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# UNITED STATES SOUTHERN COMMAND



Headquarters U.S. Southern Command  
Chief of Staff, Major General Jon A. Norman, USAF  
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## 1981

# HISTORICAL REPORT (U)

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REPLY TO  
ATTENTION OF

**DEPARTMENT OF DEFENSE**

UNITED STATES SOUTHERN COMMAND  
APO MIAMI 34003

1 August 1982

SCJ3

SUBJECT: Annual Historical Report, 1981

SEE DISTRIBUTION

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2. When separated from the classified inclosure, this letter is regarded UNCLASSIFIED.

FOR THE COMMANDER IN CHIEF:



Navy

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as

Chief of Staff

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34002			
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## UNITED STATES SOUTHERN COMMAND HISTORICAL REPORT 1981

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PART 1

TOPICAL ITEMS

1

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PERSONNEL ORGANIZATION

KEY STAFF MEMBERS - HEADQUARTERS, US SOUTHERN COMMAND

COMMANDER IN CHIEF

Lieutenant General Wallace H. Nutting, USA, 30 Sep 79

SPECIAL ASSISTANT FOR INTERNATIONAL AFFAIRS

Ambassador Frank V. Ortiz, US Department of State, 16 Sep 80  
Ambassador George B. Roberts, US Department of State, 16 Nov 81

DEPUTY COMMANDER IN CHIEF

Brigadier General Thomas E. Wolters, USAF, 16 Jul 80  
Major General William E. Masterson, 31 Jan 81

CHIEF OF STAFF

(b)(6) 23 Oct 79 | Navy

DEPUTY CHIEF OF STAFF

(b)(6) 1 Dec 80  
(b)(6) 18 Mar 81

DEPUTY CHIEF OF STAFF - TREATY AFFAIRS

(b)(6) 5 Jun 79

DIRECTOR OF RESOURCE MANAGEMENT

(b)(6) 2 Apr 80 | Navy

DIRECTOR OF INTELLIGENCE, J-2

(b)(6) 26 Aug 79

DIRECTOR OF OPERATIONS, J-3

(b)(6) 4 Jul 79

DIRECTOR OF LATIN AMERICA MILITARY AFFAIRS

AFTER 1 SEP 81 DIRECTOR PLANS, POLICY & POLITICAL MILITARY AFFAIRS, J-5

(b)(6) 1 Dec 80  
(b)(6) 17 Mar 81

DIRECTOR OF COMMUNICATIONS - ELECTRONICS

(b)(6) 17 Jul 79  
(b)(6) 27 Jun 81

COMMAND CHAPLAIN

(b)(6) 13 Aug 78  
(b)(6) 21 Jul 81

COMMAND SURGEON

(b)(6) 10 Sep 79

COMMAND PROVOST MARSHAL

(b)(6) 23 Aug 79  
(b)(6) 1 Sep 81

SPECIAL ASSISTANT FOR LEGAL AFFAIRS

(b)(6) 27 Jun 78  
(b)(6) 2 Aug 81

SPECIAL ASSISTANT FOR PUBLIC AFFAIRS

(b)(6) 19 Jun 79

COMMAND INSPECTOR GENERAL

(b)(6) 23 Oct 79 | Navy

US SOUTHERN COMMAND COMPONENT COMMANDS

COMMANDER, 193D INFANTRY BRIGADE (PANAMA)

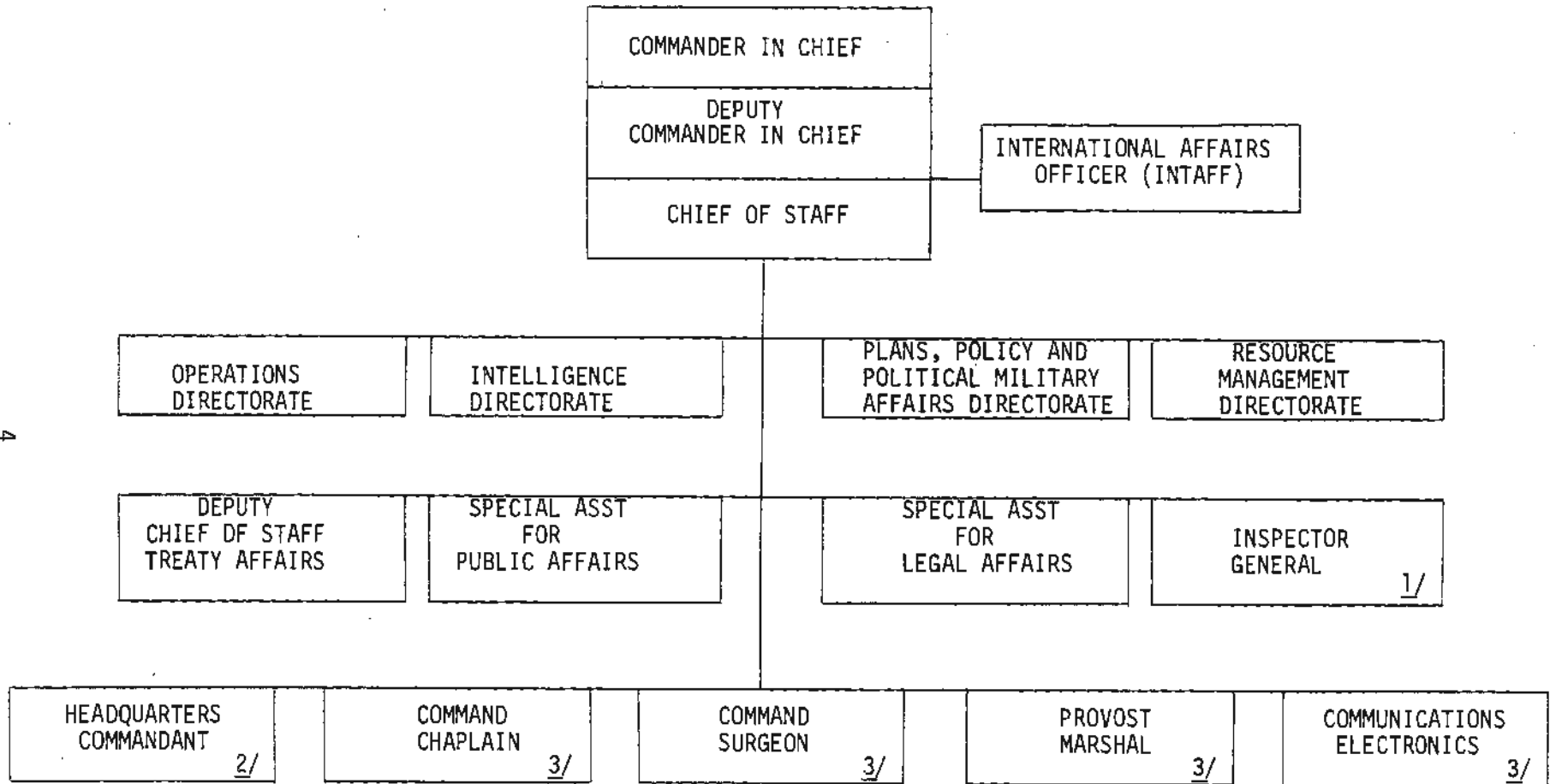
Brigadier General Kenneth C. Leuer, USA, 14 Jun 79

COMMANDING OFFICER, US NAVAL STATION PANAMA

(b)(6) 1 Jul 77  
(b)(6) 21 Aug 81 | Navy

COMMANDER, USAF SOUTHERN AIR DIVISION

Brigadier General Thomas E. Wolters, USAF, 16 Jul 80  
Major General William E. Masterson, USAF, 31 Jan 81

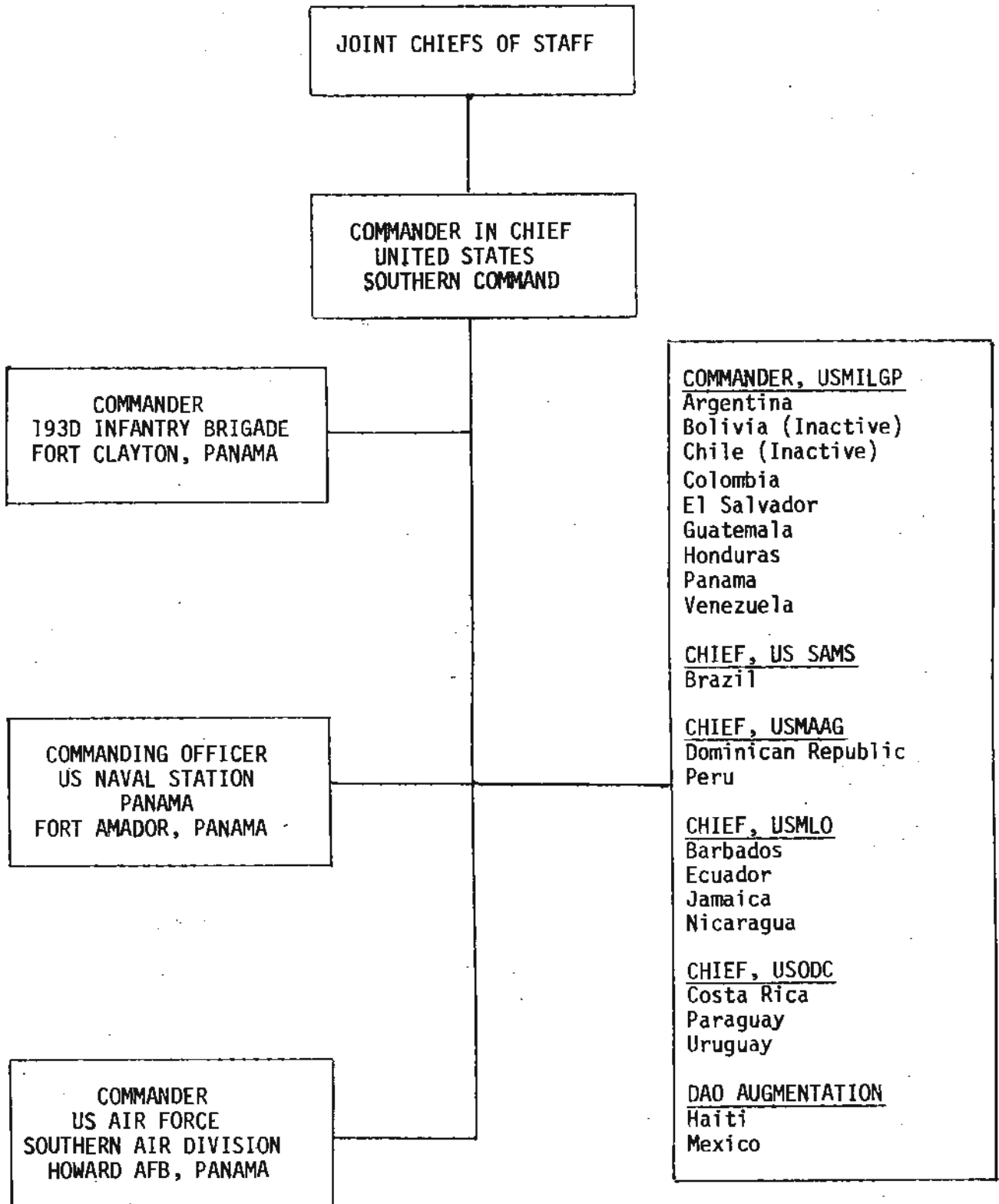


1/ Additional Duty, USSOUTHCOM Chief of Staff  
 2/ Provided by 193d Infantry Brigade (Panama)  
 3/ Dual-Hat Performed by 193d Infantry Brigade Staff

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COMMAND RELATIONSHIPS  
31 December 1981



### TASKS AND MISSIONS

(C) Area of Responsibility. The United States Southern Command is the regional unified command responsible for all U.S. military activities in non-insular Latin America south of Mexico. For security assistance the USSOUTHCOM area of responsibility is expanded to include Mexico and the Caribbean Islands. However, for normal operations, the Caribbean is assigned to various elements of the Atlantic Command and Mexico is not assigned to any regional unified command.

(S/NF) Missions. In accordance with the Panama Canal Treaties, the U.S. will retain primary canal defense responsibility until the year 2000. Canal defense will, therefore, remain the primary mission of Panama-based USSOUTHCOM component forces. However, the primary mission of USSOUTHCOM is now shifting to the coordination and measured utilization of all forms of U.S. military presence to develop mature and enduring hemispheric military-to-military relationships in support of U.S. strategic objectives and foreign operations. Other USSOUTHCOM missions are to plan for and execute contingency operations within the area of responsibility as directed, to include disaster relief, search and rescue, evacuation of U.S. non-combatants and combined operations with other signatories of the Rio Pact.

(U) USCINCSO normally exercises command and control of assigned and augmentation forces through three Service components. Additionally, special mission considerations may require the formation of a Joint Task Force. In addition, he also commands some 100 U.S. military personnel assigned to security assistance organizations in some 19 Latin American countries. On a day-to-day basis, these personnel and their families represent the U.S. military to the Ambassador, the country team, the host country government and its military establishment. The following are the USSOUTHCOM components and their missions.

a. (C) The Army component, headquartered at Fort Clayton, is the 193d Inf Bde (Pan), with some 6,500 personnel. The Brigade Commander is responsible for planning, coordinating and, when directed, conducting the ground defense of the Panama Canal. He also provides rapid response forces for contingency missions, conducts humanitarian assistance operations, operates the U.S. Army School of the Americas and, within his capability, supports other USCINCSO missions throughout Latin America.

b. (C) The U.S. Naval forces Southern Command headquarters is located at Fort Amador. The Navy component commander, with some 450 Navy and Marine Corps personnel, is responsible for maritime defense of the Panama Canal and security of shipping in canal waters. In addition, he operates the Naval Communication Station and the U.S. Navy Small Craft Instruction and Technical Team, provides fleet support to U.S. Navy and selected allied ships and supports USSOUTHCOM regional missions, as required.

c. (C) The U.S. Air Force Southern Air Division, composed of approximately 1,900 active duty and reserve component personnel, operates Howard Air Force Base. This facility is the only jet capable airfield under direct U.S. control in the current USCINCSO area of responsibility. The Air

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Force component commander plans, coordinates and, when directed, conducts air defense operations in the Panama Canal Area, provides air support as required for the commanders of ground and maritime defense forces, operates the Inter-American Air Forces Academy and responds to USCINCSO requirements for regional air support.

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## SECURITY ASSISTANCE

(U) Relevant Security Assistance Legislation. Section 112 of the International Security and Development Cooperation Act of 1981 (the foreign aid authorization bill) provided significant changes to Security Assistance for Latin America. Legislation affecting individual Latin American countries follows:

- \$15 million earmarked for Costa Rica in Economic Support Funds (ESF).
- Appropriations bill expressly prohibited aid to Nicaragua, nullifying the \$20 million in ESF provided in the authorization bill.
- Presidential certification required for continued aid to El Salvador as to human rights, control of armed forces, economic/political reforms, and free elections issues. Certification must be 30 days after passage and, thereafter, at 180 day intervals.
- Prohibition against security assistance and sales to Argentina repealed pending Presidential report to Congress on details of human rights situation and certification that they are in U.S. national interests.
- Prohibition against assistance and sales to Chile repealed pending Presidential certification on human rights progress, that repeal is in U.S. national interests, GOC is not aiding international terrorism, and that GOC is taking all steps to bring to justice legally those indicted for murders of Letelier/ Moffitt.
- Assistance to Haiti conditioned on various Presidential certifications including that GOH is assisting curbing illegal immigration into the U.S. and not violating human rights.
- Change in Congressional funding philosophy was evidenced by the elimination of FMS concessional credits for Latin American countries. Instead, MAP funds were provided as the means for non-reimbursable security assistance.

(U) Panama Canal Area Military Schools (PACAMS). The future of one of the three schools still remained clouded at the close of 1981. The primary issue is the future of the U.S. Army School of the Americas (USARSA), whose authority to operate expires on 30 September 1984 per the Panama Canal Treaties of 1 October 1979. A negotiating strategy was coordinated between USSOUTHCOM, Dept of the Army, JCS, and STATE setting a target date for a final agreement with Panama by July 1982.

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- (U) During FY81, elements of USSOUTHCOM trained approximately 6,000 military personnel from 15 Latin American/Caribbean countries. Of these, 38% received instruction in the PACAMS while the remaining 62% were trained in their respective countries by 51 mobile training teams. The number of students in the Panama Schools represents an 87% increase over FY80. Schools handled this increase with reduced overall manning and without budget augmentation. A more detailed look at FY81 training is provided in the following table:

TRAINING SUMMARY (FY 81)

	<u>School</u>	<u>Courses Offered</u>	<u>Students Trained</u>	<u>Mobile Training Teams</u>	<u>Students Trained</u>
Army:	USARSA	19	1,497	24	3,337
AF:	IAAFA	25	593	22	291
Navy	SCIATT	9	171	5	105
Totals:		<u>53</u>	<u>2,261</u>	<u>51</u>	<u>3,733</u>

- (U) Guest instructors participating at PACAMS for 1981 were as follows: USARSA had 14 officers (including the Deputy Commandant from Honduras), representing 8 countries and IAAFA had 2 officers and 3 enlisted personnel, representing 5 countries.

(U) International Military Education and Training (IMET) Program. The following table provides, by country, a summary of IMET funding and students trained under this program in FY81:

<u>COUNTRY</u>	<u>AMOUNT FUNDED</u>	<u>STUDENTS TRAINED</u>
BARBADOS	\$ 50,000	12
COLOMBIA	248,000	546
COSTA RICA	35,000	37
DOMINICA	26,000	7
DOMINICAN REPUBLIC	430,000	163
ECUADOR	345,000	222
EL SALVADOR	492,000	266
GUYANA	24,000	11
HAITI	123,000	27
HONDURAS	535,000	262

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<u>COUNTRY</u>	<u>AMOUNT FUNDED</u>	<u>STUDENTS TRAINED</u>
JAMAICA	74,000	12
MEXICO	120,000	107
PANAMA	378,000	306
PERU	317,000	178
ST. LUCIA	7,000	2
ST. VINCENT/GRENADINES	16,000	5
SURINAME	33,000	7
VENEZUELA	8,000	18
PACAMS	<u>4,148,000</u>	
TOTAL	\$7,445,000	2,188

(U) Foreign Military Sales Program (FMS). The FY81 FMS program was as follows:

<u>COUNTRY</u>	<u>FMS CASH SALES</u>	<u>FMS CREDIT</u>	<u>MAP</u>	<u>TOTAL</u>
Barbados	15,000			15,000
Brazil	4,271,000			4,271,000
Colombia	8,205,000			8,205,000
Dominican Republic	152,000	3,000,000		3,152,000
Ecuador	13,053,000	4,000,000		17,053,000
El Salvador	13,917,000	10,000,000	25,003,000	48,920,000
Guatemala	5,000		*(a)	5,000
Haiti		300,000		300,000
Honduras	4,332,000	8,400,000	*(a)	12,732,000
Jamaica	47,000	1,587,000		1,634,000
Mexico	107,583,000			107,583,000
Panama	410,000		*(a)	410,000
Paraguay	30,000		2,000(a)	32,000
Peru	5,222,000	400,000		9,222,000

<u>COUNTRY</u>	<u>FMS CASH SALES</u>	<u>FMS CREDIT</u>	<u>MAP</u>	<u>TOTAL</u>
Trinidad-				
Tobago	15,000			15,000
Uruguay	661,000			661,000
Venezuela	<u>73,448,000</u>			<u>73,448,000</u>
TOTAL	\$231,365,000	\$31,287,000	\$25,006,000	\$287,658,000

\* Less than \$500  
(a) Wind-up costs

(U) Economic Support Funds (ESF). ESF was provided to the following countries in FY81.

<u>COUNTRY</u>	<u>ESF</u>
El Salvador	\$ 44,900,000
Jamaica	41,000,000
Nicaragua	56,574,000
Central American Regional Program	<u>900,000</u>
TOTAL	\$143,374,000

JOINT/COMBINED EXERCISES AND ACTIVITIES

(U) UNITAS XXII. This exercise, conducted in USCINCSO territorial waters, was planned by USCOMSOLANT in conjunction with host countries. The degree of involvement and complexity of training operations were tailored to the capabilities and desires of the participants, which included Argentina, Brazil, Chile, Colombia, Ecuador, Peru, Uruguay, and Venezuela. A limited exercise was conducted with Trinidad and Tobago Coast Guard. USSOUTHCOM Marines participated as observers to the amphibious phases of the UNITAS exercise.

(U) BLACK HAWK IV. JFTX BLACK HAWK IV, conducted 16-25 February 1981 was a JCS-coordinated, USSOUTHCOM sponsored, joint air, ground, and naval defense exercise. Maximum participation by components and augmentation forces insured a highly successful exercise which revalidated the augmentation concept and clearly demonstrated the ability of our forces to accomplish their canal defense mission. It was our largest and most ambitious exercise effort to date.

~~(C/NORFORN)~~ As the exercise date approached, the Guardia Nacional stated that only the Combined Board element would participate in the exercise. Shortly before the start of BLACK HAWK IV, however, the Guardia Nacional (GN) denounced the exercise in the press and subsequently withdrew their previously - granted approval for use of air space. The personal intervention of USCINCSO was necessary to restore the approval. The GN Combined Board did not participate in the exercise. Although GN officers and high ranking Panamanian diplomats were invited to an exercise orientation, only four private Panamanian businessmen, who graduated from US military academies or universities, attended. The reasons for the GN actions appeared to be related to the political climate in Central America and the GN desire to not align themselves too closely with the US.

(U) The major findings and lessons learned for BLACK HAWK IV were as follows:

a. (U) USSOUTHCOM requested and were provided two JCS staff officers with Air Defense expertise to observe this exercise and evaluate the USSOUTHCOM joint Air Defense System. They reviewed plans and observed components in their air defense roles during the exercise. Their findings and recommendations included:

1. ~~(C)~~ Establish a joint air defense staff element within USSOUTHCOM to act as overall coordinator and responsible agent for the integrated air defense of the Panama Canal.

2. ~~(C)~~ Review the air defense sections of USSOUTHCOM OPLAN 6501 and incorporate lessons learned.

3. (U) Establish and periodically exercise a passive air defense capability.

4. (U) Reconsider the use of HAWKS because the required interface systems are not available and therefore, the system cannot be integrated.

5. (U) Exercise planning must start earlier allowing time to resolve the aforementioned problems.

b. (U) USSOUTHCOM should continue to establish and maintain control of an Exercise Control Group (ECG) for the annual Panama Canal Defense exercise. The Service components, Panama Canal Commission, American Embassy Panama and HQ US-SOUTHCOM should develop their exercise objectives and training goals for submission to the ECG. The ECG should be tasked to incorporate all objectives and training goals into the exercise scenario.

c. (C) The formation of a Joint Task Force (JTF) to manage Canal Defense operations may be more efficient than the activation of the Crisis Action Team in a high intensity and rapid changing operation.

d. (C) A conflict existed over the interpretation of the Canal neutrality when a belligerent nation was involved in the exercise play.

e. (C) Major problems surfaced with the command and control of Joint Base FALCON. These problems are complex and need to be addressed prior to the next exercise.

~~(C/NOFORN)~~ GN INTERNAL DEFENSE EXERCISE. The Guardia Nacional (GN), supported by USSOUTHCOM, conducted an internal defense exercise 11-15 May 81. Although USSOUTHCOM participation was limited to an airborne rifle platoon and aviation support, the exercise was precedent setting since it marked the first time since 1 Oct 79 that the US and GN participated in combined operations in the field. The exercise, which was planned by the GN, was designed to demonstrate the GN's ability to project its forces against guerrillas posing simultaneous internal threats to three regions in the Republic of Panama.

(U) COMBINED US/GN TRAINING. Throughout the year, the GN regularly participated in platoon strength at the Jungle Warfare School at Fort Sherman. Two GN platoons participated in a 10 day FTX with the 193d Inf Bde in July 1981. GN MPs also participated with 193d Inf Bde MPs in combined tactical, technical, and traffic operations in July and August 1981. The GN also participated in Command Post Wargames/Exercises in September and December 1981. These modest individual and unit training experiences provided an essential foundation on which to ultimately build our combined defense capability.

(U) HALCON VISTA - HONDURAS. This naval, air and ground coastal interdiction exercise, conducted on 7-9 Oct 81, was the first Joint/Combined exercise in CENTAM in over a decade and the first HALCON VISTA where US patrol boats and USSOUTHCOM aircraft participated. Personnel and forces from USSOUTHCOM, LANTCOM and Honduras were involved in the planning and execution of this exercise. The exercise was very successful and satisfied all major objectives. Civic action projects were accomplished which greatly enhanced the US image with the Hondurans. The exercise also produced significant improvements in the Honduran Navy through self help projects promoted by the US personnel.

