

APPROVED FOR RELEASE: 2007/02/08: CIA-RDP82-00850R000300040030-1

17

1980

1 OF 1

APPROVED FOR RELEASE: 2007/02/08: CIA-RDP82-00850R000300040030-1

FOR OFFICIAL USE ONLY

JPRS L/9350

17 October 1980

# Latin America Report

(FOUO 19/80)

**FBIS**

FOREIGN BROADCAST INFORMATION SERVICE

FOR OFFICIAL USE ONLY

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [ ] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

For further information on report content  
call (703) 351-2643.

COPYRIGHT LAWS AND REGULATIONS GOVERNING OWNERSHIP OF  
MATERIALS REPRODUCED HEREIN REQUIRE THAT DISSEMINATION  
OF THIS PUBLICATION BE RESTRICTED FOR OFFICIAL USE ONLY.

FOR OFFICIAL USE ONLY

JPRS L/9350

17 October 1980

## LATIN AMERICA REPORT

(FOUO 19/80)

### CONTENTS

#### ARGENTINA

- USSR, U.S. Policies Toward L.A. Termed Contradictory  
(Sergio Ceron; LA OPINION, 21 Sep 80) ..... 1
- Columnist Defines Strategy of Reorganization Process  
(Eduardo J. Paredes; LA OPINION, 14 Sep 80) ..... 6
- Magazine Reveals Shipment of 40 Antiaircraft Guns  
(Karl Guenther Barth, Peter Hoebel; STERN,  
14 Aug 80) ..... 11

#### EL SALVADOR

- Red Cross Recognizes Virtual State of War  
(PRELA, 13 Sep 80) ..... 13

#### MEXICO

- Briefs  
PCM Leader Shot to Death ..... 15

#### PERU

- PCP Changes Suggested by Conference Implemented  
(PRELA, 4 Sep 80) ..... 16

- a -

[III - LA - 144 FOUO]

FOR OFFICIAL USE ONLY

FOR OFFICIAL USE ONLY

ARGENTINA

USSR, U.S. POLICIES TOWARD L.A. TERMED CONTRADICTORY

Buenos Aires LA OPINION in Spanish 21 Sep 80 p 12

[Article by Sergio Ceron: "U.S. Lends Economic Support to Nicaragua and USSR Approaches Bolivia"]

[Text] "Of most importance for the security of the Western Hemisphere, and therefore for the future of the United States, is U.S. foreign policy with respect to Latin America itself." This sentence comes from Dr Jean Kirkpatrick, Ronald Reagan's adviser on international affairs, and was uttered at a conference held at the office of the Argentine Council for International Relations.

Therefore, it is doubly important. First, because it expresses a line of thought agreeing with that of the Republican candidate for the presidency. Second, and more far-reaching than the success or failure of Reagan's attempt to replace Jimmy Carter in the White House, because it represents a strategic and geopolitical view that appears to be gaining ground in the American intellectual world. Everything seems to indicate that we are confronted with a situation similar to the one existing in Europe, particularly in France, where analyst Raymond Aron symbolically personifies a democratic, intelligent and pragmatic right wing.

Kirkpatrick, a Columbia University political science graduate, pointed out to her audience that, as a result of the "Vietnam trauma," many people have focused their attention on the United States, undergoing minor crises, while of importance for the future of the West is the security of Latin America.

No doubt this new visitor to Buenos Aires, whose presence reveals the significance Argentina is assuming in the eyes of important American representative sectors, agrees with the concept of world strategy that assigns the "three Americas" the fundamental role of bastion of defense for the West, assuming that an improbable but possible war between the superpowers should quickly put Europe out of action, either through military occupation of the latter or — although this would seem to be a fictional possibility — through its voluntary neutralization. In that event, the United States

FOR OFFICIAL USE ONLY

FOR OFFICIAL USE ONLY

would have to fall back on the continent and simultaneously consolidate the sphere of influence represented by a possible Sino-Japanese alliance. In this way, Latin America and the Far East would become the two arms of a pincer movement that would attempt to limit the Soviet Union's ability to expand.

In this scenario, as we have repeatedly pointed out in this column, Argentina would play a triple role: 1. On the strategic front, it would participate in controlling the South Atlantic and the interoceanic sea lanes that pass by Cape Horn and the Cape of Good Hope. 2. On the energy front, it would be a short-term supplier of gas and fuel oil to Uruguay and Brazil, and possibly a median-term supplier of oil to the West, assuming that hydrocarbon deposits are found in the Argentine Basin. 3. On the food front, a supplier of food to its Western allies. Concerning the first point, we must not forget the importance of the transpolar air route across which the union could supply its Eastern allies with highly sophisticated military equipment (missiles, electronic equipment, etc.), making use of its big transport planes over one of the few routes safe from attack from enemy aircraft.

#### Ideology and Security

As did Roger Fontaine, the professor whom many feel to be Reagan's chief foreign policy adviser, before her, Jean Kirkpatrick maintained that Jimmy Carter is convinced that "we are living in a new era of interdependence, due to a technological development that forces us to adopt a new overall approach to communist problems." To a great extent, the thinking of the American representative is only a reflection of the trilateral doctrine that has replaced the doctrine of confrontation with that of economic and technological cooperation with the socialist countries in the conviction that this would, on the one hand, help mutual understanding and a sort of union of interests while, on the other, highlighting the technological supremacy of the West and the communist nations' subordination to it.

