# Nicaragua Denies Scuttling Talks

By Roy Gutman

Newsday Washington Bureau

Washington — Nicaragua's negotiator in talks with the United States yesterday disputed assertions by Secretary of State George Shultz and the State Department that Nicaraguan intransigence prompted Shultz to suspend the talks last month.

Victor Hugo Tinoco, vice minister of foreign affairs for Nicaragua, said in an interview that he had offered at the final meeting, which opened Dec. 11, to discuss all security issues that Washington saw as roadblocks to a regional peace settlement.

Tinoco is spending this week in Washington seeing congressional leaders in the midst of a debate over whether to resume covert aid to rebels opposing Nicaragua's Sandinista government. Democrats and Republicans alike have raised questions about the reasons for suspending the U.S.-Nicaragua talks in Manzanillo, Mexico, and the issue may have a bearing on the vote, expected this spring.

Shultz told Congress last week that "we put the Manzanillo talks in abeyance because no progress was being made." And the State Department charged in a new "resource book" that Nicaragua had "consistently refused to consider any substantive changes to this draft agreement." The reference was to the regional peace settlement proposed by the four-nation Contadora group in September to which the United States and its Central American allies have taken exception.

But Tinoco, in his first public remarks since the suspension, appeared to contradict Shultz and the State Department.

"We were ready to discuss those matters that were a problem, that the United States didn't like, didn't accept in Contadora, in the context of Manzanillo, and in the context of defining an understanding leading to normalization between the United States and Nicaragua," Tinoco said.

Nicaraguan sources said Harry Shlaudeman, U.S. special ambassador at the Manzanillo talks, seemed to respond positively to the Tinoco offer. They quoted him as saying: "Okay, that is interesting. It is a new approach, something different. We will discuss this, and at the next meeting, we will answer this proposal." The meeting was set for the second half of January but for reasons that remain unclear, it never took place.

Shlaudeman would not comment on the talks, which have been kept under tight wraps. But a senior official close to the U.S. negotiating team said Tinoco's offer was to explore, not discuss, changes in the September document. "He left out a rather important part, namely that they would not accept any changes . . . This meant the end of Contadora. They were substituting a bilateral agreement for Contadora," this U.S. official said.

U.S. officials have acknowledged that the four Contadora countries — Colombia, Mexico, Panama and Venezuela — saw the matter the other way around, namely that progress at Manzanillo would enhance, not detract from, their diplomacy. Jan. 8, they publicly urged the United States and Nicaragua to redouble their efforts to resolve the dispute in Manzanillo. Ten days later, Washington called off the Manzanillo talks. In mid-February, Contadora's own efforts broke down.

In the "resource book" on the Contadora process issued by its office of public diplomacy last week, the State Department listed nine issues that now divide Nicaragua and the three U.S. allies in the region — Costa Rica, Honduras and El Salvador. They relate mainly to technical aspects of a regional security agreement, such as when it would come into effect, the timetable for talks on withdrawal of foreign advisers and dismantling of foreign bases and who would verify compliance.

A Nicaraguan source said yesterday Nicaragua was willing to discuss all nine issues. "We were accepting what they proposed — to discuss those aspects of the act that they didn't like; the difference was that we accepted it in the framework of normalizing relations," he said.

NEWSDAY, JUESDAY, FEBRUARY 20, 1805

# Declassified in Part - Sanitized Copy Approved for Release 2012/09/25 : CIA-RDP90-00965R000302620005-7

By Roy Gutman Newsday Washington Bureau

Washington - The top U.S. military official in Latin America said yesterday that the Beagan administration was wrong in telling Congress that the goal of the U.S.-backed Nicaraguan insurgency was to interdict the flow of arms from Nicaragua to El Salvador.

Gen. Paul Gorman, who will retire at the end of this week as head of the U.S. Southern Command in Panama, said interdiction was never the goal

and had not taken place.
"I think that we as a government were probably wrong in using the word interdiction with this body be-cause interdiction to me as a military toppel or blocking. That hasn't happened," Gorman told the S Gorman told the Senate Armed Services Committee.

Sen. Sam Nunn (D-Ga.), the ranking Democrat on the committee, said this was a "very key" remark and that the program "never should have been described as an interdiction." Gorman interrupted him with a "yes, sir."