(U) The following forces participated in HALCON VISTA - Honduras:

- a. (U) Honduran Forces:
- 2 C-47 Aircraft
  - 2 Super Mystere Aircraft
  - 2 A-37 Aircraft
  - 2 UH-1 Helicopters
  - 3 105 foot Patrol Craft
  - Staff Augmentation for Combined Staffs
- b. (U) USSOUTHCOM Forces:
- 2 O-2A Aircraft
  - 1 C-130 Aircraft (Support)
  - 1 CH-47 Helicopter
  - 1 Patrol Craft Fast
  - Staff augmentation for Combined Staffs
- c. (U) USLANTCOM
- USS Fort Snelling (LSD)
  - USS Papago (AFT 130)
  - 2 65 foot Patrol Boats

(U) HALCON VISTA - VENEZUELA. This exercise conducted 23-28 Oct 81, involved Naval and Air Forces in a coastal surveillance and interdiction scenario. The objectives included exercising Combined/Joint operations, Command, Control and Communication, procedures, and evaluating the effectiveness of detecting and intercepting hostile coastal incursions of the host country's coastal waters. Personnel and forces from USSOUTHCOM, LANTCOM and Venezuela were involved in the planning and execution of this exercise. The exercise was successful and satisfied all major objectives.

(U) The following forces participated in HALCON VISTA - Venezuela:

- a. (U) Venezuelan Forces:
1. Blue Forces:
    - 3 Frigates
    - 1 Destroyer
    - 5 Fast Patrol Boats
    - 2 Ocean-Going Tugs
    - 2 Tracker Aircraft
    - 4-6 OV 10 Aircraft
    - Canberra Aircraft (Undetermined)
    - National Guard Air Craft and Small Patrol Boats
  2. Orange Forces:
    - 2 Submarines
    - 1 Civilian Trawler
    - 1 Civilian Pleasure Craft
    - Civilian Aircraft (Undetermined)
    - Venezuelan Commandoes

b. (U) USSOUTHCOM Forces:

2 Patrol Craft  
1 C-130 Aircraft (Support)  
Staff augmentation for Combined Staffs

c. (U) CINCLANT Forces:

USS Fort Snelling (LSD 30)  
2 65 foot Patrol Boats  
3 P-3 Aircraft

(U) These two combined exercises were important elements in USCINCSO's regional objectives. Some of the benefits derived from these exercises include:

- a. (U) Clear signal of US interest, credibility and commitment to region.
- b. (U) Conditioned region to presence of US forces.
- c. (U) Improved face-to-face, military-to-military working relationships.
- d. (U) Successfully tested USSOUTHCOM C3 capability at a Forward Operating Base.

COMMAND POST EXERCISES (CPX)

(U) POLL STATION 81. USSOUTHCOM participated in POLL STATION 81 with a 24-hour response cell. This exercise was a worldwide JCS-directed Command Post Exercise and was designed to exercise the implementing and reporting procedures required for execution of General War Plans.

~~(C)~~ KING POST. The USSOUTHCOM Joint Operations Center conducted five KING POST Exercises during 1981. The KING POST is a procedural exercise designed to develop and maintain proficiency of the operations teams assigned to the USSOUTHCOM and component command operations centers.

DISASTER RELIEF

(U) During 1981, USSOUTHCOM responded to three requests for assistance as a result of natural or man-made disasters in Latin America. All three were low-intensity relief operations involving only the shipment of disaster relief supplies from the Panama Canal Area to the stricken country.

(U) Peru. In late June and early July, a series of earthquakes caused considerable damage to many small towns and villages in the mountains south of the city of Ayacucho. Ten deaths were reported and several thousand people lost their homes. No materiel aid was requested of the US Government. However, with the donation by the International Red Cross of 5,000 blankets from its Panama warehouses, Peru requested US assistance in transporting the blankets from Panama to Peru. By his 072228Z July 81 message, the US Ambassador to Peru formally declared the disaster as warranting US assistance. JCS message 101854Z July 81 tasked USSOUTHCOM to transport the blankets. The 193d Inf Bde Logistic Support Command moved the blankets from the Red Cross' Panama City warehouses to Howard AFB. On 14 July, a rotational C-130 and crew from the 1300 MAS flew the blankets to Lima, where they were turned over to the Peruvian Red Cross.

(U) El Salvador.

a. (U) Secretary of State messages 101955Z Oct 81 and 131844Z Oct 81 requested USSOUTHCOM assistance in moving ten rolls of plastic sheeting from the AID/OFDA stockpile in Panama to the American Embassy in San Salvador for use by civil strife dislocated Salvadorans. As per AID/OFDA request, USSOUTHCOM made transportation arrangements with a local civilian airline. The mission was completed on 17 October.

b. (U) Secretary of State message 181639Z Dec 81 requested USSOUTHCOM assistance in moving 200 more rolls of plastic sheeting for the relief effort with Salvadoran refugees. As with the October mission, USSOUTHCOM made local civilian airline transportation arrangements. The operation was completed on 22 December.

(U) Stockpile. The USAID-owned, USSOUTHCOM-managed disaster relief stockpile underwent few changes during 1981. AID plans to replenish the plastic sheeting cited above early in 1982. Two notable changes, however, did occur.

a. (U) Radios. In compliance with Secretary of State message 210902Z Sep 81, the AID-owned radio package from the Panama disaster relief stockpile was shipped to USAID Barbados for further transit to Antigua and permanent use by the newly-formed Caribbean Disaster Preparedness Team. The radio package consisted of a MOCOM base station and two mobile radios plus their accessory equipment. Due to the desire to minimize

transit handling and because no direct commercial flights existed between Panama and Barbados or Antigua, JCS authorized the use of a military airlift channel flight. Shipment was made on 3 September. The local availability of military communications equipment negates the impact of the relocation of the USAID equipment.

b. (U) Floodlight Sets. In order to enhance potential night-time disaster relief operations, USAID purchased and pre-positioned in the Panama stockpile two 6-lamp, 5KW floodlight sets. The sets arrived on 28 December.

(U) Disaster Monitoring.

a. (U) In addition to the active operations cited above, USSOUTHCOM monitored a dozen other developments which had potential disaster relief implications for the command. They were: heavy rains/flooding in Bolivia, Brazil, Colombia, Costa Rica, Venezuela, and the Eastern Caribbean Islands; tropical storms/hurricanes in the Caribbean; dislocation of civil strife victims in Nicaragua and El Salvador; and earthquakes in Colombia, Peru, and Venezuela.

b. (U) The most publicized disaster-related event of 1981, and the most closely watched, was the Brady Prediction. (b)(6) is a physicist with the US Bureau of Mines, Department of the Interior. With his colleague, (b)(6) of the US Geological Survey, (b)(6) had predicted that a massive earthquake - the largest anywhere in the world during this century - would destroy Lima and devastate a 1200 mile stretch of the coast of Peru and northern Chile during the summer of 1981. (b)(6) initially reported the prediction on 5 June 1978, but it drew world-wide attention on 20 October 1980, when Brady announced the prediction at an earthquake seminar in San Juan, Argentina. The Brady Prediction actually forecast a series of three catastrophic quakes with epicenters beneath the Pacific Ocean approximately 40 miles southwest of Lima. The timing and magnitude of the quakes were to be: 28 June - 7.5 Richter, 10 August - 9.2 Richter, and 16 September - 9.9 Richter. In addition to the extensive damage and casualty potential along the West Coast of South America, huge tidal waves would strike as far away as Japan. The US Geological Survey and the National Earthquake Prediction Evaluation Council disputed Brady's prediction as based on vague and speculative theories. Nevertheless, there was great concern in Peru that (b)(6) might be accurate. When preliminary foreshocks, which Brady predicted for May, did not occur, (b)(6) publicly disassociated himself from the forecast. When the June deadline passed without incident, (b)(6) persisted with his forecast, although back-adjusting the timing. As September passed with no major earthquake, tension eased over the prediction and (b)(6) remained silent.

REPRESENTATIONAL ACTIVITIES

(U) Significant Trips. Significant trips are defined as those trips made by the Commander in Chief to Latin American countries. A chronological listing of trips made by the Commander in Chief during calendar year 1981 follows:

<u>COUNTRY</u>	<u>DATE</u>
Honduras/Costa Rica	11-15 Feb
Barbados	26 Feb - 1 Mar
Brazil	14-20 Jun
Peru-Ecuador	6-11 Jul
Chile	29 Jul - 3 Aug
Colombia	13-14 Aug
Chile/Uruguay	16-24 Sep
Honduras	5 Oct
Argentina	6-15 Oct
Venezuela	17-18 Oct

(U) Important Visitors. A chronological listing of important visitors for calendar year 1981 is as follows:

<u>VISITORS</u>	<u>PERIOD OF VISIT</u>
LTG M. Collier Ross, USA, Deputy Commanding General, US Army Forces Command, Ft McPherson, GA	5-8 Jan & 10-12 May
ADM Harry D. Train, II, USN, Commander in Chief, US Atlantic Fleet, Norfolk, VA	29 Jan - 1 Feb
Defense Orientation Conference Association	8-12 Feb
Congressional Delegation (CODEL) COCHRAN: Senator (Sen) William T. Cochran (R-MS), Senate Appropriations Committee; Chairman, Subcommittee on Agriculture and Related Agencies Sen Clairborne D. B. Pell (D-RI) Sen Larry Pressler (R-SD) Sen Harrison A. Williams (D-NJ)	15 Feb

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<u>VISITORS</u>	<u>PERIOD OF VISIT</u>
CODEL SMITH: Representative (Rep) Neal Smith (D-IA), Chairman, CODEL/Acting Chairman, House Appropriations Subcommittee Rep John E. Hightower (D-TX) Rep Tom Bevill (D-AL) Rep John T. Myers (R-IN) Rep Berkley W. Bedell (D-IA)	15 Feb
His Excellency Carlos Romero-Barcelo, Governor of Puerto Rico	18-21 Feb
GEN Edward C. Meyer, USA, Chief of Staff, United States Army	21-26 Feb
Mr. Michael J. Kogutec, National Commander, The American Legion	28 Feb - 4 Mar
LTG (Ret) Vernon A. Walters, Special Emissary to Secretary of State	28 Feb - 3 Mar & 15-17 May
<span style="border: 1px solid black; padding: 2px;">(b)(6)</span> The Auditor General, Department of the Army	1-5 Mar
CODEL BONIOR: Rep David E. Bonior (D-MI) Rep Robert W. Davis (R-MI)	11-12 Mar
CODEL GIBBONS: Rep Sam M. Gibbons (D-FL), Member, Subcommittee on Trade, House Ways and Means Committee Rep William E. Frenzel (R-MN) Rep Lewis A. Bafalis (R-FL) Rep Donald J. Pease (D-OH) Rep William W. Fowler (D-GA)	23 Apr
Hon Richard T. Kennedy, Under Secretary of State for Management	6-12 May
Hon Thomas D. Boyatt, US Ambassador to Colombia	7-10 May
Hon Jack R. Binns, US Ambassador to Honduras	15-16 May
Hon Lawrence A. Pezzullo, US Ambassador to Nicaragua	18-21 May
Brigadier Robert J. Neish, Chief of Staff, Jamaican Defence Force	9-11 Jun

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<u>VISITORS</u>	<u>PERIOD OF VISIT</u>
Hon William R. Gianelli, Assistant Secretary of the Army (Civil Works)/Chairman, Board of Directors, Panama Canal Commission	5-7 Nov
Hon Deane R. Hinton, US Ambassador to El Salvador	28-30 Jun
<span style="border: 1px solid black; padding: 0 20px;">(b)(6)</span> Vice Commander in Chief, Chitean Army	23-25 Jul
CODEL DICKINSON: Rep William L. Dickinson (R-AL), Ranking Minority, House Committee on Armed Services Rep Marjorie S. Holt (R-MD) Rep Robert E. Badham (R-CA) Rep Kenneth B. Kramer (R-CO) Rep Eldon D. Rudd (R-AZ)	9-12 Aug
<span style="border: 1px solid black; padding: 0 20px;">(b)(6)</span> Commander in Chief, Argentina Army	15-18 Aug
AMB Wolfgang J. Lehmann, Director, Human Intelligence Tasking Office	24-26 Aug
Mr. Neville Trotter, Member of Parliament, Great Britain	13-15 Sep
LTG John W. McEnery, USA, Chairman, Inter-American Defense Board	20-23 Sep
Hon J. William Middendorf, II, US Ambassador to the Organization of the American States	24-27 Sep
Hon Francis J. McNeil, US Ambassador to Costa Rica	1-3 Oct
GEN Robert M. Shoemaker, USA, Commanding General, US Army Forces Command	4-7 Oct
LTG Lavern E. Weber, USA, Chief, National Guard Bureau	1-3 Dec and 9-10 Dec
CODEL BARNES: Representative Michael D. Barnes (D-MD), Chairman, Federal Government Service Task Force	4-6 Dec
GEN Alacyr Frederico Werner, Minister-Chief, Armed Forces General Staff of Brazil	15-19 Dec

(U) Other Visitors. Including the individuals and groups identified above, this headquarters received 517 visitors during the period of the report. Fifty-eight of the visitors were general officers; 340 were field grade officers; and 119 were civilians (GS-14 or Equiv, and above).

## MANPOWER

1982

(U) Manpower Program, Headquarters, US Southern Command as of 1 January 1981:  
(FQ 1/81)

(U) Joint Manpower Program (JMP), Part II - Active Force:

<u>STAFF FUNCTION</u>	<u>OFF</u>	<u>EM</u>	<u>CIV</u>	<u>TOTAL</u>
Command/Chief of Staff	8	2	4	14
Special Asst for Public Affairs	3	1	3	7
Special Asst for Legal Affairs	3	1	2	6
DCS/Treaty Affairs	5	1	3	9
Resource Management Directorate	11	9	7	27
Intelligence Directorate	31	19	5	55
Operations Directorate	30	27	6	63
Plans, Policy & Political Military Affairs Directorate	14	3	4	21
<b>TOTAL</b>	<b>105</b>	<b>63</b>	<b>34</b>	<b>202</b>

<u>SERVICE</u>	<u>OFFICER</u>	<u>ENLISTED</u>	<u>CIVILIAN</u>	<u>TOTAL</u>
Army	51	36	34	121
Navy	15	10	0	25
Air Force	31	16	0	47
Marine Corps	8	1	0	9
<b>TOTAL</b>	<b>105</b>	<b>63</b>	<b>34</b>	<b>202</b>

(U) JMP Part III, Joint Mobilization Augmentation Totals:

<u>SERVICE</u>	<u>OFFICER</u>	<u>ENLISTED</u>	<u>CIVILIAN</u>	<u>TOTAL</u>
Army	32	46	2	80
Navy	18	15	0	33
Air Force	25	21	0	46
Marine Corps	7	2	0	9
<b>TOTAL</b>	<b>82</b>	<b>84</b>	<b>2</b>	<b>168</b>

(U) Significant manpower actions within HQ USSOUTHCOM during calendar year 1981:

(U) 1 Dec 81 - JCS Message 01001DZ Dec 81 approved HQ USSOUTHCOM 26 Oct 81 request for the addition of a COPECOMI representative. This representative was approved for FY82 and 83 and will be physically located in Buenos Aires, Argentina.

(U) JCS Messages 30222Z Oct 81 and 01001OZ Dec 81 approved 202 manpower spaces for HQ USSOUTHCOM in FY82. Spaces were allocated as follows:

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	<u>ARMY</u>	<u>NAVY</u>	<u>USAF</u>	<u>USMC</u>	<u>TOTAL</u>
OFFICERS	51	15	31	8	105
ENLISTED	36	10	16	1	63
US CIV	<u>34</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>34</u>
TOTAL	121	25	47	9	202

(U) This FY82 allocation represented an increase of 24 spaces (10 of which were designated as TIARA) over FY81. The additional spaces were distributed as follows:

	<u>OFF</u>	<u>ENL</u>	<u>CIV</u>	<u>TOTAL</u>
SCJ2 Intelligence	10	7	1	+18
SCJ3 Operations	3	0	0	+ 3
SCJ5 Plans, Policy & Political Military Affairs Directorate	2	0	1	+ 3
TOTAL	15	7	2	+24

(U) On 13 Nov 81 this headquarters submitted a request establish a MLD in Belize and to re-establish a Security Assistance Program in Bolivia and Chile. Currently no reply has been received for the requested action.

(U) At the conclusion of CY 1981, the approved manpower program reflected the following spaces:

(U) JMP Part II, Active Force Joint Table of Distribution:

<u>STAFF FUNCTION</u>	<u>OFF</u>	<u>ENL</u>	<u>CIV</u>	<u>TOTAL</u>
Command/Chief of Staff/INTAFF Secretary	8	2	4	14
Special Asst for Public Affairs	3	1	3	7
Special Asst for Legal Affairs	3	1	2	6
DCS Treaty Affairs	5	1	3	9
Resource Management Directorate	11	9	7	27
Intelligence Directorate	31	19	5	55
Operations Directorate	30	27	6	63
Plans, Policy & Political Military Affairs Directorate	14	3	4	21
TOTAL	105	63	34	202

<u>SERVICE</u>	<u>OFFICER</u>	<u>ENLISTED</u>	<u>CIVILIAN</u>	<u>TOTAL</u>
Army	51	36	34	121
Navy	15	10	0	25
Air Force	31	16	0	47
Marine Corps	<u>8</u>	<u>1</u>	<u>0</u>	<u>9</u>
TOTAL	105	63	34	202

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(U) JMP Part III, Joint Mobilization Augmentation Totals:

<u>SERVICE</u>	<u>OFFICER</u>	<u>ENLISTED</u>	<u>CIVILIAN</u>	<u>TOTAL</u>
Army	32	46	2	80
Navy	18	15	0	33
Air Force	25	21	0	46
Marine Corps	<u>7</u>	<u>2</u>	<u>0</u>	<u>9</u>
TOTAL	81	84	2	168

(U) Manpower Program, Security Assistance Organizations, CY81: At the beginning of CY81 (FQ 2/81); the following manpower authorizations were allocated to the Latin American (LATAM) Security Assistance Organizations: (JCS Message 012132Z Apr 81).

<u>COUNTRY</u>	<u>OFF</u>	<u>ENL</u>	<u>TOTAL MIL</u>	<u>US CIV</u>	<u>LOCAL CIV</u>	<u>TOTAL</u>
USMILGP-Argentina	6	0	6	2	9	17
USMLO-Barbados	1	1	2	0	0	2
USMILGP-Bolivia	0	0	0	0	0	0
USSAMS-Brazil	4	1	5	2	3	10
USMILGP-Chile	0	0	0	0	0	0
USMILGP-Colombia	6	0	6	3	8	17
USODC-Costa Rica	1	1	2	0	3	5
USMAAG-Dominican Republic	3	2	5	0	2	7
USMLO-Ecuador	3	3	6	1	4	11
USMILGP-El Salvador	5	1	6	2	3	11
USMILGP-Guatemala	3	0	3	0	3	6
USMILGP-Honduras	4	2	6	2	4	12
USMLO-Nicaragua	2	0	2	1	2	5
USMILGP-Panama	2	0	2	2	3	7
USODC-Paraguay	3	0	3	1	4	8
USMAAG-Peru	3	1	4	0	4	8
USODC-Uruguay	3	0	3	2	3	8
USMILGP-Venezuela	5	0	5	2	5	12
USDAO-Haiti	0	1	1	0	0	1
USDAO-Mexico	<u>0</u>	<u>1</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>1</u>
TOTAL	54	14	68	20	60	148

(U) 7 Jan 82 - SECDEF Message 072217Z Jan 82 advised that the President had signed into law the International Security and Development Cooperation Act of 1981 (P.L. 97-113). This message identified manning levels and requested development and submission of the FY82 Joint Manpower Programs (JMPs) as follows:

<u>COUNTRY</u>	<u>MIL</u>	<u>US CIV</u>	<u>LWR CIV</u>	<u>TOTAL</u>
Argentina	4	1	6	11
Barbados	2	0	0	2
Bolivia	0	0	0	0
Brazil	6	2	3	11

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Chile	0	0	0	0
Colombia	6	1	8	15
Costa Rica	2	0	3	5
Dominican Republic	6	0	3	9
Ecuador	6	1	4	11
El Salvador	6	2	3	11
Guatemala	3	0	3	6
Haiti	1	0	0	1
Honduras	6	2	4	12
Jamaica	3	0	0	3
Mexico	3	0	1	4
Nicaragua	3	0	3	6
Panama	6	2	3	11
Paraguay	3	1	4	8
Peru	5	0	5	10
Uruguay	3	1	3	7
Venezuela	<u>6</u>	<u>2</u>	<u>5</u>	<u>13</u>
TOTAL	80	15	61	156

(U) On 21 Apr 81, this Hq submitted a proposal to the Administration's CPD in the form of our proposed FY82 JMP. The following reflects the Hq USSOUTH-COM Proposed (FY82) JMP for Security Assistance in LATAM:

<u>COUNTRY</u>	<u>MIL</u>	<u>US CIV</u>	<u>LWR CIV</u>	<u>TOTAL</u>
Argentina	6	1	6	13
Barbados	3	0	0	3
Bolivia	0	0	0	0
Brazil	6	2	3	11
Chile	5	1	4	10
Colombia	6	3	8	17
Costa Rica	3	0	3	6
Dominican Republic	6	0	3	9
Ecuador	6	1	4	11
El Salvador	9	2	3	14
Guatemala	4	0	3	7
Haiti	1	0	0	1
Honduras	6	2	4	12
Jamaica	2	0	0	2
Mexico	3	0	0	3
Nicaragua	3	0	3	6
Panama	4	2	3	9
Paraguay	3	0	4	7
Peru	6	0	5	11
Uruguay	3	1	3	7
Venezuela	<u>6</u>	<u>2</u>	<u>5</u>	<u>13</u>
TOTAL	91	17	64	172

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(U) Listed below are the authorized strengths of component commands and tenant activities as of 31 December 1981:

	<u>COMPONENT COMMANDS</u>		<u>TENANT ACTIVITIES</u>		
	<u>OFF</u>	<u>EM</u>	<u>OFF</u>	<u>EM</u>	<u>TOTAL</u>
U.S. Army	578	5329	170	643	6720
U.S. Navy/U.S. Marine	34	98	37	319	488
U.S. Air Force	<u>183</u>	<u>1277</u>	<u>64</u>	<u>397</u>	<u>1921</u>
TOTAL	795	6704	271	1359	9129

CIVILIAN PERSONNEL MATTERS

(U) Joint Committee, Sub-Committee - Civilian Employment

a. (U) The Sub-Committee - Civilian Employment became more active during the past year. Meetings were held on a fairly regular basis. Major topics of discussion were:

- 1) (U) the general principle of the GOP labor code.
- 2) (U) interpretation of Panama law applying to Panamanian proportionality in the workforce.
- 3) (U) development of employment data.

b. (U) While no formal arrangements were negotiated, a healthy discussion continues on these and other issues. The outlook for the future is promising.

(U) Panama Canal Employment System (PCES)

a. (U) The Panama Canal Act, PL 96-70, mandated the establishment of the Panama Canal Employment System to provide a basic employment policy structure for employees in the Panama Canal Area. Authority to approve the PCES was delegated by the President through the Secretary of Defense and Secretary of Army to the Assistant Secretary of Army (Civil Works).

b. (U) The Panama Canal Commission developed a draft PCES which required extensive coordination and review by USSOUTHCOM and the components. A part of this review included an extensive study by the Civilian Personnel Advisor with staff assistance from the Department of Army of the civilian personnel needs of the U.S. Forces for the life of the Treaty and the relationship between the U.S. Forces and the Panama Canal Commission. The study findings were basically incorporated into the PCES which received concurrence from the components and which was approved in draft by the Panama Area Personnel Board. The following major policy structure needs, which USSOUTHCOM believe are important, were met by the PCES as finally approved:

1) (U) Panama Area Personnel Board which includes membership of the CINC, USSOUTHCOM, is the central personnel policy coordinating body for all U.S. agencies in Panama.

2) (U) The Central Examining Office would retain policy direction from the PAPB.

3) (U) The Central Examining Office would serve all using

organizations equally.

4) (U) The Panama Canal Board of Appeals will include DOD representatives.

c. (U) The PCES should be implemented no later than 31 March 1982.

