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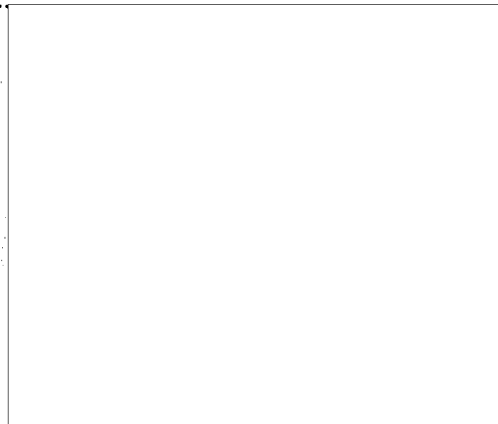
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FM AMEMBASSY TEGUCIGALPA  
TO RUEHC/SECSTATE WASHDC PRIORITY 0731  
INFO RUEDEHA/USCINCSO QUARRY HEIGHTS PN  
RUEBSAA/COMJTF-A COMAYAGUA HD  
RUEBSAB/CDRLABEL CERRO MTT RMTC FT BRAGG NC  
RUEHLL/CONTADORA COLLECTIVE  
RUEKJCS/JCS WASHDC  
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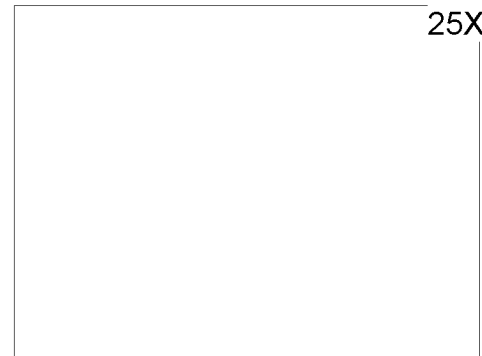
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H PASS TO SENATOR STEVENS

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E.O. 12356: DECL: OADR  
TAGS: PGOV, MASS, OREP, HO, PINR, EFIN  
SUBJECT: CODEL STEVENS VISIT TO HONDURAS

1. (U) SUMMARY: CODEL STEVENS VISITED EVERY MAJOR MILITARY ACTIVITY, CURRENT OR PLANNED, DURING ITS VISIT TO HONDURAS TO REVIEW MILITARY CONSTRUCTION PROJECTS. THEY RECEIVED IN-DEPTH BRIEFINGS FROM GENERAL GORMAN FROM SOUTHCOM, AND GENERAL WOERNER ACCOMPANIED THEM THROUGHOUT THEIR TRAVELS. IN ADDITION, THEY CALLED UPON MINISTER OF THE PRESIDENCY CARLOS FLORES FACUSSE, GENERAL GUSTAVO ALVAREZ AND MET WITH THE FDN. END SUMMARY.  
2. (C) SENATOR TED STEVENS (R-AK), ACCOMPANIED BY SENATORS MACK MATTINGLY (R-GA), WARREN RUDMAN (R-NH), AND PETE WILSON (R-CA), SIX STAFFERS FROM THE SENATE APPROPRIATIONS COMMITTEE, AND FOUR DOD REPRESENTATIVES, VISITED HONDURAS FEBRUARY 24-26, 1984. THE PRIMARY PURPOSE OF THEIR VISIT WAS TO REVIEW PAST AND FUTURE MILITARY CONSTRUCTION ACTIVITIES AND TO DETERMINE WHETHER SUCH ACTIVITIES HAD BEEN IMPROPERLY PERFORMED UNDER THE AHUJAS TARA EXERCISES WITHOUT CONGRESSIONAL AUTHORIZATION. THEY VISITED PREVIOUS EXERCISE SITES AT SAN LORENZO, TRUJILLO, AND AGUACATE, A FUTURE EXERCISE SITE AT CUCUYAGUA, RADAR SITES AT TIGER ISLAND AND CERRO LA MOLE, THE MILCON SITE AT LA CEIBA AIRFIELD, THE REGIONAL MILITARY TRAINING CENTER AND NEARBY EXERCISE SITES, AT TRUJILLO, AND THE JOINT TASK FORCE HEADQUARTERS AND MILCO PROJECT AT PALMEROLA. THEY RECEIVED DETAILED BRIEFINGS FROM GENERAL PAUL GORMAN AND WERE ACCOMPANIED ON THEIR TRAVELS AROUND HONDURAS BY GENERAL FRED WOERNER. IN ADDITION TO THEIR PRIMARY SCHEDULE, THE DELEGATION



