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E.O. 12356: N/A
TAGS: SOPN
SUBJECT: ARA NEWS ITEMS OF DECEMBER 10, 1984

1. PRESS SUMMARY OF DECEMBER 8-10, 1984:

-- (MONDAY, DECEMBER 10) NEW YORK TIMES --

BRAZIL: ALAN RIDING, P. 3 FROM RIO DE JANEIRO ("BRAZIL'S RULERS AWAIT DEFEAT IN VOTE") SAYS, "FIVE WEEKS BEFORE BRAZIL'S INDIRECT PRESIDENTIAL ELECTION, THE DEPARTING MILITARY GOVERNMENT SEEMS TO HAVE ACCEPTED THE ANTICIPATED DEFEAT OF ITS CANDIDATE AND HAS BEGUN WORKING

REVIEW AUTHORITY: Don Holm,
Senior Reviewer

TO INSURE A SMOOTH TRANSITION TO OPPOSITION CIVILIAN RULE.

"ALTHOUGH THE OPPOSITION CANDIDATE, TANCREDO NEVES, HAS LONG BEEN FAVORED TO WIN THE VOTE JAN. 15 IN THE ELECTORAL COLLEGE, THERE HAD BEEN SPECULATION THAT THE GOVERNMENT MIGHT ALTER THE SUCCESSION RULES IN A LAST-MINUTE EFFORT TO GAIN AN OFFICIAL VICTORY."

NOW, HOWEVER, THE DEMOCRATIC SOCIAL CANDIDATE, PAULO SALIM MALUF, HAS SEEMINGLY BEEN ABANDONED, "WITH LEADING OFFICIALS NOW OPENLY REFERRING TO HIS DEFEAT AS UNAVOIDABLE," AND THE FIGUEIREDO GOVERNMENT HAS BEGUN

CONTACTS WITH NEVES' TEAM ON TRANSITION-RELATED QUESTIONS.

THE SUPREME ELECTORAL TRIBUNAL BLOCKED MOVES TO REQUIRE PARTY-LINE VOTING IN THE COLLEGE; A LARGE GROUP OF DEMOCRATIC SOCIAL CONGRESSMEN IS SUPPORTING NEVES.

HONDURAS: PHILIP TAUBMAN, SAME PAGE FROM WASHINGTON UNCLASSIFIED

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("HONDURAS MAKES NEW DEMANDS ON U.S.") WRITES THAT, "AS PART OF AN EFFORT TO OBTAIN INCREASED AID AND DIPLOMATIC CONCESSIONS FROM THE US, HONDURAS HAS RECENTLY PRESENTED A NEW SERIES OF DEMANDS TO THE REAGAN ADMINISTRATION, ACCORDING TO HONDURAN AND AMERICAN OFFICIALS.

"THEY SAID THE NEW DEMANDS INCLUDE A REQUEST THAT WASHINGTON RESETTLE 12,000 NICARAGUAN REBELS IN THE US IF THEIR MILITARY CAMPAIGN AGAINST THE SANDINISTAS COLLAPSES. THE NEW DEMANDS ALSO INCLUDE PROPOSALS THAT THE US INTERVENE TO SETTLE A HONDURAN BORDER DISPUTE WITH EL SALVADOR, AND THAT THE US STOP TREATING ALL AMERICAN MILITARY FORCES IN HONDURAS AS DIPLOMATIC PERSONNEL."

A STATE OFFICIALS SAYS, "THE HONDURANS FEEL WE'VE TRAMPLED OVER THEM A BIT AND THEY WANT TO REASSERT THEIR SOVEREIGNTY... THERE'S A TENDENCY IN THE ADMINISTRATION TO UNDERESTIMATE THE SERIOUSNESS WITH WHICH THE HONDURANS CONSIDER THESE MATTERS. THAT WOULD BE A SERIOUS MISTAKE."

THE ADMINISTRATION SEEMS COOL TO THE REQUESTS. OFFICIALS "SAID THAT IT IS PREMATURE TO WORRY ABOUT THE EVENTUAL FATE OF THE REBELS, THAT THEY ARE NOT INCLINED TO GET INVOLVED IN TRYING TO RESOLVE THE BORDER DISPUTE, AND THAT THEY ARE UNCLEAR EXACTLY WHAT THE HONDURANS HAVE IN MIND IN TERMS OF THE STATUS OF US MILITARY FORCES IN THE COUNTRY."

TAUBMAN FINDS A WIDESPREAD BELIEF IN THE ADMINISTRATION THAT THE DEMANDS ARE A TACTIC TO PRESSURE THE US INTO GIVING GREATER AMOUNTS OF MILITARY AND ECONOMIC AID.

GRENADA: SAME PAGE REUTERS/ST. GEORGE'S ("GRENADIAN OPPOSITION PARTY ACCUSES U.S. OF RIGGING VOTE") NOTES PROTEST OF LAST MONDAY'S ELECTION TO BE FILED BY ERIC GAIRY.

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BRAZIL: P. 8 SPECIAL, RIO ("BRAZILIAN STATE OUTLAWS GAS USED AT INDIAN PLANT") REPORTS PROHIBITION BY THE STATE OF RIO DE JANEIRO OF THE LETHAL GAS INVOLVED IN THE DISASTER IN BHOPAL, INDIA.