(U) Panama Area Wage Base. During the year, the Panama Area Wage Base (PAWB) established by the Panama Area Personnel Board (PAPB) in September 1979 for employees hired after 1 October 1979 continued to cause considerable controversy among employees, unions, and the Republic of Panama. The PAWB was designed to eventually bring wages in the Canal Area into line with local prevailing wages in Panama. Thus, wages are lower than for pre-Treaty employees. Military dependents who are civilian employees have retained an attorney and begun legal process. At its 7 November 1981 meeting, the Panama Area Personnel Board agreed to some significant changes in the wage base, including the establishment of salary in grade steps and significant increases at mid and higher grade levels. These changes were not announced until 2 December 1981 after the Panama Canal Commission Board of Directors have had a chance to approve its adoption for the Commission. Since the new wage base does not eliminate completely the disparity between pre-Treaty and post-Treaty wages, union opposition continues, however, the volume of the opposition has decreased.

(U) Thirteenth (13th) Month. During the year the Government of Panama and employee unions pressed the U.S. Forces and the Panama Canal Commission to make contributions to the Panamanian Social Security System for the second part of the 13th month bonus for Panamanian employees. In January, based on guidance from Department of State and Department of Defense that the 13th month contribution was an employee obligation, deductions equivalent to the contribution were made from employee paychecks. In July, a diplomatic forum was established and two formal meetings were held with the Government of Panama Foreign Minister at the Foreign Ministry. The Civilian Personnel Advisor represented USSOUTHCOM at these meetings. The meetings were not fruitful and were not resumed after General Torrijos death. In early December, the GOP Minister of the Presidency initiated discussions with the Panama Canal Commission Administrator at the PCC Board of Director's meeting. As the year drew to a close, the Panama Review Committee (PRC) submitted a request to STATE-DOD for new guidance and authorization for the Administrator to continue discussions with Minister Rodriguez. It begins to appear that solution to this difficult problem is possible sometime in 1982.

(U) Labor Relations.

a. (U) Relations with labor unions during the year were in a state of suspension as the Federal Labor Relations Authority (FLRA) did not

issue decisions on the unions petitions for exclusive recognition until the last day of the year, 31 December 1981. With no recognized bargaining agent, USSOUTHCOM tried to maintain open communication with all the unions. This was especially necessary because of union and employee dissatisfaction over the wage and social security issues. The CINC established a series of quarterly meetings with the union leaders. The three meetings were productive and provided a good avenue of communication. The 31 December 1981 FLRA decisions order elections sometime during early 1982. These elections should determine the exclusive bargaining agents for the civilian employees of the DOD components in Panama.

b. (U) GOP Opposition to FLRA. During the year the Government of Panama expressed opposition to the Federal Labor Relations Authority's operation in the Canal Area. The GOP Foreign Minister sent a diplomatic note to the U.S. stating Panama's positions that the operations of the FLRA in the Republic of Panama violated Panama's sovereignty and threatening criminal sanctions against FLRA representatives for activities in Panama. This opposition appear to have been caused by demands from Local 900, American Federation of State, Country, and Municipal Employees who were badly beaten in the Panama Canal Commission representation elections in May 1981. Local 900 and the AFSCME Regional representatives have waged a publicity campaign in the newspapers, and on radio and TV that FLRA violated Panamanian sovereignty.

(U) Summary. In review, 1981 was a year of experience and building under the Panama Canal Treaties. Important Treaty interpretation implementation questions have moved closer to resolution. Importantly a civilian personnel policy structure for the Panama Area was built which will help assure that the interests of the U.S. Forces will be represented and not subordinated to the interests of the Canal organizations.

**UNCLASSIFIED**

PART II

STAFF ACTIONS

**UNCLASSIFIED**

INTELLIGENCE

~~(S/NOFORN)~~ General.

Sec. 3.3(b) (1)

[Redacted]

Sec. 3.3(b) (1)

DIA

(U)

Sec. 3.3(b) (1)

[Redacted]

Sec. 3.3(b) (1)

~~(S/NOFORN)~~

[Redacted]

Sec. 3.3(b) (1), Sec. 3.3(b) (5)

DIA,  
Navy

I/ ~~(S/NOFORN)~~

Sec. 3.3(b) (1)

[Redacted]

Sec. 3.3(b) (1)

DIA/CIA

Sec. 3.3(b) (1)

DIA

(c)

Sec. 3.3(b) (1)

Sec. 3.3(b) (1)

(s)

Sec. 3.3 (b)(1), Sec. 3.3(b)(5)

SEc. 3.3 (b)(1), Sec. 3.3(b)(5)

DIA/Navy

(s)

Sec. 3.3(b) (1)

Sec. 3.3(b) (1)

DIA

(s)

Sec. 3.3(b) (1)

Sec. 3.3(b) (1)

Sec. 3.3(b) (1)

~~(C)~~ Panama.

Sec. 3.3(b) (1)

Sec. 3.3(b) (1)

(U)

Sec. 3.3(b) (1)

Sec. 3.3(b) (1)

DIA

~~(C)~~

Sec. 3.3(b) (1)

Sec. 3.3(b) (1)

~~(C/NOFORN)~~

Sec. 3.3(b) (1)

Sec. 3.3(b) (1)

~~(C/NOFORN)~~

Sec. 3.3(b) (1)

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~~(S/NOFORN)~~ Sec. 3.3(b) (1)

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DIA

Sec. 3.3(b) (1)

~~(S/NOFORN)~~ Sec. 3.3(b) (1)  
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~~(S/NOFORN)~~ Sec. 3.3(b) (1)  
Sec. 3.3(b) (1)

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Sec. 3.3(b) (1)

DIA

Sec. 3.3(b) (1)

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Sec. 3.3(b) (1), (b)(5)

DIA,  
SOUTHCOM

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Sec. 3.3(b) (1), (b) (8)

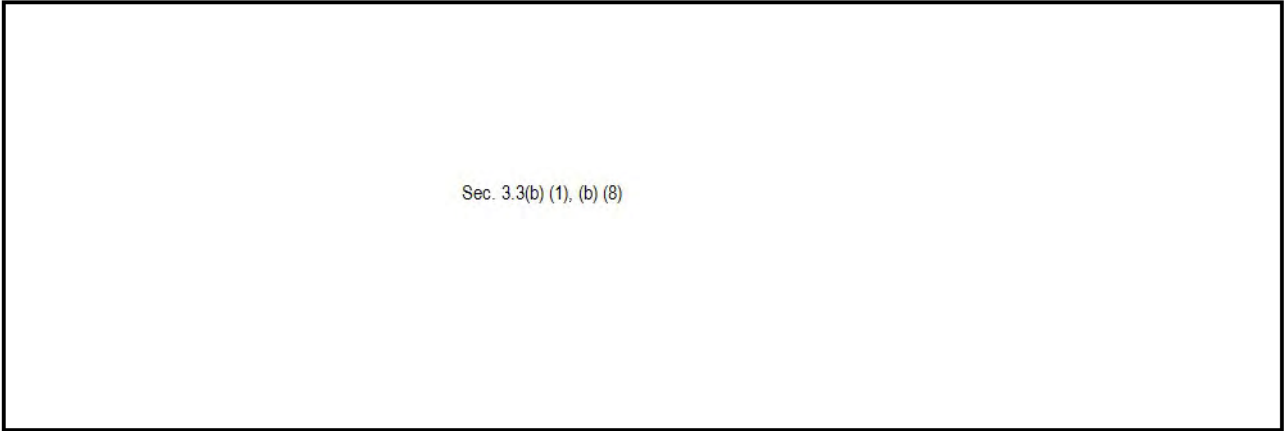
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Sec. 3.3(b) (1), (b) (8)

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## OPERATIONS

(U) ATTACHE OBSERVER COMMISSION SUPPORT - During the period 5 Feb - 21 Mar 81, USSOUTHCOM supported Attache Observer Commission Peacekeeping Operations conducted along the Peru/Ecuador border. Support force initially consisted of two U.S. Army UH-1 helicopters accompanied by appropriate ground support and communications personnel. On 17 Feb 81, one U.S. Army helicopter was declared missing while enroute to perform an observer mission. Aircraft and crew have not been located and remain missing to this date. Although marred by this mishap, commission support continued with the introduction of two USAF twin engine UH-1N helicopters. Overall, mission effort significantly contributed to the restoration of a peaceful environment along the frontier border of Peru and Ecuador.

(U) HELICOPTER HIGH ALTITUDE TRAINING - The 210TH AVN BN conducted helicopter high altitude flight training and civic action projects in Costa Rica during the period from 25 March to 4 April 1981. Flight training was conducted to fulfill speciality mission requirements as outlined in current Aircrew Training Manuals. Overall goal was to enhance aviation mission ready posture for USSOUTHCOM contingency operations. The civic action projects were programmed to coincide with flight training and they were coordinated through the CHODC. While operating in Costa Rica, aviation assets, which included two UH-1 and one OH-58, were based out of Santa Maria International Airport in San Jose.

(U) BG TORRIJOS DIES - BG Torrijos-Herrera, Commander of the Panamanian National Guard, was killed 31 July when his Panamanian Aircraft crashed near Ola, Panama. USSOUTHCOM assisted the Panamanian Government during a search and rescue phase by flying search mission, providing a command and control interface of ground and air elements, and placing specialized ground teams on alert for possible deployment to the crash site. Our concern and the dedicated performance of the U.S. personnel involved in this operation, appears to have contributed to improve military to military relations. In addition, USSOUTHCOM personnel supported the visit of the official U.S. delegation, headed by (b)(6) by providing EOD and physical security personnel to augment the United States secret service.

(U) OAS OBSERVER MISSION SUPPORT - EL SALVADOR/HONDURAS. - USSOUTHCOM continued to support the OAS Observer Mission in El Salvador and Honduras with two UH-1H helicopters, aircrew, maintenance personnel, radio operators, and one observer in each country. All personnel, with the exception of the observers were rotated on a TDY basis. The U.S. officer observers were assigned to their respective countries on a PCS basis. C-12 or U-12 aircraft provided logistical support on a weekly basis. Border observation missions were flown approximately three times weekly by each helicopter. This OAS peacekeeping effort was terminated on 1 July 1981 with personnel and equipment returning to Panama on 5 July. Termination of this mission disestablished a valuable, and highly visible U.S. presence in a potentially volatile region.

(U) U.S. SERVICEMEN AMBUSHED IN HONDURAS. At approximately 231400Z Sep 81, Two (2) U.S. servicemen, one (1) Army, one (1) USAF, were wounded during a machinegun attack on a USG Carryall vehicle. Vehicle was transporting five (5) U.S. service members; all of whom were assigned to ongoing MTTs. The two wounded personnel were transported by Honduran Helicopter to an Air Force Hospital. One individual was treated and released for duty. The second individual was seriously wounded sustained a gunshot wound to the lung. A USAF C-130, with a surgical team from Gorgas Army Hospital aboard, launched from Howard AFB at 231739Z Sep 81 enroute HO. Upon arrival in HO, surgical team made an on scene evaluation to stabilize the patient and MEDEVAC to Gorgas Army Hospital. This incident against U.S. personnel was apparently an isolated one.

(S)

Sec. 3.3 (b) (1), (b) (5)

(U) SEARCH AND RESCUE (SAR). - During 1981 the U.S. Air Force Southern Air Division Rescue Coordination Center (RCC), USSOUTHCOM's agent for SAR operations, processed 124 incidents. Of those incidents reported, 45 developed into missions. Of those 45 missions, there were 28 lives saved and 92 individuals assisted. A breakdown of the 45 missions is as follows: 10 were Med-evacuations; 21 were searches for boats; 8 were for persons in the water; 6 for missing aircraft. The 28 lives saved were a direct result of U.S. rescue effort.

AUTOMATIC DATA PROCESSING

(U) WWMCCS ADP Remote Network Processor Performance. While availability to the user increased to 86.5%, communication circuit performance continued to be an item of concern. As in previous years the primary cause of communication outages during 1981, were loss of crypto synchronization and hits on the communications trunk. A communications engineering survey was conducted in March 1981 to provide for a conversion to MILSAT communications. This conversion and the installation of crypto ancillary units (scheduled as part of the WWMCCS Intercomputer Network Reconfiguration Project) is expected to reduce the frequency of crypto sync losses. These actions are expected to be completed late in CY 82.

(U) ADP Equipment (ADPE) Configuration Changes.

(U) Two Honeywell Level 6 computer systems were delivered during the fourth quarter of CY 81. Installation of these systems, which was originally scheduled for Aug and Nov of 1981, was delayed because of incomplete shipments by the contractor and a delay in acquisition of the communication bill of materials needed to prepare the computer center for the new equipment. Site preparation is now scheduled to start during Mar 82, and installation of the two computers in Apr and May 82.

(U) In Dec 81, arrangements were made to acquire a remote terminal console from USA Forces Command. This console is a TEMPEST approved inclosure which contains all the space and connections necessary for a VIP 7705W, MODEM and a KG-34. This console will provide the command with the capability to deploy a WWMCCS terminal to any remote site where electrical power and a communication link exist.

(U) Preliminary coordination was also conducted to acquire three DELTA Data 7268T Terminals. These terminals are TEMPEST approved, have 64K of internal memory, floppy disk capability, and a hard-wired word processing capability. It is envisioned that these terminals will enhance command center/crisis action team operations by providing the ability to continue message preparation and provide limited data retrieval/manipulation during periods when the Level 6 RNP and/or the host 6000 are unavailable. Delivery is anticipated late in CY 82.

(U) Command and Control Applications. Command and control efforts during 1981 were concentrated on preparing for conversion to Level 6 ADPE. A significant reorganization and refinement of our data base took place and several members of the organization attended numerous training courses in anticipation of this conversion, as well as the implementation of the 7.2 operating system.

(U) J5 Training System. As a result of the increased emphasis on security assistance to Latin American countries, a system was developed which allows security assistance planners to maintain and analyze training requirements on a regional and individual country basis.

(U) Bilingual ID Card System (BID). Several modifications to Documents and Document Distribution were made to make the output reports more responsive to user needs. Additionally, changes to the BID data base structure resulted in a greatly increased efficiency and data quality.

(U) AUTOVON Four Wire Subscriber. A command unique system was developed to meet the needs of the Communications-Electronics Office for information on AUTOVON 4 line subscribers throughout Panama. The information reports are used by the USA Communications Command and Component C-E offices as well as by the USSOUTHCOM C-E.

(U) WWMCCS Intercomputer Network (WIN). During 1981 WIN usage increased in response to additional reporting requirements from JCS and as a result of the recognition of users of their need for data that existed at other sites. J3 now provides input to JCS on exercises using the online 5 year Exercise Program and the Significant Exercise Program. J2 and J3 jointly benefit from access to the RECON system at NMCC which contains important information on regional reconnaissance activities.

(U) Intelligence Applications. The year of 1981 was one of great activity. Many existing systems were extended to new geographic areas. A number of new programs were developed to support the Joint Intelligence Task Force. Finally, efforts were begun to simplify and upgrade several existing intelligence systems.

(U) Travelers in Panama (TIP). The TIP sub-system was fully operational during 1981. Programming effort centered around replacing a number of WWDMS procedures with a single, multi-purpose query program. This effort was necessitated by the change to operating system release 7.2, which does not support WWDMS. Other programming effort was directed at reducing the size of the data base by saving inactive records to tape. Additionally, correspondence with a national level agency was undertaken with regard to their desire to make a subset of the TIP system part of their national level files. There are now over 40,000 entries on the TIP file. The file was extended to selected East Block and Latin American countries.

(U) Biographics (BIO). A major effort to rewrite this system was undertaken and is ongoing. The ultimate goal of this effort is to create an online update capability for this file as well as to simplify system maintenance procedures. This is a major effort which will continue well into 1982.

(U) IROF Satisfaction File. A program developed to read and print out a SOUTHCOM subset of the IROF Satisfaction File which is provided quarterly by DIA.

(U) GEO Coordinate Conversion. A program allowing conversion of UTM to GEO Coordinates and GEO Coordinate to UTM was obtained from the Defense Mapping Agency and was brought online by SOUTHCOM after extensive modifications. This program is primarily for use by the Joint Intelligence Task force but is available to all SOUTHCOM users.

LOGISTICS(U) Military Construction

a. (U) Phase II Treaty Construction (\$18.7M) was the main military construction (MILCON) ongoing for the US Forces during the year. Seven of the 27 projects in the Phase II construction were completed in 1981. The completed projects were barracks, office space, and dining facilities for the 210th Aviation Battalion at Fort Kobbe. Completion of Phase II construction is scheduled for the Fall 1982.

b. (U) Military construction projects started during 1981 included transmitter facility for the USAF, construction of a motor pool for the Tropic Test Center, and improving the drainage of family housing for the 193d at Fort Clayton. Military construction projects completed during 1981 included an entomology facility for the Brigade DFE, and a medical warehouse for USMEDDAC.

(U) Republic of Panama Road Projects. The Republic of Panama (ROP) continued preliminary work on a new road which will go from Arraijan to Panama City by crossing Empire Range, crossing the Canal just above Miraflores Locks, and going adjacent to Fort Clayton. The ROP completed initial survey work and were coordinating the final road alignment with Panama Canal Commission and US Forces. ROP plans to begin the actual road construction in early 1982. The \$100 million bridge across the Canal is still in the sighting and design stage. A second road project being planned by ROP is the road around Howard AFB and Fort Kobbe from Panama City to Vera Cruz. The project continues in the planning stages.

(U) Property Transfer. As specified by the Panama Canal Treaty, two buildings in Curundu were transferred to the Republic of Panama on 1 Oct 1981. These buildings were used by MEDDAC as medical warehouses.

(U) Panamanian Preference in Procurement

a. (U) This office continued to play a key role in monitoring Panamanian preference in procurement. The Status of Forces Agreement (SOFA) obliges the US Forces to give preference to the procurement of supplies and services obtainable in Panama. During the past year the component services of USSOUTHCOM again reported increases in the dollar value of local procurement in the Republic of Panama. Increased expenditures were reported in the areas of supplies and services. This was attributed to the successful efforts made to reach the local business community, and the greater degree of interaction between US government contracting activities within the command and the local businessmen of Panama.

b. (U) Throughout the year, the component services also continued their efforts in expanding Panamanian participation in their contracting programs. USSOUTHCOM objective is to facilitate future purchases to the maximum extent, providing that local goods and services meet US standards of quality, availability and price.

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LATIN AMERICAN MILITARY AFFAIRS/J-5 DIRECTORATE

INTRODUCTION

(U) The year 1981 brought a number of significant new dimensions to the functional area and responsibilities of the Latin American Military Affairs (LAMA) Directorate. Of most fundamental importance was the inauguration of the Reagan Administration which heralded a dramatic shift in foreign policy and paved the way for improved relations with our Latin American neighbors. A welcomed increase in Security Assistance allocations to Latin American countries ended the constant downward trend of the previous four years and prompted renewed military-to-military dialogue and planning. Washington interest in events in Central America--especially the insurgency in El Salvador and intransigence of Marxist Nicaragua--continued to grow and drive the entire Command toward virtually a "war footing" in many respects. The impact on the USSOUTHCOM staff in general and LAMA/J-5 in particular was extensive, with workloads expanding exponentially.

(U) One of the first initiatives taken to accommodate rapidly changing regional requirements and emphasis was an internal realignment within the LAMA Directorate in May, resulting in the formation of three distinct divisions: Caribbean Basin Affairs, South American Affairs, and Security Assistance Plans and Programs. (See diagram at Tab A.) By midyear, however, it was evident that a broader headquarters reorganization was necessary to offset severe workload imbalances and group modest manpower resources for best staff effectiveness and productivity. In July, General Nutting approved the reestablishment of a J-5 Directorate effective 1 Sep 82 and plans ensued to carry out this decision. Basically, the J-5 subsumed the functions of LAMA plus the contingency planning and policy/strategy development functions of the J-3 Directorate. The chief advantages of this streamlined arrangement proved to be an improved USSOUTHCOM headquarters capability to meet evolving mission requirements and clarified working relationships with the Joint Staff, adjacent and component commands, and our in-country Military Liaison Offices (MLOs). In terms of manpower, J-5 retained the existing 13 LAMA spaces and acquired five spaces from J-3 for a total of 18. Six additional authorizations were requested in the FY 82 JMP.

(U) Organizational structure of the new J-5 Directorate has remained constant since inception and includes four main divisions: Policy and Strategy, Plans and Force Development, Politico-Military Affairs, and Security Development. The Policy and Strategy Division is the focal point for the formulation of overall USSOUTHCOM concepts and guidelines germane to the Defense Guidance (DG), Joint Strategic Planning Document (JSPD), Joint Strategic Capabilities Plan (JSCP), and other related documents. The Plans and Force Development Division is primarily responsible for preparing and maintaining Command contingency operation plans and for assessing force structure requirements. The Politico-Military Affairs Division consists of country desk officers who monitor and coordinate region-wide activities and keep USCINCSO apprised of those most critical to U.S. interests. This division is the main conduit of staff interchange with nearly 20 MLOs. The Security Development Division is

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combined of specialists in Security Assistance plus other elements of the Command's Security Development Program (see later paragraph devoted to this program).

(U) After the departure of USAF Colonel Robert J. Hlavac in late 1980, USA (b)(6) USSOUTHCOM, Deputy Chief of Staff, took charge of the LAMA Directorate until the arrival in March 1981 of the current director, USAF (b)(6) The J-5 Directorate is located on the ground floor, northeast wing, Montague Hall (Building 88), Quarry Heights, Panama.

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SIGNIFICANT ACCOMPLISHMENTS

(U) GENERAL. USSOUTHCOM took positive steps throughout 1981 to solidify and expand U.S. military influence. The turbulence in Central America continued to consume the lion's share of our efforts. However, the region as a whole continued to receive increased interest/commitment from the highest levels of the United States Government as it re-examined its policies toward what has become known as our "strategic rear" -- Latin America. J-5 played a key role in the following accomplishments:

- ~~(C)~~ The U.S. Southern Command entered 1981 with a sound, long-considered plan for limited support to the Government of El Salvador. As the climate for support improved, we stood ready to respond. This preparation paved the way for introduction of tactically oriented mobile training teams; lease/grant of helicopters to improve mobility; reliable accommodation of other priority requirements; development of a Salvadoran national military strategy; and planning for OCS and infantry battalion out-of-country training.
- ~~(C)~~ In recognition of growing insurgent infiltration of arms into and through Honduras, USSOUTHCOM developed, coordinated, and executed a two-phase arms interdiction training program for Honduran Army and Air Force personnel. Planned and implemented in close concert with the U.S. Mission, the program was acknowledged by the Chief of Mission as being a "model for inter-agency cooperation." In addition, USSOUTHCOM's urgings to extend the UH-1H helicopter lease (10 helicopters) from one to four years were realized through concerted efforts in April 1981.
- (U) Initial Security Assistance contacts were made with officials in Belize and Jamaica. Additionally, programs were established/developed with Guyana and Suriname.
- (U) During the early 1981 border conflict between Peru and Ecuador, USSOUTHCOM made substantial contributions. The Deputy USCINCSO, Major General Masterson, participated in a multi-national commission which negotiated force disengagement. Helicopters and crews for the Rio Protocol Observer Force also came from USSOUTHCOM. The cost of our involvement was high. Three crewmen were lost in the crash of a helicopter supporting the observer force. Despite extensive search efforts, neither the crewmen nor the helicopter were ever located.
- (U) The U.S. Southern Command finalized a Force Development Study for the Dominican Republic and presented results to government officials in April. This was the second study of this nature undertaken by the Command. (Panama's Guardia Nacional was the object of a similar 1980 study.) Such a survey of force requirements is an influence generating technique with considerable potential, particularly in the smaller countries of the region. We remain alert for future opportunities to employ this technique.

- (U) United States Coast Guard billets have been programmed for MLOs in Jamaica, Barbados and Panama--a worldwide first. The navies of many countries in the region have missions which closely equate to those of our Coast Guard. Cooperation from the US Coast Guard in dealing with these navies has been outstanding throughout the year. The credit goes to (b)(6) our Coast Guard Liaison Officer.
- (U) The Chief of Staff, U.S. Army, generated numerous innovative initiatives conducive to regional cooperation. These included high-level consultations with the Argentine Joint Staff and a "U.S. Army in the 80s" briefing tour by a Department of the Army team. USSOUTHCOM representatives participated in both of these successful ventures.
- (U) Closer ties developed between the National Guard Bureau and US-SOUTHCOM. Exchanges between the Puerto Rican National Guard, and Uruguay and the Dominican Republic have already extended military influence in the region. A recent visit to USSOUTHCOM by LTGEN Weber, Chief, National Guard Bureau, laid the groundwork for other, mutually beneficial initiatives.
- (U) The Region's Personnel Exchange Program (PEP) includes 26 positions in eight countries. Army and Air Force Component Commanders in Panama now have a well defined role in managing the program. The Navy maintains centralized control of an inceptive program from Washington.
- (U) Representational visits continued to serve as an effective vehicle for expanding military relationships. A total of 22 visits to 14 countries were conducted in 1981.
  - CINC: Peru, Argentina, Colombia, El Salvador, Brazil, Barbados, Ecuador, Chile, Venezuela, Honduras, Uruguay, Dominican Republic.
  - DCINC/AF Component Commander: Ecuador, Honduras, Chile, Colombia, Belize.
  - Army Component Commander: Honduras, Venezuela
  - Navy Component Commander: Guatemala, Ecuador, Brazil.
- (U) The Command also hosted senior military leaders from eleven countries during 1981: Argentina, Brazil, Chile, Colombia, the Dominican Republic, El Salvador, Guyana, Honduras, Jamaica, Peru and Venezuela.