Gorman, a four-star general, has been increasingly criticized in Con-gress as one of the prime movers re-sponsible for expanding the U.S. military presence in Central America.

"Among our shortcomings is that we have not articulated well what we are doing," Gorman told the committee. He said he doubted the U.S.-backed rebels could overthrow the Sandinista government in the foreseeable future. He also said he supported a diplomatic solution to differences with Nicaragua mediated by the four Latin American countries of the "Contadora" group— Mexico, Colombia, Panama and Venezucla - and that the administration should "examine any kind of proposal" Nicaragua puts forward. He also said he was "gravely concerned" about corruption and political violence in Mexico, adding that the Soviets had gained 'obviously a great deal of influence'

Gorman's remarks about interdiction gave new weight to repeated criticism that Congress was not fully briefed about the aims of the covert program when congressional support was requested in 1981.

In his first major speech on Central America in April, 1983, President Ronald Reagan said the purpose of the U.S.-backed campaign against Nicaragua, "in conformity with American and international law, is to prevent the flow of arms to El Salvador, Honduras, Guatema-

la and Costa Rica." Congress su pended funding last spring due par ly to doubts about this explanation and the administration has sough to have both houses of Congress li the suspension.

Gorman argued that Congres should continue to fund the rebels be cause their presence has forced Nice ragua to divert its funds and attentio to the insurgency at relatively low coto the United States, and because th United States should support "fredom fighters" who seek democracy But his expressions of strong doul that, the rebels could overthrow the Sandinista government raised ne questions about the Reagan admini tration's goals.

"I don't see any immediate prospe that these guys in blue suits in th Continued on Page 1

#### in Nicaragua General Disputes U.

Continued from Page 5 hills are going to march into Mana-gua," Gorman said. He added that the resistance movement — which he esti-mated numbers up to 16,000 armed men — would have "another year or more of slogging to go before that was ever in prospect." He said there were "a lot of problems associated with it."

Only last week, Reagan urged Congress to support more funding for the "freedom fighters." He said his goal was to "remove" the Sandinista government "in the sense of its present structure, in which it is a Communist, totalitarian state, and it is not a gov-ernment chosen by the people."

Gorman said Reagan's views reflected those of many leaders in the region who felt they "cannot live with a Marxist-Leninist garrison state." But he told the committee that he thought, the only answer to the dispute with Nicaragua "lies in some kind of pressures and diplomacy."

Sen. Carl Levin (D-Mich.) asked Gorman if the United States was aiding the rebels in any way. The general replied: "I know of no way that the United States government or any of its arms or agencies or appurtenances are arms or agencies or appurenances are aiding the struggle. . . I am confident given my own sources that if that were going on I would know about it." Levin told him: "That's good enough for me."

Shultz, Democrats Clash Washington (AP) - Secretary of State George Shultz faced accusations yesterday of "red-baiting" by Democratic House members who said the administration is distorting events in Central America.

The secretary found himself in the midst of an explosive confrontation be-fore a House Foreign Affairs subcommittee hearing where his statements on Nicaragua and Cuba were com-pared with the tactics of Sen. Joseph McCarthy during the 1950s. He replied to Rep. Ted Weiss (D-N.Y.): "It the ultimate perversion to say that attack on the tactics in Nicaragua comparable to Sen. McCarthy

The emotional exchange with Wei began after Shultz — question about worldwide efforts to cut off the flow of illegal drugs by the State Department — said Nicaragua and Cuba are raising money by directly or indirectly supporting the illegal drug trade in Central America.

#### Ortega Offers Two Steps for Peace

Managua, Nicaragua (AP) dent Daniel Ortega offered last night to have about 100 Cuban military advisers withdrawn from Nicaragua and to declare an "indefinite moratorium' on acquiring new weapons systems.

Ortega, speaking to reporters at the presidential office, said the systems included "interception aircraft."

The offer, included in a six-page doc-

peace proposals the government said on Tuesday it was preparing to an-nounce. He said the offer was "moti-vated by the seriousness of the regional situation which requires of the governments involved a responsible, mature and flexible attitude, [which] favors easing of tension

Ortega said he was confident Central American governments would sign a

tadora countries — Mexico, Colombia, Panama and Venezuela — "and that the North American government will return to the Manzanillo talks." He referred to talks with Nicaragua that the United States broke off in January.

