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## WITHDRAWAL SHEET

### **Ronald Reagan Library**

Collection Name EXECUTIVE SECRETARIAT, NSC: AGENCY FILE

Withdrawer

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File Folder

STATE INR MORINING SUMMARY VOL. I 11/22-12/31/83

[12/13/83-12/15/83]

**FOIA** 

M2008-098/6

**STOCKER** 

Box Number 8

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ID Doc Type	Document Description			No of Pages		Restrictions	
56156 REPORT (PARTIAL)	CURR	RENT REPORTS (P.	ARTIAL)	3	12/15/1983	B1	
	P	10/14/2008	M2008-098/6				
56166 REPORT	CURRENT REPORTS		3	12/15/1983	B1		
	R	10/14/2008	M2008-098/6				
56167 REPORT	CURR	RENT REPORTS		3	12/14/1983	B1 B3	
	PAR	5/6/2010	M098/6				
56168 REPORT	CURRENT REPORTS		3	12/14/1983	B1		
	R	10/14/2008	M2008-098/6				
56169 REPORT	CURRENT REPORTS		4	12/13/1983	B1 B3		
	PAR	1/14/2013	M098/6				
56170 REPORT	CURRENT REPORTS (PARTIAL)		4	12/13/1983	B1 B3		
	PAR	5/6/2010	M098/6				

Freedom of Information Act - [5 U.S.C. 552(b)]

B-1 National security classified information [(b)(1) of the FOIA]

B-2 Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]

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B-7 Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]

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## WITHDRAWAL SHEET Ronald Reagan Library

Collection: EXECUTIVE SECRETARIAT, NSC: Records:

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Agency File

File Folder: State INR Morning Summary Vol. I 11/22-12/31/83

Date: 3/11/99

[12/13/83-12/15/83] Box 91375 8

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
1. list	re 12/15/83 documents (w/notations), 1p	12/15/83	P1, F1
2. report	Current Reports, 3p	12/15/83	P1, F1 8/4 # 56/45
3. report	re analysis, 3p  R 10/15/08 M2008-098/4 # 56/160	1 12/15/83	P1, F1
4. list	re 12/14/83 documents (w/notations), 1p	12/14/83	P1, F1 -
5. report	Current Reports, 3p	12/14/83 MAS-098	P1, F1, B3
6. report	re analysis, 3p  Q 10/15/08 M2008-098/4 # 56	12/14/83	6 5/6/10 # 5616 P1, F1
7. list	re 12/13/83 documents (w/notations), 1p	12/13/83	P1, F1
8. report	Current Reports, 4D	12/13/83	P1, F1 83
9. report	PAR M08-098/6 5/6/10 #56170 re analysis, 4p POV + 1/17/01 F97-044/1 #3/	12/13/83	P1, F1
	Part. 1/17/01 F9 1-094/1		
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#### **RESTRICTION CODES**

- Presidential Records Act [44 U.S.C. 2204(a)]
  P-1 National security classified information {(a)(1) of the PRA].
  P-2 Relating to appointment to Federal office [(a)(2) of the PRA).
- P-3 Release would violate a Federal statute ((a)(3) of the PRA).
- P-4 Release would disclose trade secrets or confidential commercial or financial reference on the Praj.

  Release would disclose confidential advice between the President and his advisors, or
- between such advisors [(a)(5) of the PRA].
- Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRAL
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### Freedom of information Act - [5 U.S.C. 552(b)]

- F-1 National security classified information {(b)(1) of the FOIA}.
  F-2 Release could disclose internal personnel rules and practices of an agency [(b)(2) of
- F-3 Release would violate a Federal statue [(b)(3) of the FOIA].
- F-4 Release would disclose trade secrets or confidential commercial or financial information [(b)(4) of the FOIA].
- F-6 Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA].
- F-7 Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA].
- F-8 Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA].
- F-9 Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA].

### EXECUTIVE SECRETARIAT BUREAU OF INTELLIGENCE AND RESEARCH

#### MORNING SUMMARY

December 15, 1983

### Current Reports

- 1. Kuwait
  - A. Bomb Truck Driver Identified
  - B. Foreign Ministry on the Bombing



- 2. Lebanon
  - INR Military Update A.
  - B. Outlook Dim for Expanded UN Role in Beirut
- 3. El Salvador: Army Reacts Quickly
- 4. USSR
  - A. Soviet Diplomat on Andropov, CDE, START
  - B. Renewed High-Level Contact with Sweden
- Iran-Iraq War: Persian Gulf Desalinization Facilities
- 6. Argentina: Junta Leaders Charged
- 7. Canada: Reagan-Trudeau Meeting
- 8. Cuba: Prepared To Fire on Unidentified Aircraft
- 9. Greece/Syria: Ruling Parties Agree To Strengthen Ties

### Analysis

- 1. US-Syrian Confrontation in Lebanon: Time Is on Syria's Side
- 2. China: Deng and Hu Rebound
- 3. Chad: Trying To Put Humpty Dumpty Back Together Again

#73 Classified by: M. Charles Hill and

Hugh Montgomery Declassify on: Originating Agency's Determination Required

TOP SECRET/EXDIS/CODEWORD

## EXECUTIVE SECRETARIAT BUREAU OF INTELLIGENCE AND RESEARCH

CURRENT REPORTS

December 15, 1983

### KUWAIT

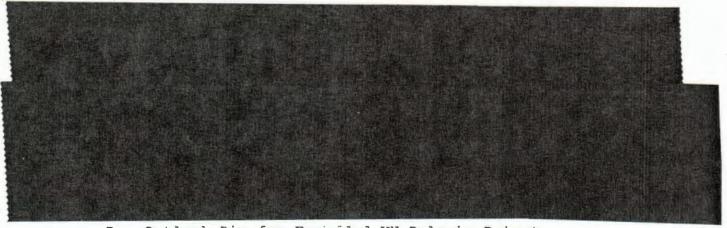
### A. Bomb Truck Driver Identified

An Iraqi national drove the truck that exploded in the US Embassy compound, and owned seven of the vehicles involved in the Kuwait bombings December 12, Embassy Kuwait reports. He was allegedly a member of "Hizb al-Dawa," an Islamic fundamentalist group affiliated with the "Islamic Jihad" and possibly controlled directly from Iran. Police have arrested another suspect who admitted membership in the same group, and there are indications the Iranians may have abandoned their embassy in Kuwait. (SECRET)

### B. Foreign Ministry on the Bombing

A Kuwaiti diplomat told Charge Griffin December 14 that the bombings were directed against Kuwait as well as the US, and claimed the government does not expect additional attacks soon. The official said that no one employed at the US Embassy is under suspicion. He asserted that security for the embassy and its personnel would be increased further, and that the deportation of several thousand illegal Iranian residents was being accelerated. (SECRET).

