4,500 Soviet troops and advisors, the largest intelligence collection and electronic monitoring capability outside the Soviet Union, protective submarine pens, electronic warfare systems, advanced surface to air missile systems, and squadrons of MIG-21 and MIG-23 fighters.

Even more worrisome than this military bastion on our doorstep are the growing logistic networks that the Soviets have sponsored in both Cuba and Nicaragua. In Cuba at least three, and probably more, airfields are capable of hosting Soviet TU-95 Bear heavy bombers capable of carrying nuclear air-to-surface missiles. TU-95 Bear Reconnaissance and ASW aircraft routinely fly from the Kola Peninsula in the Soviet Arctic to Cuban airfields. In Nicaragua, aircraft revetments to handle high performance fighters have been completed at Sandino airfield in Managua. The runways at Puerto Cabezas and Bluefields on the Atlantic coast and Montlimar on the Pacific have been extended to host MIG fighters.

MAP
#8

Cuban construction crews are completing the new airfield at Punte Huete outside Managua, which with a 10,000 foot runway will be the largest military airbase in Central America capable of accommodating Soviet jet fighters, heavy transport aircraft, and TU-95 bombers.

There will be a short, direct sea connection between the Cuban base and its extension in Nicaragua this year when the Bulgarians complete a major port facility at El Bluff on the Caribbean coast near Bluefields.

This, in conjunction with the Pacific ports of Corinto and San Juan del Sur, where the Soviets intend to install a dry dock, will provide the Soviets with secure port facilities on both the Atlantic and Pacific Oceans in close proximity to the Panama Canal. In addition, a Soviet team reportedly has surveyed the construction of a second canal between the Atlantic and Pacific across the San Juan River and Lake Nicaragua.

We see similar links and components of this network snaking around the globe. In the South Atlantic, Soviet naval and naval air forces operate astride Western shipping lanes. These forces depend on a growing infrastructure manned and protected by nearly 2,000 Soviet Bloc advisors, 35,000 Cuban military, and a local Angolan government army of 100,000. You will note from the map that this node is linked to the Cuban segment of the network.

MAP
#9

The Mediterranean segment of this Soviet global network is anchored at Libya and Syria. About 6,000 Soviet Bloc advisors support facilities in those countries, which include air, naval and air defense facilities.

Similarly, this network threatens Western sea lanes in the Red Sea-Arabian Sea and Indian Ocean from bases in Ethiopia and South Yemen. Over 7,000 Soviet and Cuban military personnel and about a quarter million Ethiopian military support this segment, as well as Soviet Bloc personnel in South Yemen and Mozambique.

Finally, Soviet naval and air forces operating out of Cam Ranh Bay and Da Nang in Indochina not only command the economic lifelines of Japan, Taiwan and South Korea, but linked with Soviet naval and air bases in Siberia are a threat to US bases in the Philippines, so critical to our position in the Pacific Ocean. Thousands of Soviet military personnel man the infrastructure of this second largest Soviet military complex outside the Warsaw Pact.

MAP
#10

Beyond the consolidation and linking of positions in these Soviet outposts, there is the spread of Soviet subversion--with active measures, with support to insurgent forces, by destabilizing countries friendly to the West, and by exploitation of economic hardship and political instability. All this is supported by a flood of weapons pouring out of the great arms depot at Nikolaev on the Black Sea to pro-Soviet regimes and insurgent groups all over the world.

To build the foundation and further project this far-flung program, Moscow maintains an extensive military advisory presence in 29 Third World countries. This presence ranges from 5 military specialists in Benin to about 6,000 in Vietnam. There are something like 3,000 in Syria, about 2,000 in Ethiopia, Libya and Afghanistan, and 1,200 in Angola and South Yemen, and 800 in Mozambique. In some of these countries--Ethiopia, Angola, Afghanistan--Soviet officers exercise command and control and in others they have great leverage and influence.

The Soviets and their surrogates provide support to Communist or radical insurgents in some ten countries. They help some seven Socialist-oriented client regimes suppress insurrections of their own. All this involves 335,000 combat troops, over 65,000 advisors, extensive political and military training, a heavy flow of weapons, and various levels of political support. The 335,000 combat troops occupying other countries include 120,000 Soviet soldiers in Afghanistan, over 130,000 Vietnamese in Cambodia and 45,000 in Laos, and over 40,000 Cubans in Africa.

The principal Soviet targets in supporting insurgencies are:

- El Salvador and Guatemala, supported from Cuba and Nicaragua;
- Chile, in which Cuba, Nicaragua, the Soviet Union and several East European countries have been training and providing weapons for violent opposition and funding of the Communist party;

MAP
#11

- Colombia, where three insurgent groups receive support from some combination of Moscow, Cuba and Nicaragua;

- Namibia, where weapons and military training for the insurgents of the Southwest Africa Peoples Organization comes from the Soviet Union, Libya and Cuba; and

MAP
#12

- Sudan, Somalia, Chad, and Zaire, where Libya, Ethiopia and Cuba help insurgents.

