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17 May 1985

MEMORANDUM FOR: Director of Central Intelligence

FROM:



SUBJECT: Heritage Foundation Paper on Nicaragua

1. Responding to your request, the following are my thoughts on Virginia Polk's paper, "What Next for Nicaragua?" Overall, I believe this paper accurately and perceptively describes the problem that Nicaragua poses for us and Central America. Many of the US actions that the paper recommends are sensible and I agree with them; other proposed actions have an air of naivete or show an unrealistic appreciation of current political constraints in Central America, Western Europe, and the US. ■

2. The sound recommendations that the author makes, fortunately, are by and large those the US Government is already implementing ■. These include:

- -- Suspending US trade with Nicaragua.
- -- Supporting the Nicaraguan democratic opposition--its leaders, institutions, and objectives.
- -- Insisting to the Nicaraguans that any resumption of serious bilateral talks with the US depends on their honoring Contadora and other commitments.
- -- Making clear to the Cubans that any improvements in bilateral relations with them will only be pursued if they reduce their involvement in Nicaragua.
- -- Working to improve the defensive capabilities of friendly states in the area. ■

3. The author proposes one specific action that seems sensible and overdue to me: bringing home our Ambassador and leaving the Embassy in

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Managua in the hands of a charge d'affaires. I believe her further recommendation that we break relations altogether is a bad one. Such a move would make the US look petty, and would open the Administration up to attacks from critics of both the right and left who would point out that we maintain full diplomatic relations with the Soviets, South Africans and other repressive governments around the world. [REDACTED]

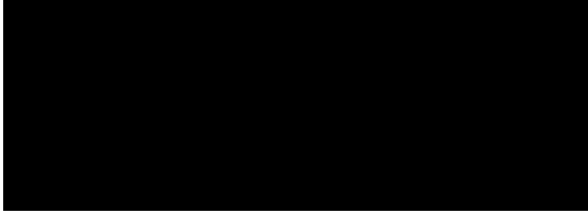
4. The Heritage Foundation paper proposes a variety of further actions in areas where I believe the US is already doing as much as is wise or feasible:

- Encourage Central American leaders to offer more forthright support for US policies. I believe the Administration has enjoyed considerable success in this area and that asking more of the leaders of El Salvador, Honduras, Costa Rica or Guatemala would risk undermining their position at home and making one or more of these states the ultimate casualty of what is now primarily a Nicaraguan problem.
- Work toward the formation of an OAS peace-keeping force. My feeling is that this idea is premature. Virtually all OAS members have indicated their distaste for a US-led military solution to the Nicaragua problem. I believe pushing this idea at this time would not only fail but would undermine other more positive and effective aspects of US policy.
- On a related matter, the paper displays a too-limited appreciation of the fact that the effectiveness of any US measures (and the ability to garner international support for our actions) turns on the success of the Contras on the ground. Just as the OAS call for Somoza to resign came at the end of June 1979--when the entire country was caught up in the civil war--so will Contra military progress make any US program and series of diplomatic and political initiatives more workable.
- Marshal European support for trade sanctions. This notion shows a misunderstanding of current European attitudes. The most we can hope for (and we are working on this) is that the Europeans will refrain from increasing their assistance to compensate for the US embargo that virtually all oppose. [REDACTED]

5. Two of the items proposed by the author seem to me to carry great dangers. The first is the idea of the US recognizing a Nicaraguan government-in-exile. With the FDN controlling no territory and receiving only uncertain backing this action could become a legal nightmare and a political embarrassment of the first order. Second, I believe it would be a mistake to provide Cobra helicopter gunships to El Salvador and Honduras. Congress would

not go along with this. Moreover, this weapon system, if provided, would have the potential for misuse, especially in El Salvador, that would undermine the Duarte government's current positive momentum with its own population, with the US Congress, and in the region. The Hondurans for their part have higher priority needs than the helicopter gunship. The blow pipe surface-to-air missile would provide a much more cost effective counter to the Nicaraguans' MI-25 helicopters than would the Cobra. ■

6. Returning to the positive, I think the real utility of the Heritage Foundation paper is that it effectively describes the Nicaragua problem and offers some concrete idea as to what might be done. It provides a forceful argument for the two aspects of US policy that are absolutely critical: (1) continuing carefully calibrated and increasing pressure of various kinds on the Sandinista regime, and (2) increasing and publicizing our willingness to provide assistance to Nicaragua's neighbors and stand by them as they face the Nicaraguan threat. ■



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