

23 June 1980

MEMORANDUM

25X1

25X1

Arms Shipments to El Salvador



25X1

Introduction

The 15 January plane crash is the first tangible evidence of gunrunning to Salvadoran revolutionaries, and subsequent information is beginning to define the extent of official involvement with the mercenary operation. Official Costa Rican collusion is most likely, and certain Panamanian officials appear to have at least tolerated the activity. The effort parallels the ongoing--even accelerating--activities of the Cubans to establish a secure arms ferry to Salvadoran insurgents. At this point, however, we are unable to state with confidence that Havana was definitely connected to this specific episode.

25X1

25X1

Arms smuggling to El Salvador utilizes a variety of routes, countries, and combinations of official and mercenary involvement. Our information is clearest regarding the Costa Rican link--the heavy involvement of San Jose officials and private citizens, primarily for personal profit, is well corroborated. Panamanian officials also appear implicated, although less directly. This would fit within the general parameters of Torrijos' policies regarding corruption (allowable as long as major publicity is avoided and top officials are cut in) and El Salvador (where Torrijos has not firmly settled on a policy, but would see limited arms smuggling as permissible and even advantageous--certainly not worth making a serious effort to halt).

25X1

25X1

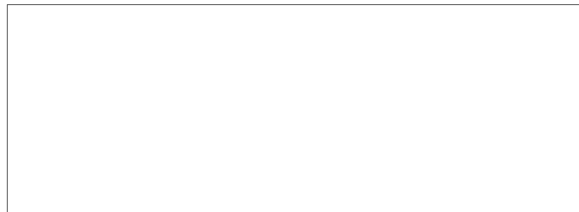
This memorandum was requested by the Assistant Secretary for Inter-American Affairs. It was prepared by the Latin America Division of the Office of Political Analysis, and it has not been coordinated outside the Division. Information in this memorandum reflects information available through 22 June 1980. Questions and comments may be directed to Chief, Latin America Division,

25X1
25X1

PA-M-80-10283

SECRET

Near Duplicate of C05513990:
RIP



We are nonetheless reasonably certain, based on reporting since last July, of Nicaragua's witting involvement in the arms flow, despite a lack of specifics in many cases. Managua's reported training of Salvadoran insurgents and arrangements to work in tandem with Havana on the arms flow at the turn of the year, [redacted] indicating Managua as a primary arms transit point, seem convincing. [redacted]

25X1

25X1

25X1

Havana has been actively arranging a clandestine arms supply network since last July although, as in the case of Nicaragua, we are not confident of the overall volume of shipments managed by Havana. The use of mercenaries in many of these operations, quite possibly serving more than one master, tends to blur somewhat the lines of involvement of the various governments. [redacted]

25X1

Although sizable quantities of arms have been reported on some individual shipments, many of them may be more limited. The Salvadoran insurgents arsenal, while improving, still appears below their expectations and needs--firepower remains one of the clearest cut advantages of the Salvadoran military. S

The diversity of routes and the fact that the several governments involved either lack the capability or will to shut them down--or intend to see the weapons flow increased--suggests that it will be extremely difficult to prevent arms from reaching the Salvadorans in present quantities. [redacted]

25X1

Arms - And Foreign Involvement for Salvadoran Insurgents

The guerrilla weapons inventory is improving, but still deficient. The incidence of more sophisticated weaponry, while significant, still remains spotty. [redacted] tend to substantiate the existence of supply routes for Havana- or Moscow-supplied arms through Nicaragua. Individual mercenaries are also dealing with Salvador's left, and certain Costa Rican officials are involved in supplying arms through their territory. The sum total of these and other deliveries, while important, still appears limited. [redacted]

25X1

25X1

Security forces in May captured the first antiaircraft machinegun taken from the guerrillas. Uniformed guerrillas are more common and regular guerrilla cadre carry a greater array of automatic weapons, such as G-3s, and FALs. However, this is a heterogeneous assortment and some members of the guerrilla bands are still limited to handguns or lack weaponry altogether. [redacted]