San Salvador (UPI) - A delegation of U.S. Catholic bishops arrived yesterday from Managua to explore prospects ument read by Ortega, is part of news a peace agreement drawn up by the Cono of or ending the five/year-old civil war.

## Policy on Nicaragua Hits Roadblocks

By Roy Gutman Newsday Washington Bureau

Washington — President Ronald Reagan stood before a joint session of Congress Wednesday and urged Americans "not to break faith with those who are risking their lives on every continent, from Afghanistan to Nicaragua, to defy Soviet-supported aggression." He called it "essential" to continue covert aid to the "freedom fighters" in Nicaragua.

The next day, Reagan's national security adviser, Robert McFarlane, conceded that covert aid has lost the support of Congress. He told reporters the administration would "listen to our Congress and see if we can't forge a means that can be supported by all of the American people."

The gap between presidential rhetoric and congressional reality is only part of the challenge facing the administration. Besides the extremely difficult political problem at home, there is a diplomatic hurdle, chiefly how to persuade Honduras to continue tolerating the presence of the rebels, especially if Congress cuts the funds. There is the military hurdle of preventing a reversal of recent advances by the rebels during the current Nicaraguan army offensive. And finally, there is a bureaucratic hurdle: how much energy his top aides will want to invest in what appears to be a losing battle.

More than just a program is at stake. Talks with high U.S. officials in Washington and in U.S. embassies in Central America indicate that the entire U.S. policy toward Nicaragua, which seeks to destabilize and change that government, will unravel if Congress votes down covert aid once again.

Last September, Congress appropriated \$14 million but required Reagan to win approval in both Houses after March 1 to obtain the funds. The administration wants the funds but has not decided when and how to seek them. There is no indication another funding method can be found.

another funding method can be found.

Meanwhile, Nicaragua has begun revealing a three-fold strategy combining political, diplomatic and military actions to defeat the Reagan administration's aims. U.S. aides say it appears to be a coherent and coordinated approach and, given the disarray in the U.S. government, has a reasonable chance of success.

Insight into the current political battle in Washington can be gained by looking at recent military developments on the ground in Nicaragua. In the past six morths, the anti-Sandinista rebels, particularly those based in Honduras, have made remarkable advances and now operate in mostly unpopulated mountainous areas as much as 100 miles south of the Honduras-Nicaragua border. "They may have been getting too fat in Honduras. The heaviest fighting appears to have occurred after Congress cut off the funds." one U.S. official said.

What made the difference was that the rebels began operating in small units and developed an ability to maneuver and pick sites for combat. Nicaraguan sources concede that the rebels have become a more serious security threat in this time. They **ANALYSIS** 

estimate there are 10,000 altogether, 6,000 of whom are on the "northern front" supplied from Honduras and incorporated in the FDN — the Nicaraguan Democratic Forces. Of these, 5,000 are currently inside Nicaragua. A new tactic has been to attack electricity pylons and power plants and to disrupt the coffee harvest. Food is not a problem in the highlands, but ammunition is. A Miami Herald reporter who visited a rebel base camp near the Honduran border said supplies

were down to less than a week.

Nicaragua has responded by developing irregular warfare battalions. Despite the presence of many Cuban and Soviet military advisers, the Nicaraguan military has chosen the U.S. Army Rangers as its model in developing these battalions, which consist of small lightly armed mobile units taught to sustain themselves as they hunt guerrillas, sources said. One U.S. official compares them to the longrange reconnaissance patrols (LRRPS) the United States used in Vietnam.

Thus, as a U.S. source sums up, "both sides have gotten better." Late last year, Nicaragua obtained Hind-24 helicopter gunships, which the Soviet Union has used with devastating effect against rebels in Afghanistan. But Nicaraguan pilots are still undergoing additional training, and the Hi-24's will not be used until tactics are practiced and perfected. Soviet tactics call for the use of two or three at a time called in by ground southers.

time, called in by ground spotters.