#### 2. LEBANON



### B. Outlook Dim for Expanded UN Role in Beirut

Secretary General Perez de Cuellar doubts that UN forces now can take on a new mandate for protecting the Beirut area due to Soviet and Syrian opposition, the Italian UN mission recently told USUN New York. The Soviets reportedly have said they might agree if Syria does, but they maintain the UN should have no role in the "internal" Lebanon conflict, and argue that any UN presence should not shield the MNF. The Syrians have said they oppose any increase in the size of the observer group. (SECRET/EXDIS)

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FOR SECRET/EXDIS/CODEWORD BY AND NARA DATE 10/15/08

### 3. EL SALVADOR: ARMY REACTS QUICKLY

A guerrilla force attacked a newly-trained Salvadoran battalion in northern Morazan province on December 13, according to DAO San Salvador. One company may have been overrun and another one retreated, but a third company put up a stiff resistance before withdrawing. The general staff quickly sent reinforcements, and the air force flew close support missions.

INR Comment: The guerrillas recently routed two other green battalions. Although we do not yet know the outcome, this time the general staff reacted quickly and may have been able to avoid a serious defeat. (CONFIDENTIAL)

#### 4. USSR

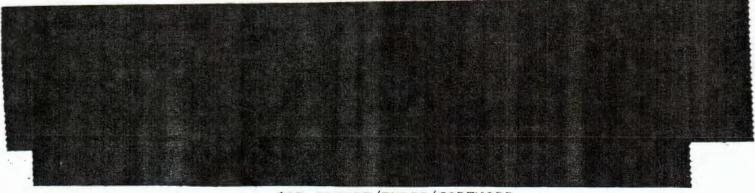
### A. Soviet Diplomat on Andropov, CDE, START

A Soviet diplomat in Belgrade recently said Andropov is weak, and that his attendance at the upcoming Supreme Soviet and Central Committee meetings is uncertain, Embassy Belgrade reports. He said that Andropov may have to resign some or all of his duties and that in his absence the Politburo is acting as a collective leadership body. The diplomat said Gromyko might attend the Stockholm CDE, but would probably not agree to meet Secretary Shultz unless the US indicates willingness to halt or slow down INF deployment. Finally, he claimed that the START talks will resume in several months without preconditions. (CONFIDENTIAL)

### B. Renewed High-Level Contact with Sweden

The Swedes reportedly intend to resume ministerial-level contacts, after a two-and-a-half year hiatus, by inviting the Soviet minister of agriculture to visit Sweden. Swedish plans are contingent upon little or no evidence of continued Soviet intrusions appearing in next week's report on submarine activity.

INR Comment: On the eve of the CDE opening in Stockholm, Moscow is likely to welcome the opportunity to demonstrate that despite the friction created by its submarine intrusions, Soviet-Swedish relations are normalizing. (SECRET/EXDIS)



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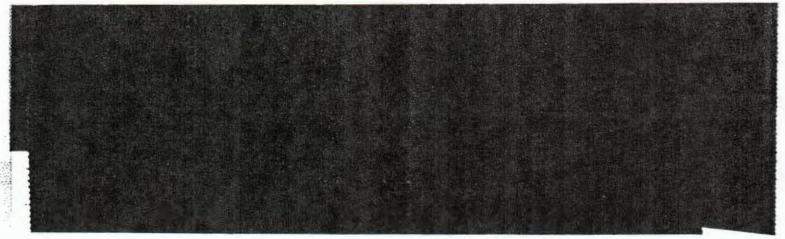
### 6. ARGENTINA: JUNTA LEADERS CHARGED

President Alfonsin has ordered the nine top leaders of the 1976-82 military government to stand trial in military court for their involvement in human rights abuses committed during the counter-terrorist operations of the mid-1970s.

INR Comment: Alfonsin has done precisely what he promised to do--targeted those who established counter-terrorist policy and left all others to their fate in the civilian courts. A strongly negative military response will be inhibited by Alfonsin's popular mandate and the belief among many middle- and lower-grade officers that their erstwhile commanders are receiving their due. (CONFIDENTIAL)

### 7. CANADA: REAGAN-TRUDEAU MEETING

Trudeau probably will present President Reagan December 15 with an outline of his recent East-West initiative, and with suggestions for reducing tension between the US and USSR, Embassy Ottawa reports. Trudeau will stress revitalized contact between Western and Soviet bloc leaders to reduce the isolation of Soviet leadership, and may suggest that senior Soviet leaders be invited to the US. Trudeau will propose increased emphasis on MBFR, and may again suggest that President Reagan offer to go to Stockholm in the next few months. Trudeau believes such a Stockholm visit could give impetus to a CDE heads of government meeting, and provide a setting for an informal meeting with the Soviet leadership. (SECRET/EXDIS.)



### 9. GREECE/SYRIA: RULING PARTIES AGREE TO STRENGTHEN TIES

The ruling parties of Greece and Syria have signed a draft agreement pledging increased cooperation on Cyprus and Arab-Israeli issues and in the struggle against foreign bases in Greece. The agreement, confirmed to Embassy Athens by a PASOK official, was signed in Damascus in October by the Greek deputy foreign minister, who is also chief of PASOK's international relations committee.

INR Comment: Despite the inflamatory rhetoric, this party-to-party agreement probably has little substantive policy significance. While Papandreou prides himself on warm ties with the Arabs, Athens and Damascus already generally support one another in international fora. (CONFIDENTIAL)

BUREAU OF INTELLIGENCE AND RESEARCH - ANALYSIS - DECEMBER 15, 1983

### 1. US-SYRIAN CONFRONTATION IN LEBANON: TIME IS ON SYRIA'S SIDE

Damascus regards US strategy as based on a false premise--that the US can and will outlast Syria in a political and military confrontation over Lebanon. Syria is confident that the US, like Israel, will eventually seek to cut its losses and leave Lebanon. Thus Assad feels little compulsion to compromise with Gemayel or give the US an easy "out" from Lebanon.

Repeated firing at US aircraft has demonstrated Syria's determination to resist the application of the US "stick." Damascus' military confidence stems from the assumption that the US is either unable or unwilling to take the military measures, including the deployment of ground forces, which would be needed to oblige Syria to leave Lebanon and relinquish control over its allied militias. Damascus also judges that the US has failed to enlist the IDF to act on behalf of the US. In the Syrian assessment, the US is now acting as an ally of the Maronites, willing to become engaged in an interminable sequence of attacks and counterattacks against their Syrian foes.