This is an essentially ideological approach based on another theoretical assumption: that the doctrine of human rights has given the Western democracies the first ideological weapon they have had since, following World War II, the USSR raised the banner of national liberation struggles in the former European colonies of Africa and Asia.

Up to now, the result of this strategy, nourished by the laborious efforts of progressive intellectuals, has raised no hopes in those sectors most inclined to consider the world crisis from the strategic point of view. They believe it is apparent — and in connection with this we must point out that they often forget China's break [with the USSR] and Anwar al-Sadat's switch to the West — that the Soviet Union has rapidly advanced on the international checkerboard at the expense of the United States. Consequently, security reasons prevail over considerations of an ideological nature. Of course, this is the position traditionally maintained by the Pentagon and by the powerful industrial-military group but, as

FOR OFFICIAL USE ONLY

FOR OFFICIAL USE ONLY

time goes by, it is being adopted by an ever larger number of intellectuals, both in university departments and among those who devote their time to strategic or geopolitical analysis.

So, we have recently seen that, while interpreters of the Carter doctrine have emphasized the need for making Latin America democratic as soon as possible and at any cost, Ronald Reagan's advisers have shown their concern for establishing a sort of "cordon sanitaire," starting with the Southern Cone, to separate their country's "strategic backyard" from the Marxist virus. In the end, both are trying to do battle with the increase in influence Moscow has achieved since that fateful day in 1959 that saw that unknown, romantic and contradictory lawyer, Fidel Castro, come to power in Havana. Received with a hero's laurels by the progressive sectors and the liberal press of the United States, Castro did not wait too long to proclaim to the world his position as a militant Marxist. Even today, people argue over whether he was really a Marxist or whether he felt himself forced to assume that position because of the blindness with which the U.S. Government reacted to a government of advanced ideas but basically representing a sort of leftist nationalism that could be saved for democracy.

#### Sterile Debate

In any case, this is a sterile debate. The reality is that Cuba became a beachhead for Soviet penetration on the continent, the promoter of ultra-leftist subversion in Latin America, and starting with the 1970's the supplier of military forces that made possible Moscow's strategic advance in Africa through an intermediary, without risking a head-on collision with the United States.

In a world marked by paradoxes, we have come up with a really unusual situation. While the Carter administration made efforts to get Congress to approve a \$75-million loan destined to consolidate the Sandinist Liberation Front's Marxist regime in Nicaragua, the USSR has been approaching Gen Luis Garcia Meza's government, isolated by the big Western nations, for the purpose of beefing up the Bolivian economy and acquiring influence in a key geopolitical area. While the Democratic Party has in principle accepted Sen Edward Kennedy's recommendation to temporize with Cuba and Nicaragua and apply pressure on the military regimes of the Southern Cone, Moscow is negotiating a big grain contract with the Argentine Government and offering La Paz the chance to refine its ores and count on having an export market for them.

What difference can we see between the two positions? It is hard for Washington to neutralize militant Marxists in power or lying in wait to seize power. For them there can be no possible deal with the "capitalist bourgeoisie"; it is all or nothing and they will accept nothing less than total power. On the other hand, the USSR has set its sights on exploiting the confrontation between the White House and the military governments of Latin America, attempting to separate the latter from the government that

FOR OFFICIAL USE ONLY

FOR OFFICIAL USE ONLY

ought to be their natural ally. It has two alternative objectives: to maintain friendly relations with the United States and, in the event of a collapse provoked by State Department pressure, to capitalize on the chaos and excesses that usually follow the noisy downfall of a Castro government. On the left or on the right, like all good sleight-of-hand artists, Moscow has an ace up each sleeve.

This crucial situation is coming to a head inasmuch as, through ignorance of the real situation in Latin America, Washington is pressuring for hasty democratization. Elections are not an end in themselves, rather an instrument to serve a nation's full realization, one which in order to be really effective and useful must be applied when the suitably objective conditions exist. Any haste, any imprudent handling of the political timing, can produce catastrophic results, such as what basically happened in Bolivia where a political and social situation was produced which went far beyond what its protagonists wanted. To believe that everything can be reduced to a unilateral decision made by a "reactionary" sector of military leaders is a simplistic and childish attitude. If Bolivian society had been prepared to receive a democracy composed of conventional features inherent in those of the big Western nations, no military sector would have had enough power to omnipotently impose its will on it.

#### Prudence and Flexibility

It is, therefore, imperative for Washington to learn to use prudence and flexibility in its relations with the Latin-American countries, because otherwise, as it applies pressure by "hammering away to democratize" the continent, it will run the risk of instead creating the conditions for a rebirth of subversive activities.