(U) Policy and Strategy. CY 1981 highpoints included significant recognition of the U.S. Southern Command in National Defense Guidance and Joint Strategic Planning documents. For the first time in more than a decade the problems and priorities for the southern half of the Western Hemisphere were acknowledged and addressed in a new and more positive way. The potential of the Latin American region to affect U.S. global strategy was clearly addressed in these important documents.

(U) The ongoing Soviet/Cuban backed military buildup in Nicaragua and support for insurgencies in El Salvador, Honduras and Guatemala continued to dominate the near-term U.S. strategic focus in Latin America. Similarly, increasing regional economic independence, nuclear development projects, development of oil and natural resources, and military modernizations forced our strategic focus to expand. Latin America impacted on the U.S. strategic calculus more than at any time since the Cuban Missile Crisis.

(U) Our primary objective in the Western Hemisphere was to maintain the security of the North American continent, the contiguous Caribbean Basin, and the sea and air approaches thereto. To this end, the following regional objectives were established:

- (U) Counter Soviet and Cuban supported terrorism, military influence, and destabilizing actions in the Caribbean Basin.
- (U) Maintain the capability to eliminate or neutralize in time of war Soviet military assets located in Cuba and elsewhere in the Caribbean Basin and, to the extent that Cuba maintains hostile policies against the United States, the capability to eliminate Cuban military assets anywhere in Central America and the Caribbean.
- ~~(S)~~ Broaden regional military-to-military contacts and seek the active military cooperation of key countries such as Argentina, Brazil, Chile, Mexico, Venezuela and Colombia, as applicable, in regional territorial and air defense, in the security of Caribbean Basin and South Atlantic sea lines of communication (including the Panama Canal) and in facilitating air and ocean movement.
- (U) Maintain, or acquire as needed, base and facilities access, and operating, transit, and overflight rights.
- (U) Maintain access to strategic raw materials, including energy sources and processing facilities.

And these additional objectives were proposed:

- ~~(S)~~ Seek close military ties with Panama, Honduras, Jamaica, the Dominican Republic, and other Central American and Caribbean countries which, because of their strategic geographical location, offer potential support facilities important for Caribbean SLOC defense and for other U.S. security efforts in Central America.
- ~~(S)~~ Reverse communist gains in El Salvador, Nicaragua, Grenada, and other areas of Latin America.
- ~~(S)~~ Attempt to reduce Cuban hostility toward the United States, and that of other countries harboring like policies.

- (U) Urge key Western Hemisphere and European allies, as appropriate, to contribute to the security of the Caribbean Basin, specifically by providing military, Coast Guard, and economic assistance to less developed countries and threatened states in the region.
- (C) Seek coproduction arrangements with those countries possessing a developed industrial base (e.g., Brazil, Argentina and Mexico) to augment U.S. industrial mobilization in wartime, taking care not to become overly reliant on any of these countries.

(S) CHRONOLOGICAL LISTING OF POLICY, STRATEGY, AND PLANNING ACTIONS  
(Jan-Dec 81)

JAN-FEB 81 ASSISTED OJCS/J5 IN THE ARTICULATION OF A MILITARY STRATEGY FOR LATAM. EFFORT CULMINATED IN THE PUBLICATION OF JCSM 111-81 FOR LATIN AMERICA.

4 FEB 81 USCINCSO BRIEFED THE JCS ON THE POTENTIAL AND OPTIONS FOR RELOCATION OF HQ USSOUTHCOM FROM PN. BASIC POSITION WAS TO STAY IN PN AS LONG AS POLITICALLY ABLE TO SUCCESSFULLY CONDUCT REGIONAL LATAM MISSION. IF NOT POSSIBLE, MOVE TO ANOTHER CONUS OR LATAM LOCATION.

26 FEB 81 [REDACTED] (b)(6) ATTENDED AN INTERAGENCY COLLOQUIUM ON CARIBBEAN BASIN AT USAWC (CARSLISLE PA) HOSTED BY SSI. SUBJECT WAS "INTERESTS, OPTIONS AND THE ROLE OF MILITARY RESOURCES IN THE CARIBBEAN BASIN."

MAR-APR 81 NIMBLE WARRIOR.

2-5 JUN 81 USCINCSO REPS [REDACTED] (b)(6) ATTENDED A DEPT OF STATE HOSTED CONFERENCE ON EVACUATION PROCEDURES. CINC AND STATE REGIONAL LIAISON GROUP REPRESENTATIVES REVIEWED THE FINAL DRAFT OF THE NEW DOS EMERGENCY ACTIONS MANUAL.

13-17 JUL 81 [REDACTED] Sec. 3.3 (b) (5)

7 AUG 81 USCINCSO BRIEFED THE DEFENSE RESOURCES BOARD ON RESOURCE REQUIREMENTS AND HIS PERCEPTIONS OF THE THREAT IN LATAM.

11 AUG-1 SEP 81 USCINCSO FORMED AN OPG TO CONDUCT A REVIEW OF INTERDICTION PLANNING IN CENTAM. CULMINATING IN A STAFF VISIT TO BRIEF AMBASSADOR HINTON (US AMB TO ES) ON THE FINDINGS.

8 SEP 81 SEVEN-MEMBER DOD TEAM TO ASSIST EL SALVADOR IN DEVELOPING A VIABLE NATIONAL MILITARY STRATEGY ASSEMBLED IN WASHINGTON. TEAM WAS BRIEFED IN PANAMA ON 12 SEP AND PROCEEDED TO EL SALVADOR ON 13 SEP. HEADED BY BG FRED F.

WOERNER, THE TEAM ORIGINALLY INCLUDED THREE USSOUTHCOM OFFICERS AND WAS LATER (11 OCT) AUGMENTED BY THREE ADDITIONAL USSOUTHCOM OFFICERS. THIS WAS A HIGHLY SIGNIFICANT COMBINED PROJECT. THE MILITARY STRATEGY ASSISTANCE TEAM COMPLETED ITS IN-COUNTRY EFFORT ON 8 NOV AND FILED A COMPREHENSIVE REPORT DATED 16 NOV 81.

9 SEP 81

AFTER NEARLY ONE YEAR OF HEATED DISCUSSION, THE UNIFIED COMMAND PLAN PROPOSAL SUBMITTED BY USCINCSO ON 3 DEC 80 FOR EXPANDING USSOUTHCOM'S AOR (TO INCLUDE MEXICO, THE CARIBBEAN WATERS AND ISLANDS THEREIN, AND PORTIONS OF THE ATLANTIC OCEAN AROUND THE SOUTH AMERICAN CONTINENT) WAS DEFEATED BY A JCS VOTE OF 4 TO 1. ONLY CSA SUPPORTED THE USSOUTHCOM POSITION. JCSM-274-81 (9 SEP 81) CONTAINED THE FOLLOWING RECOMMENDATIONS:

- CINCLANT CONTINUE TO EXECUTE NORMAL OPERATIONS IN THE CARIBBEAN AND USCINCSO CONTINUE TO EXECUTE NORMAL OPERATIONS IN CENTRAL AND SOUTH AMERICA, LESS MEXICO.
- THE CARIBBEAN CONTINGENCY JOINT TASK FORCE AND THE ANTILLES DEFENSE COMMAND BE CONSOLIDATED INTO A SINGLE SUBORDINATE UNIFIED COMMAND UNDER CINCLANT, WITH AREA RESPONSIBILITY (INCLUDING SECURITY ASSISTANCE MATTERS) FOR THE CARIBBEAN SEA AND ISLANDS THEREIN.

13 OCT-31 OCT 81

USCINCSO REFORMED PREVIOUS OPG TO DEVELOP AN INTERDICTION PLAN FOR CENTAM.

21 OCT 81

USCINCSO BRIEFED ARMY CHIEFS CONF ON LATAM.

23 OCT 81

USCINCSO BRIEFED THE JCS OPDEPS ON CENTAM SITUATION.

30 OCT 81

USCINCSO ADDRESSED DRB ON PRIORITY CONSIDERATIONS.

2 NOV 81

DEPSECDEF APPROVED JCSM-274-81 AND FORWARDED MATTER FOR PRESIDENTIAL REVIEW. RATIONALE BEHIND USCINCSO'S 3 DEC 80 PROPOSAL WAS THE UNPRECEDENTED IMPORTANCE OF TREATING LATIN AMERICA AS A STRATEGIC ENTITY AND STREAMLINING RELEVANT MILITARY COMMAND ARRANGMENTS. JCSM-111-81 (6 APR 81) ENTITLED "LATIN AMERICAN STRATEGY REVIEW" FURTHER UNDERScoreD THE VALUE OF A UNIFIED STRATEGIC FOCUS. HOWEVER, NEITHER THE JCS MEMORANDUM NOR THE SECDEF DECISION DEALT HEAD-ON WITH THE FUNDAMENTAL ISSUE--THE NEED FOR A SINGLE COMMAND DEDICATED TO LONG-RANGE U.S. SECURITY INTERESTS IN THE WHOLE OF LATIN AMERICA.

12 NOV 81

CJCS DIRECTED USSOUTHCOM AND LANTCOM TO DEVELOP A PLAN OF ACTION AND MILESTONES FOR THE TRANSFER OF SECURITY ASSISTANCE FUNCTIONS RELATIVE TO THE CARIBBEAN ISLANDS, IN ANTICIPATION OF PRESIDENTIAL APPROVAL OF THE SECDEF DECISION.

18 NOV 81 USCINCSO BRIEFED THE JCS ON INTERDICTION PLAN.

1 DEC 81 USCINCSO RECEIVED A JCS TASKING TO PREPARE A SERIES OF NEW OPLANS FOCUSING ON CENTAM.

11 DEC 81

Sec. 3.3 (b) (1), (b) (6)

14-18 DEC 81 AUGMENTATION FOR OPG

20-23 DEC 81 PLANNING CONFERENCE AT MACDILL AFB.

(U) USSOUTHCOM Military Group Commander's Conference, 1981. Our annual Military Group Commander's Conference was conducted at Howard AFB and Quarry Heights, Panama 16-20 March 1981. With the advent of renewed national attention on the policy, priorities, and strategy for the region, the conference took on special significance. Specific attention was turned toward evaluation of progress and the charting of a coordinated path for future Command initiatives. Those closely associated with political and military developments in the hemisphere were invited to express views on U.S. security interests in the Caribbean, Central and South America. Included among attendees were representatives from the State Department, the Office of the Joint Chiefs of Staff, the Office of International Security Affairs (Department of Defense) the Service Headquarters (to include, for the first time, the U.S. Marine Corps and U.S. Coast Guard), the Puerto Rican National Guard, the Defense Institute of Security Assistance Management, the Army War College, and RAND Corporation. LtCol John Balent was the project officer for this conference.

(U) USSOUTHCOM Tri-Service Training Conference, 1981. Our annual Tri-service Training Conference and Workshop were held at Howard AFB and Albrook AFS, Panama, 2-6 March 1981. Representatives from the Office of the Assistant Secretary of Defense for International Security Affairs, as well as personnel from each of the Military Service Departments and their training agencies attended along with training programs personnel from Headquarters, USSOUTHCOM, and the Panama Canal Area U.S. Military Components. U.S. military personnel monitoring and programming training activity for participating LATAM and Caribbean nations were also represented. The principal function of the conference was to bring the various representatives together in a forum to discuss on-going training requirements of each LATAM and Caribbean nation participating under the U.S. Security Assistance Program. The workshop portion, held at Albrook AFS, was to allow each country's U.S. military programming representative to sit down with Washington and Panama Canal Area representatives to refine their individual training requirements. (b)(6) planned and managed the conference proceedings.

~~(S)~~ USSOUTHCOM Regional Training Study. A six month effort was completed in Nov 81 with the publication of the USSOUTHCOM Regional Training Study. This initiative was the first of its kind and began with a tasking from JCS to analyze current and projected Latin American military training requirements through the year 1990 and make recommendations which would foster adequately prepared armed forces to serve both regional security needs and possible

coalition warfare commitments. The study report was delivered to the DA Staff (DAMO-SS) on 16 Nov and the J-5 Director later (19-21 Nov) briefed MG Seigle (DAMO-SS) and VAdm Bigley (OJCS/J-5) on the USSOUTHCOM conclusions. The Army Staff is coordinating Washington review of the report and will make recommendations to JCS on actions to be implemented. (b)(6) headed up the study group.

- (U) Although data were often difficult to obtain, we considered the product reliable enough to demonstrate several significant trends/conclusions:
    - (U) A serious internal and external threat exists within the region; with the most urgent concern focused on the Central American and Caribbean Basin sub-region. The long-term threat will occur in the South Atlantic.
    - (U) U.S. training/security assistance efforts have been hampered by financial, legislative, and policy constraints.
    - ~~(C)~~ Training accomplished in 1980-81, from all sources, was approximately 50,000 individuals per year (US training accounted for 4-5,000 and third country training served 2-3,000).
    - (U) Overall, regional force levels are projected to increase throughout the decade.
    - ~~(C)~~ Gross training requirements through 1990 are projected to exceed 700,000 personnel, or about 83,000 per year.
    - ~~(C)~~ The shortfall between training that can reasonably be accomplished by all sources versus that which exceeds aggregate capabilities is 300,000, or about 33,000 per year; estimated cumulative cost through 1990, based on IMET averages, is approximately \$1.2 billion.
  - (U) The following recommendations were made as a result of the study:
    - (U) Elevate the priority of Latin America and increase US investment in the region.
    - (U) Focus now on the Central American and Caribbean Basin.
    - (U) Engage selected third countries in responding to requirements.
    - (U) Enhance the operational exercise program throughout the region.
    - (U) Develop a plan for a permanent, coordinated training system for the region.
- (U) USSOUTHCOM Security Development Program (USCINCSO CONPLAN 6104-82). One of the most important achievements of the year was the creation of a master plan for the orchestration of peacetime regional initiatives to more

effectively serve our national objectives in Latin America. General Nutting had long sought a better way to optimize the application of our available tools and resources in a fully coordinated program. Cdr Joe Finelli and LTC Dave Boyle responded with USCINCSO CONPLAN 6104-82. Following are the tools identified.

- Security Assistance support
- Regional training program
- Representation visits
- Ship/aircraft visits
- Combined operations/exercises
- Small unit exchanges
- Intelligence exchanges
- Public Affairs activities
- Civic Action programs
- Personnel Exchange Program
- Disaster relief operations
- Conferences on regional matters
- International Military Sports Council

The plan was published for initial review in October. The final version is scheduled for publication and implementation in January 1982.

(S/NF)

Sec 3.3 (b) (5)

(U) LATAM Service Chiefs Conferences:

- (U) Conference of American Armies (CAA). The XIV CAA met during the period 3-5 Nov 81, with delegations and observers representing 23 armies, three international organizations, and the U.S. Armed Forces at Fort Lesley J. McNair, Washington, DC, discussing the need for cooperative security efforts to combat terrorism, subversion and armed insurgency.

-- (U) Keynoting conference activities were presentations by the U.S. Secretary of Defense, Caspar W. Weinberger, and the El Salvadoran Minister of Defense, Colonel Jose Guillermo Garcia, both of whom stressed the importance of mutual cooperation on crucial security issues now facing the Americas. In addition, the visit with the National Security Council Staff afforded the Army Chiefs the opportunity to meet and speak with the Vice President of the United States concerning mutual security concerns.

-- (U) One of the major achievements of the XIV CAA was the decision to create an Interim Permanent Secretariat (IPS). The United States Army was called upon to establish the IPS and operate it until the XV Conference of American Armies, when regulating procedures and the full function of the Permanent Secretariat will be determined. This step reflects the desire of the member armies to use the CAA as a continuing vehicle to advance cooperative approaches to hemispheric security in the period between biennial conferences.

-- (U) Delegations from the following countries attended the conference: Argentina, Barbados, Bolivia, Brazil, Chile, Colombia, Ecuador, El Salvador, Guatemala, Haiti, Honduras, Jamaica, Panama, Paraguay, Peru, Dominican Republic, Suriname, Uruguay, Venezuela, United States.

-- (U) LTG Nutting attended the Conference representing the Command. USSOUTHCOM/J-5 prepared agenda items and issue papers for discussions at the Conference.

- (U) Conference of the Chiefs of the Air Forces of the Americas (CONJEFAMER). CONJEFAMER XXI was held at Homestead AFB, Florida in May of 1981. General Lew Allen, Chief of Staff, U.S. Air Force, as host, chaired the conference. Countries represented included: Colombia, Chile, Ecuador, El Salvador, Guatemala, Honduras, Panama, Paraguay, Peru, Dominican Republic, Uruguay, Venezuela, Argentina, Bolivia, Brazil, Canada, Mexico, Guyana, Jamaica, Haiti, and the United States. USSOUTHCOM was represented by Maj General Masterson, DCINC.

-- (U) The conference was comprised of working committees covering: protocol, public relations, training, prevention of air accidents, mutual logistics support, Inter-American military air mail, mutual air support in cases of disaster, search and rescue, telecommunications, meteorology, and medicine in the American Air Forces.

-- (U) After a very positive, productive conference, the conferees were further challenged by General Allen in his closing remarks: "Here we've brought forth the seeds for a new beginning of confidence and cooperation.

**UNCLASSIFIED**

Now our task is to see that our recommendations and follow-on actions are understood and pursued in our Air Forces who bear the many daily individual burdens along the way. For the seed will not bear fruit if it remains within the flower nor does the wine give its flavor if it remains in the bottle."

- (U) Conference of LATAM Naval Chiefs. No conference was held in 1981. Last conference was in Oct 80 in Quito, Ecuador. Plans are underway for a conference in 1982. A conference site has not yet been selected.

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POLITICO-MILITARY SUMMARY

(U) ARGENTINA.

(C) The period 1 Jan - 31 Dec 81 reflected significant political, economic and military changes in U.S.-Argentine relations. The most far reaching event was the advancement on 22 Dec of LTGEN Fortunato Galtieri to the Presidency to replace the ailing LTGEN Roberto Viola. Other significant events included the repeal of the Humphrey-Kennedy Amendment to the Foreign Assistance Act in May as it pertained to Argentina, and Argentina's rejection in Dec 81 of a papal determination in the Beagle Channel dispute which was viewed as favoring Chile.

(U) The greatest source of conflict in U.S.-Argentine relations was the restriction on US Security Assistance in all forms, including consistent vetos of Argentine loans in international banking institutions. Following President Viola's visit to Washington in March, President Reagan sought and achieved congressional repeal in May of the restrictions of the Kennedy-Humphrey Amendment as it applied to Argentina. This opened up potential channels for military supply support, new arms purchases, and professional education to Argentine military personnel that had been denied since 1976. To date, however, the required Presidential determination of Argentine improvement in the human rights area, as required by Congress, has not been made.

(S) Economically, Argentina remained closely tied to the Soviet Union and Cuba as well as Western European and Eastern Bloc countries, primarily a result of newly created markets to replace those lost in the US since 1976. Heavy water, nuclear technology, and enriched uranium continued to arrive from the Soviet Union. Despite these Soviet ties, Argentina supported the US position consistently in Central America and provided economic, political, and psychological support for El Salvador to thwart the encroachment of Cuban/Soviet influence. They also offered their good offices to assist in continuing dialogue with Nicaragua and Bolivia.

(U) Key visits of U.S. personnel to Argentina during 1981 included LTGEN Nutting, USCINCSO; GEN Meyer, CSA; Admiral Train, CINCLANT; VADM Bigley, OJCS/J5; Admiral Hayward, CNO; and Ambassadors Middendorf, Kirkpatrick, and Walters. VADM Bigley headed the U.S. delegation to Buenos Aires in November to participate in consultations with the Argentine Joint Staff. Colonel Hines, USSOUTHCOM/J-5, was part of the U.S. delegation.

(U) When LTGEN Galtieri assumed the presidency in December he retained his position as CINC of the Argentine Army until Dec 82. President Galtieri selected intelligent and progressive ministers to form his cabinet and foresees full democratic elections by 1984. He visited USSOUTHCOM in August.

(U) BARBADOS.

(U) Following the 1980 establishment of a USMLO in Bridgetown and a late Feb 81 USCINCSO representational visit to the island nation for the Barbados Defense Regiment (BDF) "Presentation of Colors," Barbados teemed with a flurry of activities that impacted across the political, economic, social, and

military spectrum. To highlight a few of the more important activities, one must begin with the general elections held in Jun 81 where democratic values prevailed in the perpetuation of 342 years of representative (parliamentary) government. Incumbent "Tom" Adams was reelected with a comfortable margin of victory, receiving a mandate to continue his pro-US, fiscally conservative policies. Barbados continues to build constructively on fifteen years of independence from Great Britain.

(C) Unsatisfactory economic conditions served as the basis for rejection of \$6M in FMS credits for FY 81. FMS credit loan terms and conditions did not meld comfortably with Barbadian economic policies. The host country continued its plea for US concessional aid that will alleviate unfavorable credit conditions and provide for procurement of equipment to complement the Regional Coast Guard (RCG) effort. Barbados, however, is taking advantage of US military training in the form of PACAMS courses (SCIATT) and MTTs (medical). RCG progress is painstakingly slow and student candidates for US military training have been difficult to identify in St. Lucia, St. Vincent and Dominica. Great Britain, on the other hand, continues to provide Coast Guard vessels and attendant training. Section 660 of the FAA continued to be an obstacle prohibiting US military training to police force units in lieu of a defense force, regardless of legitimate defense missions. An exception to US policy allows for training of Coast Guard units that fall within police force organizational structures.

(C) A mechanism for Tripartite (US, UK, Canada) discussions on Security Assistance for the Eastern Caribbean was established and implemented at the local level in Barbados. Purpose for these discussions is to coordinate independent Security Assistance Programs for the area in an orderly, productive fashion and to obviate redundant or unnecessary efforts. The ultimate effectiveness of these discussions depends on the willingness of the British and Canadian governments to work with the USG on implementing complementary Security Assistance Programs for the region. The BDF followed its successful 1980 BDF-PRNG small unit exchange with an equally successful effort in the summer months of 1981. Plans are afoot to conduct annual exchanges in the future. Finally, dramatic events continue to occur in the Eastern Caribbean as witnessed by an unsuccessful coup in Dominica and the emergence of the newly independent country of Antigua (1 Nov 81).

(U) BELIZE.

(U) Belize made a smooth transition from crown colony (UK) to independent state on 21 Sep 81. The moderately liberal government of Prime Minister George C. Price appears very stable and is pro-US in flavor. Although not strong economically, the GOB does follow fiscally conservative policies. Belize is opening its doors to refugees from Central America with the idea of strengthening the economy through productive development of vast tracts of largely untapped agricultural area throughout the country. MGen Masterson, DCINC, was among the U.S. delegation attending Independence Day activities.

(C) In Oct of 81, the GOB requested assistance from the USG in terms of military equipment and training. Assistance required would fill a void in the Belize Defense Force (BDF) modernization and professionalization programs created by the anticipated withdrawal of UK military forces. USG responded

with a USSOUTHCOM/J-5 IMET Survey Team. An assessment of BDG training requirements was conducted in late October. Training needs were identified in virtually every aspect of military operations. The team also identified a requirement for a maritime study to assess and assist the BDF in development of its new wing. At the close of 1981, plans were being developed to program desired military courses and MTTs utilizing \$26,000 of FY 82 IMET funds.

(U) BOLIVIA.

(U) During 1981, Bolivia remained in a state of political, social and economic turmoil. The Garcia Meza regime ended in August 1981 with his resignation. He was replaced by GEN Celso TORRELIO Villa who by recent standards is a moderate. The TORRELIO Government has promised elections for a Constituent Assembly during the first half of 1983 and has announced it will lift the ban on partisan political activities. In December 1981, the Government agreed to the progressive elimination of the "recess" on labor union activities, in effect since 1980. A soft market for traditional Bolivian exports and poor economic management left the country with a flat GDP for 1981 and predictions of possible decline in 1982.

(U) The US Military Group (USMILGP), disestablished in late 1980 with the suspension of the Security Assistance Program, has not returned. Pre-conditions for renewal of military assistance and return of the USMILGP remain improved human rights and reduced narcotics traffic. The TORRELIO Government has made limited progress in both areas, meanwhile, Argentina has replaced the US as the principal source of external assistance.

