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Involvement Spreading to Guatemala

The conflagration in El Salvador is spreading across the border into Guatemala, and the Reagan administration is already drafting plans to provide the Guatemalan generals with military equipment.

The administration is expected to justify this increased involvement in the turmoil in Central America on grounds that the Guatemalan guerrillas are getting support from Cuba by way of Nicaragua. But there is another, more compelling reason that will not be mentioned: Guatemala has oil. Though still barely tapped, its oil deposits could make Guatemala a rich country in a few years.

Former president Carter cut off military aid to Guatemala and El Salvador to show U.S. disapproval of their military dictatorships. But last January, he resumed military assistance to the embattled Salvadoran junta, which had replaced the old dictatorship 18 months earlier.

President Reagan increased the arms shipments and dispatched military advisers to El Salvador in the belief that the Soviets are fanning the flames of rebellion there. Secret intelligence reports, including intercepted messages, link the Kremlin to the Cuban-Nicaraguan activity.

Now I have learned that Reagan will soon resume military aid to Guatemala, which, unlike El Salvador, is

still ruled by the same repressive military regime.

Intelligence reports exist that will buttress Reagan's decision to make Guatemala yet another arena of East-West confrontation. My associate Bob Sherman has seen a confidential Defense Intelligence Agency analysis, which reports:

"A tape recording recently captured in a skirmish with Guatemalan guerrillas has provided convincing evidence of Cuban and Nicaraguan complicity in organizing, directing and supporting the Guatemalan Revolutionary Movement. 'Socialist' countries may have already been contacted to supply arms and supplies, which are to pass through Cuba and Nicaragua before being forwarded to Guatemala."

If this has a familiar ring, it should. Captured documents established the link between Salvadoran guerrillas and Soviet-bloc nations, which justified the Reagan administration's anti-communist alarms and excursions in El Salvador.

The DIA appraisal claims that guerrilla strength in Guatemala is minimal, and "only small-scale insurgent activity is anticipated in the near term." My sources say the administration hopes that renewed U.S. military aid will help the Guatemalan generals eradicate the leftist rebels before they have a chance to grow into a real threat.

The stakes in Guatemala are high.

A confidential State Department cable last month spelled out the oil prospects this way: "The optimistic view long held by most oilmen (is) that Guatemala does in fact possess significant reserves on the order of the Alaskan north slope."

Although Guatemala expects to produce only about 15,000 barrels of oil a day this year, the cable notes that a petroleum consultant has advised the government it could be producing a million barrels a day within seven or eight years.

What worries the administration is that the United States may be losing out in the international competition to develop Guatemala's huge petroleum resources. Several years ago, Guatemala asked for U.S. help in exploiting its oil reserves, but got nowhere. The Guatemalans turned elsewhere. The State Department cable notes that "U.S. companies have been edged out by [the] French in promising exploration areas."

But the Guatemalans have once again asked for U.S. help, and our embassy in Guatemala City has urged a favorable response.