Syria has made pointed reference, in recent exchanges, to its restraining influence on the Druze militia. If the US chooses to act as yet another armed force in Lebanon, the Syrians are clearly hinting, this restraint is likely to end, with increased targeting of US forces.

At the same time Gemayel's apparent rejection of a Syrian-brokered resolution to Lebanon's political problems at Geneva has made extrication of US forces more difficult. Had Gemayel adhered to the commitments he appears to have given to Damascus after the conclusion of Geneva I and reached agreement with Syria on the formation of a national unity government based on Syrian interests, the US would have had the opportunity to withdraw its MNF contingent. The ostensible goals of a "reformed" Lebanese government and a cessation of militia hostilities would have been attained. Gemayel's reversal and US use of military force have indefinitely closed this possible "out."

Damascus believes that the US has decided it can outlast Syria in Lebanon. Even so, the Syrians are convinced that US interest in Lebanon is inherently transitory—while Syrian interest is permanent—and that they need not seek an exit for their forces. Damascus expects the US to tire of the Lebanese political swamp as did Israel—sooner rather than later. Assad is counting on US domestic factors, personnel losses, and disenchantment with Gemayel's schemes for drawing Washington into ever deeper association with Maronite policies to combine to bring about US disengagement from Lebanon. Thus the Syrians calculate that they have nothing to lose, and everything to gain, by simply waiting for this process to mature.

### 2. CHINA: DENG AND HU REBOUND

Deng Xiaoping and his supporters seem to have regained some of the political initiative lost earlier to more orthodox leadership elements. The campaign to eliminate "spiritual pollution" has suddenly been diluted and for the time being attention has returned to Deng's original October agenda—the overhaul of party personnel. This situation may have facilitated Beijing's recent moves to put the Sino-US leadership exchange and Hong Kong negotiations back on track.

Chinese media, focused since late October on criticism of "liberal" thinking and decadent lifestyles, has begun to shift back to cleansing the party and to publicizing punishment of Cultural Revolution activists and corrupt central officials. Official comments and the media have also reined in the campaign against spiritual pollution calling for leniency for those found guilty of wayward thinking. Domestic and foreign concern over the course of the campaign may have helped Deng turn the tide.

In a striking reversal that underscores recent high-level disagreements, a central directive has ordered that the spiritual pollution campaign not be extended to the rural areas. This aborts an effort to criticize "capitalist" peasant attitudes announced just one month earlier in a People's Daily editorial. In another about-face, at the just-concluded round of Sino-British talks Beijing resumed constructive dialogue on the post-1997 administration of Hong Kong, having last month unexpectedly retreated to an unproductive exchange on the highly sensitive sovereignty issue.

There still seem to be differences within the leadership on how to proceed with party reform and criticism of spiritual pollution. So far, there has been no <u>People's Daily</u> editorial or authoritative comment from Deng himself to clarify matters. The available evidence suggests that Deng's speech addressing both issues at the plenum in early October was ambiguous and has been interpreted variously to suit conflicting interests.

In the weeks ahead, Deng and Hu will probably work to reduce spiritual pollution to a slogan and exploit the lack of coherence and strength among the disparate elements of the opposition. The key question is whether the Dengists will be able to push ahead with a meaningful rectification campaign or whether it too will be muted. The Dengists face a considerable challenge in regaining lost momentum, since many who would have spoken against party abuses may still hesitate.

### 3. CHAD: TRYING TO PUT HUMPTY DUMPTY BACK TOGETHER AGAIN

Four months of intense diplomatic activity have wrung agreement from President Habre and his Libyan-backed rival, Goukouni Weddeye, to meet in Addis Ababa on January 9 for OAU-sponsored discussions. Even if the meeting does not founder over Goukouni's objections to Habre's being invited as head of the Chadian government, it is doubtful that a new political settlement is feasible. None of Chad's warlords who are to meet in Addis Ababa can rally both Arabs in the north and blacks in the south to support a national government in N'Djamena. Even Habre's reputation as a national leader is being put to the test in negotiations with a sizeable well-armed force of unaffiliated southerners demanding an end to northern abuses in the area.

Nigerian support for Habre has largely evaporated since Libya's invasion and occupation of northern Chad last summer. While the Nigerians do not want a Libyan-dominated regime at their doorstep, they feel that Habre's overaggressiveness against the insurgents in the first half of 1983 brought this danger closer. Also, many OAU members have concluded that Habre has failed to instill confidence in his government among southerners or to stem violence there by his forces.

Southern soldiers of Chad's national army who went into hiding when Habre seized power in June 1982 have recently resurfaced as well-organized and well-armed forces rivaling Habre's troop strength in the south. While they owe their resurgence to Libyan-supplied arms, they claim to want an accommodation with Habre's government. Negotiations with leaders of this force have bogged down over their demand that Habre withdraw his troops from the south and Habre's intention to reassign and integrate the rebel force with his own army. A breakdown of these talks could lead to a serious uprising in the south. Should Habre prevail, he would gain stature as a national leader.

Goukouni is also having his problems. The Libyans have made no secret of their willingness to dump Goukouni if this would pave the way to remove Habre. Much of the diplomatic activity, particularly by the French, has consisted of casting about for acceptable figures to participate in an effective government. However, it is difficult to envisage Habre voluntarily surrendering any real power to his present enemies. Reconciliation prospects remain dim.

### EXECUTIVE SECRETARIAT BUREAU OF INTELLIGENCE AND RESEARCH

#### MORNING SUMMARY

### December 14, 1983

### Current Reports

- 1. Lebanon
  - INR Military Update
  - Syria Claims Rumsfeld Talks Threatened
- 2. Iran-Iraq
  - Iraq Ready To Attack Kharg Island
  - Further Iraqi Attacks in the Gulf
  - Soviet Arms Delivery
- 3. Palestinians Suggest Two-Stage Peace Process
- 4. USSR
  - Gromyko Confirms Soviet Intention To Attend CDE
  - Soviet Official on INF Policy
- 5. Nicaragua
  - Cuba Sending Civilian "Brigades"
  - Borge Says Regime Ready To Improve Relations
- 6. Angola: French Perspective

#### Analysis

- 1. Canada: Why the Trudeau Initiative?
- 2. Lebanon: Can the LAF Take the Shuf?
- 3. Thailand: Sitthi and Thai Foreign Policy

Determination Required

TOP SECRET/EXDIS/CODEWORD

NLRR M 08-098/6 #56167 BY ANT NARA DATE 5/6/10

## EXECUTIVE SECRETARIAT BUREAU OF INTELLIGENCE AND RESEARCH

56167

CURRENT REPORTS

December 14, 1983

### 1. LEBANON

### A. INR Military Update

Antiaircraft gunners in Syrian-held territory fired at US reconnaissance aircraft December 13, and US ships returned fire on three preselected antiaircraft positions in accordance with what the US Navy has described as new rules of engagement. Meanwhile, Israeli naval units bombarded Arafat's positions in the Tripoli area in an apparent effort to delay the evacuation. Elsewhere, artillery exchanges broke out along the Alayh ridgeline and in the Ash Shuwayfat suburb of Beirut. (SECRET

(See Item 2, Analysis, for related information.)