GRENADA: LEAD EDIT, P. 22 ("A LOOK BACK AT GRENADA") SAYS CRITICS OF THE INVASION, INCLUDING THE NYTIMES, MUST ACKNOWLEDGE THAT "GRENADIANS HAVE BEEN HELPED BACK TO THE CENTER UNDER A LEADER CONGENIAL TO THE US." THE ELECTION WAS FREE, AND "IT IS OUTLANDISH TO COMPARE GRENADA TO THE SOVIET THRUST INTO AFGHANISTAN..."

THERE ARE STILL, HOWEVER, ARGUMENTS OF PRINCIPLE. "IF THE SOVIET UNION, OR NICARAGUA, ARE TO BE HELD ACCOUNTABLE FOR RESPECTING FRONTIERS, THE US CANNOT JUST CLAIM A LICENSE FOR ITS OWN INTERVENTIONS. AND THE PROFESSED REASONS FOR THE GRENADA INVASION LAST YEAR ARE TOO EASILY STRETCHED TO JUSTIFY INVASION ALMOST ANYWHERE."

THE ADMINISTRATION INSISTED ITS MAIN CONCERN WAS THE SAFETY OF THE US MEDICAL STUDENTS, BUT THE THREAT "REMAINS DEBATABLE AND COULD HAVE BEEN MET WITH AN AIRLIFT EVACUATION." THE "APPEARANCE OF COLLECTIVE ACTION" INVOLVING WEST INDIANS WAS "MOSTLY CONTRIVED IN WASHINGTON, WITHOUT CONSULTING BRITAIN OR KEY HEMISPHERE ALLIES."

"LOST SOMEWHERE IN THE LONG LIST OF JUSTIFICATIONS WAS THE MOST COMPELLING REASON FOR THE ACTION: THE FEAR THAT GRENADA HAD BEEN LED INTO THE SOVIET AND CUBAN ORBIT BY MR. BISHOP AND WAS TO BE SEALED BY HIS MURDER. CAPTURED DOCUMENTS CONFIRMED THAT GRENADA'S NEW JEWEL REGIME WAS UNCLASSIFIED

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EAGERLY ACQUIRING SOVIET WEAPONS WHILE IT JAILED AND TORTURED ITS OPPONENTS." THE US SHOULD HAVE HAD AN AMBASSADOR AND A CIA AGENT THERE, AND SHOULD HAVE "BETTER EXPLORED THE LATTER-DAY OVERTURES FROM MR. BISHOP..."

EDIT CONCLUDES, "BUT NOBLY, THE LIST OF AMERICAN OBJECTIVES ENDED WITH THE DESIRE TO TUTOR GRENADA BACK TOWARD DEMOCRACY. THAT HAS NOW BEEN DONE. AND IT CARRIES WITH IT AN OBLIGATION TO HELP GRENADA REVITALIZE A BATTERED ECONOMY.

"JUSTIFIED OR NOT, WELL PRESENTED OR NOT, THE CHAPTER

ENDS ON A WELCOME NOTE. THE LARGER BOOK OF INTERVENTIONS, RIGHT AND WRONG, CONTINUES TO BE WRITTEN."

-- (SUNDAY, 12/9) NEW YORK TIMES --

SURINAME: AP/PANAMARIBO BRIEF, P. 15 ("SURINAME TO CREATE A NATIONAL ASSEMBLY") NOTES PROPOSAL FOR AN ASSEMBLY APPROVED BY THE CABINET, "APPARENTLY SEEKING RESTORATION OF \$90 MILLION IN ANNUAL DEVELOPMENT MONEY FROM THE NETHERLANDS..."

MEXICO: RICHARD J. MEISLIN, P. 18 FROM HERMOSILLO ("THRIVING MEXICO STATE TAKES ITS BRAVADO LITERALLY") REPORTS CONDITIONS IN THE STATE OF SONORA. "WHILE MUCH OF THE REST OF MEXICO SUFFERS THROUGH ITS WORST ECONOMIC SETBACK IN DECADES, SONORA HAS CONTINUED TO GROW. CRIME IS LOW, LIFE IS TRANQUIL..."

NICARAGUA: PHILIP TAUBMAN, SAME PAGE FROM WASHINGTON ("U.S. AIDES REPORTED DEADLOCKED OVER NICARAGUA") SAYS MANY SENIOR OFFICIALS BELIEVE CURRENT POLICY TOWARD NICARAGUA, USING REBELS TO PRESSURE THE SANDINISTAS, "INTRODUCED THREE YEARS AGO ON THE PREMISE THAT CONGRESS WOULD PROVIDE AID TO NICARAGUAN REBELS, HAS BECOME UNCLASSIFIED

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UNREALISTIC AND OUT OF STEP WITH DEVELOPMENTS IN NICARAGUA AND WASHINGTON."

