ARTICLE APPEARED ON PAGE A-8

> WASHINGTON POST 21 April 1984

Israeli Technical Aid To El Salvador Part Of Meetings Here

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Israel and the United States plan to discuss how the financially strapped Israeli government can increase its technical aid to Third World nations, including El Salvador, but U.S. and Israeli officials said yesterday there had been no discussion of Israel's helping guerrillas fighting the leftist Sandinista government in Nicaragua.

After Congress refused last week to continue U.S. covert-action funds for the "contra" forces operating against Nicaragua, there were reports that the Reagan administration might try to enlist a third party such as Israel or Saudi Arabia to help finance and direct the guerrilla campaign.

"The United States has no intention of using third countries to finance covert action in Central America," State Department spokesman John Hughes said yesterday. Both Saudi Arabia and Israel also have said publicly that they do not want to become involved in Central America's military conflicts.

U.S. and Israeli officials said privately that Israeli technical assistance to Central America was expected to come up in talks here next week between Lawrence S. Eagleburger, undersecretary of state for political affairs, and David Kimche, director general of the Israeli Foreign Ministry.

But that subject has been discussed in each of Eagleburger and Kimche's periodic meetings in recent months, the officials stressed. They added that the inconclusive talks had centered on how Israel, which is gripped by a severe financial crisis, might find funds to expand its technical aid in areas such as agriculture and health.

In the past, these activities have been of great value to Israel in winning the good will of many Third World countries, particularly in Africa, where the Jewish state has concentrated its aid efforts. The Israelis have given only scant attention to Central America, providing some very limited projects in El Salvador,

Honduras, Guatemala and Costa Rica.

However, Israeli officials acknowledged, that situation has changed somewhat by El Salvador's moving its embassy from Tel Aviv to Jerusalem. The Reagan administration, concerned about hostile Arab reaction, has strenuously resisted a congressional bid to mandate a shift of the U.S. Embassy to the disputed, holy city.

The officials said Israel would like to show its appreciation to El Salvador by providing it with greater technical assistance; and, while they stressed that their talks with the Salvadorans had been independent of the United States, they noted that Washington was likely to approve of any efforts that would strengthen the U.S.-supported Salvadoran government.

As a result, the officials continued, Kimche hopes to discuss the chances for U.S. help in creating a fund, either from official or private U.S. sources, that would increase the number of Israeli technical advisers in areas such as Africa and Central America.

Until now, the officials said, the United States has been noncommittal; they added that they did not know whether Israel's offer to do more in El Salvador would change the U.S. position.

In any case, the Israelis insisted, Kimche's talks will be limited to technical aid. Even if the administration were to ask for help with covert action, the officials said, the Israeli government believes that getting involved in Central American military and intelligence activities would put it in a no-win situation.

They noted that many American liberals were very critical of Israel's sale of arms to the late Nicaraguan dictator, Anastasio Somoza, during the civil war that brought the Sandinistas to power.

Now, they added, Israel does not want to get caught in a position where it might be seen as taking sides between the administration and its congressional critics, many of whom are among Israel's staunchest supporters in Congress.