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 BREAKFASTED WITH MEMBERS OF THE FDN LEADERSHIP,  
 ATTENDED A RECEPTION WITH LEADING HONDURAN POLITICAL,  
 BUSINESS, AND MILITARY FIGURES, AND MET WITH MINISTER OF  
 THE PRESIDENCY CARLOS FLORES AND CHIEF OF THE ARMED  
 FORCES GENERAL GUSTAVO ALVAREZ.

4. CARLOS FLORES FACUSSE, MINISTER OF THE PRESIDENCY  
 -----

(C) SENATOR STEVENS EXPLAINED THE PURPOSE OF THE DELEGA-  
 TION'S USAGE OF ADDITIONAL MONIES FOR MILITARY CONSTRU-  
 CTION. STEVENS SAID HE WAS PLEASED WITH THE RESULTS OF  
 ANJAS TARA TWO, WHICH HAD BEEN REVIEWED IN HEARINGS  
 BEFORE HIS COMMITTEE, AND HOPED THAT GOOD RELATIONS  
 BETWEEN HONDURAS AND THE U.S. AND THE EXERCISE PROGRAM  
 WOULD CONTINUE. THE CONVERSATION TURNED THEN TO ECONOMIC  
 ISSUES, WITH SENATOR MATTINGLY ASKING ABOUT RECENT  
 IMPROVEMENTS IN THE HONDURAN ECONOMY AS A RESULT OF THE  
 SUGAR QUOTA CHANGE OR OTHER FACTORS. CARLOS FLORES  
 REPLIED THAT THE GOH WAS NOW TRYING TO GET THE SAME  
 SORT OF UNDERSTANDING OUT OF THE ECONOMIC SIDE OF THE  
 USG THAT IT HAD RECEIVED FROM THE POLITICAL SIDE, AND  
 THAT A HIGH-LEVEL GOH DELEGATION HAD RECENTLY VISITED  
 WASHINGTON TO PURSUE THIS. ONE ISSUE OF PARTICULAR  
 IMPORTANCE, HE SAID, WAS A NEED FOR GREATER FLEXIBILITY  
 IN AID PROGRAMS BECAUSE IT APPEARS THAT, AS ECONOMIC  
 CONDITIONS WORSEN, THE CONDITIONS FOR FURTHER DISBURSE-  
 MENTS GET TIGHTER, AND IT BECOMES MORE DIFFICULT TO COME  
 UP WITH THE GOH COUNTERPART FUNDS. LAST YEAR HONDURAS  
 RECEIVED \$38 MILLION IN ECONOMIC SUPPORT FUNDS (ESF) AND  
 WILL RECEIVE \$40 MILLION THIS YEAR, BUT NONE OF IT COULD  
 BE DISBURSED LAST YEAR BECAUSE OF THE TIGHT CONDITIONS  
 SURROUNDING ITS USE. THIS CAUSED EVEN GREATER HARDSHIP  
 BECAUSE THE GOH HAD BUILT THAT MONEY INTO ITS BUDGET  
 PLANNING. EVEN THOUGH NOT DISBURSED, IT ADVERSELY  
 AFFECTED THE POSSIBILITY OF OBTAINING FUNDS FROM OTHER  
 SOURCES SINCE THEY POINT TO THE ALLEGED U.S. AID AS BEIN  
 ADEQUATE. THE SUGAR QUOTA INCREASE WAS HELPFUL BECAUSE  
 THE SUGAR INDUSTRY WAS DEPRESSED WITH LOW PRICES AND A  
 LACK OF DEMAND. HONDURAS FINDS ITSELF IN A SORT OF CATC  
 22 SITUATION WITH REGARD TO AID AND THE IMF STANDBY  
 FACILITY. IT IS IMPORTANT TO BE IN COMPLIANCE WITH THE  
 IMF, BECAUSE SO MUCH OTHER ASSISTANCE IS CONDITIONED  
 UPON THAT, BUT THE IMF CONDITIONS ARE VERY DIFFICULT --  
 THE ECONOMY CANNOT BE SO DEPRESSED AND THEN REJUVENATED  
 IN ONLY ONE YEAR. RATHER THAN MEASURING EVERY SITUATION  
 BY THE SAME YARSTICK, THE IMF AND AID NEED TO TAKE INTO  
 ACCOUNT DIFFERING SITUATIONS AND THE REAL PROGRESS THAT  
 HAS BEEN MADE.