NONE OF VARIOUS NEW PROPOSALS HAS WON MAJORITY ACCEPTANCE. "ONE PROPOSAL, PRESENTED BY THE DOD IN LATE NOVEMBER, CALLED FOR RECOGNIZING THE REBELS AS THE LEGITIMATE GOVERNMENT OF NICARAGUA AND THEN ASKING CONGRESS TO GIVE THEM OVERT MILITARY AID." OFFICIALS SAID THE PROPOSAL, PRESENTED AT THE DIRECTION OF UNDERSECRETARY OF STATE, WAS WITHDRAWN FOR LACK OF SUPPORT AND IN THE FACE OF STRONG STATE DEPT OPPOSITION. OTHER REPORTED OPTIONS RANGE FROM MILITARY FORCE TO A NEGOTIATED POLITICAL SETTLEMENT.

"AFTER PRES. REAGAN'S RE-ELECTION, ADMINISTRATION OFFICIALS SAID, SECSTATE SHULTZ PRESSED THE WHITE HOUSE TO APPROVE AN INTENSIFICATION OF DIPLOMATIC APPROACHES..." HE SEEMED TO BE GAINING SUPPORT BUT ATTENTION WAS DIVERTED BY SOVIET OFFERS TO CONDUCT ARMS-LIMITATION TALKS.

THE CONTRAS HAVE KEPT THEMSELVES GOING IN RECENT MONTHS THROUGH PRIVATE DONATIONS AND HELP FROM OTHER GOVERNMENTS, BUT THERE IS SOME DOUBT WHETHER THEY CAN SURVIVE THROUGH 1985 WITHOUT US AID. THERE IS ALSO CONCERN ABOUT NICARAGUAN ACQUISITION OF SOVIET MI-24 ATTACK HELICOPTERS, EFFECTIVE AGAINST INSURGENT FORCES.

TAUBMAN QUOTES IKLE, WHO, THOUGH NOT COMMENTING ON INTER-AGENCY DELIBERATIONS, SAID, "IF THE FREEDOM FIGHTERS ARE LET DOWN, IT'S UNLIKELY THAT THE SANDINISTAS WILL DEPART FROM THE COURSE THAT THEY HAVE TAKEN SINCE 1979, NAMELY TO BUILD UP A VERY POWERFUL MILITARY UNCLASSIFIED

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ESTABLISHMENT AND TOTALITARIAN REGIME AT HOME AND LATER TO USE THIS STRENGTH TO CREATE NEW TROUBLE FOR THEIR NEIGHBORS."

THERE IS A CONSENSUS AMONG SHULTZ, IKLE AND CIA DIRECTOR CASEY THAT "THE MILITARY BUILDUP IN NICARAGUA SHOULD BE CURTAILED AND THAT THE SANDINISTAS MUST MOVE TOWARD DEMOCRATIC RULE," BUT THERE ARE MAJOR DIFFERENCES ON HOW TO ACHIEVE THE GOALS.

OFFICIALS SAID MR. SHULTZ "HAS ADVOCATED SEEKING A POLITICAL SETTLEMENT THROUGH DIRECT TALKS BETWEEN WASHINGTON AND MANAGUA" AND THROUGH THE CONTADORA PROCESS, A POLICY STATE OFFICIALS BELIEVE HAS BEEN "REASONABLY SUCCESSFUL IN KEEPING THE SANDINISTAS OFF BALANCE, CREATING AN OPPORTUNITY FOR A POLITICAL SOLUTION IF ACCEPTABLE TERMS CAN BE NEGOTIATED." A STATE OFFICIAL "FAMILIAR WITH THE DIRECT TALKS..." SAID THAT THE OUTLINE OF AN AGREEMENT ON SECURITY ISSUES IS IN SIGHT AND COULD BE DRAFTED IF WASHINGTON WANTED. ANOTHER MEETING IS SCHEDULED LATER THIS MONTH."

CASEY, IKLE, AND OTHERS, INCLUDING UN AMB. JEANE KIRKPATRICK "ARE WARY OF A POLITICAL SETTLEMENT." ADMINISTRATION AIDES SAY THAT IKLE AND CASEY "FEAR THAT NICARAGUA WOULD NOT ABIDE BY ANY AGREEMENT AND THAT EVEN THE BEST TERMS WOULD, IN EFFECT, SANCTION A SOVIET AND CUBAN ROLE IN CENTRAL AMERICA."

NICARAGUA: GORDON D. MOTT, SAME PAGE FROM MANAGUA ("NICARAGUA PRESSES U.S. FOR PROGRESS IN TALKS") SAYS "A FONMIN OFFICIAL SAID FRIDAY THAT NICARAGUA WOULD HAVE TO RE-EVALUATE ITS PARTICIPATION IN TALKS WITH THE US IF THERE WAS NO PROGRESS IN MEETINGS NEXT WEEK," SAYING THAT THEY HAD BEEN STALEMATED SINCE NICARAGUA ACCEPTED A DRAFT UNCLASSIFIED

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CONTADORA PROPOSAL THREE MONTHS AGO.

A WESTERN DIPLOMAT, HOWEVER, THOUGHT THEY WOULD NOT STOP ATTENDING THE TALKS, ADDING THAT "THERE HAS BEEN MORE PROGRESS IN THE LAST TWO MEETINGS THAN IN ANY OF THE PREVIOUS ONES... I AM NOT SAYING THAT WE ARE GOING ANYWHERE OR THAT I'M OVERLY OPTIMISTIC, BUT THERE HAS

BEEN PROGRESS."

