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The Director of Central Intelligence

Washington, D.C. 20505

REFERRED/REQUEST PARTIAL DENIAL

CIA: DR

3/3 MEMORANDUM FOR: Secretary of State
ARA (Action)
S/P (Action)
S/SE (Action)
SUBJECT: Central America

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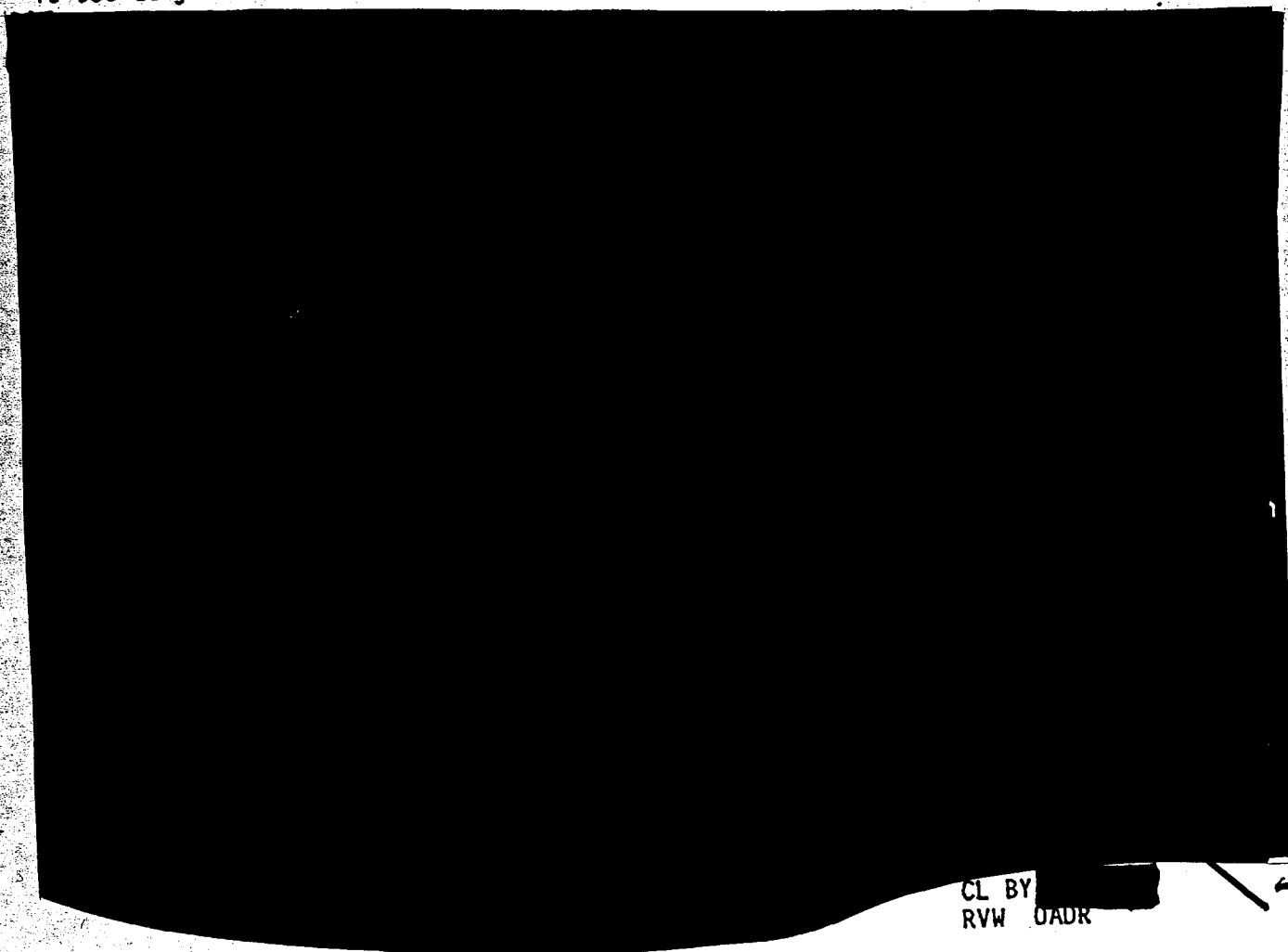
NOVA REVIEW
March 1986
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Reviewed by: *E. Kelly 11/17/93*

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1. I think you are on a roll with the foreign policy triumph in the Philippines and the strong advocacy of support for beleaguered pro-democratic forces. I believe it urgent to capitalize on this by still bolder and broader moves in the diplomatic channels and public forums.

