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TELEGRAM NUMBER 13 OF 11 JANUARY 1985

INFO TEGUCIGALPA, WASHINGTON, MEXICO CITY, PANAMA CITY, BHS GUATEMALA, BOGOTA, CARACAS, HAVANA, MOSCOW, UKMIS NEW YORK, UKDEL NATO

NICARAGUA: INAUGURATION OF DANIEL ORTEGA AS PRESIDENT

SUMMARY

1. DANIEL ORTEGA WAS DULY SWORN IN AT A RELATIVELY SUBDUED CEREMONY ATTENDED BY FIDEL CASTRO BUT NOT MANY OTHERS OF STATURE. ORTEGA DELIVERED A MODERATE AND CONCILIATORY SPEECH.

DETAIL

2. AT HIS INAUGURATION (WHICH HE ATTENDED AS BRITISH DELEGATE) DANIEL ORTEGA MADE A CONCILIATORY SPEECH MUCH OF WHICH WAS DEVOTED TO FOREIGN RELATIONS. HE REAFFIRMED COMMITMENT TO PRINCIPLES OF PLURALISM, MIXED ECONOMY AND NON-ALIGNMENT, DECLARING ALSO THAT HE WOULD STRIVE TO REPRESENT ALL OF THE NICARAGUANS, NOT JUST THE SANDINISTA FRONT. HIS REFERENCES TO THE UNITED STATES WERE RELATIVELY RESTRAINED AND HE DESCRIBED THE MANZANILLO TALKS AS A "MAGNIFICENT OPPORTUNITY". HE ALSO SPOKE APPROVINGLY OF CONTADORA AND OF THE DIALOGUE IN EL SALVADOR.

3. THE ONLY NOVEL POINT WAS THE OFFER BY ORTEGA OF A TYPE OF AMNESTY TO THOSE FIGHTING AGAINST HIS REGIME. HE SAID THE GOVERNMENT WAS READY TO ACCEPT THEM BACK IF THEY FIRST HANDED OVER THEIR ARMS TO THE HONDURAN OR COSTA RICAN AUTHORITIES, IN COOPERATION WITH THE INTERNATIONAL RED CROSS. IT SEEMS IN FACT DOUBTFUL WHETHER THIS WILL HAVE VERY MUCH PRACTICAL EFFECT SINCE MOST CONTRAS ALREADY HAVE THE OPPORTUNITY TO EXPLOIT THE EXISTING GENERAL AMNESTY (ONLY CERTAIN CONTRA LEADERS ARE EXCLUDED UNDER IT). BUT ORTEGA NO DOUBT HOPED THAT HIS WORDS WOULD HAVE AT LEAST SOME PSYCHOLOGICAL IMPACT, AND HE MAY DERIVE ENCOURAGEMENT FROM THE RECENT SIGNS OF A LESS PLIANT HONDURAN ATTITUDE TOWARDS THE CONTRAS.

4. ORTEGA RECOGNISED THE SERIOUSNESS OF THE COUNTRY'S ECONOMIC CRISIS, AND ACKNOWLEDGED THAT THERE WAS NO SHORT TERM SOLUTION. HE DECLARED THAT THE PRIVATE SECTOR STILL REPRESENTED OVER HALF OF THE PRODUCTIVE ECONOMY AND THAT THE GOVERNMENT DID NOT INTEND TO CHANGE THE BALANCE.

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15

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5. THE MOST NEWSWORTHY ASPECT OF THE OCCASION WAS THE UNHERALDED ATTENDANCE OF FIDEL CASTRO. BUT THE GENERAL LEVEL OF ATTENDANCE WAS NOT PARTICULARLY IMPRESSIVE: APART FROM CONTADORA AND SOME LATIN AMERICAN MINISTERIAL DELEGATIONS (PLUS SWEDISH AND FRENCH MINISTERS FROM WESTERN EUROPE) THE HIGH LEVEL REPRESENTATIVES WERE LARGELY FROM COMMUNIST STATES. NONE OF THE CENTRAL AMERICAN STATES SENT DELEGATES APART FROM GUATEMALA - THEIR AMBASSADOR - AND BELIZE. IT WAS EXPECTED THAT THE UNITED STATES WOULD BE REPRESENTED BY AMBASSADOR BERGOLD, BUT NONE OF US WAS ABLE TO SPOT HIM. PROMINENT AMONG THE NON-GOVERNMENTAL GUESTS WAS MR NEIL KINNOCK.

6. THE ATMOSPHERE WAS RESTRAINED WITH THE PUBLIC REACTION LESS ENTHUSIASTIC THAN SOME EXPECTED. BISHOP PABLO VEGA WAS PERMITTED TO MAKE AN ADDRESS ON BEHALF OF THE CHURCH WHOSE IMPLIED CRITICISM HAD A RATHER SOBERING EFFECT AND PROMPTED CASTRO TO ENGAGE THE BISHOP IN PROLONGED CONVERSATION.

SUMMERSCALE

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(Repetition to BIS GUATEMALA
referred for departmental decision,
repeated as requested to other posts.)

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2

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