(U) BRAZIL.

(U) With the passage of the Lagomarsino Amendment in early 1980, Brazil regained its eligibility to participate in the U.S. Security Assistance Program. Since that time, Brazil has purchased small amounts of equipment and limited Army, Navy, and Air Force training under FMS.

(U) Other initiatives include increased participation in the Personnel Exchange Program, mini exchanges, two students to the Army Command and General Staff College at Ft. Leavenworth (on a no-cost to Brazil basis), a small US Jungle Operations Training Center/Brazilian Jungle Training School exchange, an annual general officer lecture exchange program, and VIP visits to CONUS.

(C) IMET is still unavailable to Brazil, because of the nuclear issue. In the meantime, the Country Team, Ambassador Motley, USSOUTHCOM, the US service staffs, and DOD/ISA continue to argue that IMET--or some comparable program which would provide substantial professional military training--is desperately needed in order to reestablish a pro-US orientation in the Brazilian military.

(C) In the important area of U.S.-Brazilian military relations, a major step forward was achieved with General Nutting's extremely successful representational visit in June. General Adhemar, Army Vice Chief of Staff, and two other Brazilian general officers had accompanied General Nutting in September 1980 to observe Exercise Reforger 80 in Europe. During the June 1981 visit, General Nutting presented an after-action report on the exercise.

to over 150 field-grade and general officers, including the Army Chief of Staff, General Marques, and three other four-star officers. Overall Brazilian response was exceptionally warm. Then, at General Nutting's invitation, General Alacyr Frederico Werner, Chief of the Brazilian Armed Forces General Staff (EMFA), visited USSOUTHCOM in December. Ensuing meetings and discussions underscored a renewed spirit of cooperation between the armed forces of both countries. General Werner said he would support the long-term continuance of our MLO in Brazil and invited General Nutting to plan another visit to Brazil in the May/June 1982 time frame.

(U) CHILE.

(U) Three significant events in 1981 portend improved U.S.-Chilean relations for the future: (1) Removal of EXIM loan restrictions; (2) Invitation for Chile to participate in UNITAS XXIII; and (3) U.S. recognition of progress in human rights.

(e) Although the Kennedy-Humphrey Amendment to the Foreign Assistance Act precludes Security Assistance to Chile, the lifting of restrictions against loans by Chile from the Export-Import Bank was a positive step forward. It was particularly critical to Chile during this period as reduced copper prices had negatively affected exports and consequent revenues adding to a growing foreign debt imbalance.

(e) The invitation tendered to Chile to participate in UNITAS XXIII served to convey our commitment to strengthening hemispheric solidarity. This was tied closely to our recognition that Chile had taken significant strides to improve its human rights record. Continued progress will doubtlessly result in a Presidential Determination that Chile is eligible for Security Assistance and a reinstatement of the MILGP which has been absent since 1977.

(U) President Pinochet was inaugurated to a new term of office in March which continued with the institution of a new constitution that outlaws political parties until 1987.

(U) Key personnel to visit Chile during 1981 included LTGEN Nutting, USGINCSO 29 Jul-3 Aug and 16-20 Sep, and Ambassador Middendorf. LtGen Washington Carrasco, Vice Commander in Chief of the Chilean Army, visited USSOUTHCOM on 23-25 July; he was later named MOD. The Command also hosted the visits of cadets from the Chilean Military Academy, 8-10 Dec, and the Chilean National War College, 10-12 Dec.

(C) The two key political/military preoccupations within Chile remain the Beagle Channel dispute and Bolivian expansionist desires for Pacific port access. Chile accepted a Vatican adjudication of the Beagle Channel dispute in December, which was promptly rejected by Argentina. Chile has promised Bolivia continued negotiations on its desires for Pacific access but progress will doubtlessly be slow.

(U) COLOMBIA.

(U) As the administration of President Julio Cesar Turbay Ayala is coming to a close (presidential elections are scheduled for May 1982), the Colombian

economy took a decided downturn in 1981. For the first time since 1976, the country experienced a current account deficit of US \$800 million caused by lower coffee exports and prices, as well as lower international prices for sugar and cotton. The inflation rate was pegged at 26.4%, which was about the same as in 1980, but compared favorably with other Latin American countries.

(G) Violence and terrorism persisted at an alarming rate. Government efforts to convert guerrillas through a restricted amnesty proposal failed to draw many takers. The Colombian Army enjoyed some relative success in a major campaign against the M-19 terrorist group in Caqueta Department. However, terrorist groups, in general, and the M-19, in particular, continue to disrupt public life almost at will. Statistics published by the Director of the National Police indicated that 453 members of various guerrilla groups were killed and 648 were captured by police and military forces during 1981. A unique phenomenon occurred during the year whereby reported Mafia chieftains banded together to stem the rising tide of kidnappings in the country. The Mafia retaliated against terrorist groups by kidnapping terrorist leaders and turning them over to the police. However, this was by no means an altruistic action on their part; it was merely a form of protecting their own: the rich ranchers who attained their wealth through involvement in the illicit drug trade.

(G) On the international scene, Colombia continued to exert a moderating force within the Caribbean Basin. The government concluded a treaty (The Monteria Agreement) with Panama on the use of the Canal and the Isthmus railroad, strengthened relations with Brazil, and agreed to send a 500-man battalion to the Sinai in March 1982 as part of the Mideast Force of Observers (MFO). Tensions with Venezuelan neighbors remain high as a result of the still unsettled maritime border dispute in the Gulf of Venezuela. The Turbay administration has deliberately low-keyed this problem throughout the year and is content with passing it on to the succeeding administration in 1982.

(U) Major visits by United States dignitaries included Vice President George Bush and the Commander in Chief, USSOUTHCOM, 13-14 August. The Command hosted the visit of Gen Paredes, Commander of the Colombian Air Force on 18-21 August.

(G) The IMET program continues to be the most effective tool in furthering U.S.-Colombian relations and serving U.S. interests. FY 81 IMET funding was \$280,000 and FY 82 funding is projected to be \$500,000. By Minister of Defense decision, FMS credits offered were not used for the last two years. However, projected credits for FY 82 are at the \$12 million level and formal agreements have been concluded to use same. Major LOAs signed included: 14 M101A howitzers, 20 M825 vehicles, and 12 UH-1H helicopters. A major third country purchase involved an as yet unknown number of Brazilian Cascavel armored cars. Additionally, the Colombian Air Force entered into negotiations with Israel for the purchase of 12 KFIR aircraft. Although the KFIR is the front-runner, Northrop made a strong bid for its F-5 aircraft, and the year closed without a final decision being made.

(C) The Ministry of Defense requested P&A data for the following major items: maritime patrol aircraft; Chapparal/Vulcan air defense battalion; TOW weapons system; C-130, C-123, C-12, and A-37 aircraft; Ashville class patrol boats; and a survey team to determine air defense radar requirements for the islands of San Andres and New Providencia.

(U) COSTA RICA.

(C) 1981 was a year of deepening economic crisis for Costa Rica and the lame duck Carazo government, which was forced to announce temporary delays in debt service payments in July through the end of the year. Also, the uncontrolled rise in the exchange rate and high inflation wreaked havoc on private and public financial solvency. These problems combined to produce the first real social unrest in the country in thirty years. The unrest was exemplified by an unprecedented outbreak of violent guerrilla/terrorist activity. In March, bombs wounded three US Marine guards and their driver, and caused minor damage to the Honduran embassy in San Jose. In June, fleeing terrorists killed three policemen and two bystanders. Subsequent government civil guard raids on leftist guerrilla/terrorist "safe houses" netted the capture of a number of suspected guerrillas, the capture of large quantities of propaganda materials and other materials and weapons, and, according to government spokesmen, the "dismantling" of the guerrilla "cell". However, it is clear that the terrorist organization has not been eliminated, and may in fact be growing, according to persistent rumors/reports of guerrilla training bases near the Nicaraguan border. Costa Rican anxiety over this threat has led to increasing disenchantment with the Sandinista regime, and possibly, at least indirectly, prompted the sudden and unexpected break in consular relations with Cuba. Finally on the political front, the Partido de Liberacion Nacional (PLN) nominated Luis Alberto Monge as its presidential candidate.

(U) Costa Rica received \$30,000 in IMET funds for FY 81, the first such funds in thirteen years. The funds were used for much needed, non-controversial (i.e., "non-military") training in SAR and EOD. Costa Rica did not request any FY 81 FMS credits, but was eligible to purchase military equipment on an FMS cash basis. However, the severe economic plight of the country effectively precluded use of FMS.

(U) LtGen Nutting, USCINCSO, visited Costa Rica on 13-15 February.

(U) DOMINICAN REPUBLIC.

(C) The USSOUTHCOM developed Dominican Republic (DR) Force Structure Study (DRFSS) was formally presented to the DR Secretary of State for the Armed Forces and the President in April. Warmly received, the DR Armed Forces (DRAF) have implemented several DRFSS equipment and training recommendations in a quest to modernize and professionalize. The DRFSS is proving valuable in that it provides a guide for DRAF procurement of equipment and training through the decade of the '80s.

(U) From May thru July, DR and the Puerto Rico National Guard conducted small unit exchanges. These popular, successful exchanges focused on maintenance of aircraft and vehicles, avionics, medical, techniques, communications, marksmanship, and refurbishing of munitions. Exportation of US military doctrine and DRAF exposure to US ideals and values were beneficial by-products of the exchanges. It is anticipated these exchanges will continue on an annual basis.

(C) [REDACTED] (b)(6) Secretary of State for the Armed Forces, visited USSOUTHCOM headquarters on 19-23 July and at that time requested U.S. assistance in training a 56-man force in counter-terrorist operations. He explained that DR general elections were scheduled for May 1982 and he wanted to assure he had the capability to protect that important democratic event from terrorist threat. After approval by DOS and DOD, USSOUTHCOM undertook actions in August to plan and provide a training program for special military operations in an urban environment. Target for completion is April 1982.

(U) Of significance is a thrust by Soviet Bloc nations to offer scholarships to students in LATAM. It is reported that some 700 DR students have accepted and are matriculating at schools in the USSR, Cuba, Bulgaria, etc. The Soviet Union allegedly subsidizes this effort annually to the tune of \$3M. It is recognized that this program continues to be a valuable tool for projecting Soviet influence in LATAM. With DR general elections approaching, campaign rhetoric is heating up. Observers look anxiously for a smooth, democratic transition of administrations. Early signals indicate the democratic process is functioning well and that a healthy political atmosphere is evolving in the DR.

(U) ECUADOR.

(U) Ecuador is of special interest to the United States because it has returned to a democratic, civilian government after a long period of military rule. The former President, Jaime Roldos, attempted to bring about gradual peaceful change to one of the economically and socially stratified countries in LATAM. After his tragic death in an airplane crash on 24 May 81, the presidency transferred to Roldos' Vice President, Oswaldo Hurtado.

(U) Success of democracy in Ecuador is important as an example to other developing countries. Ecuador has a long history of constitutions and coups, none of which has brought much change in the country's economic or social fabric. Its history of frustration and failure in most areas has led to a national inferiority complex.

(U) Jaime Roldos, who was inaugurated in Aug 79, was the first civilian president since 1972. During the short Roldos Administration, much valuable time and energy were wasted on internal party feuding. Roldos had few achievements to show at the time of his death.

(C) The military is still a key power broker in Ecuador. Military leaders apparently had no interest in returning to power, but have watched closely over the shoulder of the civilian government. Many military officers criticized Roldos' management of the border conflict with Peru and were angered by his refusal to commit substantial funds to arms acquisition. However, as the year closes it appears that Ecuador may upgrade its air force with Israeli KFIR fighters and improve its air defense situation with a British radar network.

(U) Ecuador is an OPEC member (exports about 214,000 barrels per day). Because of oil revenues, recent Ecuadorian governments have ignored other sectors of the economy, especially agriculture. Ecuador could cease being an exporter of crude oil by the mid-1980's unless new discoveries are made and developed. This development could have severe political consequences.

(U) Following Roldos' death, there was a smooth transition of power to Vice President Oswaldo Hurtado. The Ecuadorian Congress elected Roldos' brother, Leon Roldos, as Vice President. It remains to be seen whether President Hurtado has enough support in Congress to govern effectively. President Hurtado, a founder of the Christian Democratic Party, has not indicated any drastic changes in policy, either domestic or foreign.

(U) At one time, the US was the major source of bilateral economic assistance to Ecuador. Our economic assistance in 1981 totaled only about \$10 million and focused primarily on basic human needs. The FY 81 FMS guaranteed credit program for Ecuador totaled \$4 million. Purchases under FMS were basically spare parts for equipment previously purchased from the US. Under the International Military Education and Training Program (\$345K), 222 members of the Armed Forces were trained. The US Military Liaison Office in Quito continues to operate with six members (3 officers and 3 NCO's).

(U) Representational visits to Ecuador included MGen Masterson, USAF Component Commander, in March and LtGen Nutting, USCINCSO on 9-11 July.

(U) EL SALVADOR

(C) Despite its ominous beginning and some temporary setbacks during the intervening months, 1981, for El Salvador, was a year of slow but steady military and political progress in the government's struggle to restore internal peace and order. On the military scene, the year began with the Armed Force's greatest insurgent challenge. The Farabundo Marti National Liberation Front (FMLN), assuming inaction by the out-going Carter Administration, a rallying of the Salvadoran people to the insurgent cause, and the disintegration of the Armed Force, launched its "Final Offensive" on 10 January. The intense and coordinated nation-wide attacks of this one-week offensive, however, fell short of their purpose. The Carter Administration's response was quick and decisive. The Salvadoran people did not rise to support the offensive. The Armed Force stood and fought. Thus, the FMLN's calculated risk to attain political power with one bold military stroke failed. This failure produced a reorientation of insurgent strategy which relegated the military struggle to a generally stalemated war of attrition.

This stalemate, wherein the Armed Force's strategic superiority was balanced by the insurgents' tactical initiative, prompted the Armed Force to action in September. Aided by a US military strategy assistance team, the Armed Force formulated its first military strategy which had as one of its principal objectives the seizing of the tactical initiative from the insurgents. Thus, at year's end, as the Armed Force committed itself to implementing its national military strategy, there was growing optimism that the military defeat of the insurgents could be attained in the near future.

(U) The Salvadoran political scene also began the year with a tragic and ominous event. On the evening of 3 January, Jose Rodolfo Viera, President of the Salvadoran Institute of Agrarian Transformation and two American civilian advisors to the Salvadoran Communal Union were slain by unknown assailants. This brutal attack, however, was the nadir of political violence in 1981. Beginning in February, a gradual popular acceptance of the government and steady political progress toward accomplishing promised reforms became discernible. In early February, [redacted] (b)(6) publically acknowledged in his homily that "... We cannot affirm that the civilian population is with the Government, but it is a fact that people are accepting it." On 17 February, the first 200 of 15,000 land titles scheduled to be transferred, as part of the agrarian reform process for 1981, were awarded under the Land to the Tiller Decree. This reform initiative was shortly followed on 5 March by President Duarte's appointment of an independent three-man Central Elections Council charged with the responsibility of preparing an electoral law and of overseeing procedures for the election of a constituent assembly in 1982. On 10 July, the JRG approved a provisional electoral law providing for the automatic registration of previous political parties upon receipt of their current by-laws and board of directors. Although two affiliates of the Left's Revolutionary Democratic Front (FDR), the Revolutionary National Movement (MNR), and the National Democratic Union (UDN), could automatically validate their legal status, they elected not to participate in the political process. Despite the Left's non-participation, pre-1979 parties began to stir again and new ones began to emerge. Thus, the 1981 internal political scene was a positive one for the JRG, which witnessed a decline in political violence, steady progress toward promised reforms, and the beginning of popular support and confidence.

(U) At the international level, 1981 was a milestone year for El Salvador. Prior to 1981, the JRG suffered from a serious lack of international political support. However, three key events occurred during the year which served to plant the seed-bed of international support for the JRG in its political-military struggle against leftist insurgency. The first event occurred on 4 February when the Political Directorate of Costa Rica's Social Democratic National Liberation Party openly broke with the Socialist International on the subject of El Salvador. The second event was prompted by the 28 August French-Mexican Joint Declaration which recognized the FMLN/FDR guerrilla-political alliance as a representative political force. The LATAM response to the French-Mexican Declaration was rapid and indignant. A joint statement issued by Venezuela, Colombia, Argentina, Bolivia, Chile, the Dominican Republic, Guatemala, Honduras, and Peru not only branded the Declaration as interference in Salvadoran internal affairs but also affirmed their support

for the government and people of El Salvador in their struggle to achieve peace and social order within a pluralistic, democratic system. Costa Rica, Peru, Uruguay, Ecuador, and Brazil also issued separate statements taking exception to the French-Mexican Declaration. The third event occurred on 7 December at St. Lucia when the OAS General Assembly adopted its Resolution on El Salvador. The Resolution, which was passed by 22 OAS members, constituted an hemispheric endorsement of the democratic process in El Salvador and affirmed the JRG's view that the democratic process under way represented the most viable political solution to the violence affecting its society and people. Throughout the year many LATAM countries which had previously been comfortably quiet about El Salvador, found cause to speak out in support of the JRG.

(C) The year 1981 also marked a significant improvement in the United States Government's (USG) Security Assistance commitment to the JRG. Prior to the 10 January "Final Offensive," the USG had only programmed \$440K in FY 81 IMET to support Salvadoran military education/training needs and \$5M in FY 81 FMS to aid the Armed Force in purchasing non-lethal military equipment. Although the insurgent offensive failed to defeat the military, it severely taxed and weakened the poorly trained and ill-equipped Armed Force. The USG response to this situation was immediate. On 14 January, the Carter Administration, announcing that captured weapons and documents had confirmed substantial external support for the insurgents, leased six US Army UH-1H helicopters to the JRG and dispatched fourteen US military personnel to train the Salvadoran AF in the operation and maintenance of these helicopters. On 16 January, President Carter further authorized the furnishing of defense articles and services valued at \$5M under Section 506(a) of the Foreign Assistance Act to meet the emergency military needs of the Salvadoran Armed Force. Under this authorization, the USG, for the first time since 1977, supplied arms and munitions to the Armed Force. Additional Security Assistance was provided in March when President Reagan decided that further measures were necessary to prevent erosion of the situation in El Salvador while his Administration was *formulating longer-term policy objectives in consultation with the Congress*. This decision provided an additional \$20M under 506(a), the reprogramming of \$5M in additional FMS, and the deployment of additional mobile training teams. Thus, 1981 witnessed an increased U.S. Security Assistance commitment to the JRG. This commitment raised the level of FY 81 Security Assistance from \$10.4M to \$35.4M and increased the number of US Security Assistance personnel in El Salvador from four to a high of 55.

(U) GUATEMALA.

(C) 1981 was a dismal domestic year for Guatemala. It was a year characterized by continued ideological polarization and intensified politically motivated violence. Leftist insurgents, emboldened by their successes of 1980, the increasing international political-military isolation of the government of Guatemala (GOG), the consolidation of a base on the Central American isthmus in Nicaragua to aid and abet regional armed insurgency, and the further retrenchment of the beleaguered government of President Fernando Lucas Garcia gave renewed intensity and commitment to Guatemalan armed insurgents. The early weeks of 1981 witnessed effective insurgent hit-and-run attacks against

government and economic targets that equaled or surpassed the ferocity of any comparable period since the rebirth of armed guerrilla warfare in 1975. The GOG response to increased insurgent tactical prowess and daring was initially buoyed by the Aug 1981 appointment of BG Benito Lucas Garcia, brother of President Garcia, as the new Guatemalan Army Commander in Chief. His personal bravado, leadership by example, and firm commitment to an offensive strategy employing aggressive small-unit tactics promised to meet and defeat the insurgent at his own game. Nonetheless, the inescapable realities of scarce resources, too few forces in-being, an inadequate training base, and severe air-ground mobility shortcomings soon brought this offensive spirit to reflect the more familiar scenario of guerrilla-initiated actions vs government military reactions, a situation which clearly favors the guerrilla and lends itself to ultimate success for armed insurgency.

(C) In the international arena, some token Guatemalan "macho" rumblings about a disputed historical claim to the territory of Belize, were muffled by diplomatic initiatives and domestic concerns. In Feb 81, Great Britain, in consonance with an 11 Nov 80 UN resolution, formally declared its commitment to granting the territory of Belize full independence by year's end--with or without GOG consent. The GOG acquiesced with the tri-lateral signing, along with Great Britain and Belize, of the "Basis of Agreement" in London on 11 Mar 81. The Agreement provided a tri-lateral commission to continue negotiation of related unresolved issues and formed the basis for ending the century-old disputed Guatemalan-British territorial claims over Belize. Lastly, and most importantly, it irrevocably committed Great Britain to the independence of Belize regardless of Guatemalan reaction. In this regard, the Agreement neither gained universal Guatemalan acceptance nor removed the potential for future unilateral Guatemalan military measures against Belize. Nonetheless, on 21 Sep 81, Great Britain proceeded to grant Belize its independence as earlier pledged. Potential military action by the GOG to usurp Belizean independence for the moment is remote. The Guatemalan government and society are seriously preoccupied by growing domestic socio-economic and political challenges, and plagued by a grave and threatening leftist armed insurgent movement. Thus, Belize appears to have been put aside in the interest of internal survival.

(C) With the inauguration of the Reagan Administration in Jan 81, Guatemalan hopes for renewed and revitalized bilateral relations with the USG were confidently optimistic. Initial actions by the new Administration appeared to lend credence to Guatemalan optimism. In early Feb 81, the Department of State advised that it was about to commence a comprehensive review of US policy options toward Guatemala. Shortly thereafter, a new US Ambassador to Guatemala, [redacted] (b)(6) was appointed ending an approximate 18-month absence of US Ambassadorial representation. These initial hopes, prospects, and initiatives, however, soon found themselves in an abyss. Unrelenting allegations of officially GOG-sponsored or condoned violence and human rights abuses, and an increasingly recalcitrant and uncompromising President Garcia, served to nurture Congressional doubt and hostility about an improved US-Guatemalan relationship. The Reagan Administration, therefore, prudently retreated from early aggressive policy initiatives and adopted a wait-and-see attitude in the hope that Guatemalan presidential elections

planned for Mar 82 would produce an improved political/human rights climate. Thus, as 1981 came to its conclusion, the GOG appeared to be more entrenched, isolated, and endangered than ever before.

(U) (b)(6) USN, Commander U.S. Naval Forces Southern Command visited Navy Guatemala 19-23 Jan 81 representing the Command.

(U) GUYANA.

(U) During 1981, the Guyanese economy steadily deteriorated and the country was seriously beset with foreign exchange problems. Government mishandling and mismanagement of the nationalized means of production further exacerbated these economic woes. The year was characterized by sporadic shortages of food and consumer goods, as little hard currency was available to purchase them.

(U) The Government of Forbes Burnham, which has been in power since independence from Great Britain in 1966, continues to tenaciously cling to a socialized way of life and total control of the economy even though the country is nearly bankrupt. Little hope for a return of portions of the economy back to private hands was seen and persons with any sort of managerial skills left the country by the droves. Relations with the US were tense as a result of a US veto of a \$20 million agricultural sector loan from the Inter-American Development Bank. Conditions for the loan were subsequently renegotiated and the US withdrew its veto, but the whole affair left a definite rift between our two governments and manifested itself by the shoddy treatment given the departing US ambassador.

(U) Tensions were further heightened by the Reagan Administration's backing of a proposed sale of F-16 aircraft to Venezuela. The Guyanese Government perceived this as a tacit US siding with Venezuela on the longstanding border dispute in the Essequibo area. Consistent US Government proclamations of neutrality did little to ameliorate the Guyanese perception.

(U) As a follow-up to a September 1980 visit, a USSOUTHCOM Security Assistance Team again visited Guyana and formulated an FY 82-84 IMET program. FY 82 funding was projected at \$40,000 and programmed training was concentrated in the aircraft and patrol boat maintenance areas. The first class of Guyanese students (10 individuals) graduated from the aircraft maintenance course at IAAFA in December 1981. The event was highlighted by the presence of Brigadier Norman McLean, Chief of Staff of the Guyanese Defense Force, as the keynote speaker at the IAAFA graduation. Brigadier McLean also paid a call on USSOUTHCOM headquarters and met with General Nutting during his brief stay in Panama.

(U) HAITI.