Although it is a simplistic view, some observers feel that Luis Garcia Meza's coup, intellectually inspired by the Republican right, is a sort of counteroffensive of South American militarism against the Democratic administration. And, enlisted in the ranks of the "progressive movement," State Department advisers fear that Buenos Aires may mobilize an attempt to render the brand-new democratic regimes of Peru and Ecuador unstable. The president of Bolivia and some of his collaborators hardly did Argentina a favor in raising the red bullfighter's cloak of a hypothetical "Southern Cone pact" to stir up the Andean Group. Although Garcia Meza's attempt at applying pressure with the threat of withdrawing from that group of countries and joining the one that had presumably been skillfully prepared on the banks of the Plata for the purpose of forcing Venezuela, Colombia, Ecuador and Peru to recognize him was transparent, there were some who really believed in the existence of this southern specter. The Palacio San Martin categorically set matters straight, but we all know that on the slippery turf of diplomacy no one fully believes anyone else. The doubts persist. During his stay in New York, Minister of Foreign Relations Carlos Washington Pastor will probably try to convince people of the transparency of Argentina's attitude in the talks he has announced he will have with other colleagues from the continent.

4

FOR OFFICIAL USE ONLY



FOR OFFICIAL USE ONLY

Meanwhile, it is necessary for us to direct our attention to a resurgence of subversive activity in South America and its transnational effects. There remains little doubt that the assassination of Anastasio Somoza was a service performed by Argentine extremist organizations for the Sandinist movement. A few months ago, the international press published photos of Firmenich and Vaca Narvaja strolling down the streets of Managua. Hardly had he been killed when the Costa Rican Government, traditionally neutral and one which played an important role in the overthrow of Somoza, did not hesitate to affirm that it was the work of Argentine subversive elements. Bolivian sources, on the other hand, published an alleged correspondence between Firmenich and Hernan Siles Zuazo. While the real situation demonstrates how little we can trust these sources, excessively biased and elementary in their tactical proposals, there is no reason to ignore the possibility. A few hours ago, retired Maj Gen Richard Glutterbuck of the British Army maintained that "the ringleaders of the armed leftist groups that were operating in Argentina up until the end of 1978 are now active in Europe and many of them are in Brazil, trying to set up a revolutionary junta."

There are too many voices raised in agreement with this, from other places, for Washington to turn a deaf ear to their warnings. The fate of the continent and of the Western world is at stake.

COPYRIGHT: LA OPINION, 1980

11,466  
CSO: 3010

FOR OFFICIAL USE ONLY

FOR OFFICIAL USE ONLY

ARGENTINA

COLUMNIST DEFINES STRATEGY OF REORGANIZATION PROCESS

Buenos Aires LA OPINION in Spanish 14 Sep 80 p 13

[Article by Eduardo J. Paredes in the column "The Political Scene": "The Strategy Is Not Based on the Discrediting of the Parties"]

[Text] The Chilean people have democratically said "no" to democracy. Gen Luis Garcia Meza, president of Bolivia, told the Argentine magazine SOMOS that there cannot be democracy in his country with 35 percent illiterate and 65 percent of the population lacking in culture, steeped in corruption and ethnically divided. Colonel Gutierrez united the military commands of El Salvador with one slogan: It is impossible to maintain democratic systems if an alliance with Marxism is necessary for so doing. In Colombia, President Turbay Ayala is attempting to arrive at an agreement with the subversives confronted by haughty indifference from the military and labor, seemingly related to the advent of another "Colombian-style pact," this time without Liberals and Conservatives, with populism.

There is a democratic fatigue in Latin America.

And what about at home?

There is fatigue, a general fatigue, both democratic and military. The agreements among politicians are as spent as the agreements between the military and corporations. The mathematics inevitably leads to a new equation: the accord between the military and the politicians, backed by sectorial influence. It may be the only element without signs of fatigue.

The military have one advantage: The fatigue has its days numbered in accordance with their continuance in military activity. There is no personal fatigue. However, they have a disadvantage: The fatigue which does not involve personality nevertheless affects the institutional area. The opposite holds true for the politicians. In the personal realm, there is fatigue caused by waiting, but in the institutional realm the parties freeze and thaw without much internal trauma. The military engage in political action quickly, and end up fatigued, but almost unharmed, while the institution on the other hand runs the risk of suffering a collapse. The politician engages

FOR OFFICIAL USE ONLY

FOR OFFICIAL USE ONLY

in activity with dreadful fatigue, ending up in intensive care; but the party continues to be run by those who are waiting for the attrition of the upper echelons.

This would lead one to believe that, if agreement is reached between the military and the politicians, it will have to be between military without signs of fatigue and politicians without fatigued parties.

The minister of interior, Gen Albano Eduardo Harguindeguy, made the incidental remark that the term of government to begin in 1984 would be led by the military again unless the goals of the national reorganization process were attained in 3 years (something that he considered difficult to achieve), allowing for transition toward democratic stabilization of the institutions.

The fact is that some political leaders react to the vicissitudes of the process with a childishness which, as the saying goes, would be funny if it were not tragic. With innocent assurance, they say that the term from 1981 to 1984 must be the last one wherein the president is elected by the Junta system. It is something like the boy who lends his bicycle to a little friend and says to him: "All right...one more ride around the block, and then return it to me...won't you?" With a blend of impertinence and blindness, they are some who still believe that they are the owners of the bicycle, whereas they ought to admit that it was never theirs, not even outwardly, much less now, when those who are pedaling have met with episodes such as the defeat of subversion, the checking of economic chaos and the social resolution of a mess, accompanied by signs of civil war.