25X1

The extent of Nicaragua's involvement remains veiled, although a series of reports point to its continuing, if circumspect role. [redacted]

25X1

[redacted] was recently told of three principal arms supply routes for the insurgents--all three routes transited or staged directly from Nicaragua. [redacted]

25X1

[redacted] in May stated that many of the weapons for the insurgents were brought from Managua in small boats. In April [redacted] reported a Soviet decision to begin sending arms to Salvadoran revolutionaries--again Nicaragua was to be a principal route. A Sandinista delegate at a Communist conclave in Mexico in April pledged all-out support for Salvadoran revolutionaries at the appropriate moment, but noted the time was not ripe to do much more than attempt to discredit the ruling junta. [redacted]

25X1

25X1

25X1

25X1

[redacted] reported this year that training of Salvadoran revolutionaries at camps in Nicaragua is still going on, and while this is not solidly confirmed it appears highly likely. [redacted]

25X1

25X1

25X1

[redacted] a training facility for 250 Salvadorans was still functioning in March. In May, a Salvadoran labor leader who fled to Nicaragua was promised military training and return infiltration by Interior Minister Borge. [redacted]

25X1

Considerable evidence also indicated that through April arms for Salvadoran insurgents were funneled through Costa Rica and that the former Costa Rican minister of Security and several subordinates were directly involved, principally for monetary gain. The subsequent departure of the minister and the media outcry over the allegations will now make deliveries more difficult but not close them off--given the venality of officials and the apparent guerrilla bankroll. *SMP/MLC*

25X1

[redacted] In May, a Greek freighter captain sold 10,000 rounds of pistol ammunition to the Salvadoran guerrillas. [redacted]

25X1

The crash in El Salvador in mid-June of a Panamanian plane carrying a large load of ammunition--which may have originated in Panama, Costa Rica, or Nicaragua--was tangible evidence of the gunrunning to guerrillas. [redacted]

25X1

Cuban training of Salvadoran insurgents has picked up this year. Overall, we believe more than 500 Salvadoran leftists have received training in guerrilla warfare and related subjects in Cuba since late 1978. [redacted] reported about 180 members having received Cuban training by late last year. In February and March, [redacted] 320 Central American leftists--predominantly Salvadorans--transited Panama en route to Cuba for training. [redacted] another large group of Salvadorans due to depart for Cuba, via Costa Rica, in May [redacted]

25X1

25X1

25X1

25X1

25X1

Many of these leftists continue to transit Panama--whose position vis-a-vis El Salvador is still equivocal. Panamanian strongman Torrijos is anxious to play a role, as reflected by his meetings this month with all major actors--left and right--on the Salvadoran scene. In the last six months, he has shifted from tilting in support of the guerrillas toward more serious exploration of other options such as incorporating leftist elements into the governing structure. Always flexible, it is entirely possible that Torrijos has authorized some support of the guerrillas to maintain his bona fides while he mulls his course [redacted]

25X1

25X1

The variety of routes and suppliers being used and the intermittent nature of the shipments points to deliveries that may still be relatively modest. On the other hand, this same diversity means that this flow is likely to be nearly impossible to shut down and that the guerrillas can probably at least maintain their present armament. [redacted]

25X1

Cuban Involvement

Active Cuban involvement in planning for the clandestine airlift of arms from Costa Rica to El Salvador dates from late 1979 when Daniel Enrique Herrera Perez, then chief of the two-man Cuban covert "operations center" in San Jose, arranged for the purchase of a small air charter service company operating out of Limon, Costa Rica for use in delivering arms clandestinely to El Salvador. Plans for such an operation [redacted] made in late July 1979, shortly after the FSLN victory in Nicaragua. Several flights also may have been made from Liberia in northern Costa Rica, but detailed information of specific flights and cargo carried is not available.

