GR 720 CONFIDENTIAL

CONFIDENTIAL

FM WASHINGTON 282240Z
TO IMMEDIATE FCO
TELEGRAM NUMBER 1797 OF 28 JUNE 1983
INFO PRIORITY BELMOPAN, MEXICO CITY, UKMIS NEW YORK.
SAVING TO BIS GUATEMALA CITY



US POLICY IN CENTRAL AMERICA

- 1. I INVITED SENATOR STONE (AMBASSADOR-AT-LARGE) TO LUNCH TODAY AND HAD AN INFORMAL DISCUSSION WITH HIM ABOUT HIS ROLE, HIS VIEW OF THE PROSPECTS IN EL SALVADOR, AND HIS IDEAS ON BELIZE/GUATEMALA. HE IS CLEARLY MORE OF A PUBLIC RELATIONS MAN THAN A POLICY-MAKER BUT THIS IS NOT GOING TO PREVENT HIM FROM PUSHING OUT A LOT OF IDEAS. UNTIL MOTLEY (SUCCESSOR TO ENDERS) IS CONFIRMED, IT LOOKS AS THOUGH STONE WILL BE THE PRINCIPAL SPOKESMAN UNDER SHULTZ FOR US POLICY IN THE AREA.
- 2. STONE SAW HIS ROLE IN THREE PARTS. A THIRD OF HIS TIME WOULD BE DEVOTED TO CONGRESS. ANOTHER THIRD WOULD GO ON INTERNATIONAL RELATIONS. THE REMAINING THIRD WOULD BE DEVOTED TO US INTERESTS. HE SAID HE HAS SPENT A GREAT DEAL OF HIS TIME SINCE HIS RETURN FROM CENTRAL AMERICA ON THE HILL, PARTICULARLY WITH THE HOUSE OF REPRESENTATIVES WHO WERE LIKELY TO BE MORE DIFFICULT THAN THE SENATE. HE STRESSED THE GROWING IMPORTANCE OF THE HISPANIC VOTE IN THE UNITED STATES, WHICH WOULD SOON OVERTAKE THE BLACK MINORITY. THE HISPANIC COMMUNITY IN DIFFERENT STATES CAME FROM DIFFERENT AREAS (PREDOMINANTLY CUBAN IN FLORIDA, AND PREDOMINANTLY MEXICAN IN THE SOUTH-WESTERN STATES). THIS GAVE THEM DIFFERENT OUTLOOKS AND MADE THE PROBLEM OF HANDLING THEM EVEN MORE COMPLEX.
- 3. STONE SAID HE WOULD BE GIVING AN IMPORTANT POLITICAL SPEECH IN DETROIT NEXT WEEKEND ABOUT THE ADMINISTRATION'S POLICY IN CENTRAL AMERICA. WHEN I ASKED WHY DETROIT, STONE SAID THAT THIS WAS A DECISION BY THE WHITE HOUSE. JUDGE CLARK HAD BEEN TAKING A CLOSE INTEREST IN CENTRAL AMERICAN AFFAIRS EVER SINCE HIS TIME AS DEPUTY SECRETARY OF STATE. THE PRESIDENT HIMSELF ALSO TOOK A DIRECT INTEREST. STONE HAD NOT YET BEEN ABLE TO GET A TEXT FROM THE WHITE HOUSE OF WHAT THEY WANTED HIM TO SAY. THE OBJECTIVE OF THE SPEECH, HOWEVER, WOULD BE TO TRY TO GET THE US/HISPANIC COMMUNITY TO SUPPORT THE ADMINISTRATION'S POLICIES IN THE AREA. FROM THE WAY HE SPOKE, STONE CLEARLY DID NOT THINK THIS WOULD BE EASY. HE CLAIMED THAT HE WOULD HIMSELF PREFER TO BE TAKING A LOWER PROFILE.

CONFIDENTIAL

4. ON EL SALVADOR, STONE SPOKE MOSTLY ABOUT THE ELECTORAL PROSPECTS. HE DIFFERENTIATED BETWEEN THE PRESIDENTIAL, MUNICIPAL AND PARLIAMENTARY ELECTIONS. THE GUERRILLAS HAD NO CHANCE AT ALL OF GETTING A PRESIDENT ELECTED WHOM THEY WOULD WANT TO SUPPORT

OF GETTING A PRESIDENT ELECTED WHOM THEY WOULD WANT TO SUPPORT AND HE THEREFORE DOUBTED IF THEY COULD BE DRAWN INTO THOSE.

