



DIRECTORATE OF INTELLIGENCE

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Summary

[REDACTED]

Nevertheless, in El Salvador, the insurgents have finally launched a major offensive to regain the military initiative, and the Army has been hard pressed to respond effectively. In Guatemala, the new military government is pressing for revival of a regional defense alliance while indicating it may hold elections earlier than July 1984. In Honduras, President Suazo is recovering well from his heart attack, and the Army has defeated a Cuban-Nicaraguan attempt to set up an insurgent infrastructure. Costa Rican relations with Nicaragua have been further damaged by the capture of a Spanish terrorist and several Sandinista soldiers by Costa Rican security forces. In Panama, the withdrawal of General Faredes from the presidential race has raised the possibility that President de la Esparrella may attempt to extend his stay in office. Finally, the Contadora peace effort has managed to stay on track with the agreement by the Central American countries to a statement of objectives for further clarification. [REDACTED]

This memorandum was prepared by [REDACTED] ALA. [REDACTED]

Approved for Release

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[REDACTED]

EL SALVADOR

Military

Military activity in September was highlighted by an upsurge of guerrilla operations and increased Army casualties. The insurgent attack on San Miguel in early September was followed later in the month by the brief occupation of Jucuaran, in southeastern Usulután, and by attacks against government forces and economic targets in Morazan, San Miguel, and San Vicente. All the insurgent factions apparently are taking part, and the fighting has recently spread to central El Salvador [REDACTED]

The attacks by the guerrillas probably are part of their long-awaited joint offensive, but they have failed so far to attract any widespread popular support. Indeed, [REDACTED] the People's Revolutionary Army faction [REDACTED] indicated they were encountering strong resistance [REDACTED] to their attempts to win over the local population. [REDACTED]

[REDACTED] the FMLN offensive is scheduled to conclude in late September. [REDACTED] the guerrillas plan to intensify operations in the Union and Chaparrón Departments, and will conclude their offensive with a major action in Chalatenango. [REDACTED] the insurgents hope to attack the city of La Unión soon. [REDACTED]

The upsurge in insurgent activity has raised concern over government troop fatigue and some supply shortages. Salvadoran military leaders also have voiced dissatisfaction with the departmental commander in [REDACTED] and with the performance of several elite units. [REDACTED] indicates the Army commander in San Vicente maybe given control of the [REDACTED] operation. [REDACTED]

Arms Flow

[REDACTED] Salvadoran officials believe the flow has been greatly reduced by anti-Sandinista insurgent activity in Nicaragua, but there is little [REDACTED] to support this contention. Moreover, the fact that the Salvadoran guerrillas have been able to sustain a relatively high

[REDACTED]

rate of offensive activity in September indicates that shortages of arms and ammunition are not a serious problem. [REDACTED]

Meanwhile, the arms transshipment facility on La Pelota Island off northwestern Nicaragua was destroyed in a commando raid by anti-Sandinista insurgents on 12 September. The facility was used to transfer arms to El Salvador in large canoes. [REDACTED]

[REDACTED]

### Political

The first meeting between guerrilla leaders and members of the Salvadoran Peace Commission took place in Bogota, Colombia on 29 August. Little of substance was discussed. In public statements after the meeting the insurgents continued to insist on a power-sharing role in government before they would agree to participate in elections. The second meeting took place on 29 September, again in Bogota, but the insurgents want subsequent meetings to be held in El Salvador. [REDACTED]

[REDACTED] meetings [REDACTED] have taken place between insurgent representatives and Salvadoran political leaders.

[REDACTED] met with a member of the insurgent political commission [REDACTED]

[REDACTED] Christian Democratic Party [REDACTED] has been in contact with members of the Popular Social Christian Movement, a faction within the insurgent political front. The secret meetings are dangerous for the Salvadoran representatives who risk ultra-rightist charges of conspiracy and possible death squad retaliation if they become known. [REDACTED]

The Constituent Assembly missed its 15 September deadline for approving the draft constitution. About a third of the 246 articles have been approved, and some of the most controversial reform issues have yet to be addressed. Labor organizations lobbied the Assembly to urge the adoption of articles that would not inhibit the formation of campesino unions. As a result, several union officials were harassed and threatened by ultrarightist death squads, and a prominent labor leader was kidnapped in late September. [REDACTED]

Although elections have been postponed until the first quarter of next year, several presidential hopefuls have started campaigning. The Christian Democrats' Napoleon Duarte, the only candidate thus far formally approved by his party, continued his active campaign at home and abroad. National Conciliation Party

[REDACTED]

leader Francisco "Chachi" Guerrero is campaigning hard to become his party's candidate. [REDACTED] the ultrarightist ARENA party believe Roberto D'Aubuisson is still their most likely candidate. Party leader Hugo Berrera [REDACTED] would accept the ARENA nomination if D'Aubuisson does [REDACTED]. Meanwhile, ARENA is attempting to form a rightwing coalition to prevent a victory by Duarte. [REDACTED]

Rightwing death squads stepped up their activities not only against union leaders but also against alleged insurgent collaborators. Three university professors and a member of the Salvadoran Foreign Ministry were kidnapped by death squads in September. [REDACTED], as many as 25 kidnappings attributed to death squads occurred in one week. The Assembly overwhelmingly approved a proposal calling for the defense minister to investigate the upsurge in death squad activities. [REDACTED]