LINE MISSING!

H PASS TO SENATOR STEVENS

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E.O. 12356: DECL: OADR

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SUBJECT: CODEL STEVENS VISIT TO HONDURAS

(C) SENATOR WILSON ASKED ABOUT THE CURRENT STATUS OF  
 THE CONTADORA NEGOTIATIONS. CARLOS FLORES REPLIED THAT  
 CONTADORA HAS NOW RECOGNIZED THAT THE SOLUTIONS TO CENTR  
 AMERICA'S PROBLEMS LIES IN CENTRAL AMERICA AND THAT IT  
 COULD NOT IMPOSE SOLUTIONS FROM OUTSIDE. CURRENTLY,  
 THE CONTADORA GROUP HAS DIVIDED INTO THREE WORKING GROUP  
 ON POLITICAL ECONOMIC AND SECURITY ISSUES TO DEVELOP  
 SPECIFIC MEANS OF IMPLEMENTING THE 21 POINTS AGREED TO A  
 BASIS FOR NEGOTIATION BY THE NINE CONTADORA COUNTRIES  
 IN NOVEMBER. IN THE POLITICAL WORKING GROUP, THE MAIN  
 EFFORT CENTERS AROUND DEMOCRATIC PROCESSES IN CENTRAL  
 AMERICA, BECAUSE DEMOCRACY IS ESSENTIAL TO PEACE IN

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CENTRAL AMERICA. HONDURAS IS VERY CONCERNED ABOUT THE UPCOMING ELECTIONS IN NICARAGUA BECAUSE THEY APPEAR DESIGNED ONLY TO LEGITIMIZE THE TOTALITARIAN SYSTEM THE SANDINISTAS HAVE INSTALLED. THEY HAVE SCHEDULED THEM AT THE SAME TIME AS THE US ELECTIONS IN THE HOPE THAT THEY WILL THUS ESCAPE MUCH ATTENTION AROUND THE WORLD. SENAT WILSON ASKED HOW MUCH PRESSURE CONTADORA IS PLACING ON NICARAGUA TO MAKE THE PROCESS LESS OF A FARCE. IN FLORE OPINION, MEXICO IS PLAYING ALONGSIDE NICARAGUA, TO GIVE THEM A SCREEN. THERE HAS YET TO BE A CLEAR INDICATION OF WHERE THE NEW VENEZUELAN GOVERNMENT STANDS. PANAMA IS CONSISTENTLY ON THE SIDE OF DEMOCRACY, AND COLOMBIA APPEARS TO VACILLATE FROM ONE SIDE TO THE OTHER.

(C) SENATOR MATTINGLY ASKED ABOUT THE REVIVAL OF CONDECA TO WHICH CARLOS FLORES REPLIED THAT IT WOULD TAKE A LONG TIME TO CREATE THE NECESSARY POLITICAL FRAMEWORK AND THAT IT WOULD BE A DIFFICULT PROCESS. WITH REGARD TO THE EXERCISE PROGRAM, FLORES NOTED THAT THEY WERE VERY EXPENSIVE FOR HONDURAS BECAUSE OF FUEL, TRANSPORT, AND PERSONNEL COSTS BUT THAT THE POLITICAL BENEFITS HAVE OUTWEIGHED THE ECONOMIC DRAIN THEY REPRESENT.

