

- -2- SAN SALVADOR 96 7/19/67
 - 4. FORM IN APPRECIATES ANY COOPERATION EMBASSY CAN OFFER GOES THROUGH OUR EMBASSY TEGUCIGALPA. HE FEELS IF GOH IS MADE AWARE OF FACTS, EXPULSIONS AND OTHER UNTIMELY ACTS WOULD CEASE. FORM IN DESIRE IS EXPULSION CEASE AND DIALOGUE CAN BE STARTED WITH GOES AND GOH.
 - 5. WELL KNOWN TO GOES HONDURAS DID NOT WITHDRAW ITS TROOPS AS AGREED. ALSO RUMORS PREVAIL HONDURAN SOLDIERS CHANGED TO CIVILIAN CLOTHES AND REMAINED IN AREA. DISLODGED FAMILIES ARE HOMELESS AND LEFT AT MERCY OF CHARITY. MANY OF DEPARTTED CHILDREN ARE HONDURANBORN AND SOME OF WIVES ARE ALSO HONDURAN.
 - 6. FORMIN AT THIS POINT SAYS GOES WILLING TO RELEASE THREE HONDURAN PRISONERS, EXCEPT MARTINEZ ARGUETA. RELEASE OF MARTINEZ ARGUETA AT THIS POINT WOULD CAUSE SERIOUS INTERNAL DISORDERS. FORMIN FEELS MARTINEZ ARGUETA CASE COULD BE LEFT IN ABEYANCE AND SOLUTION COULD BE FOUND LATER ON SOME LEGAL GROUND. FORMIN SAYS IF SALVADORAN SOLDIERS RELEASED TENSION SHOULD BE SUCH AS TO OPEN DOOR TO NEGOTIATIONS. FORMIN, HIS PERSONAL OPINION AND NOT CLEARED BY GOES, SUGGESTS IT BEST SOLDIERS BE RELEASED BY OFFICERS BE RETAINED IN HONDURAS. AS FACE-SAVING DEVICE, GOES WOULD REQUEST RELEASE OF OFFICERS, BUT IN REALITY PREFERABLE OFFICERS REMAIN IN HONDUARS. HE FEELS IF OFFICERS ALLOWED TO RETURN TO SALVADOR COURT MARTIAL PROCEEDINGS WOULD BE INITIATED. THIS WOULD CREATE EMOTIONAL OUTBURSTS IN COMMUNITY AND UPSET APPLE CART.
 - 7. DISCUSSED ARCHBISHOPS FORMULA WITH FORMIN AND HE GAVE EMBASSY COPY. WILLINGLY ACCEPT ARCHBISHOPS AS MEDIATORS, BUT FORMULA

IS IMPRACTICAL. OBJECTION TO FORMULA IS RECOMMENDATION
THAT AMBASSADORS FROM GUATEMALA, NICARAGUA AND COSTA RICA ASSIGNED
TO HONDURAS AND EL SALVADOR FORM MEDIATION COMMITTEE. IT IS INCONCEIVABLE AN AMBASSADOR ACCREDITED TO EL SALVADOR OR HONDURAS
COULD BE OBJECTIVE AND IMPARTIAL. THE CONCERN OF BEING CONSIDERED "NON-

GRATA" BY THE COUNTRY OF HIS ACCREDITATION WOULD DEFEAT PURPOSE OF COMMITTEE. FORM IN SUGGESTS INSTEAD OF AMBASSADOR ON COMMITTEE TO SUBSTITUTE PRESIDENTS OF RESPECTIVE SUPREME COURTS.

8. GUATEMALAN AMBASSADOR GARCIA GRANADOS IN EL SALVADOR HAS EXPRESSED HIS COUNTRY'S DESIRE TO ACT AS MEDIATOR. FONMIN HAS
SUGGESTED PERHAPS GUATEMALA, COSTA RICA AND NICARAGUAN FUNMIN,
ALONG WITH ARCHBISHOPS, COULD FORM A WEDIATION COMMITTEE.
ODECA SECT. GENERAL WOULD ALSO FORM PART OF COMMITTEE.
GUATEMALA ACCEPTS THIS AND PROBABLY WILL BE SUBMITTED TO HONDURAS
FOR CONSIDERATION. EL SALVADOR ACCEPTS THIS FORMULA.
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-3- SAN SALVADOR 96 7/19/67

9. MARTINEZ MORENO, FONMIN, KNOWS RIVERA CALLED LOPEZ
ARELLANO SEVERAL TIMES AND HONDURAN PRESIDENT REFUSED TO TALK
TO RIVERA. ALSO RIVERA SENT PERSONAL EMISSARIES TO TALK TO LOPEZ
ARELLANO AND THEY WERE NOT RECEIVED. IN VIEW OF THESE FACES, SANCHEZ
WILL NOT SENT ANY REPRESENTATIVES TO SEE HONDURAN PRESIDENT.
FONMIN HAD COL. OSCAR OSORIO. FORMER SALVADORAN PRESIDENT AND

MAX BRANNON, PROMINENT ATTORNEY, ASSIGNED TO VISIT LOPEZ FARELLAND BUT PRESIDENT SANCHEZ PUT STOP TO IT.

JUNIOR OFFICERS IN MILITARY ARE FORMALLY REQUESTING SALVADOR BREAK RELATIONS WITH HONDURAS. UNIVERSITY STUDENTS ARE GETTING INTO ACT AND FEAR EXISTS THEY MAY TAKE TO STREETS.

11. COMMENT: IMPERATIVE DIALOGUE BETWEEN SANCHEZ AND LUPEZ ARELLAND BE STARTED. THERE IS TOO MUCH SHADOW BOXING BY SUBORD INATES AND TIME HAS COME FOR CHIEF EXECUTIVES TO COMMUNICATE. STRONGLY URGE EMBASSY TEGUCIGALPA, ONLY ON DEPARTMENT'S APPROVAL, CONTACT HONDURAN PRESIDENT AND SUGGEST EXPULSIONS CEASE AND EFFORT BE MADE TO NEGOTIATE IN GOOD FAITH. MANY DETAILS AMBASSADORS JOVA AND CASTRO CAN DISCUSS TO CLEAR WATERS, THIS CAN BE BEST BE DONE PERSONALLY. SUGGEST EITHER JOVA OR CASTRO VISIT EACH OTHER IN VERY DISCREET MANNER FOR FEW HOURS SO TRUE PICTURE CAN BE APPRECIATED. IN THIS MANNER BETTER REPRESENTATIONS CAN BE MADE TO RESPECTIVE GOVERNMENTS.

FULLY AWARE OF DANGER OF CHARGE OF MEDDLING IN AFFAIRS OF COUNTRY. SATISFIED JOVA AND CASTRO CAN EXCHANGE VIEWS WITH FANFARE. MISSION SAIRCRAFT CAN BE UTILIZED.

AS ALTERNATIVE SUGGEST AMBASSADOR JOVA AND CASTRO MEET IN GUATEMALA TO OBVIATE ANY CAUSE FOR GOSSIP. FEEL GREAT BENEFIT CAN BE DERIVED FROM EXCHANGE. AND QUESTION RAISED ABOUT GUATEMALA TRIP CAN BE ATTRIBUTED TO ROCAP BUSINESS.

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