BUT THEY WOULD STAND A BETTER CHANCE IN THE MUNICIPAL AND PARLIAMENTARY ELECTIONS, WHICH WOULD BE SPREAD OVER THE NEXT TWO YEARS. HE INDICATED THAT HE THOUGHT THAT THERE WOULD BE A BETTER CHANCE OF ASSOCIATING THEM WITH THE MUNICIPAL AND PARLIAMENTARY ELECTIONS. STONE WAS NOT PREPARED AT THIS STAGE TO BE DRAWN ON THE POSSIBILITY OF TALKS WITH THE GUERRILLAS.

5. ON BELIZE, WE WENT OVER THE NOW FAMILIAR GROUND ABOUT THE POSSIBILITY OF ESTABLISHING A TRAINING PRESENCE IN BELIZE TO SERVE AS SOME KIND OF DETERRENT AFTER THE WITHDRAWAL OF THE BRITISH GARRISON. STONE HAD REGISTERED THE POINT THAT AS LONG AS PRICE WAS CONFIDENT THAT THE BRITISH DID NOT WITHDRAW, THERE WAS LITTLE REASON FOR HIM TO MAKE ANY MOVE TOWARDS A SETTLEMENT WITH GUATEMALA. HE ADDED THE GUATEMALANS TOO HAD AN INTEREST IN RETAINING THE BRITISH GARRISON SINCE IT PERFORMED A POLICING FUNCTION ALONG THE BELIZEAN BORDER, PREVENTING IT FROM BECOMING A SUPPLY ROUTE FOR GUATEMALAN REBELS. NEVERTHELESS, STONE RECOGNISED THE LOGIC OF OUR ARGUMENTS IN FAVOUR OF WITHDRAWAL AND SEEMED GENUINELY INTERESTED IN FINDING A WAY OF ENABLING US TO GO WITHOUT LEAVING A STATE OF INSTABILITY BEHIND. HE CLAIMED THAT HE AND IKLE HAD THOUGHT OF THIS IDEA INDEPENDENTLY BUT WERE PURSUING IT IN PARALLEL.

6. I TOLD STONE THAT WE WOULD BE INTERESTED IN EXPLORING SUCH
POSSIBILITIES WITH THE AMERICANS, WITHOUG COMMITMENT. I MADE IT
CLEAR THAT OUR IMPERATIVE WAS TO REMOVE BRITISH COMBAT TROOPS.
A TRAINING FACILITY WOULD NOT PROVIDE QUITE THE SAME DETERRENT
EFFECT BUT THIS COULD BE ENHANCED IF THE FACILITY WERE INTERNATIONAL.
STONE CONCLUDED WITH THIS THOUGHT THAT THE IMPORTANT THING
WAS TO START A PROCESS OF TRANSITION. INITIALLY THE AIM WOULD BE
TO GIVE THE BRITISH AN ACCEPTABLE WAY OUT. ULTIMATELY, WHEN THE
SITUATION HAD EVOLVED A GOOD DEAL FURTHER THE AMERICANS THEMSELVES
MIGHT BE INTERESTED IN ESTABLISHING A BASE THERE. I MADE NO
COMMENT ON THIS UNLIKELY PROSPECT.
7. PLEASE SEE MIFT.

FCO PASS SAVING TO BIS GUATEMALA CITY

WRIGHT

[COPIES SENT TO NO 10 DOWNING STREET]

CENTRAL AMERICA COPIES TO ASSESSMENTS STAFF LIMITED CABINET OFFICE MCAD PLANNING STAFF RESEARCH D NAD UND PS DEF D PS/LADY YOUNG EESD . PS/MR WHITNEY S AM D PS/PUS SIR J BULLARD WIAD

FID MR GIFFARD
FUSD MR WRIGHT
ECD (E) MR URE
NEWS D LORD N GORDON LI

LOED IN GORDON LENNOX
MR GILLMORE CONFIDENTIAL