- Yemen and Oman from time to time where the Soviets and Cubans support rebels, and we expect developments in South Yemen to renew this.

During the decade of the 70s, people all over the world were flocking to join Communist insurgencies. This has been reversed and today some half million people around the world are fighting in resistance movements against Communist regimes. In Afghanistan, there is virtually a nation in arms fighting against 120,000 Soviet troops; in Angola, Savimbi has some 60,000 fighters in all parts of Angola. In Ethiopia, Eritrean and Tigrean rebels fight the Marxist Mengistu government and the largest army in Africa with its Cuban and Soviet advisors. In Indochina, 50,000 insurgents fight 170,000 Vietnamese soldiers. In Nicaragua, 20,000 resistance fighters are in a standoff with 120,000 Sandinista troops and militia.

MAP
#13

In this contest, the Soviets have proclaimed the Brezhnev doctrine which says once Communist always Communist. There is every indication that Gorbachev has adopted and is applying that doctrine vigorously with renewed and increased weapons and Soviet and Cuban involvement against the growing effectiveness of the Mujahedin in Afghanistan, Savimbi in Angola, and the contras in Nicaragua. We are witnessing a sudden and forceful application

of this doctrine in South Yemen right now. The Soviets succeeded in establishing a Marxist regime and a Russian naval and communications center in that country in the 1970s. Recently, Ali Nasser, the President of that country, began to draw away a little from the Soviets and seek some help elsewhere. Two weeks ago, the more pro-Soviet elements in his government and President Ali Nasser had a shootout and a civil war broke out between military and tribal elements loyal to the President and those loyal to the more pro-Soviet elements. The Vice President was out of the country and he flew to Moscow. The Soviets sat and watched for a few days evacuating Soviet citizens from the country. Neighboring countries, North Yemen and Ethiopia, moved to help the South Yemen government. After a few days, it appeared that the rebels were gaining the upper hand, the South Yemen Politburo met and declared the Vice President in Moscow the head of a new government, Moscow warned North Yemen and Ethiopia not to help the government forces and Soviet fliers in MIG-21s given to South Yemen joined in pounding beleaguered government forces and Soviet transport planes started bringing in weapons for rebel forces. This follows the examples of Amin of Afghanistan in 1979 and Bishop in Grenada in 1982, as warning that leaders installed by the Communists seek relations with the West at their peril.

Now I'd like to turn briefly to areas of great instability where US and Western political and strategic interests are at risk and which offer the potential of enormous gain to the Soviets. The Philippines, Sudan and elsewhere in southern and Central Africa are prime examples.

These soft spots may have largely indigenous causes, but they offer tempting opportunities to the apparatus I have been describing. The most critical situation is that of the Philippines where a Communist-led insurgency, the NPA, controls an increasing proportion of the country's villages and rural areas. It has shown an ability to conduct urban violence in the second and third cities, Davao and Cebu, and substantial preparation and potential for bringing violence into Manila itself. Whatever the outcome of the February election we are likely to face rising challenges to US interests in the Philippines. The Soviets have been very careful to date, dealing with Philippine establishment figures there, not openly associating itself with the NPA-- but definitely in touch covertly with various revolutionary groups. If the NPA's fortunes improve, as seems likely, we can expect the Soviet role to grow. Meanwhile, political and insurgent pressures on US basing facilities are likely to grow. The Soviet base at Cam Ranh Bay is only 120 minutes away from our bases at Clark Field and Subic Bay.

Another soft spot is Sudan. Its severe political and economic disarray is compounded by Libya's strenuous efforts to gain predominant influence there. At the moment, insurgents of the Sudanese Peoples' Liberation Army (SPLA) are supported primarily by Ethiopia. Recent reporting suggests that the Soviets may be increasing their contact with the SPLA and providing some arms assistance through the Ethiopians. We believe that East Germans and Cubans have been training Sudanese insurgents inside Ethiopia. Resulting pressures have led the Sudanese to withdraw from joint military exercises with us, revoke access rights for US forces, and question the future status of prepositioned US military equipment. Additionally, the Libyans have been given rights of air passage over Sudan enabling the Soviets to hook up more

easily their presence in Libya and Ethiopia. US interests will be further jeopardized if radical elements pull off a successful coup in Khartoum, or if the general situation becomes one of near anarchy, or if a weak elected government should draw closer to Libya. Stronger Libyan and Soviet influence and presence in Sudan would face Egypt with a hostile force on the west and the south--and pro-Soviet elements in the Sudan, Ethiopia, and South Yemen would hover over the southern approaches to the Suez Canal.