Three elements of Nicaragua's strategy have emerged. One is a broad army offensive involving its irregular warfare units and in late January, even the use of tanks. For most of 1984, the army was engaged in preventing the rebels from launching a concerted offensive. Since December, the army has been on an offensive. Last week, the army claimed to inflict 200 casualties on the rebels in January. (The FDN claimed three times that number of army casualties)

A second element has been to demoralize and split the rebels. The first action of the newly elected national assembly was to approve a general amnesty for all rebels. The government has also dusted off plans to grant autonomy to the Miskito, Sumu and Rama Indians on the Atlantic Coast. An American traveler who visited the Atlantic coast 10 days ago reported that the amnesty had provoked wide discussion by Nicaraguan Indians who had taken refuge in Honduras.

The third element has been a diplomatic offensive. Honduras received Jose Leon Talavera, a vice Foreign Minister, on Jan. 22-23, the highest ranking visitor from Managua in three years, ostensibly to discuss the amnesty. Talavera asked the Hondurans to encourage the rebels to return home, a sentiment with which the Honduran military leadership increasingly concurs. Any Nicaraguan gain on this diplomatic front is a Reagan administration loss. On another front, while the United States suspended

direct talks with Managua in mid-January for reasons that are still not clear, Nicaragua's newly elected President Daniel Ortega Saavedra has said he is eager to achieve a negotiated solution. But it is the vote in Congress that most preoccu-

But it is the vote in Congress that most preoccupies the Nicaraguan leadership—the American as well. By one administration head count, only 10 to 15 votes have to be switched to win in the Democratic House. But this ignores the fact that the Intelligence Committees in both chambers are on record as opposing any revival of covert aid. While Sen. David Durenberger (R-Minn), the Senate Intelligence chair, suggests overt funding, the head of the Foreign Relations Committee, Richard Lugar (R-Ind), cautions that this comes close to a declaration of war against Nicaragua, which few Americans want.

Administration officials say there really aren't any viable alternatives to covert aid. An economic squeeze on Nicaragua would hurt the man-in-the street and the pro-American private sector more than the government.

The advice of those who want to avoid a signal defeat in Congress is to delay a vote, possibly indefinitely. The long-term impact of such a move on the morale of the rebels and on Honduras' willingness to host the rebels will not be positive.

Then there is a bureaucratic hurdle to success in the policy: the relatively passive attitude that Secretary of State George Shultz has adopted on the issue, high U.S. officials say. Shultz is spending most of his time trying to work out positions for forthcoming arms control negotiations with the Soviet Union. He apparently is not inclined to inspire any changes in Nicaragua policy at this time. In addition, the U.S. backed rebellion has all along been under the control of CIA Director William Casey. So Shultz and his assistant for Latin America, Langhorne Motley, have defended it publicly, but it is not their program.

A sense of resignation and that events should be allowed to take their course is apparent in talks with officials who have to think through the aims of U.S. security policy in Latin America. Central America has been a back burner issue since the November presidential election, and it is still unclear how far and how fast the administration will move it forward.

A State Department official involved in planning policy said the administration seemed determined to defend its policy which it believes has prevented the Sandinistas from consolidating their leftist revolution. "There is not much readiness here to accept a need for a major revision of policy. What we're doing is what we can do. It is working. Therefore it should not be abandoned," he said.

Dr. Fred Ikle, the Undersecretary for Policy at

Dr. Fred Ikle, the Undersecretary for Policy at the Defense Department, commented that economic sanctions rarely work. As for other possibilities: "I'm not going to speculate about all the alternatives at this point. It's not the right time to do it in public. I don't want to talk about it now."

Roy Gutman recently returned from a visit to Nicaragua and other Central America countries

## U.S. Policy Squeezes Honduras

#### Role in Nicaragua conflict threatens nation's stability

By Roy Gutman Newsday Washington Bureau

Washington — After three years of using Honduras as the staging ground in the covert war to destabilize Nicaragus, the Reagan administration is putting pressure on its ally that officials say could destabilize Honduras' fledgling democracy.

At issue is whether Honduras ahould continue to provide safe haven and supply routes for the 10,000 or more anti-Sandinista rebels at a time when the U.S. Congress has refused further covert aid.

Honduran military leaders say they want to kick the rebels out. But in Jan. 30-31 talks in Tegucialpa on security issues, the United States implicitly conditioned increased military and economic aid on Honduran willingness to maintain support facilities for the rebels, said U.S. and Honduran officials in Tegucigalpa. The two sides are deadlocked on a key issue, reopening the U.S.-built regional military training center in Honduras to soldiers from El Salvador, officials said yesterday.