25X1

We believe that Cuban assistance to the Salvadoran insurgents at this time was confined largely to propaganda, funding, training and the provision of a limited amount of arms.

Based on a [redacted] we believe Havana was cautioning the insurgents against a premature confrontation and urging the various guerrilla groups to unite and develop political structure and support.

25X1

In recent months, however, Havana has turned more radical and activist, encouraging Salvadoran--as well as Honduran and Guatemalan--leftist groups to move forward on the liberation struggle. This shift is one of several indicators of the growing influence of hardliners in the Castro regime. It also may represent Havana's belief that the growing violence in El Salvador makes increased arms shipments necessary.

25X1

Information [redacted]

25X1

[redacted] strongly supports this reading of the mood in Havana.

25X1

25X1

[redacted] in early April 1980 the chief of the Americas Department of the Central Committee of the Cuban Communist Party, Manuel Pineiro Losada, ordered his representative in San Jose, Fernando Comas Perez, to begin collecting and if necessary purchase all of the weapons and munitions available in Costa Rica for delivery to Salvadoran insurgents. We are unable to confirm--but we find credible--Cuban estimates that at least 10,000 weapons originally destined for the Sandinistas last year--including shipments from Venezuela, Brazil, Colombia, Panama, and Cuba--should have been available in Costa Rica at the present time.

Arms deliveries began later in April and we strongly suspect that Comas and the Cuban covert "operations center" in San Jose controlled and directed the operation. Both Comas and Julio Perez Toledo maintained contact with former Minister of Public Security Echeverria and President Carazo's son Mario.

25X1

Moreover, the increased Cuban involvement [redacted] coincides with a growing aggressiveness in Cuban propaganda treatment of the situation in El Salvador. For a few months after the junta came to power, the Cuban media generally avoided the Salvadoran issue, indicating uncertainty about where Havana's best interests lay. Since early 1980, however, Havana has intensified its verbal attacks on the junta. In his lengthy speech on 1 May, Fidel Castro underscored Havana's view: "the Salvadoran situation . . . demands the most ample support to halt . . . the imperialists." This theme was continued by Havana's international news service, which stated that "the popular revolutionary struggle" was intensifying in El Salvador, and that "international support for that combative nation is also rising."

25X1

Costa Rican Involvement

Nothing so far revealed in investigations undertaken by Costa Rican, Salvadoran or Panamanian authorities adds much to the general picture of clandestine arms trafficking [redacted]

25X1

Both circumstantial and specific evidence from a wide variety of sources shows that both private and official Costa Ricans--motivated more by financial than ideological considerations--are involved in virtually all aspects of the trafficking, from procurement to delivery. The publicity surrounding the 15 June incident may slacken or temporarily halt the traffic, but the Costa Ricans do not have the resources to end it, even if they wanted to.

25X1

After the plane crash, Carazo bypassed the Ministry of Public Security and directed the Office of National Security (OSN) to investigate the incident. The OSN's preliminary report, however, is described as "notable for its incompleteness," which is about what we would expect. For some time, Carazo is said to have been losing confidence in the Ministry of Public Security and its recently resigned head, Juan Jose "Johnny" Echeverria Brealey, who by all accounts is deeply involved in arms trafficking. The OSN may not be much more reliable, though, since its deputy director, Johnny Chaverri, is a long-time confederate of Echeverria, is himself implicated in the arms trafficking, and also serves as liaison with Panama's G-2, Manuel Noriega, who may also be involved.

Except for the probability that the Costa Rican public and media will force elaborate airing of the case, President Carazo would probably be content with a face-saving whitewash. At least one of his sons seems to be involved in the commercial aspects of the arms trafficking. This son, Mario Carazo Zeledon, as well as other family members and business associates were [redacted] to be in contact with Adalberto Marrero, chief of the Costa Rican desk in the Americas Department of the Central Committee of the Cuban Communist Party, when Marrero visited San Jose in late February early March. President Carazo has used his son Mario on several occasions to carry out diplomatic efforts with the Cubans, principally with regard to Cuban refugee problems.

