

MEETING RECORD

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10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

26 September 1989

PRIME MINISTER'S MEETING WITH THE PRESIDENT OF EL SALVADOR

The Prime Minister had a talk this morning with the President of El Salvador. President Cristiani was accompanied by his Foreign Minister and the Salvadorean Ambassador.

The Prime Minister congratulated President Cristiani on his election and on the start he had made in solving El Salvador's problems. She had discussed Central American problems with Vice President Quayle at the Party Leaders meeting of the International Democratic Union in Tokyo. He had said that the quantities of arms reaching both Nicaragua and the FMLN guerillas in El Salvador were greater than a year ago. This was a sobering reminder of the extent to which the Soviet Union continued to support subversion in far-off parts of the world.

President Cristiani confirmed this report. The fault lay mostly with Cuba which was providing arms to the FMLN guerillas through Nicaragua. Even President Ortega now admitted this. However, there was increasing pressure on the FMLN to negotiate and a first meeting had taken place in Mexico which would be followed up by further negotiations in October. In reply to the Prime Minister's question about the source of the pressure on the FMLN, President Cristiani said that it stemmed mostly from general international support for the Central American peace plan. Moreover, the guerillas knew that they could not win militarily, and their numbers were decreasing. It seemed that the political wing of the movement was ready to re-engage itself in the political process.

The Prime Minister expressed reservations about whether it was right to negotiate with terrorists at all. President Cristiani said hastily that he was not negotiating on their terms but simply, from a humanitarian point of view, offering them a bridge back into the democratic process. He absolutely agreed with the Prime Minister that they must not be allowed to call into question El Salvador's existing Constitution.

The Prime Minister said that President Cristiani had been democratically elected and she had wanted to show by her meeting with him that Britain was on the side of genuine democracy in Central America. She had no faith in democracy in Nicaragua, despite the promises made by President Ortega. She asked which other leaders President Cristiani would be meeting during his visit to Europe. President Cristiani said that he would be seeing the Pope but no-one else. He would go to New York to address the United Nations next week and might return to Europe next year. The Prime Minister said she thought it disgraceful that other Heads of Government were not seeing him.

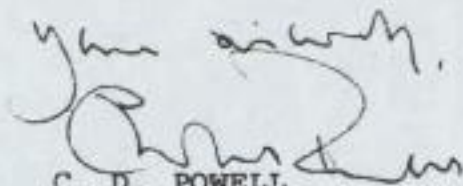
The Prime Minister asked about President Cristiani's economic programme. The President said there was an unfortunate background. Previous governments had thought nothing could be done while the conflict with the FMLN was going on. There was also a strong state sector, covering some 60 per cent of the economy. His government were pushing ahead with privatisation and had been seeking advice in the United Kingdom. Exports remained weak, with particular problems for coffee and sugar. It had to be remembered that some 70 per cent of El Salvador's GNP was derived from agriculture. He was implementing a substantial programme of land reform, issuing some 11,000 titles over the last three months. He thought that the economy was now starting to move ahead, but the need to finance substantial armed forces was a heavy burden.

The Prime Minister asked about the judicial system. President Cristiani said that it did not work well because of intimidation and bribery. But the Government had agreed to a substantial increase of funds for the judiciary, to enable those most at risk to be protected.

President Cristiani referred to the success of the FMLN in attracting funds and support from overseas through various solidarity organisations. He had discovered that FMLN's 'diplomatic service' was three times as large as that of the Government. The Prime Minister said that it was important for the new Government to do everything possible to get its message across. The President's speech to the United Nations would be important in this respect. She wished to reiterate our support for democracy in El Salvador.

The President did not raise either aid or the International Coffee Agreement. Generally, he came across as a quiet, sensible and thoughtful man, with a clear idea of where he is going.

I am copying this letter to Brian Hawtin (Ministry of Defence) and Trevor Woolley (Cabinet Office).

Your sincerely,

C. D. POWELL

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