These are but the latest jarring notes between countries that only a year ago were in close harmony. In the past six months, Honduras has begun distancing itself from U.S. policy, taking a first cautious step toward an accommodation with neighboring Nicaragua and growing warier of the U.S.-backed military build-up in El Salvador. Both the United States and Honduras are prece-

Both the United States and Honduras are preoccupied by the anti-Sandinista contras, particularly since Congress' vote in September to suspend until next month further covert aid to the rebels, who now are mostly in Nicaragua but still depend on Honduras for refuge and supplies.

The Reagan administration views the rebels as the most important element in its policy of pressures against Nicaragua. But many U.S. observers minimize the contras' long-range prospects of success, despite their recent advances.

Honduras sees the contrus as a threat to its security. The rebels, if they ignore an amnesty offer and press their fight, could provoke a Nicaraguan military strike inside Honduras. Moreover, should the Nicaraguan army drive the contrus out, Honduras could inherit thousands of armed men and camp followers responsible neither to Honduras nor to the United States.

"We're in a fix, and it's an election year here," Col. Cesar Elvir Sierra, the Honduran armed forces spokesman, told Newsday.

The speed and extent of the shift in attitude by the Honduran military leaders and the civilian government, which was elected three years ago after years of military rule, have taken U.S. officials by

Shortly before the start of a secret visit last month by Robert McFarlane, the White House national security adviser, and Gen. Paul Gorman, commander of the U.S. Southern Command in Panama, the Hondurans decided to receive a top Nicaraguan for the first time in three years. The Hondurans did not tell McFarlane of their decision.

In addition, U.S. officials said McFarlane walked

In addition, U.S. officials said McFarlane walked out of a dinner with Honduran leaders after they repeated a demand for a written U.S. security guarantee, which would supplement the multilateral Rio pact of 1949, in exchange for continued assistance to the U.S.-backed contras, which McFarlane was seeking. McFarlane rejected the request.

The Hondurans responded by dropping the bilateral talks to a technical-level meeting, in which they raised such complaints as U.S. troops' failure to dig enough wells during joint maneuvers, U.S. aides said. "It left us with a feeling they had not completely understood why he was there," an aide said this week.

The visit the following week by Jose Leon Talavera, the Nicaraguan vice minister of foreign afairs, was only the latest of a series of developments in Honduras that have caught the U.S. embassy by surprise. In past years, U.S. Ambassador John Negroponte and his staff seemed to know everything going on in the military and diplomatic areas and to exert great influence as decisions were made. But the U.S. envoy and his staff increasingly seem to be spectators, getting their news of Honduran positions from the Honduran and international press. For example, when Air Force General Walter Lopez Reyes, Honduras' armed forces commander, decided that he wanted a revision of the 1954 treaty of military assistance, he revealed it through leaks to foreign reporters.

Many State Department officials dismiss the Honduran attitude as a bargaining stance. But the handling of McFarlane's visit suggests other factors at work, factors that may bear on U.S. ability to continue its approach on Central America. Newsday

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## Honduras Wary on Nicaragua Role

—Continued from Page 4 interviews in Tegucigalpa and Washington revealed that differences now extend across a range of issues, including:

● The value of joint U.S.-Honduran military exercises, including "Big Pine III" next week in which the United States is to stage a mock Nicaraguan invasion of Honduras, complete with captured Soviet tanks supplied by the United States. Honduran officials view a conventional invasion as unlikely and questioned McFarlane on the benefits from these maneuvers.

• The amount of U.S. aid. Honduran officials say making their country secure through military aid and making it a showcase for U.S.-style capitalism through economic aid would be cheaper and wiser than building pressures against Nicaragua that might lead to U.S. intervention.

● The real long-term threat. Hondurans say it would not come from Nicaragua, but from land-poor El Salvador. Honduras has five times the land and only three-quarters the population of El Salvador, which in 1969 invaded Honduras.

• The meaning of developments in Nicaragua. While President Ronald Reagan denounced November's elections in Managua as a sham, a Honduran military spokesman said he would not dismiss them.

