

Action  
OCA 86-1690

129

# OFFICE OF CONGRESSIONAL AFFAIRS

## Routing Slip

	ACTION	INFO
1. D/OCA		X
2. DD/Legislation	X	
3. DD/Senate Affairs		X
4. Ch/Senate Affairs		
5. DD/House Affairs		X
6. Ch/House Affairs		
7. Admin Officer		
8. Executive Officer		X
9. FOIA Officer		
10. Constituent Inquiries Officer		
11.		
12.		

SUSPENSE

9 June 86  
Date

Action Officer:

Remarks:

Action Completed.

Susan  
Tel 0176 w  
refer to state's views.

19 May 86

Name/Date

called OMB 5/20/86

STAT

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EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

May 16, 1986

CONGRESSIONAL AFFAIRS

86-1690

SPECIAL

LEGISLATIVE REFERRAL MEMORANDUM

TO: Legislative Liaison Officer-

Department of Defense  
National Security Council  
Central Intelligence Agency

OCA FILE

RECPT #

*leg. & info*  
Chrono

SUBJECT: State draft report on S.Res. 362 "Expressing the sense of the Senate that the U.S. should support the Caballada message of the Contadora Group."

The Office of Management and Budget requests the views of your agency on the above subject before advising on its relationship to the program of the President, in accordance with OMB Circular A-19.

A response to this request for your views is needed no later than MONDAY, JUNE 9, 1986.

Questions should be referred to SueThau/AnnetteRooney (395-7300), the legislative analyst in this office.

*Ronald K. Peterson*  
RONALD K. PETERSON FOR  
Assistant Director for  
Legislative Reference

Enclosures

cc: J. Eisenhower  
R. Neely



United States Department of State

Washington, D.C. 20520

Dear Mr. Chairman:

I am writing in response to your letter of March 14 requesting the Administration's view on Senate Resolution 362 proposed by Senator Kennedy to express the sense of the Senate in support of the Caraballeda Message.

The Administration viewed the Caraballeda Message of the Contadora Group as a generally positive development. We were encouraged by the emphasis placed on democratization and national reconciliation, two major goals of the Administration's Central America policy. We were also intrigued by Nicaragua's endorsement of the Message and the possibility that it represented Sandinista willingness to undertake new steps toward national reconciliation. Our exploration revealed, however, that the Sandinistas continue to be totally opposed to any dialogue with the armed or unarmed opposition.

While Caraballeda served to renew Contadora activity, it had the practical result of shifting the focus away from negotiation of a comprehensive agreement. The April 5-7 meeting of the Contadora Group, Support Group, and Central American foreign ministers returned the process to negotiation of the comprehensive, verifiable regional accord which has been Contadora's objective since its inception.

I would like to turn now to the operative paragraphs of Senate resolution 362.

"(1) the United States Government should declare its support for, and adherence to, the Caraballeda proposal;"

The Administration views the Caraballeda message as a positive development. The fact that Nicaragua's endorsement of its key provision was revealed to be empty diminished Caraballeda's usefulness. Secretary Shultz conveyed our positive reaction to the Ambassadors of the Contadora Group and the Support Group in a meeting January 16. He reiterated that support in a meeting with the Contadora and Support Group foreign ministers on February 10.

The Honorable  
Richard G. Lugar,  
Chairman, Committee on Foreign Relations,  
United States Senate.

- 2 -

"(2) the Contadora process represents the most hopeful, reasonable and constructive avenue to achieve peace in Central America and should be supported by the United States;"

We agree. Statements of support for the Contadora process by the President, the Secretary, and other high-level administration officials have been numerous and are frequently repeated by the Department's press spokesman. On March 27 the Senate passed S. J. Res. 283, which expresses the strong support of the United States for "efforts to reach a comprehensive and verifiable final agreement based on the Contadora Document of Objectives . . . ."

"(3) the United States should pursue and exhaust serious multilateral initiatives aimed at achieving a negotiated settlement of the crisis in Central America before resorting to direct or indirect military pressure against Nicaragua; and"

We will continue to support the Contadora process. We are convinced, however, that additional pressure is required to persuade the Sandinistas to undertake serious negotiations. The President's request for aid for the Nicaraguan democratic resistance is designed to sustain one source of this pressure as a complement to existing diplomatic, economic and political pressures. This approach is endorsed by S. J. Res. 283.

"(4) the President should resume bilateral negotiations with the Government of Nicaragua."

The United States is prepared to resume formal bilateral discussions with Nicaragua simultaneously with the initiation of a serious dialogue between the Sandinistas and the Nicaraguan democratic opposition, including the armed resistance. Any such discussions would be in support of, and in no way a substitute for, a comprehensive regional settlement. This policy was also endorsed by the Senate in S. J. Res. 283.

In our view, the principal issues raised by S. Res. 362 have already been addressed in S. J. Res. 283. Also, since S. Res. 362 was introduced, the Contadora process has proceeded to renewed consideration of a comprehensive and verifiable treaty. Thirteen foreign ministers met in Panama toward this end in April. Although negotiation of remaining issues in the treaty text was frustrated by the Government of Nicaragua's intransigence, the Contadora countries established a schedule for completing the negotiations by June 6. In light of these developments, the adoption at this time of a Senate resolution relating back to the January Caraballeda Message could create misunderstanding in the ongoing diplomatic process. For these reasons, the Executive Branch would not favor the adoption of S. 362.

- 3 -

The Office of Management and Budget advises that from the standpoint of the Administration's program there is no objection to the submission of this report.

Sincerely,

James W. Dyer  
Acting Assistant Secretary  
Legislative and Intergovernmental Affairs