GRENADA: JOSEPH B. TREASTER, P. E5 FROM ST. GEORGE'S ("CENTRISTS HOPE LAST WEEK'S VICTORY ATTRACTS FOREIGN INVESTORS TO RELIEVE UNEMPLOYMENT: GRENADIANS GET NEW LEADERS AND A PIPELINE TO U.S. AID") FOLLOWS UP THE ELECTION. "WITH ENCOURAGEMENT FROM THE REAGAN ADMINISTRATION, MORE THAN INVESTORS, MAINLY AMERICAN, HAVE EXPRESSED INTEREST IN STARTING PROJECTS THAT RANGE

FROM MANGO-CANNING PLANTS TO LUXURY HOTELS... ECONOMIC PROSPECTS ARE LIKELY TO DEPEND LARGELY ON MR. BLAIZE'S SUCCESS IN CLOSING DEALS WITH THESE INVESTORS AND ATTRACTING OTHERS." BLAIZE'S GOVERNMENT FACES STEEP TAXES AND 30 PCT UNEMPLOYMENT.

-- (SATURDAY, 12/8) NEW YORK TIMES --

CHILE: AP/SANTIAGO, P. 3, 12/7 ("CHILE DETAINS 5000 AFTER POLICEMAN IS KILLED") REPORTS, "POLICE OFFICERS AND SOLDIERS SEALED OFF A SLUM NEIGHBORHOOD WITH TANKS AND ROUNDED UP MORE THAN 5000 MEN IN HOUSE-TO-HOUSE SEARCHES TODAY. THE ACTION CAME AFTER TERRORISTS KILLED A POLICEMAN AND BOMBED A SUBWAY STATION OVERNIGHT."

"VIRTUALLY EVERY MALE" OVER 16 WAS ORDERED ONTO BUSES OR UNCLASSIFIED

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TRUCKS AND TAKEN TO THE PUDAHUEL MUNICIPAL STADIUM, WHERE THEY WERE MADE TO STAND IN PARADE FORMATION WHILE ID CARDS WERE CHECKED, ACCORDING TO SOME LATER RELEASED. NO ARREST FIGURES WERE ANNOUNCED.

BOLIVIA: "AROUND THE WORLD" BRIEF, P. 5 ("US ENVOY TO BOLIVIA SAID TO BE MAFIA TARGET") CITES A US EMBASSY SPOKESMAN THAT "THE MAFIA HAD HIRED SOMEONE TO KILL AMB. EDWIN GHARST CORR, AN INFLUENTIAL FIGURE IN THE WAR AGAINST DRUG TRAFFICKING, AND PROMINENT GOVERNMENT FIGURES."

CHILE: SAME COLUMN ("BOMB BLAST IN CHILE HALTS SUBWAY SERVICE") NOTES RUSH HOUR EXPLOSION, GUERRILLA ATTACK ON A POLICE STATION.

EL SALVADOR: "WASHINGTON TALK" COLUMN, P. 9 ("DUARTE SEEKS PUBLISHER") SAYS DUARTE IS TRYING TO FIND A WRITER AND A PUBLISHER FOR HIS MEMOIRS, WITH FORMER AMBASSADOR ERNESTO RIVAS GALLONT ACTING AS HIS AGENT.

CHILE: LEAD EDIT, P. 22 ("THE CHANCE IN CHILE") SAYS PINOCHET'S "RIGIDITY HAS HAD THE UNINTENDED EFFECT OF RADICALIZING MUCH OF THE OPPOSITION AND ENHANCING THE POLITICAL WEIGHT OF THE MARXISTS. THE ADMINISTRATION SEEMS READY TO RECOGNIZE THAT THE TIME HAS COME TO RESIST

THIS TREND BY COMBINING PRESSURE AND MEDIATION TO MOVE CHILE TOWARD A DEMOCRATIC FUTURE."

NOTING THE INFLUENCE OF DEMOCRATIZATION IN NEIGHBORING COUNTRIES, EDIT SAYS THE PRICE, IF PINOCHET CONTINUES TO CLING TO POWER AT ANY COST, "COULD BE ENORMOUS," BOTH FOR CHILE AND ITS NEIGHBORS AND ITS CREDITORS.

"ALTHOUGH IT IS TRADITIONAL TO PRETEND OTHERWISE, US INTERVENTION IN THE AFFAIRS OF LATIN AMERICA IS A FACT OF UNCLASSIFIED

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HEMISPHERE LIFE. BUT THE PENTAGON AND THE CIA ARE NOT THE BEST INSTRUMENTS OF PRESSURE. OVER THE LONGER RUN, FINANCIAL AND ECONOMIC POWER ARE AT LEAST AS SIGNIFICANT." THE PRESSURE SHOULD NOT BE FOR ANY PARTICULAR FACTION BUT ON BEHALF OF DEMOCRACY. "THAT MEANS IT WILL SOMETIMES HAVE TO BE CLEARLY DIRECTED AGAINST THE PINOCHET DICTATORSHIP.

