MEETING WITH THE PRESIDENT OF EL SALVADOR

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You are to see President Cristiani of El Salvador on Tuesday. The meeting is likely to be controversial, for the reasons set out in the FCO letter in the folder. The left in Europe pillory him, because some years ago his party was implicated with rightwing death squads. In fact he is - by all accounts - an enlightened and progressive businessman. The violence is coming not from his side but from the FMLN guerillas supported by Cuba and Nicaragua. But such is the power of the lie (and the feebleness of some of your European colleagues) that virtually no other European Head of Government has agreed to see him. The Labour Party will certainly kick up a fuss and there will be demonstrations.

The points to raise with him are:

- the prospects for peace negotiations with the FMLN. The guerillas have lost support inside El Salvador, and talks with the Government started in Mexico some ten days ago. They seem to be going well.
- his programme of economic reform, which is largely Thatcherite.
- his difficulties with the collapse of coffee prices following the failure of negotiations for a new International Coffee Agreement. There is not much we can do to help: and we believe that in the long term a free market will be better for the producers.
- his wish for aid. We are giving only £300,000 (for scholarships) and ODA/FCO do not want to do more, regarding El Salvador as an American problem.
- his anti-terrorism legislation. This is too draconian and risks getting him an unnecessarily bad name for over-riding