~~(C)~~ Haiti remains under the autocratic rule of President-for-Life Jean-Claude Duvalier. However, Duvalier's throne is beginning to display cracks in its base. During 1981, Haiti was rife with assassination plotting and coup possibilities, some of which materialized. The constant migration of Haitians, principally to the U.S., added to Haitian problems and has surfaced

serious concern regarding U.S.-Haitian relations. To deal efficiently and effectively with these issues, a requirement was recognized to strengthen Haitian Armed Forces (HAF) capabilities to engage in both narcotics and migrant interdiction. To this end, the U.S. Embassy in Haiti requested a USSOUTHCOM Survey Team be dispatched as soon as feasible to assess the situation. Purpose of the visit will be to survey local armed forces and to reorient the Security Assistance Program to meet new requirements. Restructuring of Security Assistance will be designed to pragmatically enhance capabilities of the HAF to deal with illegal emigration as well as narcotics trafficking at sea within Haiti's contiguous waters. The USSOUTHCOM Survey Team is tentatively scheduled to visit Haiti in Jan 82.

(U) HONDURAS.

(U) Honduras began 1981 with a continuing economic problem. During the course of the year, declining world prices for its major exports, soaring costs for imported oil, declining investor confidence, prompted by regional instability, and a serious national budget deficit produced a second year of zero economic growth.

(U) Honduras' transition process to a democratic government continued along a stable path during the year and will culminate with the inauguration of civilian President Suazo in January 1982. This marked the end of an overtly military-dominated political process that has endured for the last 10 years. The external political picture also improved somewhat with the signing of a general peace treaty between Honduras and El Salvador on 30 October. This treaty resolved the long-standing border dispute that had existed since 1969 and restored diplomatic relations. No border problems resurfaced during the remainder of 1981 and a sense of cooperation, concerning the Salvadoran refugee exodus into southwestern Honduras and guerrilla activity associated with the on-going Salvadoran war effort, eventually ensued.

(U) During 1981, Honduras continued a clearly discernible trend towards internal instability. This trend was marked by the embryonic organization of violent leftist groups, the seizure of the OAS office in August, the wounding of two US MTT members in Tegucigalpa in September, attacks on the American and Chilean Embassies in October and November, and the kidnapping of a prominent Honduran banker in December.

(C) The GOH perceives internal violence and instability, aided and abetted by the Honduran Communist Party and other radical groups with ties to Cuba, Nicaragua, and the USSR, as one of its most serious security threats. It also considers the Nicaraguan Armed Force expansion and equipment modernization as a potentially serious threat. To meet these perceived threats, the Honduran Armed Forces during 1981 focused their training efforts on improving counter urban terrorism capabilities, border surveillance/control, and arms interdiction on land and water routes. They sought to improve their communications, mobility, and logistics through training and materiel purchases. Emphasis was placed on the continued development of Honduras' small naval force to effectively accomplish coastal surveillance and seaborne interdiction missions. A bilateral effort with El Salvador was further refined in the Gulf of Fonseca

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area to counter waterborne arms movement. Honduras also continued efforts to modernize the air force. In this light, GOH requested and was granted a 3-year lease extension for 10 UH-1H helos. Extension will terminate in 1984.

(U) Recognition of the Honduran military's sincere commitment to respect the return to democratic rule and the importance of Honduran tranquility to regional stability prompted the US Government to significantly increase Security Assistance funds to Honduras. As a result, Congress approved the programming of \$5.0M in FY 81 FMS to the GOH and an increase in the GOH's FY 81 IMET program from \$447K to \$535K. In addition, \$3.0K was provided for MAP wind-up costs.

(U) USCINCSO visited Honduras several times during the year (5 Oct, 11-13 Feb, and 20 May). The Army Component Commander, BG Leuer visited in October and the Air Force Component Commander/DCINC, MGen Masterson, visited 13-15 April. The Command hosted the visit of Colonel Ruben Montoya, Commander of the Honduran Navy on 4-7 November.

(U) JAMAICA.

(U) Jamaica is struggling to return to political normalcy and economic solvency. Prime Minister Edward Seaga continues to court foreign investment and capital. Early indications signal serious interest by foreign investors to return to Jamaica. Key to successful economic recovery is visible GOJ suppression of Jamaica's sophisticated criminal element. Social and economic programs are being developed by the Seaga government to remove the root causes of violence and political radicalism. Chronic unemployment and depressed social conditions aggravate crime and create an atmosphere for increased dissident activity. One of Seaga's critical problems is to change the socialistic work ethic of the general populace. After eight years of Michael Manley's socialist government, the public, for the most part, is still oriented towards gratuitous government hand-outs in the form of social programs. Seaga is diligently working to overcome this liability.

(U) To further stabilize a somewhat charged political atmosphere, Jamaica broke relations with Cuba on 9 Oct 81. This action effectively terminated all Cuban aid programs in Jamaica. The Soviet Union attempted to fill the void, however, Soviet influence in Jamaica has not perceptively increased. This is in direct proportion to Jamaica's present policy towards Communist Bloc nations, that of being cordial but distant.

(U) Although a USMLO was not formally manned in Jamaica during 1981, the organization was approved with the passage of the FY 82 Congressional Presentation Document (CPD). The US Army and USCG have been tasked to appropriately man the MLO as soon as possible in 1982.

(U) Jamaica is procuring trucks and communications equipment with FMS credits. IMET training has focused on helicopter training and a Ranger MTT. The MTT is tentatively scheduled for the Jan-Feb 82 timeframe.

(U) Finally, Brigadier Neish, Chief of Staff, Jamaican Defence Force (JDF), visited USSOUTHCOM during the period 9-11 Jun 81. Brigadier Neish received command briefings and visited PACAM schools.

(U) MEXICO.

(C) Mexico (i.e., President Lopez Portillo) continued its pursuit of regional and non-aligned leadership during the past year, with, however, at least one serious setback. The Franco-Mexican Declaration on El Salvador, designed (according to Mexican Foreign Minister Castaneda) to achieve political detente in the region, end violence in El Salvador, and promote the participation of all regional groups in negotiations toward a political solution, was sharply criticized by eleven Latin American nations as de facto recognition of the guerrillas and hence intervention in the internal affairs of El Salvador. Mexico heatedly denied this charge, conflicting as it does with that nation's declared policy of non-intervention. Despite repeated declarations of good intentions, Mexico found itself virtually isolated on the issue in the OAS, and to a lesser extent in the UN General Assembly. Additionally, Mexico's support of Belizean independence has strained relations with Guatemala. Thus, Mexico continues to steer a sometimes torturous course of "neutrality" in the hemisphere, trying to maintain for herself a maximum of maneuvering room and flexibility.

(C) On the world scene, Mexico hosted the precedent-setting Cancun Economic Summit, but in the process was compelled to bow to US pressure to exclude Cuba from participation.

(C) Domestically, Mexico's PRI (Revolutionary Institutional Party--in effect Lopez Portillo) selected Budget and Planning Minister Miguel de la Madrid as its candidate/next president in the 82 elections. De la Madrid is viewed by the American Embassy as the best of the five possible candidates in terms of tendency to pursue Mexican interests in the future that more closely parallel our own. De la Madrid is perceived as a centrist-moderate, both domestically and internationally.

(C) The PEACE AZTEC Program (FMS sale of twelve F-5 aircraft to Mexico) continued to develop during CY 81. IMET training of Mexican pilots, technicians and maintenance personnel, in both CONUS and Panama-based schools, was initiated; initial deliveries of parts/logistical support items were made; and further refinements of the purchase agreement were concluded. Delivery timeframe for the aircraft, to commence no later than Jul 82, and to be completed prior to the 5 Sep presidential elections, remains effective.

(C) In addition to the PEACE AZTEC Program, Mexico also signed an LOA in Sep 81 for the FMS purchase of two GEARING-class destroyers, with anticipated delivery date (in as-is, where-is status) of late Feb 82.

(U) Finally, the U.S. Embassy Mexico was authorized JMP augmentation of two AF personnel (one O-5 logistics/operations officer; and one E-7 Security Assistance NCO) to assist in the management of the expanding program (primarily PEACE AZTEC) in that country.

(U) NICARAGUA.

(U) The past year was characterized by a prolongation of little meaningful USG dialogue with the current government and limited contact between the Military Liaison Office in Managua and the officials of the Sandinista regime. The only military-to-military contact occurred in support of the IADB visit by LTG McEnery and participation of two Nicaraguan AF officers in the SITFA meetings in Washington on 4-10 October 1981. Growing influence/dependence on Cuba, Russia, and other European Communist countries has gradually served to polarize the society.

(U) The main controversy overshadowing attempts to have meaningful contacts with the Sandinistas was Nicaragua's persistent involvement with events in El Salvador. The Sandinistas admit moral support to the war in El Salvador but routinely deny any material support. Washington has cut off all aid because of Sandinista assistance to the Salvadoran guerrillas and prospects for reinstatement look dim.

(U) The once unified support of the revolution continued to fade with the harsh realities of economics and world-wide inflation. With foreign exchange practically gone, Nicaragua faces a mounting crisis.

(U) The possibility of an outbreak of civil war or the beginnings of a counter-revolution--as the Sandinistas continue to exclude the private sector from having influence with the ruling junta--is becoming more and more likely. The forced resettlement of the Miskito Indian population has further exacerbated international relations. Outlook for improved relations is doubtful for remainder of FY 82.

(U) PANAMA.

(U) Panama was jolted by the July 31 death of General Omar Torrijos in an airplane crash. After thirteen years of highly personal leadership, the country and government faced the difficult task of adjusting to life without Torrijos. The initial transition was surprisingly calm and effective, with Colonel Florencio Florez, the Guardia Nacional (GN) Chief of Staff, being officially designated by President Royo as the new commander-in-chief of the real political force in the country, and the GN responding with the necessary expressions of support. Nevertheless, the power vacuum which Torrijos' death created offers the prospect of long-term political uncertainty, with no obvious successor in either the GN or the government having the requisite leadership skills or political base to assume and retain effective control of the country. This, of course, forebodes numerous problems in US-Panamanian relations, with an emerging Panamanian leadership which may be less inclined toward, or politically constrained from, Torrijos' techniques of compromise in US-Panamanian negotiations.

(U) Panama received no FMS credit for 1981, and expressed little serious interest in obtaining any. Apparently, the GN/government continued to have hopes of being included in future grant aid or concessional credit arrangements, thus minimizing expenditures of its own resources for needed expansion/modernization of the GN as it begins to assume the mission of

security of the Canal and the soon-to-be completed oil pipeline. Panama did, however, sign a contract for the purchase (downpayment from left-over FY 79 FMS credit) of two 65-foot Swift boats for the GN Marina, at \$1.55M. With regard to IMET, Panama utilized \$390,000 of its \$400,000 FY 81 authorization; the overwhelming majority of students attended PACAMS courses.

(U) Finally, little or no progress was made during the year on a resolution of the future of USARSA, despite the likelihood of the subject being raised at the XIV Conference of the American Armies. GOP and GN have been advised that our budgetary process makes it imperative that a decision be reached by the June-July 1982 time frame.

(U) PARAGUAY.

(U) Termination of IMET funds in FY 78 and termination of FMS credits and MAP in FY 77, plus restrictions on FMS cash sales in recent years, have seriously reduced U.S. influence with the Paraguayan military and the government at large. Security Assistance personnel worked hard to continue good will and maintain access through personal contacts; however, the political credits derived from the Security Assistance Program of the early 1970's were depleted by 1980/1981.

(U) The intended reprogramming of \$15,000 of FY 82 IMET funds and the projection of \$50,000 in FY 83 IMET funds are positive steps in reestablishing a relationship and obtaining better access to the Paraguayan military and government. It is too early to identify specific results of the recent change of policy, but it is clear that funding at this minimal level will do little to achieve either short-term or long-term policy objectives.

(U) PERU.

(U) Utopian aims and authoritarian methods of long-term military rule coupled with deep social and economic problems left President BELAUNDE with serious challenges. His main emphasis was on internal development. BELAUNDE began to refocus Peru's foreign policy on Latin America--principally the Andean countries--and on strengthening relations with the industrial democracies. On several occasions, he indicated he would try to look first to the US for arms. However, he recognizes that military dependence on the Soviets for maintenance support and spares limits Peru's flexibility.

(U) Peru has internal problems. Over the past few years, inflation rates have hovered in the 60-70% range. Under employment/unemployment was estimated at 50%. The heavy migration of peasants to the larger cities strained utilities, education and employment. These problems create a climate which presents opportunities for terrorist activities. During the year, there was a spate of terrorist bombings aimed primarily at electrical transmission lines or government buildings during non-working hours. Although few casualties resulted, it is clear that violent protest, with all its implications of outside support, is developing.

(U) A border conflict with Ecuador also had a profound impact on the country. Ecuadorean troops were discovered in January to be on what Peru considers its side of the disputed border. There was irresistible pressure for a military solution and armed conflict resulted. Both sides eventually agreed to a ceasefire and separation of forces. These arrangements were monitored by the US, Brazil, Argentina, and Chile, the Guarantor Powers of the 1942 Rio Protocol. (The Deputy CINC, USSOUTHCOM, played an important on-scene role in negotiation of the ceasefire and force separation.)

~~(C)~~ Conflicting signals concerning Peru's intention to reduce ties to the Soviets continued. There were numerous efforts on the part of Peruvian officials to ascertain US capability to assist in maintaining Soviet equipment. Despite these feelers, no specific request materialized and, in fact, the Peruvians continued to purchase Soviet arms.

(U) Our Security Assistance Program in Peru remained modest. It consisted of \$5 million in guaranteed FMS financing and \$317,000 in IMET funds. No major US equipment items were purchased. The most significant IMET program actions were the cadet course offered at USARSA--a repeat of last year's initiative--and a CONUS tour by War College students. Our MAAG in Lima (three officers and two NCO's) continued to manage the program.

(U) General Nutting made his first representational visit to Peru, 6-9 July. He was enthusiastically received and accorded full honors. MGen Masterson also visited, preceding the CINC in March.

(U) SURINAME.

(U) The self-proclaimed (and self-promoted) leader of the 1980 coup, LTC Desire Bouterse, continued to consolidate power through his position as Commander in Chief of the Surinamese National Army and as head of the National Military Council. A civilian government, under President Chin A. Sen, was installed with the express purpose of drafting a new constitution for the country and, presumably, returning the country to civilian control and democratic processes. However, LTC Bouterse continued to espouse leftist rhetoric and be very vague on a return of the military to the barracks. Chin A. Sen has exerted a moderating force, but there is little doubt that the military is the real power in the country. Lack of long-term planning, conflicting policies, and inexperienced management caused a sag in the economy and no firm direction for the country has evolved. Were it not for massive Dutch economic assistance, the economy would be near ruin.

(U) Having only recently (1976) achieved independence from the Netherlands, the military leaders are extremely sensitive (almost paranoid) about any perception of a return to colonialism as was manifested after the 1980 coup when the Dutch Defense Attache's office was directed to close. In 1981, the office was allowed to re-open, but with a much reduced staff. The Dutch still provide the major portion of foreign military assistance and, for the near-term, they will continue to do so. As a matter of fact, many of the military leaders are still on the Dutch military payroll, having served in the colonial army.

(U) Interest in U.S. military equipment was limited to drug/bomb detection dogs and M-16 rifles. Initial IMET funding for FY 81 was at the \$38,000 level, with training only accomplished for two individuals at the Coast Guard Officer Candidate School. A USSOUTHCOM Security Assistance Team visited in November 1981 and prepared IMET program proposals for FY 82-84, based on projected FY 82 funding of \$75,000. However, no actual training was accomplished in the remainder of CY 81, nor were any firm plans or commitments projected by the Surinamese military for training in CY 82.

(U) URUGUAY.

(U) Uruguay did not participate in IMET or FMS credit programs in 1980/1981 as a result of an extension of the Koch Amendment. The result of the 1977 Koch Amendment was a period of very strained relations with the U.S. During 1981, one successful effort in reopening lines of communications with the Uruguayan power structure was LtGen Nutting's visit, 20-24 September. Additionally, the Personnel Exchange Program was resumed. Then, \$15,000 of FY 82 IMET funds was approved and \$50,000 was programmed for FY 83. These minimal amounts will contribute to the maintenance of contacts, but will do little toward reestablishing any kind of viable security partnership.

(U) VENEZUELA.

~~(S)~~ In 1981, Venezuela continued to flex its political and economic muscle in a bid to become a regional power in the Caribbean Basin. Although the economy took a decided downturn (as a result of the world oil glut and declining petroleum revenues), Venezuela still provided \$403 million of aid to Caribbean Basin countries. Relations with two of her neighbors, Colombia and Guyana, continued to be strained, resulting from long-term border disputes which remained no closer to settlement. Concerned with events in Central America, the Venezuelan Government took two initiatives with respect to El Salvador: an offer to train 50 officers per month at the Venezuelan Army Ranger School and a commitment to send a team of observers to the elections scheduled for March 1982. The year closed without any training of Salvadorans actually having taken place, but the commitment of election observers stayed firm. The Venezuelans attended the Caribbean Disaster Preparedness Planning Group meeting, coordinated by the Office of the U.N. Disaster Relief Coordinator, in Antigua during 12-13 November 1981.

(U) On the homefront, declining oil revenues caused a severe strain on the economy and subjected the Venezuelan population to increased inflationary problems. A nation-wide census was conducted in October 1981 and the total population was reported at 14.6 million, with more than 2.5 million living in Caracas. While government security forces have been able to contain subversive/terrorist activity to a relatively low level, the year closed with a spectacular hijacking of three Venezuelan airliners at Simon Bolivar airport in December 1981. The hijackings were apparently done in conjunction with the Colombian M-19 terrorist group and sent fears of heightened subversive activity for the year to come. However, on balance, Venezuela's relatively young democratic tradition finished 1981 alive and well and remains an example for the rest of the region.

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(U) After a USAF survey team visit in July/August 1981, the Venezuelan Air Force initiated a major purchase of 40 F-16 aircraft; total cost is approximately \$880 million. Formal US Congressional approval for the sale was not secured by the end of the year, but prospects for a favorable decision early in 1982 looked promising. Interest in other major equipment included: Cessna Citation II aircraft, Bell 214 helicopters, UH-60 Blackhawk helicopters, Lupo Class vessels from Italy, patrol boats from the US, and air defense systems. Venezuela is continuing to modernize its military forces, but declining oil revenues may cause somewhat of a deceleration in pace.

(S) Venezuela was reinstated in the IMET program in FY 81 with a funding level of \$10,000. Although this was just a token amount, it did qualify the country to purchase training at IMET incremental pricing. As a result, attendance at courses, both in Panama and the CONUS, increased dramatically. FY 82 IMET funding is \$50,000, and we can expect further heavy reliance on U.S. training. The Venezuelan Army expressed strong interest in having unit exchange exercises with the 193d Infantry Brigade (Panama) but the introduction of foreign troops requires Venezuelan Congressional approval and the year ended without any formal accord. The Venezuelan Air Force was similarly interested in combined exercises with the US and held a joint planning conference with representatives of the Puerto Rico Air National Guard in Puerto Rico. The year ended without required approvals from all involved, but hopes are bright for such an exercise to be conducted in CY 1982.

(U) Representational visits from the Command included separate visits to Venezuela in October by LtGen Nutting and BGen Leuer, 193d Infantry Brigade (Panama) Commander. RADM Rodriguez, Fleet Commander, Venezuelan Navy, visited the headquarters, 23-27 September, for a general orientation and discussions related to the HALCON VISTA exercise.

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COMMUNICATIONS-ELECTRONICS

(U) BLACK HAWK IV. Communications support for joint exercise BLACK HAWK IV was provided by the Army, Navy and Air Force components. Invaluable assistance was provided by representatives of the 193d Infantry Brigade C-E section, US Army Communications Command Panama (USACC-PAN) and the 1978th Communications Group. Personnel from the USSOUTHCOM C-E staff served as members of the USSOUTHCOM Crisis Action Team (CAT) during the exercise.

(U) Change of Command USACC-PAN. [redacted] (b)(6) relieved [redacted] (b)(6) as Commanding Officer of USACC-PAN on 1 July 1981.

(U) Corozal Technical Control Facility. This facility was named DCS Station of the Year in March 1981. The Defense Communications Agency (DCA) presented the award to the facility because of its ability to prepare accurate circuit reports and to perform quick circuit outage restoration. As a Category IV station, it was rated against all other stations in the same category within the Western Hemisphere and was found to be the most proficient.

(U) Corozal AUTOVON. DCS Station of the Year awarded to the AUTOVON Section June 1981. The AUTOVON Section of the Telecommunications Division, U.S. Army Communications Command-Panama was presented this award by the DCA because of their ability to maintain communications. The AUTOVON Section maintained the lowest downtime average compared to all other AUTOVON switches located in the Western Hemisphere thereby exceeding standards set by DCA.

(U) Digital Microwave. Digital Microwave Cutover Pacific (April 1981)/Atlantic (August 1981). This project involved the cutover of 5 Digital microwave links. A contract was awarded to Collins International Service Company on September 1979 for the installation of three leased digital 48 channel links on the Atlantic side. The Pacific side links are from Corozal to Fort Clayton, Corozal to Quarry Heights and Corozal to Howard AFB. The Atlantic side links are from Fort Davis to Fort Sherman and Fort Davis to Galéta Island. These microwave links are operated and maintained by Collins International.

(U) Electronic Switches. On 30 September 1980, a contract was awarded to Western Electric Company to install 8 electronic switches in Panama to replace the 1940 vintage "step by step" electromechanical switching system. Cutover of the 8 new electronic switches was accomplished on 2 October 1981.

(U) Change of Command U.S. Naval Communication Station, Balboa.

[redacted] (b)(6) relieved [redacted] (b)(6) as Commanding Officer, U.S. Naval Communication Station Balboa (NAVCOMMSTA Balboa) on 13 August 1981.

Navy

(U) Composition of NAVCOMMSTA Balboa. The composition of this command during the past year was as follows: The Radio Receiving Facility, Headquarters which comprises Message and Fleet Centers, Tech Control, Cryton and Maintenance Division. The Radio Transmitter Facility located at Summit

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is operated by civilian personnel. Since 1 July 1980 Navy Regional Contracting Office Contract N00600-70-C-0783 is the agreement for the operation and maintenance of the U.S. Naval Communication Station Balboa's Summit Transmitter Site by DYNALECTRON Corporation, Systems Service Division, McLean, Virginia. There are presently 14 United States citizens employed by DYNALECTRON Corporation who provide highly technical services to NAVCOMMSTA BALBOA.

(U) Fleet Communications Support. General Fleet communications support by means of several broadcast assignments, depending on the nature of the requirement and weather support for U.S. or allied units, amounted to an average of at least one broadcast support active each month.

(U) Feasibility Test. From 15 March until 14 April a feasibility test was conducted to determine the possibility of installing a USAF HF Radio Station (Mission Radio) in the Receiver Building at Farfan. Results indicated interference would occur. Mission radio has since been relocated.

(U) Summit Transmitter Site. Excessed equipment and material from Building 6001 (ULF) at Summit Transmitter Site was removed. Removal contract was issued by local Defense Property Disposal Office USAID was recipient.

(U) Transfer of Antenna Towers to the USAF. In August 1981, three towers were moved from the roof top of Farfan Receivers Building 6301. These three 75-foot free standing towers (6331, 6332, and 6333) were lifted off the roof top with helicopters for use by the United States Air Force.

(U) Albrook Aeronautical Station Transmitter Site Relocation. The Panama Canal Treaty requires that the Curundu Transmitter Site property be turned over to the Republic of Panama 1 October 1982. The Aeronautical Station Transmitter Site is to be relocated to Ft. Kobbe. Work began on site preparation 12 Dec 80 under US Army Corps of Engineers contract. Equipment relocation and installation will be performed by AFCC Engineering and Installation teams to start in January 1982. Work progress is on schedule and the deactivation of the Curundu Site and subsequent turnover to the Republic of Panama should pose no problems.

(U) Howard Radar Final Approach Control Facility. The currently operational AN/MPN-13 Ground Control Approach (GCA) Radar is scheduled for elimination from the USAF inventory. The new AN/GPN-24 Radar Air Traffic Facility is the latest state-of-the-art equipment. Installation began in January 1981 by the 1827 EI Team from Kelly AFB, Texas and continued until September 1981. The majority of the technicians were then returned to the CONUS for a higher priority job. The installation team is due to arrive at Howard in Jan 1982 to complete the installation. The current estimated completion date is 15 March 1982. The ASR, Operations Shelter and Maintenance Facility are being installed on Horsefly Hill, Ft. Kobbe while the PAR is being installed adjacent to the Howard AFB runway. The AN/GPN-24 will provide Radar Final Approach Control Services.

