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14 MAY 1982

	MEMORANDUM FOR:	Deputy Director of Central Intelligence		
	VIA:	Executive Director Deputy Director for Administration	·	
25X1	FROM:	Director of Security		
	SUBJECT:	Unauthorized Disclosure Entitled "Reagan Backs Action Plan for Central America," by Don Oberdorfer and Patrick E. Tyler, <u>Washington</u> <u>Post</u> of 14 February 1982 (U)	25X1	

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Reagan Backs Action Plan

for Central America

Political, Paramilitary Steps Included

By Don Oberdorfer and Patrick E. Tyler Washington Port Biall Writers

President Reagan has authorized a bross program of U.S. planning and action in war torn Central America, including the encourage ment of political and paramilitary operations by other governments against the Cuban presence in Nicaragua, informed sources said yesterday.

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The administration program, adopted after top-level discussions in the National Security 'Council, includes a range of economic, political and propaganda elements in addition to promoting action by friendly foreign governments designed to disrupt Cuban-Nicaraguan supply lines of arms to guerrilla forces in El Salvador.

It is not known at this point what action, if any, has been taken by other governments, or what direct support, if any, the United States has provided.

A White House spokesman said last night that he was unable to comment on the reports.

testimony before HPSCI, SSCI #HAC

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Administration officials have charged that the rebel forces in El Salvador are directed from bases in Nicaragua with the assistance of Cuban advisers, and that training bases and supply facilities in Nicaragua provide a platform for the Salvadoran insurgency.

After a three-month U.S. effort to reach a negotiated accommodation with the Nicaraguan regime became deadlocked at the end of last October, U.S. officials increasingly have viewed Nicaragua as a menace to U.S. interests on the scale of "another Cuba."

As part of the effort to counteract secret Cuban-Nicaraguan insurgency support activities, which have been publicly denied by Managua, the CIA is reported to have proposed a secret \$19 million plan to build a broad political opposition to the Sandinista rule in Nicaragua, and to create "action teams" for paramilitary, political operations and intelligencegathering in Nicaragua and elsewhere.

One friendly foreign government that might be involved is Argentina, whose ruling military junta long has been opposed to leftist activities in the hemisphere and which is reported hy some sources to be training as many as 1,000 men for this purpose.

As reportedly contemplated by the CIA, non-Americans would be used for the most part in implementation of its plan, but the possible use of American personnel to undertake unilsteral paramilitary action against some unspecified "special Cuban targets" also was envisaged.

OVERT INFORMATION

Testimony before HPSCI, SSCI, HAC

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It could not be learned whether the CIA proposal has been approved and implemented. Reliable sources, however, said that U.S.-backed activities aimed at Nicaragua have been started along the Honduran-Nicaraguan border within the last three months.

These U.S. activities, according to one report, have been limited initially to advising and supporting a force made up largely of anti-Sandinista exiles in Honduras in a position to harass the Nicaraguan regime. The activities are reported to have been stepped up in recent weeks to match porceasing military action by guerribas in nearby El Salvador.

Nicaraguan Foreign Minister Miguel D'Escoto, in an interview with United Press International Feb. 5, harged that the United States was arming an exile army of 6,000 men in 20 training camps along the border in collusion with Honduras, Gua-

Argentina has denied military involvement in Central America, and last week withdrew its ambassador from Managua. U.S. spokesmen have relused to comment on reports of American support for covert actions in the area, citing a longstanding rule against confirming or denying such activities.

Reagan, who is reported to have approved many of the elements of the overall approach to Central America in mid-November, is spending time this weekend drafting a speech to announce the longpromised Caribbean Basis rolated for economic support for triendly nations. Testimony before HPGCI, GGCI, HAC

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The speech, which is expected to be delivered within 10 days, will be the high-water mark of Reagan's public involvement in the administration's concern about development in the area.

Until now, the president has allowed Secretary of State Alexander M. Haig Jr. and other officials to take a high profile of concern, condemnation and warnings, but Reagan has had much less to say.

The president is unlikely to provide details in the forthcoming speech of the military aspects of the plans to counter Cuban and Nicaraguan influence. It was learned, however, that the Defense Department has been authorized to draw up contingency plans to deal with "unacceptable military action" by Cuba in the future.

One part of the planning is to address the possible use of U.S. forces to deter the possible introduction of Cuban military forces into Central America.

Another aspect is planning for exertion of "direct pressure" against Cuba, in the form of such actions as a naval quarantine to block Cuban domestic petroleum supplies, and retaliatory air actions against Cuban forces and installations.

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There is no indication of approval for such activities, as distinct from the authorization to do the contingency planning. The Pentagon is reported to be strongly opposed to direct U.S. military action in the Caribbean under current circumstances, on grounds that the costs and risks would be excessive in view of America's global military responsibilities.

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Bosworth Testimony to HPGCI

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The Reagan administration came to power determined to take a stronger stand against Cuban activity in the hemisphere, and was quickly confronted with a test of its intentions in El Salvador, where an unsuccessful "final offensive" by rebel forces had been staged in the last days of the Carter administration.

A year ago this week, Haig, the newly installed secretary of state, propelled El Salvador to the top of the public and diplomatic agenda by declaring that the United States will not remain passive in the face of "systematic, well-financed and sophisticated" communist activity there and elsewhere in Central America, and by threatening to "go to the source"—in his terms, Cuba.