E.O. 12956 As Amended Sec. 1.4.(c)

### B. Syria Claims Rumsfeld Talks Threatened

Foreign Minister Khaddam told Ambassador Paganelli that US reconnaissance flights and naval gunfire directed at Syrian positions December 13 could make it difficult to hold discussions with Ambassador Rumsfeld. Khaddam said the US actions were a "premeditated provocation," and claimed Syria will respond to "the source" of the US shelling. Khaddam argued that the Lebanese government had not approved the overflights, but that such approval would be insufficient in any case. He said the US seems intent on provoking a military exchange that the Syrians do not want and that will turn Arab public opinion against the US. (SECRET/EXDIS)

### 2. IRAN/IRAQ

### A. Iraq Ready To Attack Kharg Island

The long-anticipated attack on Kharg Island appears to be imminent, USINT Baghdad reports. Indications of an attack include intensified Iraqi air and naval activity, press and official statements, and Baghdad's perception of increasingly sympathetic world opinion and superpower understanding. Iraq is prepared to make a massive strike, and the December 12 terrorist attacks in Kuwait--apparently backed by Iran--may provide a receptive public atmosphere for such action.

<u>USINT Comment</u>: Iraq knows that failure to change the course of the war could be fatal, and this factor overrides all other Iraqi considerations. Although Baghdad genuinely wants improved relations with the US, it cannot be restrained from escalation in the absence of a diplomatic breakthrough on the war. (SECRET/EXDIS)

### B. Further Iraqi Attacks in the Gulf

In a public communique issued December 13, Baghdad held Iran responsible for the bombing in Kuwait and promised retaliation on

Sec. 1.4.(2)

	he Arab world by a December 11	attacking	"selected	Iranian	targets.	"
is moving a	Other			sl	now that	Iraq

INR Comment: Iraq increasingly is shifting to an offensive military posture in the Gulf and is looking for any pretext to strike "Iranian naval targets" (i.e., commercial shipping). (TOP SECRET

### C. Soviet Arms Delivery to Iran

Eighteen Soviet BM-21 multiple rocket launchers were seen on flat railroad cars at Jolfa on the Soviet-Iranian border in December 12 imagery. Jolfa is the only rail-to-rail transshipment point between the two countries that changes from Soviet to Iranian railway gauge.

INR Comment: This is the first time we have detected a direct delivery of major military equipment from the USSR to Iran since the Shah's fall. However, Libya and Syria have delivered Soviet-origin hardware to Iran, presumably with Soviet consent. (SECRET/NOFORN)

### 3. PALESTINIANS SUGGEST TWO-STAGE PEACE PROCESS

West Bank leaders and senior PLO officials believe it is possible to handle negotiations with Jordan and Israel in stages, the first of which would not include the PLO, Consulate General Jerusalem reports. Palestinians claim that Arafat and the PLO will never agree to give King Hussein and the Palestinians the mandate to resolve the Palestinian problem in its entirety. The Palestinians say, however, they may be able to "borrow" the PLO's mandate and join Hussein in a first-stage negotiation with Israel for the end of the occupation of the West Bank and Gaza. The issues of final peace and Palestinian rights would be left for a later phase in which the PLO would participate. Senior Fatah officials are said to be agreeable, provided the PLO could maintain its role and claim to speak for the broader Palestinian community. (SECRET/EXDIS)

#### 4. USSR

### A. Gromyko Confirms Soviet Intention To Attend CDE

In a speech for visiting Finnish Foreign Minister Vayrynen on December 13, Gromyko said that he hoped all delegations would arrive in Stockholm with "good intentions."

INR Comment: Gromyko's comments assume the USSR will not boycott CDE, but do not answer the question of whether Gromyko himself will attend. (CONFIDENTIAL)

### B. Soviet Official on INF Policy

According to a clandestine report, the Soviet permanent representative to the UN in Geneva stated in late November that

Moscow had decided to adopt a policy of toughness, but would attempt not to appear more bellicose than the US. Soviet propaganda on arms control would be stepped up in order to provide more ammunition to pacifist and anti-nuclear movements in the West.

INR Comment: This recent report dovetails with what we have seen the last several weeks: Soviet commentary is stressing the limited nature of Moscow's countermeasures. At the same time, spokesmen such as Ustinov are charging the US with making "direct preparations for war." (SECRET/NOFORN/NOCONTRACT/ORCON/EXDIS)

### NICARAGUA

### A. Cuba Sending Civilian

Havana will send to Nicaragua an unknown number of civilian

made up of agricultural workers and health care

professionals,

agricultural will remain one month while the others will stay for three to six months.

INR Comment: Other intelligence indicates that Cuba recently may have withdrawn some dependents and non-essential civilian personnel from Nicaragua. But this report indicates that Havana has not decided to recall all its civilian advisors. (SECRET

### B. Borge Says Regime Ready to Improve Relations

Interior Minister Borge told Senator Moynihan December 9 that Nicaragua is fully prepared to improve relations with the US, and reiterated the regime's desire for a serious dialogue, Embassy Managua reports. Borge stressed that recent conciliatory gestures were not the result of US pressure or military actions, asserting that Managua did not feel threatened by the contras or the CIA. He asserted that the USSR and the Sandinistas had never discussed Soviet bases in Nicaragua, and denied foreign military bases would ever be allowed there. Borge remarked that an agreement to limit the size of Central American armies is needed, and that Nicaragua wants an end to arms shipments. (CONFIDENTIAL)

#### 6. ANGOLA: FRENCH PERSPECTIVE

Guy Penne recently said that Angolan officials denied ever having discussed dealing with UNITA within their own councils, and that France had not offered to play a role in any reconciliation, Embassy Paris reports. The Angolans said it was impossible to consider dealing with UNITA and claimed to be reorganizing their war effort. They said they were willing to resume talks with South Africa in secret, but warned that increased South African support for UNITA would result in internationalization of the conflict.

