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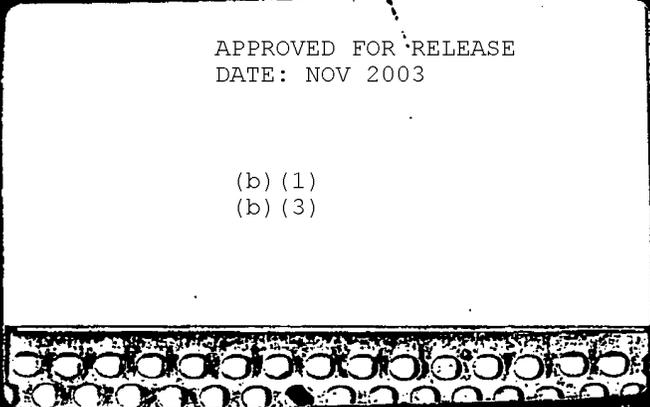


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APPROVED FOR RELEASE
DATE: NOV 2003

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CENTRAL AMERICAN PEACE PLAN
WEEKLY UPDATE



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Central Intelligence Agency



Washington, D.C. 20505

DIRECTORATE OF INTELLIGENCE

CENTRAL AMERICAN PEACE PLAN WEEKLY UPDATE

3 March 1988

This weekly Situation Report is prepared by the [redacted] Office of African and Latin American Analysis. This paper was coordinated with the Directorate of Operations. Comments and queries are welcome and may be directed to the Chief, [redacted]

[redacted] ALA, [redacted]

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Perspective: Obando Turning Up the Heat on Managua

Nicaraguan cease-fire mediator Cardinal Obando, eager to press the Sandinistas to discuss political issues with the rebels, abruptly cut short the second round of direct negotiations last month--probably in order to put Managua on the defensive. Obando suspended the talks when Nicaragua did not quickly endorse his proposal for an immediate 30-day truce, a general amnesty, full freedom of the press, and a revision of forced military conscription. []

The Sandinistas initially agreed to discuss Obando's proposal, but have since hardened their negotiating position. Managua said it would resume negotiations on 9 March and has named a prominent military official to head the government's negotiating team. Ortega also sharply criticized Obando for cutting off the talks and said the Sandinistas will only address an earlier proposal by the Cardinal which focuses solely on technical arrangements for a cease-fire. On 26 February, Ortega announced that Nicaragua had no obligation under the Central American peace plan to discuss political issues with the insurgents. []

Obando publicly said that Ortega's refusal to address political issues was "a backward movement," but he has set 10 March as the date for new talks. The Cardinal was planning to convene the Bishop's Conference to reassess his role as mediator, perhaps hoping that by openly reconsidering his continued mediation he would pressure the Sandinistas to address political issues in order to keep the talks alive. Nevertheless, [] Obando is unlikely to step down soon. Obando's recent decision to reactivate the National Reconciliation Commission may be designed to provide him with an alternative platform to criticize the regime directly. []

Democratization

- Nicaraguan security officials threatened to jail leaders of the opposition Democratic Coordinator in Masaya if they hold a demonstration planned for 6 March [redacted]. In a separate incident, Sandinista police questioned three news reporters for La Prensa and Radio Corporacion and warned them they were being watched. [redacted]
- Nicaraguan security personnel assaulted and harassed two US Embassy officials during a pro-government rally in Managua on 26 February. The Nicaraguan Ambassador to the US said the attack was not officially sanctioned and promised to investigate the incident. [redacted]
- Five Nicaraguan opposition members acquitted last month of bombings in Jinotega were held for 15 days after the verdict. The five were released with the help of the International Red Cross [redacted]
- Nicaragua abolished the Ministry of Justice on 1 March and transferred prosecutorial functions to a newly created office of General Prosecutor. [redacted] the reorganization gives the Ministry of Interior greater authority and may provide police a role in prosecuting crimes against public order. [redacted]

Cease-Fire/Amnesty

- Nicaraguan President Ortega agreed to Cardinal Obando's invitation to resume cease-fire negotiations with the rebels on 10 March in Guatemala, but Ortega said the Sandinista delegation would only discuss technical issues involving relocation zones, resupply arrangements, and verification. [redacted]
- On 24 February Guatemalan rebels accepted an offer made by the Catholic Church in January to broker talks with the government. The guerrilla communique probably was timed to embarrass the President Cerezo before the Central American-EC meeting this week. Cerezo agreed last October that talks could take place under the auspices of the National Reconciliation Commission but most likely will to his position that the rebels disarm and amnesty as a prerequisite. [redacted]

[redacted]

National Reconciliation

-- Nothing to report. [redacted]

International Verification

-- Nothing to report. [redacted]

Aid to Insurgents

-- Guatemalan President Cerezo told associates that he and Costa Rican President Arias agreed [redacted] that the anti-Sandinista insurgents should continue to receive humanitarian aid, [redacted]

[redacted]

Other Developments

-- Costa Rican President Arias [redacted] believed the peace process had stagnated, [redacted]

[redacted] Arias was disappointed with the results of the recent Central American foreign ministers meeting and believed a climate more conducive to cease-fires and dialogue in the region could be fostered by giving West European countries a verification role. [redacted]

-- Foreign Ministers of the Contadora mediators and support group, meeting in Cartegena on 25-26 February as the Group of Eight, temporarily suspended Panama's membership in view of its domestic situation. The communique indirectly called on the US not to renew aid to the anti-Sandinista insurgents and reaffirmed the intention of the Contadora countries to participate as mediators in talks on security issues. The Contadora countries emphasized the need for impartial verification procedures, implicitly suggesting that they continue to offer assistance in that area. [redacted]

-- The meeting of Central American, EC, and Contadora foreign ministers this week appeared to give more importance to political than economic topics. The

political declaration reaffirmed the results of the Central American summit in January and recorded West European offers to assist with verification and setting up the Central American Parliament. The joint economic communique did not promise significant new resources to the region but indicated that the West Europeans would take into account Central American interests on trade, debt, and energy cooperation. []

- On 25 February, Honduras privately rejected a Sandinista request to form a bilateral commission to curtail the cross-border movement of Nicaraguan rebels [] The Honduran Foreign Minister dismissed the offer as "grandstanding," but he reiterated Tegucigalpa's interest in a multilateral commission and planned to discuss the issue with Nicaraguan officials at the EC-Central American meeting this week. []
- On 26 February, Nicaraguan Foreign Minister D'Escoto met with Soviet Foreign Minister Shevardnadze in Moscow to discuss the Central American peace plan, according to press reports. D'Escoto stopped in Moscow before proceeding to the EC-Central Americas meeting in West Germany. []
- Almost 1000 Nicaraguan auto mechanics went on strike in Managua last week to protest their new fixed salaries under the government wage scale [] [] Mechanics were previously paid on commission. The Socialist construction workers union has closed several building sites in Managua to protest the government decision to reduce the pay of construction workers. []
- About 2000 striking restaurant workers in Managua went back to work on 25 February after four union leaders were detained, pro-Sandinista mobs threatened the strikers, and the government agreed to consider reinstating the mandatory 10 percent tip on customer checks. []