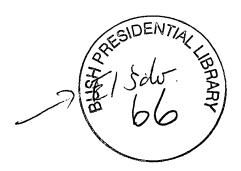


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## DIRECTORATE OF INTELLIGENCE

16 January 1990

El Salvador's Cristiani: Still Strugglin	is with Credibility
Summary	
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### A New-Style ARENA Leader

A relative newcomer to politics when he became president of the Nationalist Republican Alliance (ARENA) party in 1985, Alfredo Cristiani, now 42, initially proved to be the answer to the party's longstanding image problem. Since its creation in 1981, ARENA has had a reputation as a group of ultraconservative extremists with connections to rightwing death squads and an authoritarian oligarchy. The disrepute of ARENA founder and President-for-Life Roberto D'Aubuisson, who has been accused of kidnappings and assassinations, was a particular burden for the party. After D'Aubuisson's failed bid for the presidency in 1984, a variety of sources reported that ARENA leaders decided to clean up the party's image by naming Cristiani, a respected member of an important coffee-growing family and the president of the powerful coffee and cotton growers' associations, as its head.



Cristiani presented several advantages as party leader. He was untainted by charges of corruption or connections to death squads and rightwing extremists.

The choice of Cristiani as a leader brought results. ARENA increased its popularity while benefiting from growing disenchantment with the failed economic policies and corruption of the Christian Democratic government of Jose Napoleon Duarte. In congressional and local elections in 1988, ARENA won control of the National Assembly and over two-thirds of the country's municipalities. In 1989, Cristiani earned ARENA's presidential nomination and won the presidency with 54 percent of the popular vote.

Tackling the Presidency

Off to a Good Start . . .

Although Cristiani was generally expected to be more moderate and polished than many ARENA leaders, his initial popularity as President surprised even the most skeptical observers at home and abroad. An opinion poll taken in San Salvador three months into his term showed him with a 71 percent favorable rating. We believe this high level of approval reflected the success of his statesmanlike style.

Another plus for Cristiani was his measured response to serious problems. For example, after the assassination in June 1989 of his Minister of the Presidency, the President stressed that the government would not be provoked into an extralegal response and would rely on the judicial system to deal with the crime. Similarly, he avoided being baited by the upsurge in guerrilla violence in mid-1989.



#### The Cristiani Cabinet

For the most part, President Cristiani's Cabinet reflects his pragmatic, conciliatory style. While the ministers are predominantly ARENA members, they break the traditional ARENA mold in that they are generally technocrats more committed to good government than to ideology. The economic team of Economy Minister Arturo Zablah, Finance Minister Rafael Alvarado, Planning Minister Mirna Lievano, and Central Bank President Roberto Orellana perhaps best typifies the moderate, professional image Cristiani is striving to establish. With the exception of Lievano, they are all US trained; they are generally conservative, have substantial experience in economics and finance, and owe little allegiance to ARENA. They share Cristiani's vision of a free market economy but, for the most part, understand and support his concerns about social welfare.

Foreign Minister Jose Manuel Pacas and Justice Minister Oscar Santamaria represent the more politically seasoned wing of Cristiani's Cabinet. Both have been extensively involved in government and ARENA affairs. Neither has much experience in his portfolio, however, and both have been criticized for substandard performance during November's guerrilla offensive. Pacas, a close friend of Cristiani, served as Economy Minister from 1982 to 1984 and was an adviser to ARENA's 1984 presidential campaign. Pacas is currently attempting to strike a balance in foreign policy between friendly relations with the United States and political independence. Santamaria served two terms as a national deputy in the 1970s. Despite heading the investigation of the Jesuit murders, he has not taken an assertive role in his Ministry to date. He was a key participant in the negotiations with the FMLN in Costa Rica in October.

Defense Minister Gen. Rafael Humberto Larios, head of one of the most important ministries, was a compromise choice necessitated by ARENA infighting. Larios, who is expected to be replaced early this year, generally has not sparked controversy in the military but is suspect in ARENA circles because of family ties to the opposition Christian Democratic Party and alleged corrupt activities. Because of his temporary status (he has been nicknamed "the disposable minister" in some quarters) Larios has not been an activist. Generally, he has publicly supported Cristiani's policy of negotiating with the FMLN and toning down Army violence in response to guerrilla provocations.

Cristiani also has a "kitchen cabinet" of informal advisers, many of whom are personal friends who share his progressive views. Included in this group, are Foreign Minister Pacas—who also is close to D'Aubuisson—National Assembly President Ricardo Alvaranga, and San Salvador City Councilmen Juan Jose Domenech, Ricardo Valdivieso, and Saul Suster.