Embassy Comment: Despite Penne's denial, the French probably proposed a role for themselves in a reconciliation effort. The Angolans clearly were threatening a more direct Soviet role in their reference to an expanded conflict. (CONFIDENTIAL/EXDIS)

BUREAU OF INTELLIGENCE AND RESEARCH - ANALYSIS - DECEMBER 14, 1983

### 1. CANADA: WHY THE TRUDEAU INITIATIVE?

Prime Minister Trudeau's new peace effort apparently was triggered by his concern over the arms race, his perception of a role for Canada in "energizing" arms talks, and his hope that his campaign could boost his sagging Liberal party. Despite faint international praise for his proposals, Trudeau believes there is support for Canada to articulate world concern over nuclear weapons and that now--prior to the Stockholm CDE--is the time to strengthen this support.

\* \* \*

Trudeau reportedly decided on his initiative after the KAL incident highlighted the risk of overreaction by a nuclear power. His plan was conceived vaguely and has been kept flexible. His soundings have elicited only token support, but he apparently felt reassured by Commonwealth leaders in New Delhi on the need to "inject political energy" into nuclear disarmament discussions.

Domestically the initiative can do Trudeau no harm, and the Liberals will use it to try to overcome a two-to-one Conservative lead in opinion polls. However, foreign policy is not a vote getter in Canada, and Trudeau may have trouble marketing his initiative effectively. His support of cruise missile testing in Canada gives him credibility as a spokesman for a balanced approach to arms control, but it detracts from his plan's appeal to the Canadian peace constituency.

Trudeau nonetheless may be able to strengthen the traditional Canadian nonpartisanship on foreign policy which supported Lester Pearson's Nobel-winning efforts in the fifties. The Conservatives' appointment of former Prime Minister Joe Clark as their disarmament spokesman adds emphasis to Canada's special credentials in this area. Clark has invoked the nonpartisan theme and has refrained from criticizing Trudeau's proposals.

Trudeau's next step is not clear. He probably hopes Canada will be a rallying point for the non-nuclear nations at Stockholm, as it was at Delhi, despite his failure to bring about summit-level participation at the CDE. Shortly he must redirect his efforts to domestic concerns and the probable mid-1984 election. Still, with chances of succeeding himself obviously slim, Trudeau may persevere with his initiative—which attests to his long interest in peace efforts—since this will be his last opportunity to do so as a world leader. Neither influence nor Nobel prizes accrue as readily to retired statesmen.

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### 2. LEBANON: CAN THE LAF TAKE THE SHUF?

The LAF is not capable at present of taking control of the Shuf. A political accommodation recognizing Druze supremacy in the Shuf could resolve the conflict for now, but probably would preclude deployment of the LAF into the area.

The LAF could not defeat the Druze in the Shuf, who have a 6,000-man militia and 35,000 part-time fighters. LAF troops would face a system of flexible village defense and tenacious mountain fighters familiar with the terrain.

The main Druze military weaknesses are their limited population base--180,000 people--and their dependence on Syria for support. The LAF, however, is incapable of undertaking a sustained campaign on the ground that would inflict heavy losses on the Druze, and Syria doubtless would provide the Druze with all the materiel they require.

If the LAF were to initiate a major infantry campaign, it probably would suffer significant losses. Weak leadership at the mid-levels and the lack of a cohesive national spirit would lead to further confessional defections. In the fighting last September, for instance, many Druze fighters in the LAF defected. Some Muslim soldiers deserted as well.

In addition to stepping up supplies to the Druze, Syria also might respond to an LAF offensive by providing artillery support from positions in the Metn, by giving more SA-7's and antiaircraft guns to the Druze, and by encouraging Palestinians and Lebanese militias to attack the central government.

Despite Walid Jumblatt's present relationship with Damascus, he deeply distrusts the Syrians and believes they killed his father. As a consequence, he probably hopes for an accommodation with President Gemayel that will give the Druze a larger voice in the central government and permit them a predominant role in the Shuf. Reaching such an accommodation would be very difficult, but not so difficult as trying to impose a military solution.

- 3 -

### 3. THAILAND: SITTHI AND THAI FOREIGN POLICY

Foreign Minister Sitthi's visit to Washington comes at a time when both his domestic position and Thai-US relations are strong. His intelligent, energetic stewardship of Thai foreign policy has enhanced Thailand's international prestige and afforded him a secure notch within the Thai leadership. Sitthi's close association with all major foreign policy positions, however, makes him vulnerable if his controversial policies on Kampuchea and China suffer significant setbacks.

\* \* \*

During Sitthi's nearly four years as foreign minister, Thailand's principal foreign policy concern has been the Kampuchean situation. Thailand's Sitthi-devised policy consistently has stressed a combination of military, political, and economic pressure on Hanoi to withdraw its forces from Kampuchea. Sitthi has worked ceaselessly to garner and coordinate international support while appearing receptive to any genuine Vietnamese desire to negotiate a reasonable settlement.

The relative success so far of Sitthi's Kampuchean policy, support from Prem, widespread respect for the foreign minister's expertise, and Thai nationalism have enabled Sitthi to persevere and have enhanced his prestige. His current popularity was reflected in his landslide election to parliament last April and subsequent leading role in one of Thailand's prominent political parties.

Sitthi's advocacy of a confrontational posture toward Hanoi has exposed him to domestic criticism, however—and to dismissal if the policy should be seen as failing. A minority in the Thai leadership is disconcerted particularly by Bangkok's close cooperation with China and increasingly active support for the anti-Vietnamese Khmer resistance. These elements fear that this approach could lead to military confrontation with Vietnam or, in the long term, Chinese dominance of the region. A major Vietnamese incursion into Thailand that caused a significant loss of Thai life and property could create a political crisis for Sitthi and Prime Minister Prem. A loss of support from ASEAN also would cause serious dilemmas for Thailand.

Sitthi is a close friend of the US and has endeavored to strengthen ties. He is careful to maintain a measure of independence from Washington, however, both for domestic political reasons and Third World credibility.