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(U) Mission Radio System Upgrade Program. A program was initiated using CINC Initiative money in 1981 to provide more reliable communications and to offer the option of secure HF/SSB with an interface with the AUTOSEVOCOM System. The upgrade includes replacing the old KWM-2A HF/SSB transceiver radios with the new solid state GSB-900DXHF/SSB transceivers. New rotatable log periodic antennas (LPA's), Frequency 10-30 MHZ, are also being installed where possible. Site surveys must be accomplished at each site to help determine the feasibility. Seven stations and the Net Control Station (NCS) received the new radios while one station and the NCS received the LPA antenna in 1981. Parkhills were installed in the NCS and a classified number of stations. The rest of the stations will receive their radios, cryptographic equipment and, where possible, antennas in 1982. The Mission Radio System NCS moved from Albrook to Howard and was relocated in Building 47 with no interruption to services provided. Antenna towers were obtained from the US Navy at Farfan and were airlifted from Farfan to their present location by helicopters from the 210th Combat Aviation Battalion. The LPAs were installed by the 1978 CG. A KY-3/KY-75 interface unit has greatly improved the quality and reliability of service provided to the entire net.

(U) Tactical Communication Element (TCE) Deployments. The TCE provided personnel and equipment to support USSOUTHCOM in the following:

- a. (U) OAS Peacekeeping Mission in Honduras Jan-Jul 81 when the mission was terminated.
- b. (U) OAS Peacekeeping Mission in Ecuador with a site survey 5-7 Feb and mission performance until 2 Apr. This effort turned into a SAR on a downed US Army helicopter.
- c. (U) SAR based out of Loja, Ecuador in Aug for downed US Army helicopter.
- d. (U) Returned to Loja in Sept to resume SAR.
- e. (U) Provided secure/unsecure C2 HF radio communications to USSOUTHCOM/JOC for exercise HALCON VISTA in LaMesa, Honduras in Oct.
- f. (U) Provided secure/unsecure C2 HF radio communications to USSOUTHCOM/JOC for exercise HALCON VISTA in Venezuela later in Oct.

(U) Technical Assistance to Honduras. The 1978 CG provided one E-7 radio maintenance technician and Inter America Air Forces Academy provided one trainer for a 30 day period during July and August to assist the Honduran Air Force. The purpose of the assistance was to evaluate current communication capabilities, identify weaknesses, propose recommendations for future equipment and training requirements, and provide technical assistance on existing equipment.

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## TREATY AFFAIRS

(U) During Calendar Year (CY) 1981, implementation of the Status of Forces Agreement (SOFA) (i.e., the Agreement in Implementation of Article IV of the Panama Canal Treaty) progressed reasonably well despite occasional friction accompanied by Government of Panama (GOP) and Panama National Guard (PNG) harrassment. Several implementation issues still require resolution. The principal issues affecting our relations with Panama remain in the areas of jurisdiction and finance, as Panama attempts to minimize the rights, privileges and protections accorded to USSOUTHCOM and its personnel, and to enhance revenue collections.

(U) The Republic of Panama (ROP) continued to press those Treaty implementation financial issues it had raised in 1979 and 1980. The fact that these issues persist is an indication of the Republic's determination to maximize that revenue it perceives as obtainable from the US Forces, its personnel and contractors, to develop the Panamanian economy in general, and to increase tax receipts.

(U) Initiatives to Derive Revenue from Individuals. Despite exemptions provided for in the SOFA, Panama continues to impose taxes on individual members of the US military community in Panama. Three of these taxes were referred to the US Embassy for action in October 1980, after USSOUTHCOM was unable to obtain PNG concurrence in the Joint Committee to exempt US Forces personnel from their payment: a \$10 airport departure tax at the international airport; a property tax on privately owned boats; and a \$20 fee for the issue of a Panamanian driver's license when the expiration date on the military member's license has passed, even though the license is still valid according to the laws of the state that issued it. Another ROP tax hidden in the price of gasoline was eliminated only after USSOUTHCOM began directly importing gasoline once the contracts with ROP suppliers expired in August 1981. This action resulted in a \$.31/gallon savings to the members of the US military community.

(U) Initiatives to Derive Revenue from Contractors. SOFA Article XII creates a special regime establishing the privileges accorded to and the conduct of operations of certain US Forces contractors identified as designated contractors. Panama, during the past year, has persisted in attempts designed to nullify this SOFA established special regime, as well as unilaterally determining what is or is not for the official use or benefit of the US Forces, so as to impose taxes accordingly. For example:

(U) SOFA Article XII(2)(d) provides that the US Forces shall issue a certificate of professional identity to designated contractors and that this certificate shall be sufficient for them to operate in Panama as a contractor of the US Forces. Additionally, the SOFA provides that Panama may require the registration of the appropriate documents to establish juridical presence. The GOP has interpreted this language in such fashion so that prior to operating as a US Forces contractor, designated contractors would have to register with the GOP in the same manner as any other foreign commercial enterprise. Part of this registration process involves depositing with the GOP funds equal to one half of one percent of the capital assets of

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the firm. USSOUTHCOM is resisting this approach and is seeking Panama's acceptance of a simplified procedure to establish juridical presence which is in keeping with the special regime established by the SOFA.

(U) SOFA Article XVII(2)(f) provides that US employees of designated contractors shall have exemptions from customs duties and other charges on their personal property as provided to members of the civilian component. Panama's position is that unless these exemptions are expressly stated within the SOFA, these employees are not entitled to such exemptions, notwithstanding the fact that they may be accorded to members of the civilian component. US-SOUTHCOM, with STATE and DOD support, is refuting this interpretation but the GOP continues to unilaterally place restrictions on certain items which US employees of designated contractors may import duty-free.

(U) SOFA Article XVII(2) exempts from import taxes, property imported by all US Forces contractors for the official use or benefit of the Forces. However, the GOP continues to insist that such property is not exempt from the importation procedures applied to cargo upon which taxes are paid, to include the provision of a detailed description and statement of value. Panamanian and foreign contractors registered in Panama are obliged to comply with these procedures for cargo imported pursuant to the SOFA. USSOUTHCOM is resisting the extension of this practice to designated contractors. The Panamanian objective is to apply a unilaterally developed criteria as to what is or is not for the official use or benefit of the Forces and to impose taxes accordingly.

(U) SOFA Article XVII(2)(e) provides that contractors for the Forces, who are themselves US nationals or corporations, will not be obliged to pay taxes to the GOP, as long as they are taxed at a substantially equivalent rate in the US, but the GOP has insisted upon so interpreting the SOFA language that most, if not all would do so. The first three issues remain a matter of active discussion in the Joint Committee; the fourth was elevated to the Diplomatic level in April 1980, and remains unresolved. While these contractors have been granted a tax filing extension by the Panamanian authorities, resolution of the issue is important since the affected contractors have a potential tax liability for the last quarter of 1979 as well as all of the tax years 1980, 1981 and 1982.

(U) Panamanian Preference. Article VIII of the SOFA provides that the US Forces shall give preference to the procurement of supplies and services obtainable in the ROP. In order to ensure that the US Forces do accord this preference, the Panamanians in November 1980 proposed the adoption of procedures which if placed into practice would alter substantially the intent of the SOFA by ceding to Panama an authority not so contemplated and subjecting the US Forces procurement process to Panamanian control: e.g. the specifications contained within the bid solicitations would be subject to Panamanian approval; Panama would have the right of "first refusal" prior to soliciting bids from other sources; and Panamanian firms would be awarded a flat 20% preference differential. USSOUTHCOM thus far has been successful in defending the integrity of its procurement system by demonstrating to the ROP that the US Forces will abide by the SOFA provisions. At the November 1981 Joint Committee meeting, the ROP representatives expressed concern regarding the procurement subcommittee's delay in reaching agreement on this issue. After

substantial discussion the real ROP concern came to light: i.e., that while the US Forces may be complying with the preference provisions of SOFA Article VIII, the Panamanians were dissatisfied that the US Forces were not sharing control of its procurement system with Panama. Resolution of this issue is expected to be protracted and will continue to be a matter of concern to both USSOUTHCOM and Panama.

(U) Social Security. The most critical personnel issue affecting both USSOUTHCOM and the PCC, and causing significant employee and union discontent, is the continuing impasse with the GOP over payment of the "13th month". After almost a year's effort by the U.S. Ambassador, a diplomatic forum with the GOP finally was established in July 1981 to discuss the issue of who should pay for the second part of the 13th month, which is received by the Social Security Administration. These negotiations have been hindered by the complexity of resolving the basic differences which exist between the 12-month pay system used by the United States agencies, and Panama's 13th month pay system, and by ambiguities in Panamanian law which treat the entire 13th month as taxable income to the employee. Since the United States believed that this contribution should be paid by the employee, bi-weekly deductions were initiated in January 1981 from employees' salaries to cover the contribution in question. As 1981 drew to a close, US Embassy and the Panamanian Foreign Ministry made progress in reaching an agreement which would obligate the USG to pay the second part of the 13th month for affected employees of the United States agencies.

(U) Panama Area Wage Base (PAWB). The ROP in conjunction with employee unions continued to seek the elimination of the Panama Area Wage Base and a return to pre-Treaty wages. The issue has been at the diplomatic level since October 1979 and is still being discussed. Panama continues to exert considerable pressure through its membership on the PCC Board of Directors. The Panama Area Personnel Board has reviewed the issue and determined that major change in the PAWB is not warranted at this time. Nevertheless, the US members of the PCC Board of Directors appear to support elimination of the PAWB after a "transition period", and in this regard, are planning to modify the wage scale to provide certain variable across-the-board salary increases for CY-82.

(U) Although the majority of unresolved Treaty implementation issues in CY-81 continued to be driven primarily by financial considerations, as stated in preceding paragraphs, the Panamanian stance on jurisdictional issues was attributed to their perception that Panama's sovereignty would be diminished if they acceded to the US Forces' position. These jurisdictional issues generally permeated transfer of custody and law enforcement, and had a specific impact on binational military relations which at times were noticeably strained and accompanied by frequent PNG harassment of US personnel.

(U) Fort Amador Entrance Control Point. In early March 1981 the GN took a series of uncoordinated, unilateral actions at the entrance control point at Fort Amador, where they have shared combined patrol duties since 1 October 1979. They removed from the vicinity of the gate house all traffic control signs, including those identifying Fort Amador as a Military Area of Coordination agreed to in a Joint Committee Arrangement. The PNG stationed at the gate told his US counterpart that the latter could not stop vehicles entering the post because the public had free access to it. The PNG also

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refused to permit a US Forces' contractor to enter the gate house to re-set a burglar alarm system protecting the NAVSTA Headquarters building. The US Co-Chairman of the Joint Committee formally protested the Panamanians' actions. Discussions between the Joint Committee Co-Chairmen on the situation revealed that the PNG wanted to relocate the guard gate again. When the US agreed to discuss relocating the gate, the PNG seemed to lose interest and agreed to replace the signs at the Amador gate. Alternate location for the Fort Amador control point were evaluated during the year and discussed with the PNG. The US Forces finally decided that the control point could not be relocated at this time because of the reduced security for the Naval Headquarters and because the control point was previously changed in accordance with paragraph 8 of the Agreed Minute to the SOFA.

(U) Fort Amador Causeway. The jurisdictional issue of the causeway, which passed to the Diplomatic level during the summer of 1980, and which effects US/PNG combined patrols and PCC facilities in Canal Operating Areas, is still unresolved. To date the PNG continues to insist that it has exclusive jurisdiction over the Amador Causeway regardless of the language of the Treaty documents.

(U) Transfer of Custody/Procedural Guarantees. Beginning in October 1980, the PNG returned to their previous practice of delaying for periods up to three or more days, the transfer of custody to the US Forces of personnel apprehended downtown, despite SOFA language that such transfers would be "upon request". This change was in marked contrast to the procedure which was in effect from June to September 1980 when, reputedly pursuant to instructions from General Torrijos, custody transfer was accomplished generally in accordance with the SOFA. USSOUTHCOM and PNG attempts to develop a mutually acceptable definition of "upon request" were without success. The principal point of disagreement centered in the length of time required within which to effect the transfer: the PNG desired a period of not less than 24 hours after initial apprehension, while USSOUTHCOM maintained that a period of not more than seven hours after initial apprehension should be sufficient to effect the transfer. In July 1981, the issue was referred to the diplomatic level for resolution. The US Embassy has to date been unable to resolve this matter and instances continue to occur involving unacceptable delay in the transfer of custody of US Forces personnel. Additionally, the guarantees of due process provided by Treaty-related agreements to those accused of crimes were not uniformly observed by Panamanian authorities. Trials of misdemeanors (generally alleged illegal possession of drugs) involving persons protected by the guarantees were routinely characterized by lack of observance of the rights to have legal representation during all phases of investigation and trial, and to communicate with, and have at trial, a US government representative. Also, in one case a Panamanian appellant court decreed that it did not view the procedural guarantees as self-executing, upholding the trial court's failure to observe such guarantees. The US government has expressed its deep concern and has requested diplomatic discussions. In another case the Panamanian authorities held one member of the US Forces, suspected of murder, for well over a year without trial, before agreeing to release him to US custody. The US repeatedly protested this failure to observe the procedural guarantee of a speedy trial.

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(U) Harrassment of US Forces personnel by PNG. The US Forces were subjected to frequent harrassment by the PNG during the year. The PNG impeded vehicle and rail movement on several occasions, delayed transferring custody of US personnel, and in February 1981 withdrew their previously-granted approval for the use of airspace and denounced in the press the impending joint US military canal defense exercise. During April, however, there was a perceptible change in attitude and the PNG suddenly and unexpectedly became cooperative as evidenced by an invitation to participate in a Panamanian internal defense exercise, their willingness to continue discussions on force development goals and in displaying an interest in more frequent communications with their US counterparts, most notably at the staff directorate level. Nevertheless, isolated incidents of harrassment throughout the year continued to jeopardize the excellent relations that the US Forces had enjoyed with the PNG since the signing of the Treaty in September 1977. Most notably during this period were two serious incidents that resulted in the wrongful arrest of US Forces personnel. The first occurred in Panama City on 26 Jun 81 when two 193d Inf Bde liaison MP's on official duty in an unmarked US Government vehicle were stopped, questioned and detained by the PNG. The PNG charged the US MP's with operation of an unauthorized hand radio and with operating in a white area while not accompanied by a PNG liaison member. The hand radio was confiscated, and the US MP's were taken to Building 4, Fort Amador, where they were strip searched. From the time they arrived until released, the US MP's were not permitted telephone or radio calls. The US MP's were finally released after being held for approximately four hours. The second incident occurred on 24 November 1981 when a Panamanian female obtained from a Panamanian police night court judge, an open arrest warrant in which the names were to be filled in at the time of the arrest. Subsequently, with this warrant and the support of a member of the PNG, four members of the US Forces (Contraband Control Agents) were arrested. The US Contraband Control Agents were taken to the Balboa Police Station. Upon arrival they were searched and made to sit on a bench for about 1/2 hour. They were then transported by bus to PNG Headquarters where they were searched again and handcuffed. They were then transported by truck to another area in the Carcel Modelo and strip-searched and taken to a large cell in the basement which contained about 10 Panamanian prisoners, some of whom had been arrested and placed there by the Contraband Agents. The MPs were released the same evening when a night court ruled that the Panamanian female had abused the open arrest warrant. The first incident was the subject of a 10 Jul 81 formal protest letter to the PNG Co-Chairman of the Joint Committee and a formal complaint tabled at the 30 Nov 81 24th Joint Committee meeting, respectively.

(U) In addition to the jurisdictional and financial issues discussed in preceeding paragraphs, several other significant Treaty-implementation or Treaty-related issues were the subject of intensive discussions among USSOUTHCOM, PCC and the US Embassy and with the ROP during CY-81.

(U) Telecommunications. While cooperation at the technical level in the telecommunications area remained good throughout the reporting period, the GOP continued to exhibit dissatisfaction over the provisions of Article IX of the Agreement in Implementation of Article IV which authorize the US Forces to use the radio frequencies and transportable equipment as may be necessary for

the defense, of the canal. GOP dissatisfaction with the Treaty article may have been manifested by the Ministry of Government and Justice delays in complying with a request from the International Telecommunication Union (ITU) to update frequencies previously registered with ITU, to include the US Forces frequency list (PO-64), NLT 31 Mar 81. The GOP complied with the ITU request in Apr 81. For the remainder of the year, the US Forces encountered no significant communications problems with Panama.

(U) Slot Machines. On 3 December 1980, the Minister of Foreign Relations sent a diplomatic note to the Ambassador formally protesting the installation and operation of slot machines in US Navy Open Mess(es) in Panama. The protest charged that their installation violated the Panama constitution and the Treaty. The opening of slot machine operations in the Navy clubs was postponed until 30 March 1981, when USCINCSO announced to the US Ambassador his decision to authorize operation of the slot machines by the NAVSTA Club system, effective 1 April 1981. The decision was communicated to the PNG through J-2 channels, and subsequently by the US Executive Officer of the Joint Committee on 2 April 1981. On 14 April 1981, the US Embassy replied to the GOP 3 Dec 80 diplomatic note which supported USSOUTHCOM's position that the Panamanian constitution did not apply to the US Forces; that morale, welfare and recreation of our armed service members was a legitimate and recognized activity of the US Forces that supports canal defense; and that US law permitted slot machine operations for recreational purposes in overseas areas. The slot machine issue remained relatively quiet throughout the summer until 28 Sep 81 when the US Embassy received a second GOP diplomatic note protesting the US Forces slot machine operation. In Nov 81 the US Embassy reiterated the position stated in the April 81 US reply.

(U) New Bridge/Highway. The Government of Panama continued to pursue the construction of a new highway and a bridge over Miraflores lake linking Arraijan and Panama City. Construction of the proposed bridge was delayed pending a policy decision on the actual height of the bridge. The proposed bridge must be constructed at least 220 feet above the level of the lake; however, future canal improvements could increase the present level of the lake. The ROP subsequently indicated that they would waive future canal improvement plans which would require raising the level of Miraflores lake and requested US agreement. At year end, USSOUTHCOM continued to monitor this project for security implications.

(U) Extension of Balboa and Coco Solo Commissaries. The USSOUTHCOM, PCC and US Embassy agreement to seek an extension from Panama to permit the Balboa and Coco Solo commissaries to continue operations until such time as the US citizen employees of the PCC lose their purchase privileges (October 1984) materialized during the middle part of the year. It was agreed that the negotiations on the extension would take place at the diplomatic level. In this regard, a draft note was informally passed by the US Ambassador to Deputy Foreign Minister on 20 Nov 81. A copy of the draft note was also passed to the PNG Co-Chairman of the Joint Committee so that his support could be obtained prior to any formal discussions at the diplomatic level. By the year's end, the ROP had not made a determination to extend the operation of the commissaries.

(U) Transfer of Facilities. As required by Annex A to the Agreement in Implementation of Article IV of the Panama Canal Treaty, United States Army MEDDAC warehouses, buildings 490 and 1010 were turned over to the Republic of Panama on 1 October 1981.

## PUBLIC AFFAIRS

(U) General. (U) The volatile situation in El Salvador and Central America intensified interest in USSOUTHCOM and its activities in the region. This, combined with a continuing interest by the press on the effects of the Panama Canal Treaty of 1977 on USSOUTHCOM intensified news media attention to the command, with a resultant increase in the volume of visits by U.S., international, and local media representatives. Visiting newsmen were given unclassified briefings and assisted in their coverage of command activities. Primarily, they desired information on the military/political situation in Central America. Interviews with the CINC and key staff members were arranged when appropriate. USSOUTHCOM PAO aggressively pursued the policy of releasing accurate information quickly on USSOUTHCOM activities, with the subsequent result that press treatment in most instances was favorable, or at least fair.

(U) The training of Salvadoran military personnel in Panama Canal Area Military Schools continued to be of interest to the news media, with numerous requests to visit training activity. These requests were honored whenever possible. Heavily emphasized was the fact that the schools taught a wide range of subjects, both technical and tactical, and of the long record of service to the hemisphere.

(U) The command was the subject of anti-US propaganda in the Panamanian press, particularly in newspapers of the government-controlled Editora Renovacion Group. Much was a continuation of propaganda from the previous year, that USSOUTHCOM was furnishing troops and equipment from Panama to support the Salvadoran government. USSOUTHCOM aggressively refuted these allegations, and provided factual information supporting the fact that training activity was being conducted in accordance with provisions of the Panama Canal Treaty.

~~(FOUO)~~ The local press continued to snipe at USSOUTHCOM for alleged violations of the spirit and provisions of the Panama Canal Treaty, including allegations of condoning contrabanding of commissary and exchange merchandise, violations of Panama air space by U.S. aircraft, jurisdiction of U. S. personnel involved in crimes in Panama, and conduct of military training exercises in the Panama Canal Area. When appropriate, PAO responded with factual and forceful rebuttals to the allegations. In spite of the controlled press in Panama, the local media nominally printed without editorial comment the USSOUTHCOM rebuttals.

(U) The death of Major General Omar Torrijos, Commander of the Panama National Guard, in a plane crash on 31 July 1981 brought a potential for anti-US reaction, through possible perceptions of lack of U.S. sensitivity to the grave loss to the nation. USSOUTHCOM forestalled this by rapid cooperation in the search effort, and prompt and thorough reporting of the U.S. interest and concern to the news media. Additionally, internal information media gave full and complete coverage to the death and subsequent funeral. In all, command efforts earned numerous plaudits from the government and press of Panama for the tasteful attention given to the death of the national leader.

(U) A program of meetings with the Panamanian press was initiated by USSOUTHCOM. The CINC began a round of press meetings and was followed by

similar efforts by the component commanders. This personal method of communication with the news media was favorably received by them, and earned their approbation for the USSOUTHCOM public affairs effort.

(U) USSOUTHCOM continued to use all available internal information media in continuation of the Panama Canal Treaty-related Information and Education program for the Command's personnel. In November SCPA activated the Treaty Transition Information Group (TTIG) composed of representatives of the Component Commands, the Panama Canal Commission and interested staff sections (SCTA, SCLA, SCPA and SCRM). The TTIG was tasked to conduct an intensive internal information program designed to inform all members of the local community of the treaty mandated changes taking place on 31 March 1982, the end of the 30-month Treaty Transition Period. The principal emphasis of these information programs was to insure maximum possible awareness of the provisions of the Treaty and the Implementing Legislation. A concerted effort was made toward informing people of changes that were and will be taking place and their effect on the military and civilian residents of the Panama Canal Area. The overall program dealt with virtually every facet of life in the Panama Canal Area and was instrumental in reducing confusion, tension and personal problems in the post-Treaty period.

(U) USSOUTHCOM Community Relations Program

(U) The purpose of the USSOUTHCOM Community Relations program is to increase awareness and understanding of the U. S. Southern Command and its missions throughout Latin America. Additionally, it is to foster good relations with those various sectors of the public with whom the USSOUTHCOM deals on a regular basis. The program is directly related to the Command's representation mission throughout Latin America. It is based on mutual understanding and partnership between this Command and the countries and people of Latin America.

(U) To further the community relations goals in the Republic of Panama, USSOUTHCOM sent a band and a parachute team to David to participate in the International Trade Fair, an event that is multi-national in scope. A USSOUTHCOM audio visual exhibit was prepared and displayed for the first time.

(U) The official USSOUTHCOM Christmas program for Panama was enthusiastically supported by the U. S. Southern Command and its components. Four Panamanian groups were sponsored by organizations within the USSOUTHCOM Headquarters. Twenty-five groups were sponsored by 24 organizations within the 193d Brigade. Sixteen groups were sponsored by 17 organizations of USAFSO. And four groups were sponsored by four organizations from the US-NAVSTA. There was an increase of 15 groups over the preceding year.

(U) The 79th U.S. Army Band made a total of 11 Community Relations trips to 10 different countries. Band performances during the year totaled 90 commitments before audiences in excess of 1-1/2 million. Millions more were entertained on local, regional and national radio and television networks in various countries. Their audiences included four Presidents of

Latin American countries. The Band performed numerous other concerts and engagements in the Panama Canal Area on an official basis.

(U) The "Jumping Ambassadors" Parachute Team visited 7 countries on community relations visits during 1981, performing 50 times before audiences totaling nearly 1-1/2 million.

(U) Southern Command Television Network (SCN-TV) Operations

(U) SCN-TV marked its 25th year of service to the command by providing entertainment and information programming from the American Forces Radio and Television Service (AFRTS), local production and satellite TV programming. The number of restricted programs in the AFRTS package hit a new high of 60%, but average between 50% to 60% weekly. SCN was again the most heavily restricted AFRTS network in the world. However, with the availability of satellite television programs via Cable News Network (CNN), and continued receipt of the AFRTS-PC programming package, SCN-TV continued to program over 90 hours per week. AFRTS started providing an additional 7 and 1/2 hours of dependent type programming weekly to supplement the existing program availability. The permanent library at SCN was increased slightly to additionally offset the severe restrictions. Pre-production planning and recording was started to introduce new locally produced programs in 1981, to both provide increased command and community information and to offset the restriction rate. An audience survey covering both radio and television was conducted in July 1981 with results being processed by the 193d Infantry Brigade's MISO. Data is to be forthcoming in early 1982.