5. GENERAL GUSTAVO ALVAREZ

(C) TO OPEN THE DELEGATION'S MEETING WITH GENERAL ALVAREZ AT THE AIR FORCE OFFICER'S CLUB, SENATOR STEVENS ASKED ABOUT THE LIKELY REACTION OF NICARAGUA TO HONDURAS IMPROVED MILITARY CAPABILITIES AS A RESULT OF THE EXERCISES AND U.S. MILITARY ASSISTANCE. ALVAREZ REPLIED THAT THE EXERCISES HAVE BEEN A DETERRENT FOR THE NICARAGUANS AND HAVE MADE THE HONDURAN MILITARY INTO A CREDIBLE FORCE WHICH HE HOPED WOULD HELP SOFTEN THE NICARAGUAN STANCE. OPERATIONAL EFFICIENCY HAS INCREASED DRAMATICALLY; THE DIFFERENCE BETWEEN AHUAS TARA ONE AND AHUAS TARA TWO WERE STRIKING WITH REGARD TO THE HONDURAN ARMED FORCES PERFORMANCE. SENATOR STEVENS THEN ASKED ABOUT THE UPGRADE IN HONDURAN ARTILLERY CAPABILITIES. ALVAREZ REPLIED THAT THE UPGRADE HAD BEEN PROGRAMMED LONG BEFORE THE EXERCISES HAD BEEN ESTABLISHED, BUT THAT THEY HAD BEEN ABLE TO TAKE ADVANTAGE OF THE EXERCISES TO ADVANCE THEIR TECHNIQUES. ONCE THE REMAINING 6 105MM ARTILLERY PIECES ARE DELIVERED LATER THIS SPRING, THEY WILL HAVE 24, WHICH IS NOT ENOUGH, HE SAID, FOR THE MINIMUM DETERRENT FORCE PLANNED OF 3 BATTALIONS OF 12 TUBES EACH. (EMBASSY NOTE: THE FINAL SIX 105MM ARTILLERY RIFLES WERE DELIVERED TO THE HAF ON FEBRUARY 8).

(C) ALVAREZ ALSO BROUGHT UP, THE ELECTIONS WHICH WILL SOON BE HELD IN NICARAGUA. THEY ARE TROUBLING BECAUSE ONE DOES NOT WANT TO GIVE THE IMPRESSION OF LEGITIMIZING SOMETHING THAT IS SO OBVIOUSLY A FARCE. THE GOH WANTS TO GUARANTEE LIBERTY AND THE DEMOCRATIC SYSTEM IN HONDURAS AND COOPERATE WITH OTHER COUNTRIES IN THE REGION. ALVAREZ EMPHASIZED THAT IF THE U.S. HELPS HONDURAS ESTABLISH A MINIMUM FORCE IT COULD BE BOTH ASSISTING HONDURAS AND BE A HELPFUL FACTOR THROUGHOUT THE REST OF CENTRAL AMERICA. LOOKING AT THE WORLD SITUATION IN THE FUTURE, AS THE US IS PRESSURED BY THE USSR, A STRONG HONDURAS CAN BE HELPFUL. IT IS FAR EASIER AND CHEAPER TO ASSIST HONDURAS NOW THAN IN THE FUTURE.

(S/NF) SENATOR RUDMAN ASKED ABOUT THE COMPOSITION OF THE MINIMUM FORCE GENERAL ALVAREZ HAD MENTIONED. HE REPLIED THAT IT WOULD CONSIST OF 4 INFANTRY BRIGADES OF 2,500-

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3,000 MEN EACH, 3 BATTALIONS OF 155MM ARTILLERY, A SUFFICIENT QUANTITY OF HELICOPTERS FOR TACTICAL MOBILITY AN AIR TRANSPORT SQUADRON OF C-130'S AND SMALLER MEDIUM TRNSPORTS TO ENABLE HONDURAS TO MOVE A BRIGADE AND ALL ITS EQUIPMENT IN UNDER 24 HOURS, AND RESERVES OF 6,000 MEN.

(S/NF) AFTER TOUCHING UPON SEVERAL OTHER TOPICS, INCLUDING THE JET TRAINERS HONDURAS IS BUYING FROM ITALY AND BRAZIL AND THE CORROSION PROBLEMS OF THE SUPER MYSTERES, SENATOR MATTINGLY ASKED ABOUT THE UTILITY TO THE HONDURANS OF THE CONSTRUCTION ACTIVITIES CARRIED OUT DURING THE EXERCISES. ALVAREZ REPLIED THAT THEY HOPED TO BE ABLE TO PAVE THE AIRSTRIP AT AGUACATE AND WOULD TR TO MAINTAIN THE OTHER STRIPS AS WELL AS THEY COULD -- THE SOLUTION COULD BE PRIVATE CONTRACTORS UNTIL THE HAF CREATES AN ENGINEERING/CONSTRUCTION BATTALION. NEGROPONTE

END OF MESSAGE

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