Foreign and Commonwealth Office

Million & ATC

London SWIA 2AH

15 February 1982

A-a.

William 15

Dear John,

El Salvador

Thank you for your letter of 11 February asking for an assessment of the situation in El Salvador, the attitude of others and British policy; and a rather more detailed line for handling public criticism of our policy. I enclose a background paper on El Salvador and a defensive line to take in two parts, one covering human rights and the second covering British assistance.

Lord Carrington has <u>not</u> seen this material but Mr Luce has commented that the <u>three main points which we</u> should seek to get across in countering criticism of our policy are the following:

- (i) We deplore violence on both sides and have condemned it.
- (ii) The best step towards removing this violence is through democratic elections.
- (iii) We have been helping on the humanitarian side (£200,000 bilaterally, 20% share of European aid on £1.6 million).

Your ever

(J E Holmes) Private Secretary

A J Coles Esq 10 Downing St

CONFIDENTIAL

EL SALVADOR

BACKGROUND

- 1. El Salvador is a violent country. Five years ago, homicide was the second most frequent cause of death. Virtually since 1932 when the military put down a popular movement with over 30,000 deaths, El Salvador has been under military government. Power and wealth lay with the privileged few (the oligarchy or so-called 14 families).
- 2. In 1972 Jose Napoleon Duarte, a Christian Democrat, was elected President, with the present leader of the exiled democratic front (FDR) Guillermo Ungo, as his running mate. The military frustrated the election result, tortured Duarte and sent him into exile. In October 1979 the military government was overthrown in a bloodless coup but the junta which assumed power and contained Christian Democrats and military moderates lasted only 4 months. The defection of moderates from the revolutionary junta in December 1979 was a response to the entrenched right-wing extremism of the army. Duarte was brought in later as President but although his Christian Democrat credentials were excellent, he was from the beginning only imperfectly in control of the military.

PRESENT POLITICAL LINE UP

- 3. Duarte is a left of centre reformist President. Two members of his 4-man junta have similar credentials. The other is a General who does not. The moderate voice in the army is ineffective, its most prominent advocate (Col Majano) having gone into voluntary exile.
- 4. On the left at least 5 terrorist organisations active in El Salvador throughout the 70s have coalesced to form the FMLN (Farabundo Marti Liberation Front). The Front has a military

CONFIDENTIAL

command (DRU) under which up to 8,000 guerrillas are fighting in El Salvador (total population 4 million). Press reports claim that up to one-third of the country is under guerrilla control. The FMLN is in alliance with the FDR (Democratic Revolutionary Front) whose leadership is in exile in Mexico City. Led by Ungo, the FDR includes many respected Christian Democrats whose claim to a representative role in Salvadorean politics is good.

5. To the right of Duarte there are 5 political parties of varying degrees of extremism. From their ranks and from the ultra-right members of the military and the other security forces (Treasury Police) come the members of the unofficial death squads. Their activities since October 1979 have undoubtedly been responsible for assassinations and atrocities on a massive scale.

THE PRESENT SITUATION

- 6. Duarte has been trying for a year to assert his control over extremists on both wings. He has had little success. He admits his failure to control the well publicised excesses of the right. He claims, probably with some justification, that there has been some improvement. The international press give a contrary impression. Guerrilla organisations with their terrorist origins do not hesitate to use intimidation, torture and summary execution. They are, however, well aware of the importance of propaganda and their public image and have succeeded in presenting themselves as a popular liberation movement.
- 7. The military situation was until the beginning of this year at stalemate. The army had been able to hold the guerrillas in check but inflict little damage to their operational capability. The guerrillas for their part had not succeeded in sparking a popular uprising. The mass of people appeared to be politically apathetic and interested only in an end to the fighting.

CONFIDENTIAL

8. In January the guerrillas scored a number of crucial successes, the biggest of which was the destruction in one attack of a significant number of aircraft. The resultant lack of reinforcement capability and mobility appears to have made the position of the army much more vulnerable. A US decision to provide \$55 million of immediate military aid will at best do no more than make up the loss suffered.

DUARTE'S POLICY

- 9. He is a reformist President. He has maintained a programme of sweeping land reform, involving the confiscation of large estates and setting up peasant collectives. The aim of these reforms is laudable but achievement is patchy. Reform of the fiscal system has also been undertaken. His detractors claim that these reforms are cosmetic. They have probably earned Duarte a good deal of recrimination from the right.
- He seeks to legitimise his government by holding early elections (28 March) recognising that these will not be fully representative and will be held in adverse conditions. calculates that even partially successful elections will add to his government's stature and credibility and weaken the position of the extremists on both flanks. Even though the FDR/FMLN have refused to participate, it is possible that a high turnout of positive voters for Duarte could undermine the claims of the left to have sweeping popular support. But this would only be so if the elections were free of malpractice and intimidation. Electoral history in El Salvador is the reverse of reassuring. Conditions for the elections will be about as bad as they could be given the guerrillas' declared determination to disrupt the electoral process at all costs. They have already threatened candidates with assassination. At least one right-wing candidate has already been killed.