"Honduras is a sleeping nation that woke up. It found out that it was in a nightmare. Its dreams were a lot easier than what it woke up to." The speaker, an official of the Honduran Foreign Ministry, said he was giving his personal opinion. But he summed up the views of military officials and politicians of the major parties in Honduras. "In the past, we had very great confidence in the United States," the official said. "Now we don't. The

"In the past, we had very great confidence in the United States," the official said. "Now we don't. The United States has to defend its own interests. If its interests are the same as Honduras', it was good luck. If not, it is very bad luck."

The chill began April 1 when the Honduran military — to the surprise of Negroponte and Gorman — ousted Army Gen. Gustavo Alvarez Martinez, a vigorous anticommunist who his colleagues said was

too closely identified with the contrus, the Central Intelligence Agency, Gorman and Negroponte. He was replaced as armed forces commander by Lopez, who has made it clear he wants to expel the rebels.

In urging Honduras to tolerate the contras, the United States is offering a further expansion of aid beyond the \$88 million in military aid and \$142 million in economic aid requested of Congress this week in the 1986 budget. Honduras wants to get about as much aid as El Salvador is budgeted for, \$132 million in military aid and \$351 million in economic

A U.S. official said bilateral talks with the Hondurans were "plagued with difficulties." Issues include the establishment of a permanent military training center where forces from El Salvador and other countries could be given U.S. instruction, the Honduran stand on the contrus, and the level of aid.

One impact of U.S. pressures on Honduras is to raise the prospect of a military coup. Politicians of the major opposition parties openly have warned that President Roberto Suazo Cordoba, the only top official still closely aligned with U.S. policy, wants to maintain his grip on power by extending his term or getting his hand-picked successor elected. Should either happen, they say, a coup might be possible.

In terms of future developments, one of the most intriguing areas of U.S.-Honduran difference involves perspectives on Nicaragua. This came to the fore at the time of McFarlane's visit.

The national security adviser arrived in Honduras on Friday, Jan. 18, on the final stop of a fivenation Central American tour to reassure U.S. friends in the area of the administration's steadfastness despite battles with Congress and the replacement of key personnel identified with a hard line on Nicaragua, among them Gorman, United Nations ambassador Jeane Kirkpatrick and Negroponte.

But it appears that McFarlane brought the wrong message to the Hondurans, who are expressing fears more about the threats from the rebels and El Salvador than from Nicaragua. And as he stepped off Gen. Gorman's personal aircraft, McFarlane was unaware that the Hondurans had already inched toward a high-level dialogue with Nicaragua by agreeing to receive Talavera, the foreign affairs vice minister and the highest-level Nicaraguan visitor in three years.

The Talavera visit was arranged in record time that Friday morning, according to officials of both sides. Nicaraguan ambassador Danilo Abud telephoned the Foreign Ministry in mid-morning. An hour later, he got his answer: an unqualified yes.

Throughout the McFarlane talks, the Hondurans

Throughout the McFarlane talks, the Hondurans never hinted that they were expecting the Nicaraguan. Negroponte was informed only "casually" on the eve of Talavera's two-day visit, aides said.

Ostensibly he arrived to discuss an amnesty law the newly elected Nicaraguan assembly was about to approve. The amnesty, while rejected as meaningless by the State Department, has generated wide interest in Central America. "The Sandinistas are saying something interesting," military spokesman Elvir said. "... We have a saying. For the enemy who deserts, there is a silver bridge." This is the silver bridge."

However meaningful it may prove, the gesture opened doors in Honduras. Talavera suggested that the amnesty would work better if Honduras encouraged the rebels to leave the country. In addition, he repeated an offer for a bilateral accord. And he also held out the prospect that Nicaragua might back Honduras when the World Court meets to delineate a lingering border dispute with El Salvador — but not if Honduras require the contract here.

not if Honduras remains the contrus' base. Increasingly, the view heard from officials in Tequeigalpa is that Honduras must find a way to coexist with Nicaragua, even if its pro-Marxist leadership is not the Honduran preference. "Maybe we need a change of conception. We used to know who our friends and our enemies were," said the Foreign Ministry official, who did not want to be identified by name. He went on: "Nicaragua will always be our neighbor unless we pick up Honduras and put it in the Pacific—let's say at the latitude of Hawaii for good measure. What Hondurans want is to live with a bit of tranquility."