AMERICAN MILITARY AID WAS SUSPENDED BY CONGRESS, AND THE ADMINISTRATION, PROPERLY, HAS WITHHELD CERTIFICATION. "AMERICAN VOTES ON CHILE'S LOAN APPLICATIONS TO MULTILATERAL INSTITUTIONS ARE GOVERNED BY SIMILAR BUT LESS STRINGENT GUIDELINES. US REPRESENTATIVES HAVE RECENTLY SUPPORTED LOANS TO CHILE. A TOUGHER STANCE COULD SIGNAL OPPOSITION TO THE RESUMED REPRESSION."

PRIVATE LENDING "VIRTUALLY CEASED" TWO YEARS AGO AS BANKS BEGAN WORRYING ABOUT REPAYMENT, BUT "NO DURABLE DEMOCRATIC RECONSTRUCTION IS POSSIBLE UNTIL THE SOUTHWARD FLOW OF CAPITAL AND SOMEHOW BE RESUMED." A DEMOCRATIC GOVERNMENT IN CHILE COULD REASONABLY EXPECT THE SORT OF RELIEF OBTAINED BY MEXICO, BRAZIL AND ARGENTINA.

EDIT CONCLUDES, "THE US HAS BEEN INFLUENCING POLITICAL LIFE IN CHILE FOR DECADES. IT NOW HAS AN OPPORTUNITY, AND A CHALLENGE, TO EXERT THAT INFLUENCE ON BEHALF OF A BELEAGUERED BUT UNVANQUISHED DEMOCRATIC CAUSE. THE CHANCE SHOULD NOT BE SQUANDERED."

-- (MONDAY, 12/10) WASHINGTON POST --

NICARAGUA: FRONT PAGE CARRIES TWO STORIES ON THE "CONTRAS": UNCLASSIFIED

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FRED HIATT ("PRIVATE GROUPS PRESS 'CONTRA' AID; MILLIONS RAISED IN U.S.") SAYS, "A NETWORK OF CONSERVATIVE ACTIVISTS AND FORMER MILITARY AND INTELLIGENCE OFFICIALS, INCLUDING SEVERAL MEMBERS OF A PENTAGON ADVISORY PANEL ON CENTRAL AMERICA, HAS STEPPED UP EFFORTS TO FUNNEL PRIVATE

'HUMANITARIAN' AID TO NICARAGUAN REBELS, ACCORDING TO INTERVIEWS WITH SEVERAL MEMBERS OF THE GROUP."

RETIRED GENL. JOHN K. SINGLAUB, WORLD ANTI-COMMUNIST LEAGUE, SAID HE AND OTHERS HAD BEEN RAISING ABOUT \$500,000 A MONTH SINCE CONGRESS CUT OFF CONTRA AID, HAD SENT MILLIONS OF DOLLARS IN UNIFORMS, FOOD, MEDICINE AND

OTHER AID, AND HAD "FORMED A PRIVATE INSTITUTE TO TRAIN SALVADORAN POLICE FORCES AND POSSIBLY CONTRA SOLDIERS IF THE USG WILL NOT."

HE SAID THE INSTITUTE FOR REGIONAL AND INTERNATIONAL STUDIES IN BOULDER, COLO, HAS NOT PERFORMED ANY TRAINING, ALTHOUGH IT HAS SENT SURVEY TREAMS TO THE REGION." ITS DIRECTOR IS ALEXANDER M.S. MCCOLL, AN EDITOR OF SOLDIER OF FORTUNE MAGAZINE.

HE SAID THE DOD HAS HELPED COORDINATE THE AID, "BUT A PENTAGON OFFICIAL SAID THE MILITARY STILL IS GEARING UP TO HELP AND HAS DONE LITTLE IN THE PAST FEW MONTHS." SINGLAUB FORMED PART OF A PANEL THAT MET AT THE DOD LAST MAY "TO STUDY THE WARS IN CENTRAL AMERICA AND OFFER ADVICE ON US MILITARY POLICY." THE PANEL, CALLED BY UNDERSEC FRED C. IKLE, ALSO INCLUDED RETIRED GENERALS EDWARD G. LANSDALE AND H.C. ADERHOLT.

THE PANEL'S CLASSIFIED REPORT URGED THE US TO "MOVE AWAY FROM CONVENTIONAL WARFARE TACTICS IN EL SALVADOR AND APPLY THE LESSONS OF COUNTERINSURGENCY WARFARE LEARNED IN UNCLASSIFIED

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ASIA, INCLUDING INCREASED EMPHASIS ON PSYCHOLOGICAL WARFARE, CIVIC ACTION AND SMALL-UNIT OPERATIONS." A SENIOR DEFENSE OFFICIAL SAID ABOUT HALF THE RECOMMENDATIONS HAD BEEN ADOPTED.

