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10 DOWNING STREET

From the Private Secretary

21 July 1984

EL SALVADOR

I have written to you separately recording the Prime Minister's conversation with President Duarte. There are a number of points which require to be followed up.

The Prime Minister would like to know whether we can meet President Duarte's request for scholarships for El Salvadorian officers to attend Staff College in the United Kingdom. She hopes that we can offer some assistance in this area.

The Prime Minister would also like some research done to track down the reported statement by Ortega about the Nicaraguan elections. My recollection is that President Duarte said that Ortega had made the statement in Baden-Baden about a week ago. The Prime Minister would also like to have a note on concrete evidence available to us, much of it no doubt from American sources, of Nicaraguan assistance to Left-wing guerrillas in El Salvador.

BF | The Prime Minister is concerned that, despite their friendly talk, President Duarte has departed the United Kingdom much disappointed with the absence of any offer of aid. She has discussed this with Sir Geoffrey Howe. The Prime Minister suggested that we should consider whether it was right to go on blocking a Community initiative on aid to Central America, but made clear that her strong preference was to do something for El Salvador bilaterally. She was inclined to think that a small amount of our aid programme would be better employed supporting President Duarte in his struggle to establish democracy rather than being lavished upon India. She was not suggesting a programme for the whole of Central America but one specifically for El Salvador. Sir Geoffrey Howe said that he shared the Prime Minister's preference for something in the bilateral field. He thought that we might have some small room for manoeuvre. He would look into it. I should be grateful if you could let me know fairly rapidly the outcome of this reflection.

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If we are able to make a modest offer of help, the Prime Minister would like to write to President Duarte to tell him this as a follow-up to their talk.

I am sending copies of this letter to David Peretz (HM Treasury), Callum McCarthy (Department of Trade and Industry), Richard Mottram (Ministry of Defence) and Michael McCulloch (Overseas Development Administration).

MR. C. D. POWELL

Peter Ricketts, Esq.,
Foreign and Commonwealth Office.

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