Cristiani also initially benefited from the appeal of his moderate, pragmatic policy agenda. It was designed to foster a more democratic image for his government and consolidate popular support. Its key elements included:

- Pursuing negotiations with the Farabundo Marti National Liberation Front (FMLN). Cristiani made ending the insurgent war a top priority of his government. Although November's offensive derailed negotiations, the President has continued to call for dialogue with the FMLN.
- Strengthening communication with the military. The President has developed a good working relationship with key military leaders, particularly the Chief of the Joint Staff, Col. Rene Emilio Ponce, and has stressed the critical role of the military in institutionalizing democracy.
- Building ties to the opposition. Upon assuming office, Cristiani immediately began to court opposition parties and interest groups in an effort to win their support—or at least minimize their resistance.
- Balancing competing economic demands. Cristiani is pressing for a free market economic program that necessitates some sacrifice from the entrenched interest groups that traditionally have been one of ARENA's strongest constituencies. Moreover, he has been careful to assure worker and peasant groups that their key concerns, such as land reform, will not be ignored.

Cristiani's selection of a moderate Cabinet also helped his standing. Many of its members—particularly on the economic team—are businessmen and technocrats who, like the President, tend to favor a consensual approach to politics and are more committed to competent and effective government than to ideology or personal gain. Other members are longtime ARENA members with considerable experience in government and party affairs.

. . . But Still Fighting an Uphill Battle

Despite Cristiani's good start, he continues to be plagued by the suspicion, both at home and abroad, that ARENA hardliners led by D'Aubuisson are the true power behind the throne. D'Aubuisson has been the ultimate authority in the party since its founding, and his aspirations to power are well known. Cristiani reportedly consults with D'Aubuisson on party issues and allows the party founder to have input in decisions of defense and security matters. Many observers remain unconvinced that Cristiani, a latecomer to politics with a relatively weak political base, can ever wrest control of ARENA from the charismatic party founder.

Some features of Cristiani's leadership behavior—which are admirable in his personality and motives—have backfired in public:

- His calm, rational approach toward difficult decisions has sometimes kept his government and the public in suspense. Fristiani listens to all sides and allows himself ample time to consider all options.
- He has enlisted senior party leaders to resolve political disagreements on objective grounds and to increase consensus decisionmaking, thus easing ARENA away from its autocratic traditions. How-

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### Dealing With ARENA Hardliners

The greatest challenge to President Cristiani—particularly in the wake of the November offensive—continues to be dispelling the notion that the hardline faction is solely in control of ARENA and by extension the presidency. Among the hardliners, the most influential is still Roberto D'Aubuisson, who founded ARENA as a personal vehicle for political advancement. The party founder holds a seat in the National Assembly, where he controls the ARENA majority and has the potential to become a formidable foe. D'Aubuisson so far has avoided the appearance of direct involvement in government.

has made an effort to stay behind the scenes. At the same time, however, many of his supporters were given second— and third—echelon posts in various ministries. Nearly all of the 14 Supreme Court justices are D'Aubuisson supporters. Moreover, he succeeded in getting six of his followers named to ARENA's 12-man National Executive Council (COENA) last November and thereby has assured his continued influence in the party.

Other ARENA members could also thwart Cristiani's efforts at reform or threaten his authority. These include Vice President and Interior Minister Francisco Merino and National Assembly Vice President Sigifredo Ochoa. Both are strong supporters and longtime members of the conservative faction of ARENA. Merino reportedly was D'Aubuisson's choice for the vice-presidential slot and was accepted by Cristiani to appease ARENA hardliners.

Merino recently has distanced himself somewhat from D'Aubuisson, possibly in an attempt to build his own following within ARENA. Nevertheless, he remains more conservative in his views than the President and may push those views. Ochoa is an ultraconservative whose outspoken, extremist positions (such as his 1988 call for public insurrection to protest corruption in the Duarte government) have embarrassed ARENA in the past. He wields some power in the Assembly, however, and could prove to be an irritant to Cristiani.

Cristiani turned his first potential confrontation with hardliners—the selection of a Defense Minister—largely to his advantage through his conciliatory approach. The party old guard, led by D'Aubuisson, wanted Cristiani to appoint Air Force Gen. Rafael Bustillo, an ardent anti-Communist who had aggressively pursued the insurgent war

The moderates preferred Col. Kene Emilio Ponce, the present Chief of the Joint General Staff and the acknowledged leader of the most influential military academy graduating class. Realizing that Ponce's appointment would spawn interservice rivalry and anger ARENA conservatives, Cristiani compromised by choosing Gen. Rafael Humberto Larios, a low-profile officer with a strong professional reputation and the respect of his peers.

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Since overcoming the conservatives' objections to his Cabinet selections, the President has relied on his consensual style to manage the D'Aubuisson camp,

He has used COENA as a forum to discuss major party policy issues and to forge policy by committee, thereby limiting some of D'Aubuisson's power. The President makes a point of consulting D'Aubuisson on important party issues, however, and in the past has allowed him considerable influence on decisions involving defense and security matters.