(U) Earth Station. SCN utilizes the earth station to receive television programs to supplement the AFRTS package, and to bring timely news, sporting events and special programs to the SCN audience. During the football season, since the AFRTS satellite provided such poor quality in Panama, the 193d Infantry Brigade identified and provided \$205,000 to SCN to pay for international satellite circuits in order to bring down 24 live football games, including the bowl games and playoffs. Other satellite programming consisted of over 18 and 1/2 hours of international and national news from CNN. Specials, to include coverage of the attempted assassination of President Reagan, the assassination of Sadat, the return of the U.S. hostages held in Iran, the marriage of Prince Charles, the launch and landing of the Columbia space shuttle, all presidential press conferences, and many other special events. AFRTS has recontracted with RCA to provide a higher quality satellite transponder in April 1982, so satellite provided programming should increase next year.

(U) Southern Command Radio Network (SCN Radio) Operations

(U) SCN Radio operated throughout the year with little change in programming philosophy. SCN-FM and SCN-AM form USSOUTHCOM's 24 hour-per-day, seven day-per-week outlets for information and entertainment through programming provided by the American Forces Radio and Television Service (AFRTS), and of local origin.

(U) SCN-AM provides special events and public affairs programming from

the network on a regular basis, and music programming encompassing a full spectrum of listener appeal. SCN-AM began broadcasting, as an originating service, 24 hours-per-day in June 1981. This change allowed more locally produced music shows, and increased the airings of local command and community information by 40%. An additional benefit is the manning of the station 24 hours a day to better increase the physical security of the studio and facilities. SCN radio was effectively utilized throughout the year to provide public service and emergency announcements. The USSOUTHCOM Public Affairs Office furnished traffic advisories, civil disturbance notifications, and personnel movement limitation type announcements to keep the public fully informed. SCN-AM reduced live sports programming significantly in deference to listeners who have favorite programs pre-empted because of non-critical games. This continues the philosophy of elimination of game duplication between SCN-TV and SCN-AM when games are carried via television satellite. In late 1981, SCN further modified its handling of radio sporting events by eliminating coverage on AM and transferring all sporting event airings on SCN-FM. Since AM carries an entire diversity of music, and FM is primarily easy-listening, it felt that this switch provides a better choice for the entire audience.

(U) Southern Command News Operations

(U) The Southern Command News, also known as the SCNews, is the authorized, unofficial unified command newspaper for USSOUTHCOM and its component commands. It is collocated with the Southern Command Radio and TV Network in Bldg 209, Fort Clayton. Policy supervision and direction for SCNews is provided by the USSOUTHCOM Special Assistant for Public Affairs.

(U) Manning is provided by component services based upon the proportion of their personnel assigned in the area. At the close of the reporting period, authorized and assigned personnel manning was: three Army enlisted, three Dept. of the Army civilians, one Air Force officer, and one Air Force enlisted.

(U) Funding for the SCNews, provided through the 193d Infantry Brigade Comptroller Office, was slightly above that for 1980. Sufficient funds were available for all aspects of the SCNews mission.

(U) During this reporting period, the SCNews continued to support the mission of USSOUTHCOM by providing its personnel with a viable information source. The continuing need to inform command personnel of the various changes effected by the Carter-Torrijos Treaty were addressed and provided by the publication. SCNews continued to cover major events throughout the year including exercises, 79th Army Band trips, and other functions of the command and its components. Of special note was the bilingual coverage by the SCNews of the death of General Omar Torrijos. The SCNews devoted nine pages to the funeral and was lauded by the local press (La Republica) for its efforts.

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COMMAND SURGEON

(U) Medical Assistance Team (MAT) visits, providing medical, dental and optometric services for USMILGP-USMAAG personnel and their dependents throughout the USSOUTHCOM area of responsibility were conducted at the following locations during CY 1981:

19-23 May	Tegucigalpa, Honduras Guatemala City, Guatemala
19-27 June	Santiago, Chile Lima, Peru Quito, Ecuador
4-24 October	Brazilia, Brazil Rio de Janeiro, Brazil Montevideo, Uruguay Buenos Aires, Argentina Asuncion, Paraguay Lima, Peru Quito, Ecuador

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HEADQUARTERS COMMANDANT, USSOUTHCOM

(U) Mission. To provide administrative and logistical support to Headquarters, US Southern Command and/or to arrange for the provision of support by staff elements of the 193d Infantry Brigade (Panama). Headquarters Commandant also serves as Commander, US Army Element, USSOUTHCOM, Sub-Installation Manager, Quarry Heights, and Commander, Quarry Heights Detachment, 193d Infantry Brigade (Panama).

(U) Organization. The Quarry Heights Detachment, Hq Command, 193d Infantry Brigade (Panama) was organized on 14 March 1977 per Permanent Orders 42-21, Headquarters, 193d Infantry Brigade (Canal Zone). The detachment is organized into three sections (administration, supply and utilities) to accomplish its mission. Staffing is broken down as follows:

Officers: 2  
Enlisted: 12  
Civilian: 1

Commander - LTC John E. Napper, IN, USA, 8 May - 31 Dec 81.

(U) Major Functional Responsibilities.

a. (U) Administration. Provides administrative support to Headquarters Commandant, including personnel administration for all Army personnel assigned to USA Element USSOUTHCOM.

b. (U) Supply. Supply functions include maintaining accountability for all assigned property and furnishing logistical support as required by USSOUTHCOM staff activities at Quarry Heights.

c. (U) Utilities. Provides minor facilities repair services in working areas of Quarry Heights, and coordinates service and work order requests with the Directorate of Facilities Engineering, 193d Infantry Brigade (Panama) and telephone service requests with USACC.

d. (U) Additional Functional responsibilities include transportation coordination for USSOUTHCOM, security of the post of Quarry Heights, and any other support as required by the Commander-In-Chief, USSOUTHCOM.

(U) Significant Operations During 1981. The continuous support for Headquarters, US Southern Command remained the primary activity for the Headquarters Commandant. Accomplishments that were made during 1981 include:

a. (U) The installation and operation of \$45,750.00 Incinerator which is used primarily for the destruction of classified materials.

b. (U) The upgrade of security and appearance of the USSOUTHCOM Tunnel, which included the installation of Security Monitors for Quarry Heights.

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c. (U) The relocation of Combined Board to building 153 and Public Affairs Office to building 150, additionally, reconstruction is being conducted in J-2 and J-5 as a result of the projected space requirements.

d. (U) The painting of all administrative buildings and family quarters located at Quarry Heights.

LEGAL AFFAIRS (LA)

(U) Panama Canal Treaty. This office provided legal advice to the Joint Committee and Combined Board; an office representative chaired the Legal Subcommittee; and another representative was a member of the Taxation and Customs Subcommittee. Substantive issues addressed during the period include: transfer of custody, service of process, preference in the procurement of goods and services, transfer of real property, PX and commissary privileges, application of 13th month social security laws and various status of forces agreements.

(U) Relations With Other Latin American Countries. Advice was provided on treaties and other international agreements involving the Latin American countries within the cognizance of USSOUTHCOM.

(U) Relations with the Panama Canal Commission. Liaison and coordination with the Panama Canal Commission continued.

(U) Other Legal Matters. Legal assistance, implementation of the Federal Standards of Conduct, Freedom of Information, Privacy Act, Law of War, and Equal Employment Opportunity questions were addressed by this office during 1981.

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## LAW ENFORCEMENT

(U) The Command Provost Marshal also acts as the 193d Infantry Brigade (Panama) Provost Marshal and the Commander of the Law Enforcement Activity (LEA) which consists of one Headquarters Company and two STRAF MP Companies.

(U) As a result of three Tactical Field Exercises conducted during this period, LEA made considerable improvement in its interoperability and effective use of infantry companies placed OPCON during Civil Disturbance (CD) Operations. Emphasis was placed on training infantry unit commanders and other unit leaders to plan and execute civil disturbance missions while under extreme stress.

(U) During the 1981 Joint Training Exercise, Black Hawk IV, LEA participated by providing Rear Area Combat Operations to include convoy escorts, PW/CI operations, VIP escort and security, and other doctrinal missions. During the course of the exercise, an actual civil disturbance threat materialized. The LEA excelled in providing necessary support, both actual and exercise. LEA deployed forces to a forward assembly area prepared to counter the threat.

(U) During the last quarter of FY 81, US/PNG Military Police combined defense training and operations have increased significantly, serving the interests of both countries in fulfilling the provisions as well as the spirit of the Treaty in our mission of combined defense of the Panama Canal. The US/PNG Combined Military Police operations have been conducted without incident, demonstrating an air of mutual support and cooperation. Additionally, the Law Enforcement Activity, US Army Forces, Panama has provided LEA orientation briefings and tours to various officials of the Guardia Nacional. These programs have stimulated relations resulting in the US Military Police providing on the job training and technical assistance for the PNG in areas such as military police operations and traffic control. During August 1981, the LEA Provided bilingual guest instructors for the Guardia Nacional's training program for technical assistance in the following tasks: Civil Disturbance, Emergency Operations and Procedures, Arrest, Crime Prevention and Physical Security, Hot Pursuit, Domestic Disturbance, and MP K-9 (Dogs) Demonstration. This support proved extremely beneficial to relations, and is expected to recur in the future. Combined US/PNG MP tactical operations and training were conducted during the 193d Infantry Brigade (Panama) July Field Training Exercise, whereby two squads from 5th Co, PNG trained alongside elements of the 549th and 534th MP Companies (STRAF). This training was mission related, realistic, and proved beneficial to all.

(U) During this reporting period, LEA reached and maintained a high state of readiness as demonstrated by numerous awards received by LEA and its subordinate units and by performance in Brigade operations, FTXs, and CPWs. The 534th Military Police Company (STRAF) received the Eagle Award as the most combat ready MP Company in FORSCOM for the second consecutive year, and the BG J. P. Holland Award as the most outstanding MP Company in the Army for 1981. In addition, LEA received numerous 193d Inf Bde (Pan) Cutting Edge Awards for training excellence.

## LIST OF ACRONYMS

ABS	ARMY BROADCASTING SERVICE
ADCOM	AEROSPACE DEFENSE COMMAND
ADP	AUTOMATIC DATA PROCESSING
ADPE	AUTOMATIC DATA PROCESSING EQUIPMENT
AECA	ARMS EXPORT CONTROL ACT
AFIS	ARMED FORCES INFORMATION SERVICE
AFSCME	AMERICAN FEDERATION OF STATE, COUNTRY, AND MUNICIPAL EMPLOYEES
AFOSI	AIR FORCE OFFICE OF SPECIAL INVESTIGATIONS
AFRTS	AMERICAN FORCES RADIO AND TELEVISION SERVICE
AFRTS-PC	AFRTS-PROGRAMMING CENTER
AM	AMPLITUDE MODULATION
AMEMBASSY	AMERICAN EMBASSY
ARTEP	ARMY TRAINING AND EVALUATION PROGRAM (US)
ASD/ISA	ASSISTANT SECRETARY OF DEFENSE FOR INTERNATIONAL SECURITY ASSISTANCE
CAT	CRISIS ACTION TEAM
CCO	CONTROLLED COLLECTION OBJECTIVES
CDTS	COMPUTER DIRECTED TRAINING SYSTEM
C-E	COMMUNICATIONS-ELECTRONICS
CHUSMAAG	CHIEF, US MILITARY ASSISTANCE ADVISORY GROUP
CIDREP	CIVILIAN DISTURBANCE READINESS POSTURE
CINC	COMMANDER IN CHIEF
CINCLANT	COMMANDER IN CHIEF, ATLANTIC (US)

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CNO	CHIEF OF NAVAL OPERATIONS
CODEL	CONGRESSIONAL DELEGATION
COINS	COMMUNITY ON-LINE INTELLIGENCE SYSTEM
COMSEC	COMMUNICATIONS SECURITY
COMUSAFSO	COMMANDER, U.S. AIR FORCES, SOUTHERN COMMAND
COMUSMILGP	COMMANDER U.S. MILITARY GROUP
COMUSNAVSO	COMMANDER, U.S. NAVAL FORCES, SOUTHERN COMMAND
CONDECA	CENTRAL AMERICAN DEFENSE COUNCIL
CONPLAN	CONCEPT PLAN: OPERATION PLANS IN CONCEPT FORMAT
CONUS	CONTINENTAL U.S.
COPECODECA	PERMANENT COMMISSION, CENTRAL AMERICAN DEFENSE COUNCIL
CPD	CONGRESSIONAL PRESENTATION DOCUMENT
CSOP	COMBINED STANDING OPERATING PROCEDURES
C2	COMMAND AND CONTROL
C3	COMMAND, CONTROL, AND COMMUNICATIONS
DA	DEPARTMENT OF THE ARMY
DAO	DEFENSE ATTACHE OFFICE
DAST	DISASTER AREA SURVEY TEAM
DATT	DEFENSE ATTACHE
DCA	DEFENSE COMMUNICATIONS AGENCY
DIA	DEFENSE INTELLIGENCE AGENCY
DIAOLS	DIA ON-LINE SYSTEMS
DOCA	DEFENSE ORIENTATION CONFERENCE ASSOCIATION
DOD	DEPARTMENT OF DEFENSE
DODCI	DOD COMPUTER INSTITUTE
DODDS	DEPARTMENT OF DEFENSE DEPENDENT SCHOOLS
DFE	DIRECTOR OF FACILITIES ENGINEER
DSAA	DEFENSE SECURITY ASSISTANCE AGENCY

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DSCS	DEFENSE SATELLITE COMMUNICATIONS SYSTEM
EI	ENGINEERING AND INSTALLATION
FBIS	FOREIGN BROADCAST INFORMATION SERVICE
FICEURLANT	FLEET INTELLIGENCE CENTER EUROPE/ATLANTIC
FLRA	FEDERAL LABOR RELATIONS AUTHORITY
FM	FREQUENCY MODULATION
FMS	FOREIGN MILITARY SALES
FORSCOM	U.S. ARMY FORCES COMMAND
FSLN	SANDINISTA FRONT OF NATIONAL LIBERATION
GENSER	GENERAL SERVICE
GEO	GEOGRAPHIC COORDINATES
GN	GUARDIA NACIONAL (PANAMA AND OTHER LATAM COUNTRIES)
GO( )	GOVERNMENT OF (COUNTRY)
GORM	GOALS, OBJECTIVES AND RESOURCE MANAGEMENT
HC	HOST COUNTRY
HF	HIGH FREQUENCY
HUMINT	HUMAN SOURCE INTELLIGENCE
IAAFA	INTER-AMERICAN AIR FORCES ACADEMY
IANTN	INTER-AMERICAN NAVAL TELECOMMUNICATIONS NETWORK
IDHS	INTELLIGENCE DATA HANDLING SYSTEM
IDDD	INTERNATIONAL DIRECT DISTANCE DIALING
IMET	INTERNATIONAL MILITARY EDUCATION AND TRAINING
IMF	INTERNATION MONETARY FUNDS
IMINT	IMAGERY INTELLIGENCE
INTAFF	INTERNATIONAL AFFAIRS
ISO	INDUSTRIAL SECURITY OFFICE
ISSA	INTER-SERVICE SUPPORT AGREEMENT
I&W	INDICATIONS AND WARNING

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JCS	JOINT CHIEFS OF STAFF
JIRSG	JOINT INTERSERVICE RESOURCE STUDY GROUP
JITF	JOINT INTELLIGENCE TASK FORCE
JMA	JOINT MANPOWER AUTHORIZATION
JMP	JOINT MANPOWER PROGRAM
JOC	JOINT OPERATIONS CENTER
JOTC	JUNGLE OPERATIONS TRAINING CENTER
JPAM	JOINT PROGRAM ASSESSMENT MEMORANDUM
JRG	REVOLUTIONARY JUNTA GOVERNMENT
JTD	JOINT TABLE OF DISTRIBUTION
JTF	JOINT TASK FORCE
LATAM	LATIN AMERICA(N)
LANTCOM	ATLANTIC COMMAND (U.S.)
LEA	LAW ENFORCEMENT ACTIVITY
LERTCON	ALERT CONDITION
LST	LANDING SHIP TANK
LWR	LOCAL WAGE RATE
MAG	MILITARY ASSISTANCE ADVISORY GROUP (U.S.)
MAC	MILITARY AIRLIFT COMMAND (U.S.)
MAP	MILITARY ASSISTANCE PROGRAM
MEDDAC	U.S. ARMY MEDICAL DEPARTMENT ACTIVITY
MI	MILITARY INTELLIGENCE
MILCON	MILITARY CONSTRUCTION
MILGP	MILITARY GROUP (U.S.)
MILSAT	MILITARY SATELLITE
MLO	MILITARY LIAISON OFFICE (U.S.)
MOU	MEMORANDUM OF UNDERSTANDING
MSAP	MILITARY SECURITY ASSISTANCE PROJECTION

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MTT	MOBILE TRAINING TEAM
MULA	MILITARY UNIVERSITY OF LATIN AMERICA
NASA	NATIONAL AERONAUTICS AND SPACE ADMINISTRATION
NAVCOMSTA	U.S. NAVAL COMMUNICATIONS STATION
NISRA	NAVAL INVESTIGATIVE SERVICE RESIDENT AGENT
OAS	ORGANIZATION OF AMERICAN STATES
ODC	OFFICE OF DEFENSE COOPERATION (U.S.)
OPLAN	OPERATIONS PLAN
PACAMS	PANAMA CANAL AREA MILITARY SCHOOLS
PAO	PUBLIC AFFAIRS OFFICE
PAPB	PANAMA AREA PERSONNEL BOARD
PAWB	PANAMA AREA WAGE BOARD
PCA	PANAMA CANAL AUTHORITY
PCC	PANAMA CANAL COMMISSION
PCES	PANAMA CANAL EMPLOYMENT SYSTEM
PDC	CHRISTIAN DEMOCRATIC PARTY
PNG	PANAMA NATIONAL GUARD
PML	PERSONNEL MOVEMENT LIMITATION
PRC	PANAMA REVIEW COMMITTEE
REDCOM	READINESS COMMAND (U.S.)
RCC	RESCUE COORDINATION CENTER
RNP	REMOTE NETWORK PROCESSOR
SA	SECURITY ASSISTANCE
SAO	SECURITY ASSISTANCE OFFICE
SAR	SEARCH AND RESCUE
SCIATT	SMALL CRAFT INSTRUCTION AND TECHNICAL TEAM
SCN	SOUTHERN COMMAND NETWORK

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SDN	SYSTEM DEVELOPMENT NOTIFICATION
SESO	SENSITIVE SOURCE
SOFA	STATUS OF FORCES AGREEMENT
SPINTCOM	SPECIAL INTELLIGENCE COMMUNICATIONS
SSO	SPECIAL SECURITY OFFICE
TA (DCS/TA)	DEPUTY CHIEF OF STAFF, TREATY AFFAIRS, HQ, USSOUTHCOM
TAC	TACTICAL AIR COMMAND (U.S.)
TCE	TACTICAL COMMUNICATIONS ELEMENT
TIARA	TACTICAL INTELLIGENCE AND RELATED ACTIVITIES
TLCF	TELECONFERENCE, SPECIFICALLY WWMCCS INTERCOMPUTER NETWORK
TPFDD	TIME-PHASED FORCE AND DEPLOYMENT DATA
TPFDL	TIME-PHASED FORCE AND DEPLOYMENT LIST
TTIG	TREATY TRANSITION INFORMATION CENTER
USACC	U.S. ARMY COMMUNICATIONS COMMAND
USAID	U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT
USARSA	U.S. ARMY SCHOOL OF THE AMERICAS
USASA	U.S. ARMY SECURITY AGENCY
USCINCSO	COMMANDER IN CHIEF, U. S. SOUTHERN COMMAND
USCOMSOLANT	U.S. COMMANDER SOUTH ATLANTIC
USG	U.S. GOVERNMENT
USMAAG	U.S. MILITARY ASSISTANCE ADVISORY GROUP
USMILGP	U.S. MILITARY GROUP
USMLO	U.S. MILITARY LIAISON OFFICE
USNR	U.S. NAVAL RESERVE
USODC	U.S. OFFICE OF DEFENSE COOPERATION
USREDCOM	U.S. READINESS COMMAND
USSAMS	U.S. SECURITY ASSISTANCE MANAGEMENT STAFF

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USSOUTHCOM	U.S. SOUTHERN COMMAND
UTM	UNIVERSAL TRANSVERSE MERCATOR
UW	UNCONVENTIONAL WARFARE
VHF	VERY HIGH FREQUENCY
VLF	VERY LOW FREQUENCY
WIN	WWMCCS INTERCOMPUTER NETWORK
WWDMS	WORLDWIDE DATA MANAGEMENT SYSTEM
WWMCCS	WORLDWIDE MILITARY COMMAND AND CONTROL SYSTEM.

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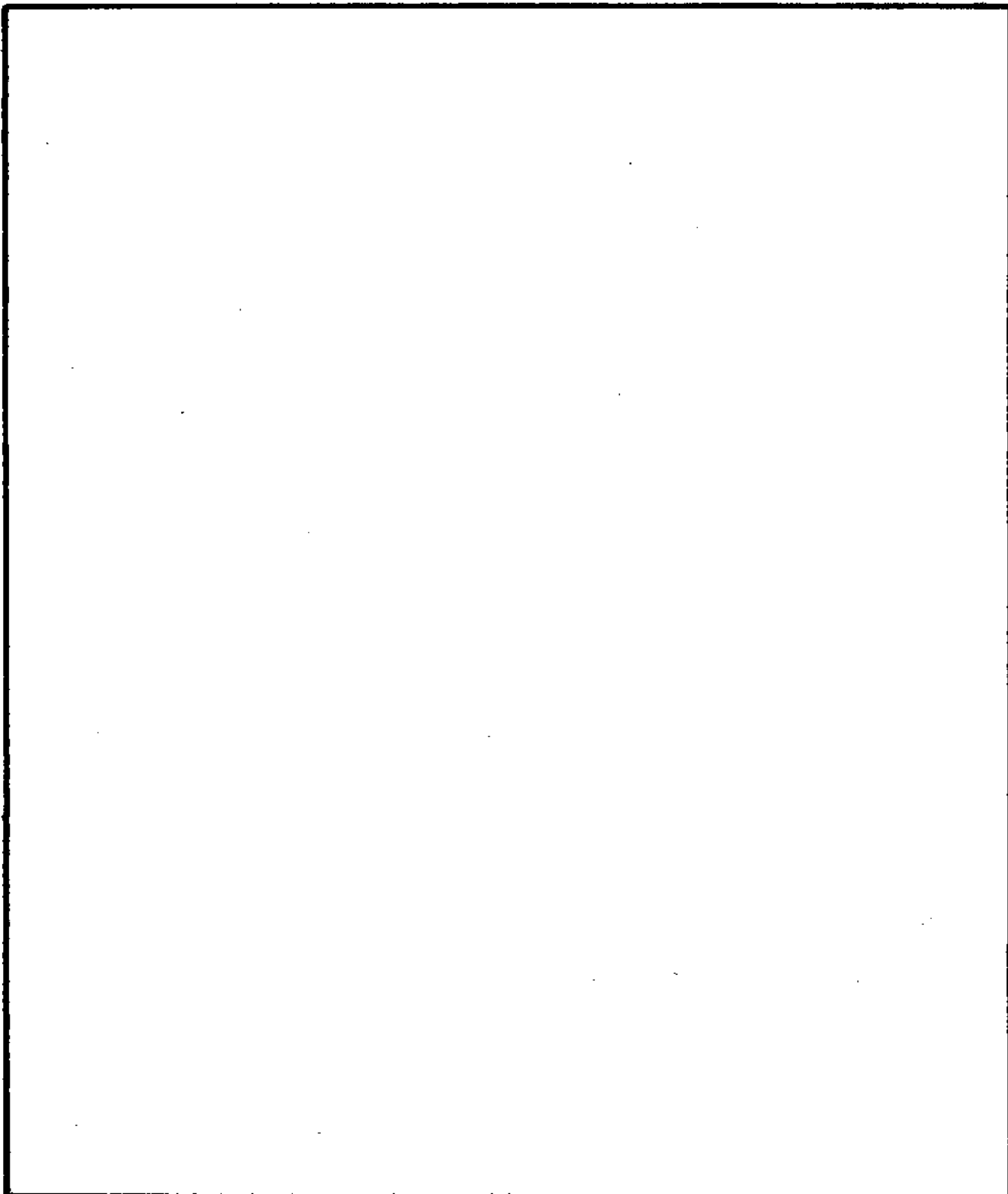
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