ROBERT J. MCCARTNEY, FROM MATAGALPA ("REBELS KEEP ALIVE NICARAGUAN WAR; FUND LOSS IMPACT LIMITED") SAYS "ANTIGOVERNMENT REBELS HAVE KEPT ALIVE THEIR WAR IN NORTHERN NICARAGUA AND IN SOME WAYS HAVE FOUGHT EVEN MORE EFFECTIVELY DURING THE SIX MONTHS SINCE THE US CONGRESS - CUT OFF THEIR CIA FUNDS, ACCORDING TO GOVERNMENT OFFICIALS, DIPLOMATS AND OTHER MILITARY OBSERVERS."

FDN CROSS-BORDER INFILTRATION HAS BEEN STEPPED UP IN PREPARATION FOR AN OFFENSIVE, ACCORDING TO NICARAGUAN ARMY AND SECURITY OFFICIALS. THE FDN HAS OBTAINED FUNDS FROM PRIVATE SOURCES, BUT DIPLOMATS SAY IT MAY HAVE "SERIOUS SUPPLY AND MORALE PROBLEMS IF, AS GENERALLY EXPECTED, THE REAGAN ADMINISTRATION FAILS TO OBTAIN MORE MONEY FOR IT EARLY NEXT YEAR."

"THE REBELS HAVE IMPROVED THEIR MILITARY LPERFORMANCE BY

EMPHASIZING TRADITIONAL GUERRILLA TACTICS OF USING MOBILE UNITS TO STAGE HIT-AND-RUN AMBUSHES AND AVOIDING CONTACT WITH LARGER, BETTER ARMED GOVERNMENT FORCES. THEY HAVE STEPPED UP ATTACKS ON FARMS AND OTHER ECONOMIC TARGETS - THIS FALL AND CURRENTLY ARE TRYING TO DISRUPT THE HARVEST

OF COFFEE, THE COUNTRY'S PRINCIPAL CASH CROP.

"NEVERTHELESS, THE GUERRILLAS STILL LACK THE STRENGTH NECESSARY TO GAIN THE UPPER HAND IN THE WAR OR TO EXPAND SIGNIFICANTLY THEIR PRESENCE OUTSIDE THE REMOTE MOUNTAIN UNCLASSIFIED

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AREAS... MOREOVER, THEY RISK ALIENATING PEASANTS BY SABOTAGING THE ECONOMY AND SUCH PERSISTENTLY REPORTED PRACTICES AS ROBBING FARMERS AND KILLING WOUNDED COMBATANTS."

CONT, P. 18 HAS PHOTO OF "A 12-YR-OLD VOLUNTEER IN THE NICARAGUAN MILITIA" GUARDING A BRIDGE. MCCARTNEY CITES SENIOR ARMY OFFICIALS THAT THEY HAVE REINFORCED TROOPS IN THE NORTH WITH DRAFTEES, USED MORE ARTILLERY AND PUT IN ELITE INTERIOR MINISTRY TROOPS AGAINST THE GUERRILLAS. THEY WILL BEGIN USING NEW SOVIET-MADE MI-24 HELICOPTERS NEXT YEAR.

-- (SUNDAY, 12/9) WASHINGTON POST --

GUYANA: JACKSON DIEHL, P. 21 FROM GEORGETOWN ("ONCE THRIVING GUYANA SLIDES INTO BANKRUPTCY; FOOD SHORTAGES PERSIST AS UNPAID DEBTS MOUNT; THE GOVERNMENT OF FORBES BURNHAM IS MAKING AN INCREASINGLY FRANTIC EFFORT TO REVERSE THE DECLINE"), REPORTS SEVERE ECONOMIC PROBLEMS, LACK OF CONSUMER GOODS, AND FOOD SUPPLIES CALLED "GROSSLY INADEQUATE" BY HUMAN RIGHTS GROUPS.

"ALL THE WHILE, THE AUTHORITARIAN GOVERNMENT OF PRES. FORBES BURNHAM HAPLESSLY MEANDERS BETWEEN WESTERN CAPITALISM AND AN EXOTIC 'COOPERATIVE SOCIALISM' IN AN INCREASINGLY FRANTIC EFFORT TO REVERSE THE DECLINE."

DIEHL CALLS THE SITUATION "ONE OF THE HEMISPHERE'S MOST PRECIPITOUS MODERN ECONOMIC DECLINES," CITING "ASTOUNDING" DECREASES IN THE PRODUCTION OF GUYANA'S THREE MAJOR PRODUCTS, BAUXITE, SUGAR AND RICE-- 30-50 PCT SINCE THE MID-1970S LARGELY BECAUSE OF GOVERNMENT MISMANAGEMENT. FALLING PER-CAPITA INCOME HAS PLACED GUYANA WITH HAITI AND BOLIVIA AS ONE OF THE POOREST COUNTRIES IN THE HEMISPHERE. UNCLASSIFIED

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ARGENTINA: P. 24 BRIEF ("ARGENTINE ARRESTED") NOTES

ARREST OF FORMER MILITARY GOVERNMENT INTERROGATOR, NAVY CAPT. ALFREDO ASTIZ, WHO WILL FACE CHARGES ON THE DISAPPEARANCE OF A SWEDISH WOMAN AND TWO FRENCH NUNS.