This is why Harguindeguy notes that what is said during the dialog in the office, facing the tape recorder, is one thing, and what the participants usually tell the press is something quite different. In fact, there are very few politicians who acknowledge their lack of forcefulness. And if they had access to the polls taken by the Ministry of Interior, their hair would stand on end. In one of the latest ones, 65 percent of those queried replied that they by no means trust the politicians. That lack of trust may be unfair in part, but it is real. Let the reader use his own family and social group, and take the poll, without forgetting to add the various social strata (service personnel, the janitor, the somewhat deaf retired aunt and the plumber) and he will receive a shock that is no reason for rejoicing among those who trust in democracy.

This column began with the example of Chile, which serves as a counterpart for understanding the matter of the "objectives" of the process. Pinochet, faced with the lack of force among his country's politicians, has legitimized his dictatorship with a plebiscite which has enabled him to expand his unlimited exercise of political power. It is ridiculous to depict the case of Chile as an option between Pinochet and hell. No one calls a plebiscite without the assurance that he will win it, and bringing up the case of De Gaulle is rather valid, because the old French general set up the apparatus so as to win if he was winning and win if he was losing; since, after his decline,

FOR OFFICIAL USE ONLY

FOR OFFICIAL USE ONLY

there emerged Pompidou, Chirac, D'Estaing, Barre and the trick of "ballotage" [second ballot], a means of dooming Francois Mitterrand to being the first one to come in second....

The strategy of the process appears to indicate quite the opposite. The political "objective" is unquestionably to give backing to the structure of an integrated nation and a country organized in the capitalist, liberal manner, so as to build a bridge to a new political leadership that will not have on its shoulders the burden of lack of force. The reader should take note that the handling of government propaganda is based on guidelines of harmony and unity, and not on systematic attack on the parties or politicians. Furthermore, in the audiovisual campaigns against subversion, there is taken from Peron's highly controversial role only his repelling of terrorism, deliberately overlooking the many times when he encouraged it; in what I suspect is a calculated action not to upbraid Peronism in the image of its late leader. Moreover, if certain proceedings were judicially activated, Maria Estela Martinez de Peron might be washing her clothes at the Good Shepherd, instead of resting at the San Vicente estate; another way of respecting a questionable but real former holder of the presidency and the understandable outbursts of Peronist emotion, since Peron's widow is involved. Moreover, the political leaders who attended the dialog, such as Fulbin, Manrique and Matera, are not unknown youths elected by indication, nor did they go to express their opinions to Harguindeguy concerning the political bases with a bouquet of flowers. Furthermore, this journalistic profession, always suspected by sworn followers of government policy of prior censorship and of a heap of nonsense, was what enabled the public to become informed of the problems of Governor Saint Jean over excessive illumination (not of him, of course, but of a section of the route) in the railroad "affair," and the political or union protest revolving about it.

The process is not based on the deterioration of the politicians, but rather on their own accomplishments, and on a patient trend toward assimilating the mistakes. And it is overly generous in allowing a political leader from a party whose latest electoral performance brought results amounting to 8 percent of the total vote to say that everything is a disaster, and us in the newspapers to publish it in small print at the bottom of the page, not out of fear of angering the military, but because of a hint of shame at the constant appearance of genuine dimwits. However, the many unquestionably irreproachable political leaders who voice their criticism from a clearcut standpoint, regardless of whether they are right or not, have in the newspapers the space that they want to argue with Dr Alemann or to engage in any other substitute sport. It may be claimed that this policy does not prevail on the television channels. Up until now, it has been a problem for the state. We shall have to wait for the new law on the subject. But let us agree that television is not generous in giving the politicians a platform, but it does not systematically engage in catapulting the military either. We may say that it is dreadfully bad and politically incompetent as a whole. If Peron were in Videla's place, and with the four channels, the March of the Boys would even be sung by my daughter, Laurita, who is not yet a month old; and instead of a baby's rattle, her gift would be a bass drum....

8

FOR OFFICIAL USE ONLY

FOR OFFICIAL USE ONLY

The politicians cannot complain about the intentions of the process, much less after comparing it with Pinochet's distasteful trick. It is all right for them to criticize the government's measures, because, regardless of how worn out they are, it is their obligation. But if they want to regain the people's confidence, they should begin all their diatribes with a brief reflection of the mistakes that have been made, living under the protection of an elitist, oligarchical and gerontocratic system which left them without a people, without a citizenry. They should at least admit that they often filled a slate of deputies or councilmen with dolts, and that many of their best members were never candidates because they did not kowtow to the leader, or because they had to make way for the one who collected the most signatures.

Not long ago, I wrote that the trick in this process consists of the fact that there is no trick, a comment which I noted to have been copied extensively by Minister Harguindeguy, who should not be worried, because I do not intend to assert economically my unquestionable rights as author. My grandfather, who was a Galician, taught me that one should never bring suit against a Basque, because the trial would prove endless. But, to return to the comment, I am now more convinced than ever of it.

Does the trick consist of their saying that they are going to stay, and then their leaving some day? No. They will stay until the political accord has been reached; and, once it has been reached, they will remain institutionally and constitutionally present in the country's political power, precisely by virtue of the political accord that has been reached.

Does the trick consist of making a threat of union democratization, so as to confound the trade union movement, and later trap it in a populist collusion? No. There will be union democracy until the Peronist trade union movement rids itself of the partisan commitment and the leaders become used to going to the union in the morning and to the committee in the afternoon.