This combination of subversive aggression and soft spots around the world has been gravely compounded by the radical Arab states of Syria, Libya and Iran. All of them share the common objective of expelling the United States from the Middle East, the Persian Gulf and Southwest Asia. They all have radically diverging interests, personalities, and style, but they share critical characteristics. They oppose nearly all aspects of US policy in the region. They want to weaken or destroy moderate Arab leadership. They are in active opposition to the US peace process. And they practice and sponsor terrorism to attain political goals.

The activities of these states are not necessarily or always directed by the USSR, but their policies serve Soviet interests by damaging both Western interests and moderate forces. The Soviets provide major military support to two of the three--Syria and Libya.

Syria is the most effective of the three. While its goals are more limited than the other two, its leadership is tactically brilliant and generally successful--qualities which hardly describe Iran or Libya.

Iran's attentions are largely consumed by the Gulf war and by Shia politics in the Gulf. But it does have broader long-term interests in propagating Shia fundamentalism in the world. Its role in Lebanon was a critical factor in stimulating the US exodus from that country in the face of unremitting Shia attack.

In Libya, Qadhafi's interests and ambitions parallel those of the USSR in so many respects that the disruptive effects are not measurably different from what they would be, with Qadhafi a total surrogate of Moscow's. No other state outside the Soviet Bloc has a geographic range of subversive activity to match that of Libya. Qadhafi's ambitions are mirrored in subversive meddling which now ranges from Chile to the Caribbean, to South Africa, across the Middle East to East Asia, Indonesia, and New Caledonia in the Southwest Pacific.

Libya has significant military forces. Its threat to its immediate neighbors of Chad, Sudan, Egypt, and Tunisia is very real. Libya is the greatest stockpiler of weapons in the world with billions of dollars worth, including hundreds of T-72 tanks (far more, for example, than Poland has), and hundreds of sophisticated Soviet jets.

Qadhafi's explicit ambitions with respect to Malta and the air and air defense weapons the Soviets have provided make Libya a threat to the Mediterranean sea lane.

I will not dwell in detail on international terrorism this afternoon, but I do wish to stress the relationship of the USSR and its associates to terrorism.

The USSR and its Eastern European allies support a host of Near East and other Third World terrorist groups. The Eastern European hand is the more pronounced, the Soviet hand more disguised. Their combined support takes many forms: training, arming, the providing of communications and documentation, safehaven, and so on. Many of the most notorious terrorist leaders--including Carlos and Abu Nidal--have for years circulated fairly freely in Eastern Europe.

These problems we have highlighted this morning by no means exhaust the threats that will increasingly confront the US. I can assure you that the Intelligence Community is deeply involved on a priority basis with alerting policymakers to hazards and opportunities in numerous other categories. These include, for example, developments concerning Soviet domestic problems, the Iran-Iraq war, China, Japan, the Korean Peninsula, LDC debtors, nuclear proliferation, CW proliferation, BW proliferation, technology transfer, drug trafficking, oil futures, ecological problems, resource problems, and so on.

All these questions will continue to receive our close attention. But in planning US defenses and military assistance, we believe, now and in the future, the broad, linked threats that I have stressed today demand and deserve the closest attention. The backdrop of growing Soviet military power, the Soviet network of assets and facilities abroad, and Soviet promotion of disorder in the Third World are together creating an increasingly interrelated threat of growing proportions. Growing Soviet global reach, Soviet basing facilities, developing military infrastructures, Soviet military air lanes, and growing Soviet or Soviet client proximity to target countries and to sea lane choke points are all combining to confront the United States with rising challenges for the future.

We are assiduously working to negotiate with the Soviets mutual arms restraints that can be verified. We fervently hope that this can be accomplished in a way that makes us all safer. But we must remember that even with a 50 percent reduction in offensive missiles, the Soviets will retain the ability to disarm us with a preemptive strike. Nor can we forget that moving to eliminate nuclear weapons requires improvements in non-nuclear defenses, correction of existing imbalance in conventional forces and an end to incursions into third countries by super powers and their surrogates.

Finally, we have a tendency too often to focus on specific events as they come along, and to be skeptical about drawing linkages and relationships between events. In this view of the world in 1986 and the threats awaiting us in the future, I have tried to lay out for you how US intelligence sees the challenges which our country will have to face in the years ahead. It is only through understanding these emerging patterns and relationships that the United States can shape effective strategies for meeting these challenges.

Thank you for your attention. I have with me Larry Gershwin, NIO for Strategic Programs; Doug MacEachin, Director of Soviet Affairs; STAT Assistant NIO for General Purpose Forces; and Bob Vickers, NIO for Latin America. My colleagues and I will be pleased to entertain any comments or questions you may have.