NICARAGUA: JACK ANDERSON COLUMN, P. C7 ("NICARAGUA'S INDIANS: RAGTAG ARMY") SAYS THE MISURA REBEL ARMY "IS

NOW CAUGHT IN A CIRCLE OF FUTILITY. SUPPLIES HAVE EVAPORATED SINCE CIA FUNDING WAS BLOCKED BY CONGRESS. THIS HAS CAUSED MORALE TO SAG. TRIBAL ANIMOSITIES ARE ALSO RESURGING, AND THE GUERRILLAS ARE BEDEVILED BY THE OPPRESSIVE RAINY SEASON."

-- (SATURDAY, 12/8) WASHINGTON POST --

00LIVIA: "AROUND THE WORLD" BRIEF, P. 20, ("PLOT TO KILL ENVOY SEEN") SAYS, "AUTHORITIES FOILED A PLOT BY COCAINE TRAFFICKERS TO ASSASSINATE US AMB. EDWIN CORR AND MEMBERS OF THE BOLIVIAN GOVERNMENT, US AND BOLIVIAN OFFICIALS SAID. THE INTERIOR MINISTRY SAID BOLIVIAN AND COLOMBIAN COCAINE TRAFFICKERS HIRED A MERCENARY TO KILL CORR, AN OUTSPOKEN PROMOTER OF US-FINANCED ANTIDRUG PROGRAMS." THE SUSPECT WAS NOT IN CUSTODY, WAS BELIEVED TO BE IN SANTA CRUZ.

"US EMBASSY SPOKESMAN STEVEN SECHE CONFIRMED THE MINISTRY REPORT AND SAID UNSPECIFIED 'SECURITY MEASURES' WERE TAKEN AFTER DISCOVERY OF THE PLOT. CORR DECLINED COMMENT."

CUBA: EDIT, P. 24 ("THE MARIEL CUBANS") SUPPORTS THE UNCLASSIFIED

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SIMPSON-MAZZOLI IMMIGRATION BILL, SUPPORTS THE INS ACTION IN GRANTING RESIDENCE TO MARIEL REFUGEES, BRIEFLY MENTIONS THAT "NEGOTIATIONS ARE NOW UNDER WAY WITH THE CUBANS TO RETURN ABOUT 2000 ...'EXCLUDABLES' --PERHAPS IN EXCHANGE FOR SOME REAL POLITICAL REFUGEES."

-- (MONDAY, 12/10) WALL STREET JOURNAL --

EL SALVADOR: CLIFFORD KRAUSS, FRONT PAGE FROM SAN SALVADOR ("JUSTICE DENIED: SOLVING A MURDER CASE IN EL SALVADOR IS HARD IF SUSPECTS ARE VIPS; EVIDENCE IN SHERATON DEATHS LEADS TO TWO GUARDSMEN WITH IMPORTANT FRIENDS; WHAT DUARTE IS UP AGAINST") WRITES ON THE INVESTIGATION INTO THE JANUARY 1981 MURDER OF US LABOR ADVISORS MICHAEL HAMMER AND MARK PEARLMAN AND A SALVADORAN PEASANT LEADER AT THE SHERATON HOTEL.

THE US HAS FOUGHT FOR FOUR YEARS FOR PROSECUTIONS, BUT "HASN'T SUCCEEDED, FOR THE TRAIL HAS LED DEEP INTO THE SALVADORAN POWER STRUCTURE, THREATENING SUCH INFLUENTIAL GROUPS AS THE ARMY OFFICER CORPS." AMB. PICKERING SAYS

THE CASE "EPITOMIZES THE WORST IN SALVADORAN SOCIETY."

KRAUSS SAYS, "THE CASE ALSO SUGGESTS THE EXTEND (AND THE LIMITS) OF THE US ROLE IN EL SALVADOR'S DOMESTIC

POLITICS. AND IT SHOWS THE CONSTRAINTS UNDER WHICH ...DUARTE IS WORKING AS HE TRIES TO BUILD A POLITICAL MIDDLE IN HIS POLARIZED NATION."

TWO ENLISTED MEN HAVE CONFESSED TO BEING THE TRIGGERMEN, BUT SAY ORDERS WERE GIVEN BY CAPT. EDUARDO AVILA AND LT. RODOLFO LOPEZ SIBRIAN, IN A CASE CALLED BY ASSTSECSTATE FOR HUMAN RIGHTS ELLIOT ABRAMS "A TEST OF AMERICAN INFLUENCE."

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"CAPT. AVILA HASN'T BEEN CHARGED, THOUGH THE US STILL IS ACTIVELY PURSUING HIM THROUGH SALVADORAN CHANNELS. THE SUPREME COURT ON NOV. 15 IN EFFECT DROPPED ALL CHARGES AGAINST LT LOPEZ SIBRIAN --A SURPRISE MOVE OVER WHICH AMB. PICKERING EXPRESSED DISGUST. THEN PRES. DUARTE ON NOV. 30 ORDERED THE LIEUTENANT DISMISSED FROM THE ARMY FOR UNSPECIFIED 'MILITARY INFRACTIONS.'"