25X1

In any case, the OSN's scanty preliminary report has so far determined only that two planes--apparently Panamanian--answering the general description of those involved in the incident arrived at a Guanacaste Province airstrip, Tamarindo, on 14 June. This airstrip has not been specifically mentioned in previous reporting, which most often seems to involve fincas known as El Hacha and Hatillo, but the clandestine use of Guanacaste's numerous airstrips is very well documented.

25X1

These two planes are said to have made two early morning flights on 15 June, the second of which allegedly led to the crash, although there is a discrepancy between the supposed departure and the time of the crash. The OSN report contains no detail of registration, tail numbers, or even exact type. The two planes involved [redacted]-HP 776 and HP 882--do not appear in any [redacted] although we have accumulated a certain amount of detail over the past several months on other aircraft--mostly of Costa Rican registry--used in the trafficking.

25X1

The OSN report claims that the truck used to deliver the arms to the planes belonged to a San Jose firm, the Alvarex Company, which has not been mentioned in any of our previous reporting. Various truckloads of arms have been alluded to [redacted] especially in late March and early April, generally traveling from the San Jose area to Guanacaste, but we have not received sufficient names, descriptions or license plate numbers to be specific.

25X1

The OSN report attempts to tie in a Panamanian Air Force pilot, Lt. Rodolfo Castrejon, who allegedly arrived in San Jose on 14 June flying an Aerocommander (HP 776 is said to be the same type) with Panamanian Air Force registration FAP 500. Aside from the similar types of aircraft, the connection is unclear and does not agree with reporting from Panama. We have no previous reporting on Lt. Castrejon, although we do have the names of a half-dozen other involved pilots employed either by Costa Ricans or directly by Salvadoran revolutionaries.

The Salvadoran investigation has charged, for example, that Manuel Enrique "Pillique" Guerra was the pilot of the second plane involved in the incident,

which is quite possible. Guerra, a former vice minister of Public Security, now owns and operates several [redacted] air charter and other aerial service companies. He has long been involved in the clandestine arms traffic, and

25X1

25X1

25X1

25X1

25X1

[redacted] notes that several individuals tried to forestall the OSN investigation. One, Willy Azofeifa, is now an official of the Ministry of Public Security, and was executive assistant to the ministry's ex-director, Johnny Echeverria. [redacted]

25X1

implicating him, along with Echeverria, in the clandestine arms business. The other person who may have attempted to ward off the Costa Rican investigation is Panamanian G-2 Noriega, who reportedly called OSN Deputy Director Johnny Chaverri. As mentioned earlier, Chaverri has known connections with the Panamanians and is [redacted] involved with Echeverria and others in the arms trafficking to El Salvador.

25X1

25X1

[redacted] comments that if a complete investigation were actually undertaken, the following Costa Ricans would be implicated:

-- "Johnny" Echeverria: It is clear that he has been a major figure in arms trafficking and probably still is though he resigned from the Ministry in early June. Within the past several months, for example, he is reliably reported to have been involved in at least two other cases. Similar to [redacted] when the Sandinistas were using training camps in Guanacaste, Echeverria has publicly ordered security forces to search the area while privately telling them not to find anything. In addition, [redacted]

25X1

25X1

[redacted] he has afforded official protection to persons implicated in clandestine arms trafficking, is reliably reported by several sources to have taken bribes from various revolutionaries, and is openly connected to Salvadoran and other arms procurers or expeditors.