Does the trick consist of causing a dispersion of Peronism and setting up a government party to win in elections subject to conditions? No. There will be a statute on the parties, to be implemented at all costs, and the internal problem of Peronism will be solely that of Peronism. There will be no government party, although certain military sectors will not conceal their desire for the formation of a great new moderate party, which could take part in the electoral contest with chances against Peronism and Radicalism.

Does the trick consist of running the economy outside of the political context, to create a plutocratic structure that would seal the country's fate, over and above ideologies? No. The armed forces assigned Dr Martinez de Hoz to put his arm in the dungheap up to the elbow, until he found that ruined country of 1975, to wash, perfume and put it on the table. He has now done so. Applause. It is certainly not the economic country that Also-garay, Frigerio, Pugliese, Gomez Morales or Alende would, for different reasons, like to see. But it is the country which is (let us say) sufficiently

FOR OFFICIAL USE ONLY

FOR OFFICIAL USE ONLY

presentable to enter anywhere by the main door, and not by the service entrance, as was the case 5 years ago, when any country in the world would have preferred to sign an agreement with Uganda rather than with Argentina. Nevertheless, this so-called pragmatic structure, which is not stringently monetarist nor essentially austere nor decidedly developmentalist nor remotely socializing, but which has traces of statism, is precisely what has enabled the armed forces to maintain an economic philosophy for the future, but to apply to it all the variables that common sense would dictate to them. And it is in this respect that I suspect a rash blunder on the part of all the politicians blindly clinging to the theory that Martinez de Hoz, like a kind of stylish, cultivated version of Lopez Vega, has bewitched the military with an infallible, esoteric plan of his own. Martinez de Hoz carried out a mission in the process, with a good percentage of success, and during periods of very difficult international relations. He revamped the market, he liberated prices, he combated the speculative economy, he cut hyperinflation to a serious but manageable degree, he appeared in international economic forums and at least deleted us from the list of undesirables, he surmounted recessive situations and he did not stop the public works essential to the country's overall growth. All that has been enumerated might represent a political commitment between the armed forces and the economic group. There is no such thing. There is a sharing of ideas on various fundamental points in that economic policy. But when mention is made of continuity, it does not mean a necessary repetition of mistakes. In fact, it is unfair to claim that Martinez de Hoz is pragmatic. It is the military who are pragmatic.

The politicians can be at ease. There is no campaign to discredit them any more than they are, nor are there any tricks for their self-destruction. Amid successes and mistakes, there is a serious program for organizing the nation, with touches of conservatism that are as logical as they are tolerable. The bridges will be built. If anyone traverses them backwards, it will not be the fault of the armed forces.

Until Sunday. I am going to watch the races, influenced by the successful incorporation of Carrasco, with the vague feeling that this is one of the 33 Orientales reincarnated. May God help us.

Copyright: LA OPINION, 1980

2909  
CSO: 3010

FOR OFFICIAL USE ONLY

FOR OFFICIAL USE ONLY

ARGENTINA

MAGAZINE REVEALS SHIPMENT OF 40 ANTI-AIRCRAFT GUNS

Hamburg STERN in German 14 Aug 80 pp 102-105

[Excerpts from article by Karl Guenther Barth and Peter Hoebel: "Wretched Business Deals Made in Germany"]

[Text] The Federal Criminal Police Bureau and the Federal Prosecutor's Office are investigating the re-spected German firm Rheinmetall regarding illegal exports. The arms manufacturer Heckler & Kock is also delivering to tension areas.

"I have never worked under such lousy conditions," swore Peter Lerschmacher. In the drafty shop of the Fabrica de Armas near the Spanish town of Oviedo, the fingers of the foreman of an eight-man team of mechanics from the Duesseldorf Rheinmetall weapons firm became so numb from cold that they could not even hold tools on occasion. The men from Duesseldorf were working on 40 German twin cannons of the Rh 202 type, priced at DM 500,000 a copy.

It took the German mechanics 3 months before the anti-aircraft guns were mounted, calibrated and tested by the end of December 1979. Always present were officers of the Argentine military junta, using the testing of the automatic weapons on the pier of Gijon harbor as a welcome training opportunity. They also went on board when the weapons were loaded on an Argentine freighter in the Spanish port city. Rheinmetall called the operation "top secret." For 2 months the Duesseldorf prosecutor has been investigating Rheinmetall for a possible violation of paragraph 4a of the Arms Control Law. The case has been assigned file number Js 489/80. "Because of the political explosiveness," the investigating agencies have also classified the proceedings as secret, just as they have done with two other investigations concerning the renowned arms firm in Duesseldorf: Via NATO member Italy, the firm is said to have delivered 1,500 machine guns to Saudi Arabia in 1977 and in the same year to have sent a complete munitions plant to the South African apartheid regime via Paraguay.

Rheinmetall in Duesseldorf founded a "Rheinmetall International S.A." in Brussels in 1978. It occupied an entire suite on prestigious Boulevard du Souverain. From there arms merchants such as Dieter Koehler, Lodewijk

FOR OFFICIAL USE ONLY

FOR OFFICIAL USE ONLY

Stahl and Pieter Duyndam deliver military equipment to the whole world. The merchants in Brussels have formally severed all relations in Duesseldorf. Secret additional agreements secure their pensions in Germany, however. Fictitious payrolls are maintained for this that even increase from year to year.