CONFIDENTIAL

THE INTERNATIONAL LINE UP

- 11. Other Central American countries, with the exception of Nicaragua, are in favour of the elections. Costa Rica and Honduras in particular are urging the international community to send observers as Duarte has requested. Mexico is hostile to Duarte and believes that only through recognising the FMLN/FDR alliance and entering into negotiations can a solution be found. The junta have refused to contemplate negotiations for which preconditions have hitherto been demanded by the FDR/FMLN. The rest of Latin America is probably privately in support of Duarte but publicly there have been few unambiguous expressions of support for his policies. Some but not all Latin American countries are sending observers to the elections.
- 12. The OAS in a resolution at St Lucia in December came out strongly in favour of Duarte's policies and against outside intervention in El Salvador.
- 13. Cuba, whose role in unifying the factions of the FMLN was probably crucial, strongly supports the revolutionary alliance, probably provides practical assistance and training but is not believed to have personnel in El Salvador.

EC MEMBER STATES

14. All have difficulty in monitoring events. Only the Italians have a permanent Ambassador in San Salvador. There is mounting demand from outraged public opinion in Europe for decisive condemnation of Duarte and the junta. The most critical in their public statements have so far been France and the Netherlands, with Denmark, Ireland and Greece now a close second. France participated in August 1981 with Mexico in a declaration which acknowledged the FMLN/FDR as a representative political force.



- 15. Belgium, Italy and the FRG, with their strong Catholic influence, have open minds about the attempts of the junta to bring violence under control. They all support the objectives of what is in theory a left of centre reforming government. They, too, are under pressure from public opinion to distance themselves from Duarte.
- 16. Denmark and Greece have refused to send observers to the elections. France, the Netherlands and Ireland were not invited. FRG, Belgium, Italy Luxembourg and the UK have yet to announce a decision.

US POLICY

- 17. The US sees developments in El Salvador as Cuba inspired, and a direct consequence of the replacement in Nicaragua of the dictator Somoza by a revolutionary government of the left.

 Washington is convinced that Nicaragua has given active assistance to the guerrillas and is still doing so on a large scale. Cuban involvement with military supplies, training, and other forms of support is believed in Washington to be beyond doubt.
- 18. The US therefore view events in El Salvador in East-West terms. They consider that, despite his difficulties with the military and with extremists of the right, Duarte is the best chance in the long term for moderate democracy in El Salvador. They have supported him with \$104 million of economic aid last year and \$36 million of military aid, to which must be added a further \$55 m just agreed. There are currently some 50 military advisers in El Salvador. They have no combat role.
- 19. President Reagan has refuted charges that the US is preparing for the involvement of combat troops. He has also denied that the US is preparing military action against Nicaragua or Cuba, though Secretary Haig has publicly stated that the problem of El Salvador must be dealt with 'at source'. The

8

Administration has in effect kept its options open.

- 20. The Administration's policy towards Central America and the Caribbean has been dictated by what it sees as a new phase of aggressive expansion of Cuban influence which began with the Sandinista struggle against Somoza in Nicaragua. The US has pursued uncompromising policies towards Grenada and latterly Nicaragua, continuing its restrictive measures against Cuba. The US recognises the contribution to instability in the region which is made by social injustice and economic hardship. In an attempt to deal with this, the US has launched a Caribbean Basin Initiative with the support of Canada, Mexico and Venezuela, the details of which are about to be announced. These will include increased aid as well as trade and investment opportunities for countries of the region.
- 21. The Administration has come under growing criticism in Congress for its refusal to withhold assistance from the Duarte Government in El Salvador, and for its increased military aid.

 There are fears of a second Vietnam. Even so, the Administration has been critical of the human rights record of the Salvadorean Government and authorities (atrociously bad, as is that of neighbouring Guatemala where a US backed military regime also faces growing insurgency.) Overriding in American assessments is the strategic importance of Central America as an area in which potential Cuban and Soviet influence could spread, ultimately threatening the long border between Mexico and the US.

UK INTERESTS

22. Britain has few historical links with El Salvador.
Trade is dwindling and there are few remaining investments of significance. The resident British community is small (probably less than 100) and also dwindling.

- 23. Our current interest in El Salvador is thus essentially political:
 - a) To support US policy because we share US fears of growing instability and communist infiltration in Central America (which could also have repercussions for Belize).
 - b) Washington are making support for their stand in El Salvador a test of transatlantic solidarity. We have had to disappoint the US on other requests for help in the region.
- 24. We have to recognise widespread and growing public revulsion at highly publicised reports of bloodshed and intimidation. We have condemned these in international fora as well as in Parliament and will continue to do so.
- 25. We are trying to improve our own independent sources of information. HM Ambassador in Tegucigalpa has just taken over responsibility for El Salvador. (HM Ambassador in San Jose has been acredited to El Salvador since the resident Mission was closed there in February 1980.) HM Ambassador in San Jose will have more time to devote to Nicaragua.
- 26. The human rights situation in El Salvador is undoubtedly bad. But much media reporting is biased and anti-America. Because of this, indignation in this country is leading to demands for us to distance ourselves from US policy.
- 27. Wider considerations suggest that declining to send observers would not be the best way of doing this; it would both disappoint the US government and destroy any basis for further representations to them (our thinking on this was set out in PS letter to No 10 of 11 February.)

Mexico & Central America Dept 15 February 1982 CONFIDENTIAL