#### EXECUTIVE SECRETARIAT BUREAU OF INTELLIGENCE AND RESEARCH

#### MORNING SUMMARY

December 13, 1983

### Current Reports

- 1. Syria: Assad's Health
- 2. USSR
  - Gromyko May Not Meet the Secretary in Stockholm
  - Shutting Down Dialogue with US?
  - C. MBFR Walkout Possible
- 3. Nicaragua
  - A. Military Exercise near Honduran Border
  - B. Arms Delivery Update
- 4. USSR: Pravda on US-Israeli Agreement
- 5. Angola/Namibia: South African Buildup Continues
- 6. Iraq/France: New Iraqi F-1 To Be Exocet Equipped
- 7. Israel: Discouraging Palestinian Contacts with Egypt, Jordan?
- 8. Chad/Libya: Libya Strengthens Defenses

### Analysis

- 1. Kuwait: A Message from the Ayatollah
- 2. USSR: Badger Aircraft Deploy to Cam Ranh
- 3. Venezuela: New Government Will Push for Debt Rescheduling

Classified by: M. Charles Hill and

Hugh Montgomery 79 Declassify on:

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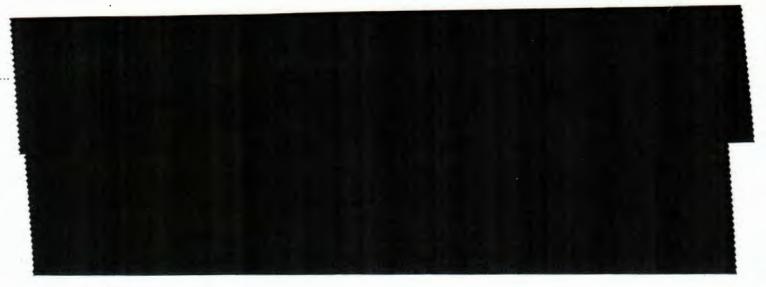
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CURRENT REPORTS

December 13, 1983



### 2. USSR

### A. Gromyko May Not Meet the Secretary in Stockholm

First Deputy Foreign Minister Kornienko recently told the Turkish ambassador that the "bare minimum of understanding" for a Shultz-Gromyko meeting does not now exist, Embassy Moscow reports. He also indicated that Moscow has made an "almost final" decision not to agree to such a meeting. Kornienko hinted that, after completing a review of NATO deployment, the USSR may be willing to resume START talks, but will not return to a separate INF forum. (SECRET/EXDIS)

### B. Shutting Down Dialogue with US?

There is mounting evidence that the Soviets, after a major reassessment of US-Soviet relations, have decided to create the impression that dialogue with the US has broken down and that relations are worsening, Embassy Moscow reports. The November reassessment dealt with policy options through the US presidential election, the outcome of which may now be the primary determinant of Soviet policy.

Embassy Comment: Recent Soviet moves in arms control talks and complaints about US inflexibility suggest Moscow believes President Reagan is politically vulnerable on US-USSR relations. The Soviets, determined to create problems for the President, appear ready to exploit US and European fears about the relationship by closing some bilateral channels. (SECRET/EXDIS)

### C. MBFR Walkout Possible

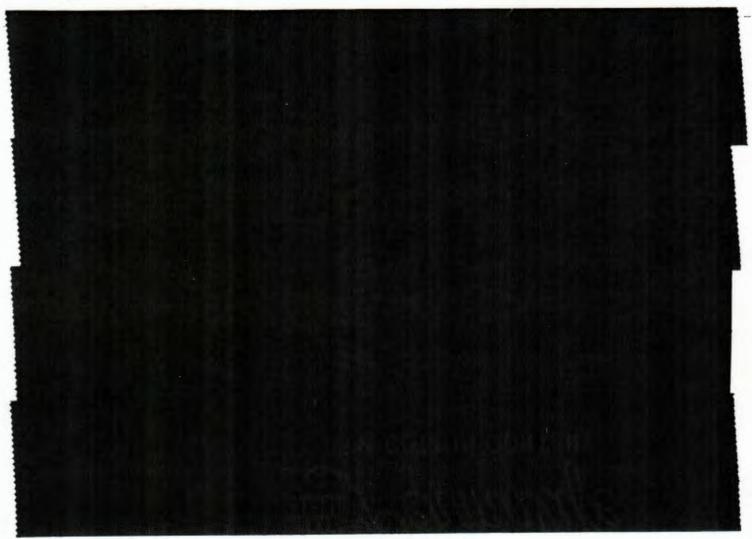
Recent Soviet actions on the START and INF talks, and the East's failure so far to respond to the Western proposal to begin the next round of MBFR negotiations on January 26 substantially increase the

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possiblity that Moscow may suspend MBFR talks after the current round ends December 15, USDEL MBFR Vienna reports.

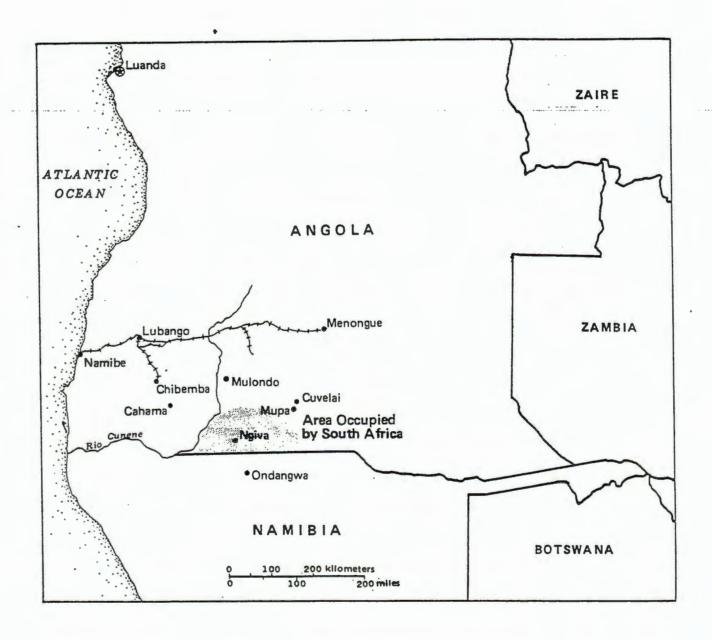
USDEL Comment: The Soviets may decline to set a date for the beginning of the next MBFR round, as they did with START. (CONFIDENTIAL)