While Cuba continues to be the focus of sharp concern, edministration officials recognize that largescale action against it would risk conflict with the Soviet Union as well a hot war close to America's southern borders with well-equipped <u>Cuban forces</u>, which recently were ordered to a higher state of readi-

ness.

Increasingly the focus of sharpest concern here shifted to Nicaragua, where the fall of Anastasio Somoza in July, 1979, brought the Sandinistas to power.

Reports that Nicaragua has been the support base for the <u>Salvadoran</u> guerrilla movement, the platform, as administration officials called it, generated proposals to take action.

Alarm bells were also set off here by a large military buildup in Nicaragua, supported by a growing number of Soviet and Cullappadvised For Release 2005/08/16 : CIA-RDP95B00915R000500110001-4 ers and increasingly powerful Soviet weaponry.

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Some 1,800 to 2,000 Cuban advisers are reported to be in Nicaragua, administration sources have said in recent days, along with about 50 Soviet personnel.

Because of the easily stirred fears in this country of "another Vietnam" and the demands of other regions, administration attention as well as public focus on the area has come in recurrent waves: an initial burst in February and March last year, a renewal of intense interest last September-November, and a third wave of discussion centering on Capitol Hill in the past several weeks.

Among the actions that have been approved by Reagan are at least 10 programs or planning efforts covering a broad spectrum, according to the sources.

In addition to encouragement of political and paramilitary activity by foreign governments and contingency planning against Cuba, the authorized programs include:

• Additional economic support, estimated to total \$250 million to \$300 million, for Central American and Caribbean countries.

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This is the core of the longpromised Caribbean Basin plan, the unveiling of which has been postponed from month to month because of political and bureaucratic difficulties within the administration. Reagan is expected to launch it formally before the end of this month.

Period of time in which Planning of covert action began 25X1

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 Additional military assistance to El Salvador and Honduras from a special emergency fund available to the president.

Action on this was temporarily withheld during the congressional recess over the Christmas-New Year holidays. Lawmakers were notified late in January, after a devastating guerrilla attack on El Salvador's principal military airport, that \$55 million in additional military assistance is being allocated to El Salvador from this fund. No word has been given about corresponding aid to Honduras.

• U.S. training for Salvadoran military forces in this country and in El Salvador.

Congress was notified in mid-December of plans to train Salvadoran forces at U.S. bases. Since then the training has started at Fort Bragg, N.C., for 1,000 Salvadoran troops, the latest contingent of which arrived last Friday. Another 400 Salvadoran officer-cadeta are: being trained at Fort Benning, Ga. U.S. military advisers in El Salvador are continuing the training of forces there that began early last year.

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 Maintenance of trade and credit to the private sector in Nicaregua as long as the government there permits it to operate effectively. This has continued.

• Increased U.S. intelligence ac-

CIA stations throughout Central America are reported to have been increased in strength in recent weeks, and aerial and other surveil-

tivity in the region.

lance activities stepped up.



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• Improvement of the U.S. military posture in the Caribbean to demonstrate U.S. concern and willingness to act if necessary. These measures were to include a new command communications network, military exercises and increased intelligence.

A "U.S. Forces Caribbean Command" was established by the Pentagon Dec. 1 at Key West to streamline the military structure by placing responsibility for the area in the hands of a single military headquarters.

The Washington Post reported yesterday that the Pentagon is actively considering reopening portions of the Naval Air Station in Key West as part of an expansion of the Caribbean Command's activity, especially in the intelligence-gathering field. Additional U.S. military exercises in the area reportedly are being prepared.

• An increased public information program to build national support for administration efforts in Central America.

The administration has given a high profile to its information and objections regarding Cuban and Nicaraguan activity.

Perhaps the greatest single outcry of concern came last Nov. 22, when three top administration officials— Haig, Secretary of Defense Caspar W. Weinberger and presidential counselor Edwin Meese III—appeared almost simultaneously on competing television interview programs with expressions of concern about Central America.

As part of this effort, the State Department last Dec. 14 published a lengthy report on Cuba's "support for violence" throughout Latin America. Ċ

DOD Plans For the area

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• Tightened economic sanctions against Cuba.

Efforts along this line were announced publicly by Assistant Secretary of State Thomas O. Enders on Dec. 14, when testifying on the State Department report that was released the same day.

Though Central America lies much closer to U.S. shores than any other area of conflict, it has received the full attention of Washington only rarely in recent decades.

These episodes, however, have tended to be intense: the Cuban misaile crisis, the Dominican Republic intervention, the struggle for power in Nicaragua, and now in El Salvador being among the most prominent examples.

In addition to the civil war in El Salvador, a rising tide of battle now is reported in Guatemala. Administration officials also are concerned at reports that disparate insurgent groups from Honduras, where little insurgent activity has been reported in the past, currently are meeting in Havana to unify their movements.

U.S. specialists on the region have expressed doubt that many years of neglect can be reversed by another period of intense but temporary interest on the part of Washington. In addition, there is much dispute among specialists about the administration's prescriptions for dealing with the region's woes, especially the emphasis on outside interference and military problems, rather than longstanding social, political and economic difficulties.

Many citizens of the United States, including policy makers, members of Congress and journalists, have only the barest knowledge of this area so close at hand.

The ability to remain constructively engaged in Central America over a long period of time, especially in the economic and political areas, is yet to be demonstrated, in the view of those who know the region best.