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• Pragmatically, he has recognized that D'Aubuisson's popularity and solid base of support still usefully complement his own style and still tenuous constituency. In trying not to compete head-on with D'Aubuisson-let alone to discard him-Cristiani has worried those who fear the resurgence of ARE-NA's military faction and probably has disappointed others who expect shows of machismo of their leaders.		
	•	
Rocked by the Offensive		
The November offensive was the first crisis of Cristiani's presidency. Although some observers initially praised Cristiani for his measured response to the offensive (he ordered the military to move cautiously against the guerrillas to avoid harming civilians), a number of events negated the political value of that approach. These included the assassination of the Jesuits, reports of a growing crackdown on religious workers and suspected leftists, severe press censorship, and the drafting by ARENA members of the Assembly of an antiterrorist law that would severely restrict individual rights.	]	
The President's low visibility during the most intense fighting of the offensive was another blow to his credibility. He gave only two press conferences during the first two weeks of the attack and many international observers speculated that his absence from view meant that he was no longer in charge. Others asserted that, because the security services had taken primary responsibility for managing the counteroffensive, they were also running the government.		
the President was indeed the key decisionmaker during the offensive but add that he did not manage the crisis as well as he could have. In particular, the adept handling of the media that he exhibited in the first months of his presidency was sorely lacking.		
Ineffective management by Cristiani's staff, particularly at the sub-Cabinet level, was also responsible for the government's poor showing, rector of national communications, Mauricio Sandoval, was absent from the country during the first few days of the offensive and did little upon his return to ensure widespread dissemination of accurate information.  Foreign Minister Manuel Pacas's failure to communicate with El Salvador's embassies abroad crippled the efforts of Salvadoran diplomats to make an effective case to foreign governments. Justice Minister Oscar Santamaria's slow response in initiating the investigation of the Jesuit murders forced Cristiani himself to take the lead on the case. A letter to the Pope from Salvadoran Attorney General Mauricio Colorado calling for the removal of all foreign priests from El Salvador—read by the international press as a thinly veiled government threat to religious workers—was yet another blow to the moderate image of the Cristiani government.		
Outlook		
While a poll recently taken in the capital indicates that most Salvadorans blame the FMLN for the upsurge in violence, press reports say the public has lost some confidence in Cristiani. His international image has suffered even more. He is therefore faced with the need for rapid, wide-ranging damage-control measures to demonstrate his authority and commitment to democracy and thereby restore his leadership credentials at home and abroad.		

A major step in this direction would be the swift indictment and conviction of the military personnel implicated in the Jesuit slayings. Such an action might restore domestic and international confidence in Cristiani's willingness to confront El Salvador's entrenched antidemocratic interest groups. Ensuring that his government avoids further blatant human rights abuses would strengthen his position. Although the President is almost certainly not involved in such abuse, he will inevitably be held accountable for any further vigilante violence, even if it is carried out without his knowledge or approval. A continued demonstration of commitment by Cristiani and his Cabinet to the moderate eco nomic and social policies initiated before the offensive will also help their cause. In particular, the President is under pressure from the international community and Salvadoran opposition groups to resume negotiations with the FMLN. Although he has consistently stated his willingness to negotiate, the FMLN has had some success in portraying the government as intransigent on key points in the negotiations. Cristiani may have to adopt a more flexible position to dispel that obstructionist image and project the appearance of a committed democrat. An impending shakeup in the Defense Ministry<sup>1</sup> will provide an opportunity for the President to assert his authority. The appointment of a new defense minister of Cristiani's choosing, especially if it is over the objections of ARENA hardliners, would go far to demonstrate that the President is in control. the President has already decided to name Colonel Ponce to the Detense post and is only waiting for an easing of party dissension over an earlier attempt to name Ponce to the position. Removing corrupt Army officers and replacing some of his more ineffective Cabinet members would also strengthen Cristiani's leadership credentials. Cristiani almost certainly realizes the need to bolster his authority, and since the offensive, he has made an effort to demonstrate his commitment to moderation and democracy. For example, he has invited the United States, Spain, and Great Britain to participate in the investigation of the Jesuit murders, and he has secured the cooperation of Colonel Ponce in the questioning of suspects in the military. Moreover, he refused to sign the antiterrorist legislation and sent it back to the National Assembly for redrafting. He has also stepped up efforts at dialogue with opposition groups. Such moves-particularly his recent implication of the military in the Jesuit killings-may be opposed by some elements within the government and the military. That sort of conflict will probably trigger Cristiani's consensual instincts and impel him toward a less risky course. For example, instead of decisively confronting the most inefficient and corrupt Cabinet and military hardliners, such as he is likely to seek compromise solutions to avoid provoking intraparty conflict. These might include stepping back from moderate stands such as seeking negotiations with the FMLN and moving slowly on removing corrupt or violent government or military personnel. If he chooses the conciliatory course, he will probably fail to quell doubts about his authority and will validate the notion among foreign critics that extremists are running El Salvador. Thus, at this critical juncture in his presidency, he runs the risk of perpetuating the country's negative reputation and reducing his ability to introduce political reforms.

<sup>&</sup>lt;sup>1</sup>The current Minister of Defense, Gen. Humberto Larios, is a temporary compromise choice, selected by Cristiani when squabbling over the Defense portfolio by ARENA moderates and hardliners threatened to disrupt party unity. Larios is expected to be replaced early this year.