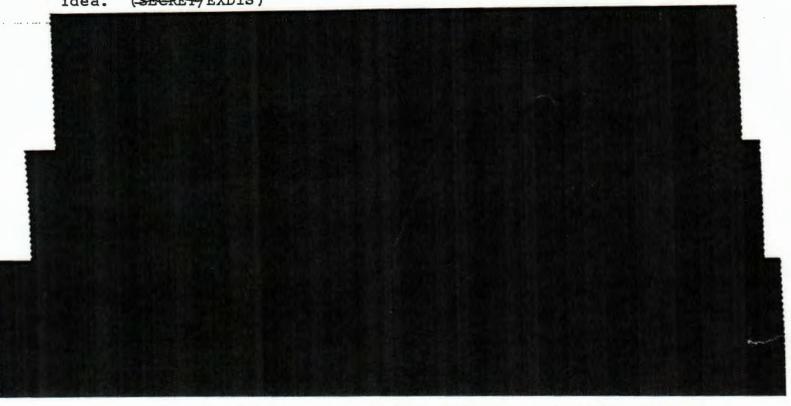
### 4. USSR: PRAVDA ON US-ISRAELI AGREEMENT

An authoritative December 10 Pravda editorial described the recent US-Israeli agreement as a major new threat to Arab interests, and attempted to drive a wedge between the US and the Gemayel regime, Embassy Moscow reports. The article went further than earlier Pravda pieces in portraying Gemayel as a victim of the "aggressive US-Israeli axis," and charged the US with undermining the reconciliation process. Pravda encouraged the Arabs to cooperate in opposing the new US-Israeli "threat," and limited any Soviet commitment to an offer of "solidarity" with "Lebanese, Syrians, and other Arab peoples."

Embassy Comment: The stridency of <u>Pravda</u>'s attack indicates serious Soviet concern that Syria's willingness to see Ambassador Rumsfeld means Damascus could be maneuvered into cooperating with the US in Lebanon. (CONFIDENTIAL)



INR Comment: The editorial referred to an international conference on the Middle East, an element missing from recent Soviet statements. At a recent meeting with US academics in Moscow, Soviet "unofficial" spokesmen described at length what form such a conference might take, suggesting that Moscow is still interested in the idea. (SECRET/EXDIS)



### 7. ISRAEL: DISCOURAGING PALESTINIAN CONTACTS WITH EGYPT, JORDAN?

A Jordanian diplomat told Embassy Amman December 12 that Israel recently changed its policy regarding contacts by West Bank and Gaza Palestinians. The official claimed to have received reports that Israeli officials told Gazans to stop attempts to contact Egypt and discouraged Palestinians from holding talks with Jordan. The official claimed the Israeli actions represent a definite change in Tel Aviv's policy. (CONFIDENTIAL/EXDIS)



BUREAU OF INTELLIGENCE AND RESEARCH - ANALYSIS - DECEMBER 13, 1983

### 1. KUWAIT: A MESSAGE FROM THE AYATOLLAH

The bombings in Kuwait for which the "Islamic Jihad" organization has claimed credit, appear designed to demonstrate that Kuwait--and by extension, the other Gulf states--are vulnerable to the forces of Islamic fundamentalism. Bombings elsewhere in the Gulf may follow, as Islamic fanatics attempt to drive home their message.

The bombings show that, despite heightened concern about fundamentalist subversion, Kuwait's internal monitoring capabilities remain inadequate. By striking targets such as embassies and government installations, the perpetrators mean to convey the regime's incompetence and vulnerability. There may be other political messages: Iran can and will respond on several levels to continuing Iraqi attacks on its Gulf naval targets; Kuwaiti (and other Gulf states) support for Iraq will not go unpunished; the Gulf states should draw no closer to the US since the US cannot guarantee their internal security; and Iraqi dissidents should note that Iraq's foreign supporters are weak and unable to see Saddam Hussein through his political ordeal.

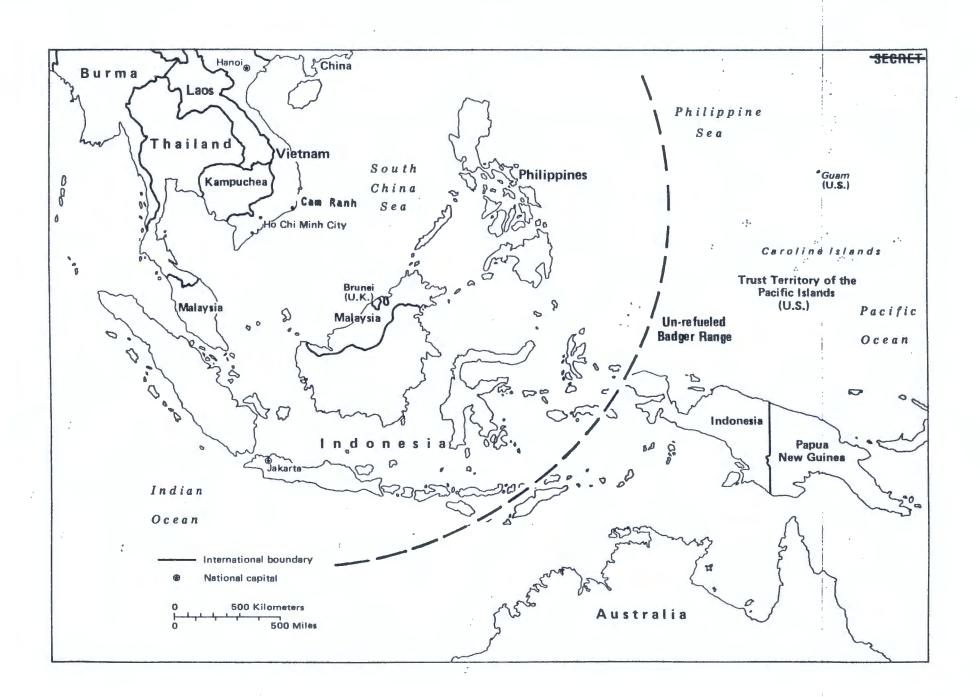
Other Gulf governments cannot fail to realize that they are mostly as vulnerable as Kuwait. Cooperation on internal security, including intelligence exchanges, has increased recently. However, the Gulf states have large expatriate populations, imperfectly integrated minorities, and coastlines that cannot effectively be sealed against infiltration.

Oman aside, the Gulf states have been unwilling until very recently to contemplate close security cooperation with the US. The regional perception of new US-Israeli collaboration reinforces this reticence. However, Iran's threats have forced the Gulf states to recognize their dependence on the US for a credible deterrent or response to an Iranian military action.

The bombings in Kuwait emphasize the Gulf states' need for protection against Iran, but do so in an area--internal security--in which US help is less able to be effective. Moreover, greater overt cooperation with the US could provide the fanatics with additional incentives. Kuwait's experience will nonetheless force the Gulf states to recognize they are already threatened. In response, they will most likely strengthen their desire to enlist US help against Iran, while trying not to be seen as doing so.