In the Duesseldorf headquarters of Rheinmetall, the Burssels subsidiary is denied. "That is the founding of a Dutch firm," the plant headquarters claims.

But a look in the commercial register shows that of the 1,250 shares of the Belgian firm, the Rheinmetall Duesseldorf GmbH [limited liability company] owns exactly 1,244. The other six shares are in the hands of the Dutch ammunitions firms NWM de Kruithooren, NWM Industries, and Hollaendische Rheinmetall International (all three in turn are 100-percent subsidiaries of Rheinmetall), and of top salesmen Duyndam, Stahl and Koehler. The latter was also the manager of the Argentine deal, the investigators believe.

The background for Rheinmetall's Spanish detour was the following: The Federal Office for Industry (BAW) had approved the export of 28 anti-aircraft cannon to Argentina. The optical sights for the dual cannon were procured through the Bonn Defense Ministry from the Italian firm Galileo. It was noticed on the Hardthoehe that Rheinmetall had bought more sights than necessary. The Duesseldorf armsmaker thereupon applied for permission to export 40 anti-aircraft guns to Spain. They ended up in Argentina.



Twin anti-aircraft gun Rh 202, unit price DM 500,000. The Italian optical sight alerted the ministry

COPYRIGHT: STERN, 1980

9240  
CSO: 3103

12

FOR OFFICIAL USE ONLY



FOR OFFICIAL USE ONLY

EL SALVADOR

RED CROSS RECOGNIZES VIRTUAL STATE OF WAR

PA132328 Havana PRELA in Spanish 2235 GMT 13 Sep 80

[Text] Managua, 13 Sep--At least 40 persons have been killed in El Salvador during the past few hours by the repressive forces of the Christian Democratic Military Junta.

Reports from that Central American country indicate that 15 bullet-riddled bodies of men and women were found in the city of Apopa, 12 km north of San Salvador, and 7 more were found in Santa Tecla. Most of the bodies showed signs of torture.

It was also reported that four dead youths were found inside a vehicle in the vicinity of the Central American Technology Institute in the Salvadoran capital.

The New Nicaragua News Agency (ANN) reported from San Salvador, meanwhile, that the International Red Cross has recognized a virtual state of war in that country with the signing of an agreement with the Salvadoran Foreign Affairs Ministry which establishes that it will act as a "neutral organization in the event of civil war of domestic disturbances."

The agreement specifies, ANN adds, that the Red Cross will not be in a position to grant political asylum to citizens of that country.

The decision of the Red Cross, it adds, confirms reports by Salvadoran political-military organizations that the Christian Democratic Military Junta is waging fierce repression against the people with the characteristics of a "silent genocide."

It was also reported that the Catholic "YSAX" radio station, official spokesman for the San Salvador archbishopric, was blown up by government agents this morning, interrupting its transmissions.

FOR OFFICIAL USE ONLY

FOR OFFICIAL USE ONLY

The electricity company in Soyapango was burned by a bomb explosion in an action to which the armed forces of national resistance claimed credit. Meanwhile a command of the peoples revolutionary army attacked the mayor's office in Cuscatacingo, 5 km north of San Salvador, causing heavy damage to the buildings and to nearby establishments.

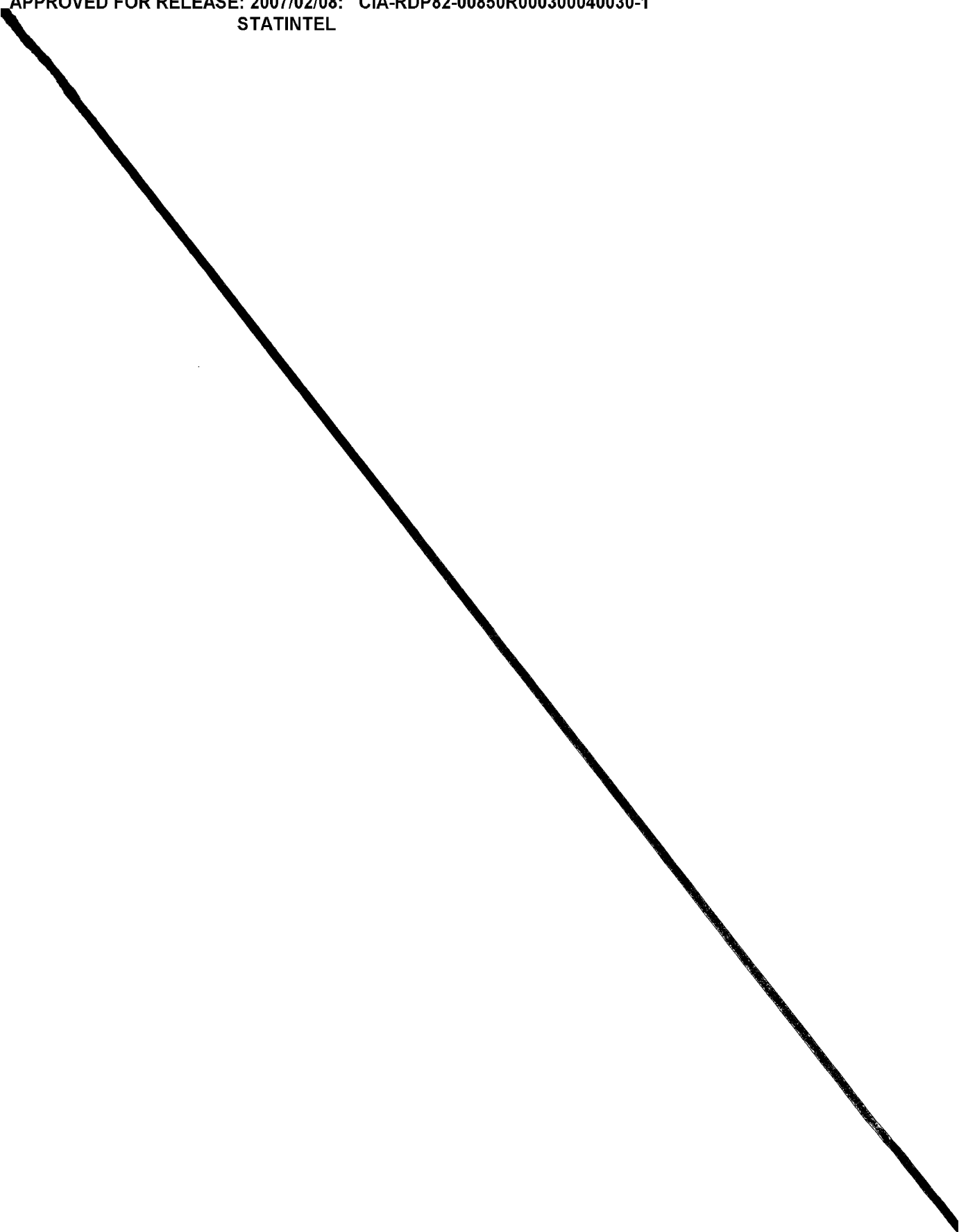
The Farabundo Marti People's Liberation Forces (FPL) has claimed credit for an attack which reduced to cinders a large commercial footwear establishment in downtown San Salvador.