2. The lead article in yesterday's INR report on **Costa Rica** and the Mike Barnes letter to the President circulated to 435 members of the House show the risk that the "eight major Latin American democracies," as Barnes refers to them, could pull the rug out from under the US security position in Central America. The Barnes letter and the INR piece are attached.

3. I'm afraid that pressing the Nicaraguans to resume the Contadora process, as Senator Lugar called for in the WASHINGTON POST today, makes it too easy for the Sandinistas to delay or even defeat Contra support.



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-- On 11-12 January 1986, the Contadora four plus the support group four, under Mexican initiative, endorse the Carabellada Document. That document waters down the joint Contadora document endorsed by El Salvador, Honduras, Guatemala, and Costa Rica.

-- On 14 January 1986, at the Guatemalan presidential inauguration attended by almost all the Latin American countries, the Carabellada Document is used to undermine the solidity of the Central American four's insistence that a Contadora treaty must provide for the simultaneous implementation of all 21 Contadora objectives including democracy in Nicaragua. "Simultaneity" begins to be redefined as the ending of US support to the freedom fighters and the Sandinistas promising to end their support to communist guerrillas.

-- On 22 January 1986, Michael Barnes, leading Congressional opponent of the freedom fighters, sends letter to the President and all 435 House members saying "the Latin Americans" oppose aid to the freedom fighters as demonstrated by the Carabellada Document.

-- On 10 February 1986, ministers from the Contadora four and support group four meet in Washington, D. C. On 11 February 1986, Washington Post headline on the meeting is "Latins Urge US to Halt Contra Aid." Same theme is carried by other major media.

Mexico is likely to seek a return visit to Washington, D. C., of those eight foreign ministers, coinciding with possible votes in the Congress, to turn undecided voters in the Congress.

5. To check and reverse this Mexican-Mike Barnes drive, we need aggressive diplomatic action, including:

-- Strong efforts to persuade some or most of the eight Mexican-led Contadora and support group countries to: (1) publicly condemn Nicaragua for aggression through armed subversion (we have declassified intelligence showing that Nicaragua, in partnership with Cuba, is currently training terrorists targeted against other Latin American countries); (2) reiterate in public and private diplomacy the continuing obligation of Nicaragua under the 1979 OAS resolution to implement genuine democracy and remain non-aligned. Emphasis that this is consistent with the simultaneous implementation of all 21 Contadora objectives.

-- Mount a systematic diplomatic effort to have a majority of OAS members (16) vote for an OAS resolution or make some other joint declaration opposing Sandinista armed subversion and condemning Nicaragua for failure to implement genuine democracy. This possible OAS majority could include:

[REDACTED]

There is a precedent in censoring Cuba for supporting external subversion. Doing the necessary diplomatic and educational work on our aims in Central America should tell us whether the votes can be had. In any event, we should reduce our present vulnerability to the Contadora process pulling the rug out on the Nicaraguan democratic resistance by positioning ourselves to take our own initiative in the OAS if that should be called for.

6. I think it is important at this point to open up the OAS as a forum to counter the broad offensive which the Nicaraguans are conducting against us in the United Nations and other diplomatic forums. The success in the Philippines and Haiti gives you a platform to take the offensive on our commitment to genuine democracy and ask all the countries of Latin America to stand by us in our efforts to prevent a communist consolidation in our midst. It seems to me moving on this track in the OAS now gives us a hedge against the possibility that Mexico and its allies can somehow manage to maneuver the Contadora process, in which we have no direct participation, to abruptly cut our whole position.

William J. Casey

Attachments a/s

Lead Article in 2/28 INR Report **on Costa Rica** is CODEWORD. Copies should be obtained from INR.