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### 2. USSR: BADGER AIRCRAFT DEPLOY TO CAM RANH

The Soviets have for years tried to get accepted as a power in southeast Asia. The use of the Cam Ranh Bay airfield seems to be expanding--nine Soviet navy TU-16/BADGERs recently deployed there--giving the Soviets a beginning toward that long-sought objective. Soviet air assets in Vietnam previously had amounted to only four BEAR reconnaissance planes. The BADGERs may be used in part for reconnaissance, but five of them have the potential to conduct anti-shipping missile attacks.

\* \*

Between November 15 and December 2 the Soviets deployed five BADGER C strike aircraft, two BADGER A tankers, one BADGER E reconnaissance aircraft, and one BADGER J electronic-warfare aircraft to Vietnam. None of the strike aircraft carried missiles en route, and no indications of missiles have been seen at the airfield. Nevertheless, they could rapidly be brought in by air if they are not already there.

The Soviets have prepared for this deployment probably for over a year. Construction began on at least 12 support buildings in Cam Ranh in November 1982, according to imagery.

A five-fold

increase in aircraft support vehicles was observed last summer.

We are likely to see a continuous BADGER presence at Cam Ranh from now on. Indeed, there is sufficient space, fuel storage, and ground equipment present to support a BADGER strike regiment (about 36 aircraft). But the absence of hangars and of a regimental maintenance unit suggests that a deployment of this magnitude is not planned in the immediate future. More likely, a composite squadron of 10 to 15 BADGERs will be maintained at the base, at least for the time being.

Although the BADGERs' mission is not yet clear, we suspect the main purpose of the deployment is to demonstrate that the USSR is a power in southeast Asia. The nine BADGERs now at Cam Ranh are sufficient to deliver this message to states in the region. These aircraft will probably conduct training, familiarization, and reconnaissance flights over the South China Sea during the next few months (see map).

E.O. 12958 As Amended

### 3. VENEZUELA: NEW GOVERNMENT WILL PUSH FOR DEBT RESCHEDULING

President-elect Lusinchi has stated that rescheduling Venezuela's \$25.3 billion public external debt will be his top priority. He also has pledged to facilitate the repayment of private debt and to push for a settlement of old oil nationalization claims. Although Lusinchi won by a large majority, he may have trouble garnering support to carry out economic reform due to disagreements among his economic advisers and within his party.

\* \* \*

Lusinchi would prefer to complete the rescheduling of public sector debt without having to submit to an IMF stabilization program. Venezuela's creditors are likely to acquiesce if Lusinchi can devise and enforce his own austerity plan. This would have to include unifying the exchange rate, cutting the fiscal deficit, streamlining the public sector, and relaxing price controls. Rescheduling discussions with creditors have been at a stalemate since last spring, when the Herrera government refused to accept IMF conditionality and was uncooperative with bankers.

Lusinchi has already begun to talk with bankers in an effort to improve Venezuela's image. With \$12 billion in reserves (about half of which is liquid) and a steady, albeit reduced, income from petroleum, Venezuela is under far less pressure than many of its Latin neighbors. Of the \$25.3 billion public debt, over \$18 billion falls due in 1983 and 1984. If Venezuela can restructure the debt so that payments are stretched over seven or eight years, it should be able to meet the payments without additional borrowing.

Caracas has thus far avoided default on its official debt by rolling over maturing obligations. No principal and little interest have been paid on the \$14 billion private debt since exchange restrictions were imposed last February. Private arrearages now exceed \$700 million. Importers were promised foreign exchange at the rate of 4.3 bolivars per dollar to honor debt incurred before February, but bureaucratic infighting has prevented the release of funds. Lusinchi has renewed the promise, and qualified debtors hope to receive dollars shortly after the February 1 presidential inauguration.

Lusinchi has also promised to unify the exchange rate and will probably set it around 12 bolivars to the dollar. This would increase the cost of agricultural imports and make his attempts to decontrol prices even more unpopular. Because his predecessor delayed taking unpopular decisions, Lusinchi may have trouble mobilizing public support for the overdue austerity measures.

#### CONFIDENTIAL

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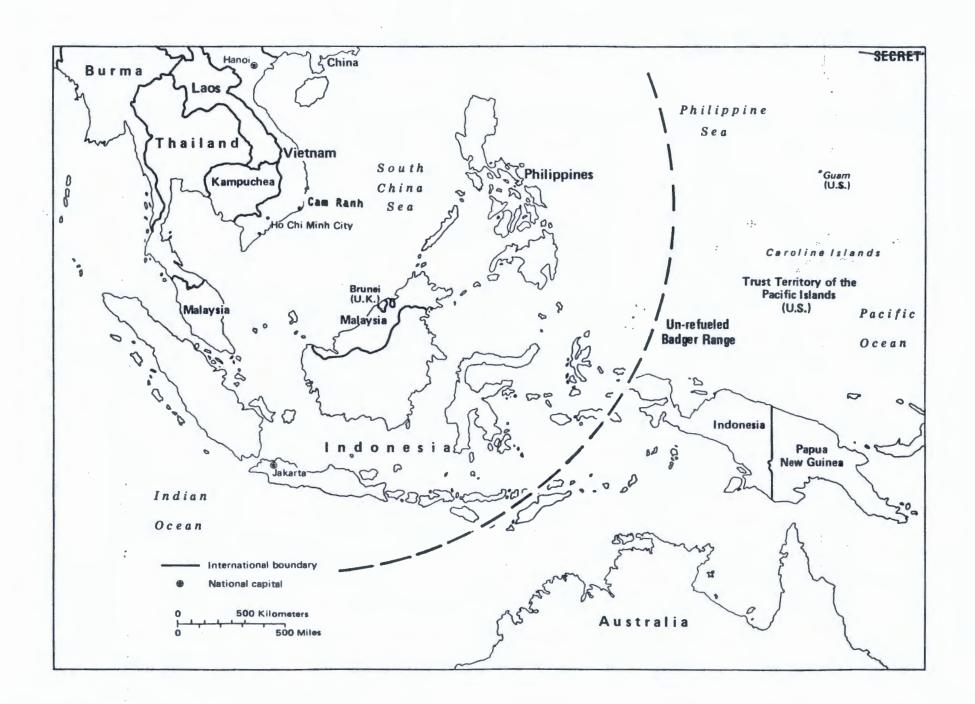
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