CSO: 3010

14

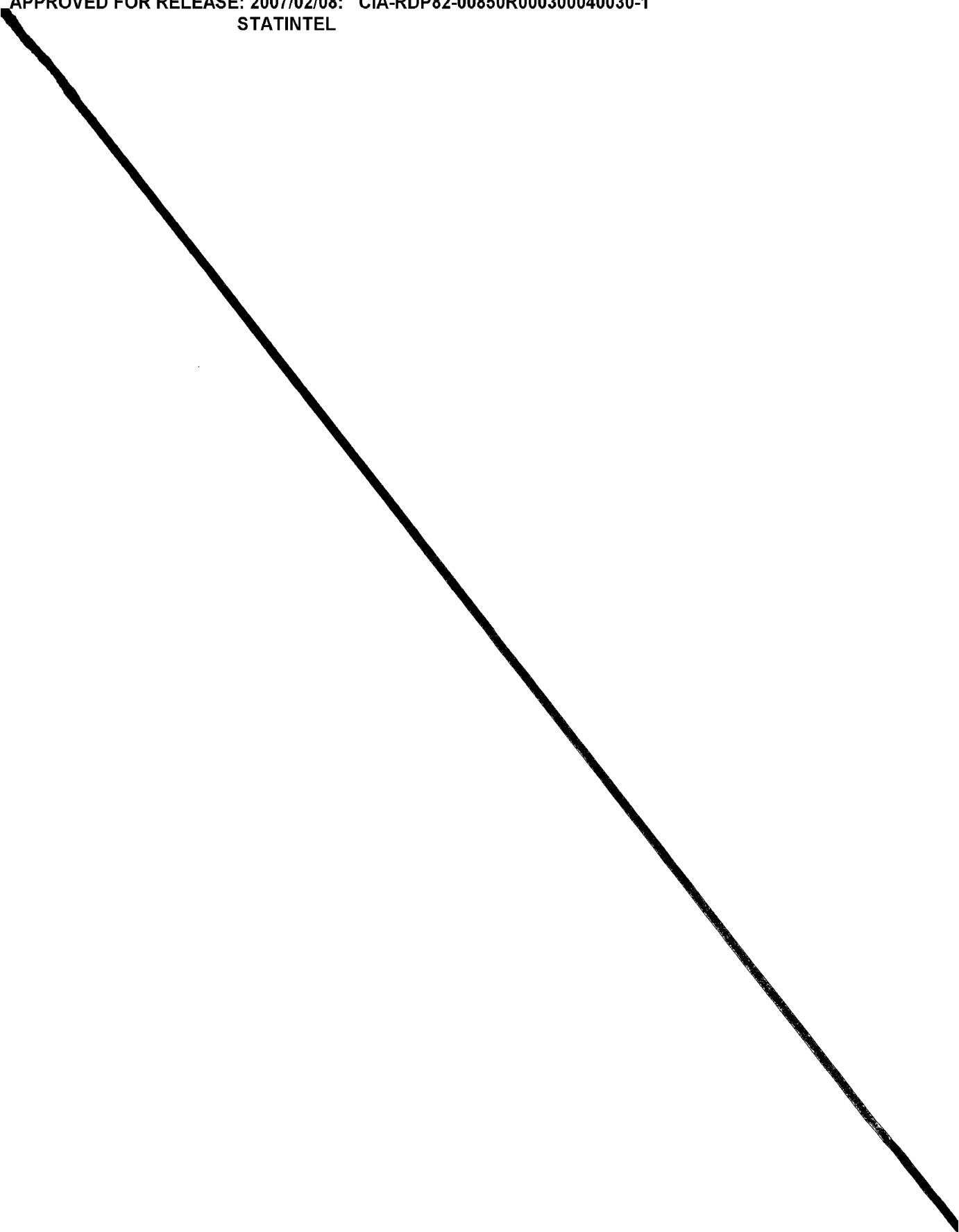
FOR OFFICIAL USE ONLY

APPROVED FOR RELEASE: 2007/02/08: CIA-RDP82-00850R000300040030-1  
STATINTEL



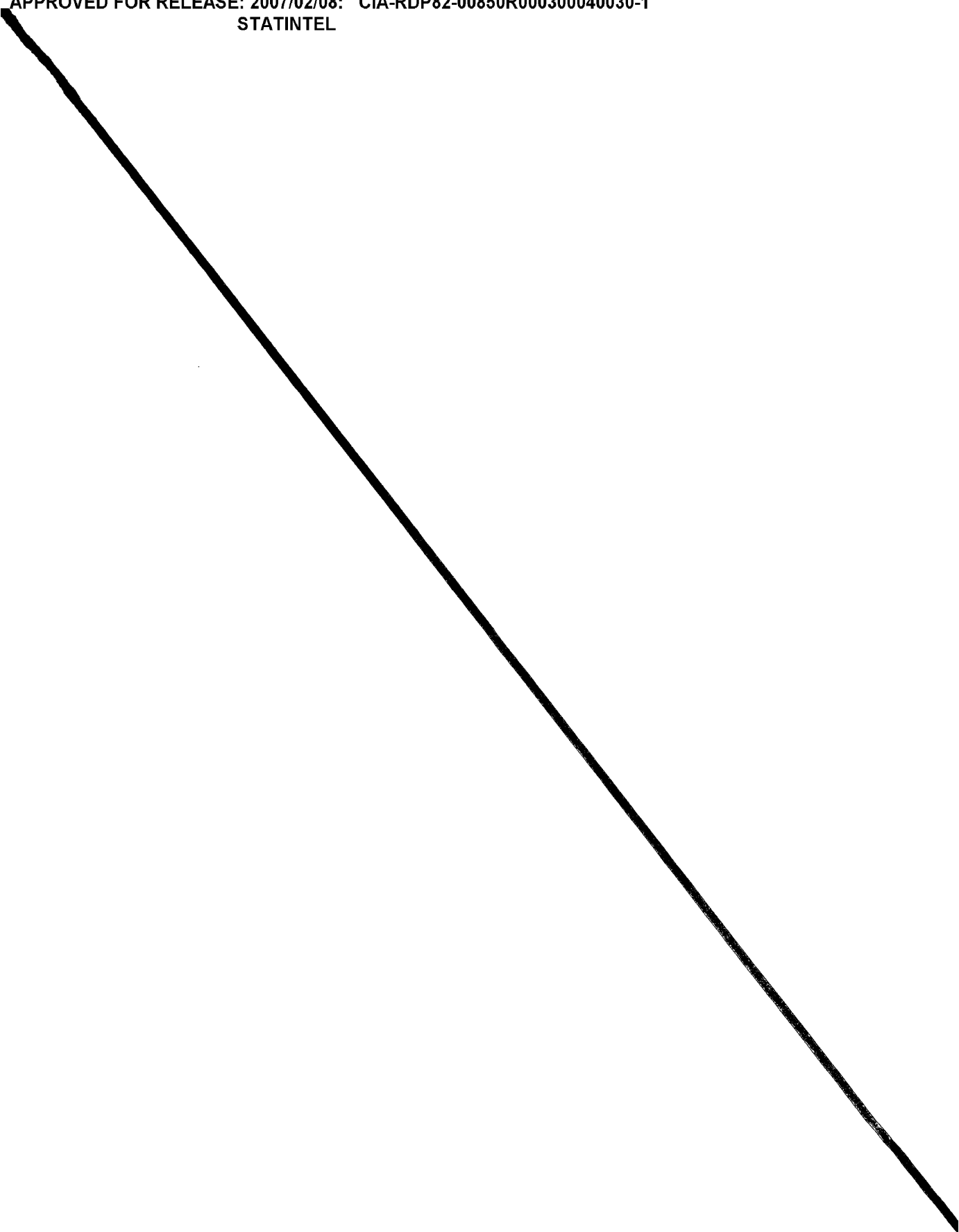
APPROVED FOR RELEASE: 2007/02/08: CIA-RDP82-00850R000300040030-1  
STATINTEL

APPROVED FOR RELEASE: 2007/02/08: CIA-RDP82-00850R000300040030-1  
STATINTEL



APPROVED FOR RELEASE: 2007/02/08: CIA-RDP82-00850R000300040030-1  
STATINTEL

APPROVED FOR RELEASE: 2007/02/08: CIA-RDP82-00850R000300040030-1  
STATINTEL



APPROVED FOR RELEASE: 2007/02/08: CIA-RDP82-00850R000300040030-1  
STATINTEL