- [REDACTED]
- Fernando Munoz Marin and Sidar Ulate Solano, director and deputy director, respectively, of the Civil Guard, as well as a Major Gregorio Chang (or Chan), a local commander: all three [REDACTED] involved with Echeverria in both the January and March arms diversions from Costa Rican stocks to revolutionaries; they were also said to be involved in the cover-up sweeps in Guanacaste.
 - Mario Carazo Zeladon, the President's son.
 - Enrique Montealegre Martin, former vice minister of Public Security and presently Costa Rican Ambassador to Nicaragua: Although Montealegre was probably involved in supplying arms to the Sandinistas, and is alleged to have been a confederate of Echeverria and others more recently, [REDACTED] he was posted to Nicaragua in order to get him out of the way after he protested the continuing supply of arms to the Salvadoran revolutionaries.
 - Rolando Francis Brenes, director of the Rural Guard: Alleged to have been involved with Munoz, Ulate, and Chang in both the arms diversions and cover-up sweeps, but we have little specific evidence.

25X1

25X1

25X1

Panamanian Involvement

[REDACTED]

Two Panamanian civilian planes, HP 776 and HP 882--a twin-engine, ten-passenger Aerocommander and a smaller Piper Seneca--were involved in a gunrunning mission to Salvadoran revolutionaries. The HP 776, flown by Panamanian civilian pilot Cesar Rodriguez, crashed in El Salvador. Both Rodriguez and his co-pilot--reportedly Mickey Van Seidlitz, the deputy director of Panama's Civil Aviation Authority--were picked up by a second plane and returned to their point of origin in David, Panama. Both Rodriguez and the pilot of the second plane--Manuel Guerra, a Costa Rican--are known profiteers and gunrunners who reportedly have been smuggling to Salvadoran revolutionaries over the past two months.

25X1

HP 882 is owned by Floyd Carleton, a business partner with Rodriguez in the bankrupt charter "Executive Air Service." The ownership of HP 776 is not clear, however; it is presently registered to "Aviones de Panama," in whose hanger it has been maintained for several months.

25X1

Early this year the National Guard confiscated HP 776 in a narcotics smuggling investigation and placed it in the care of "Aviones," which, according to press reports, is a dealership representing the manufacture of the Aerocommander. In May the Civil Aviation Authority granted "Aviones" a provisional license for HP 776. Panamanian military intelligence chief Lt. Colonel Manuel Noriega reportedly helped expedite that licensing. Another small plane owned by "Aviones" also is implicated in the smuggling operation through Costa Rica.

The evidence [redacted] pointing to Intelligence Chief Noriega's involvement is reasonable, although fragmentary. A Costa Rican official [redacted] that Noriega called Costa Rican security officials to request that the investigation be blocked. Noriega's claim that he was contacting San Jose because the Panamanian Air Force chief had warned him that the investigation would harm senior Panamanian officials is thin and unconvincing.

25X1

25X1

We estimate, however, that this was not a major gunrunning scheme by the Panamanian Government. The individuals involved in the flights apparently are mercenaries who were party to gun-running to the Sandinistas in 1979 and who may well have been involved in other smuggling schemes. By most accounts, the arms they ferried originated in another country--either Costa Rica or Nicaragua. The favors Noriega reportedly did the pilots--and his toleration of their activities--probably were purchased. Noriega's knowledge of the specifics of the operation is highly likely; Torrijos was possibly aware of its outlines, although there is some chance this was essentially a profit making venture by Noriega.

The operation is neither out of character for Torrijos nor inconsistent with his Salvadoran policy. In the absence of publicity, Noriega or Torrijos probably would not have wanted to take action to halt the smuggling. Aside from probable financial gain, the smuggling fits with Torrijos' well documented use of Panama for the transit of Salvadoran revolutionaries to Cuba and elsewhere for insurgency training. At a time when Torrijos is

trying to improve his lines of communication with Salvadoran leftist groups, he could view allowing such operations as bolstering his credentials without becoming actively involved. With the Salvadoran military's attention focused on Nicaragua, Cuba, and Costa Rica, the sub rosa operation was relatively low risk and not calculated to impede his dialogue with Salvadoran military progressives.

25X1

25X1

Page Denied

Next 2 Page(s) In Document Denied

Card/P.S.
4600
FZ-4