A DISCHARGE MAY BE THE BEST DUARTE CAN DO, SINCE THE OFFICER CORPS "IS ONE OF THE TRADITIONAL POWER CENTERS OF SALVADORAN SOCIETY, WITH STRONG HISTORICAL TIES TO TWO OTHERS --THE LANDED OLIGARCHY AND THE POLITICAL RIGHT. IT IS SAID THAT NO OFFICER HAS EVER BEEN TRIED IN COURT HERE FOR MURDER OR ANY OTHER HUMAN-RIGHTS VIOLATION..."

"EVEN MR. DUARTE CAN'T EASILY BUCK SUCH FORCES. MUCH OF THE MILITARY ESTABLISHMENT AND THE EXTREME POLITICAL RIGHT VIEW HIS SOCIAL DEMOCRATIC POLITICAL LEANINGS AS TOO LEFTIST. (WHAT THEY DO LIKE ABOUT HIM, HOWEVER, IS HIS ABILITY TO ATTRACT US AID.)" KRAUSS GOES ON TO LIST COMPLICATIONS IN TRYING TO BRING THE OFFICERS TO TRIAL.

NICARAGUA: FRONT PAGE "WHAT'S NEWS--" NOTES NICARAGUAN TRUCE TALKS WITH A MISKITO REBEL LEADER.

CUBA: NICK EBERSTADT OP-ED, P. 26 ("LITERACY AND HEALTH: THE CUBAN 'MODEL'"; BOXES: "INFANT-MORTALITY FIGURES ARE NOW PROVIDED DIRECTLY BY THE MINISTRY OF HEALTH, WHOSE PERFORMANCE THEY ALSO IMPLICITLY MEASURE." AND "AMONG NINE OTHER CARIBBEAN OR LATIN AMERICAN SOCIETIES, CUBA'S RATE OF LITERACY PROGRESS APPEARS FAVORABLE ONLY NEXT TO ARGENTINA.") DISPUTES THE BELIEF THAT THE CASTRO GOVERNMENT HAS ACHIEVED MAJOR HEALTH AND

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EDUCATION SUCCESSES AS "FUNDAMENTALLY UNSOUND."

"IF CUBA'S SOCIAL PROGRESS IS ACCURATELY REFLECTED IN ITS STATISTICS, IT HAS FARED NO BETTER IN IMPROVING HEALTH AND REDUCING ILLITERACY THAN MOST OTHER AFFLUENT CARIBBEAN AND LATIN AMERICAN SOCIETIES. THERE IS REASON,

MOREOVER, TO WONDER WHETHER CUBA HAS DONE EVEN THIS WELL. SINCE THE EARLY 1970S, SUBSTANTIAL INCONSISTENCIES HAVE EMERGED IN CUBAN SOCIAL STATISTICS --INCONSISTENCIES THAT WOULD BE READILY EXPLAINABLE ONLY IF CUBA'S RECORDS WERE BEING DELIBERATELY FALSIFIED."

CARIBBEAN: DAN BAUM, P. 30 ("OIL FIRMS ABANDON UNDER-USED REFINERIES IN CARIBBEAN, CAUSING HARD TIMES FOR THE AREA") SAYS "BIG OIL IS LEAVING THE CARIBBEAN AND TAKING A LOT OF THE REGION'S INCOME WITH IT." CARIBBEAN REFINERIES ARE "IN PARTICULARLY BAD SHAPE," RUNNING AT HALF CAPACITY OR LESS, WITH INEFFICIENT EQUIPMENT, AND OFTEN PRESSURED BY LOCAL GOVERNMENTS TO USE MORE EMPLOYEES THAN THEY NEED.

PERU: S. KARENE WITCHER AND JONATHAN CAVANAGH, P. 31 ("PERU ASKS 3 NATIONS, BANKERS TO ARRANGE \$400 MILLION CREDIT") REPORT THAT "PERU IS SCRAMBLING TO ARRANGE A \$400 MILLION LOAN FROM THREE COUNTRIES AND A GROUP OF 12 INTERNATIONAL BANK TO PAY OVERDUE INTEREST TO THE COUNTRY'S APPROXIMATELY 275 CREDITOR BANKS." AN EMERGENCY PROPOSAL CALLS ON MEXICO, VENEZUELA AND SPAIN TO CONTRIBUTE \$100 MILLION EACH, AND FOR NEGOTIATING BANKS TO PUT IN ANOTHER \$100 MILLION AND RESTORE RECENTLY CUT TRADE CREDIT LINES.

THE BANKS ARE CURRENTLY OVERDUE ABOUT \$200 INTEREST ON THE \$13 BILLION DEBT, AND "BANKERS SAY RELATIONS BETWEEN PERU AND ITS LENDERS HAVE SOURED MARKEDLY IN RECENT UNCLASSIFIED

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WEEKS..."

-- (MONDAY, 12/10) BALTIMORE SUN --

NICARAGUA: "IN THE WORLD" BRIEF, P. 4 ("ORTEGA SAYS REAGAN LIED BUT TALKS WILL CONTINUE") REPORTS THAT DANIEL ORTEGA, "ALTHOUGH ACCUSING PRES. REAGAN OF LYING ABOUT-- SOVIET ARMS SHIPMENTS TO NICARAGUA LAST MONTH, SAID WASHINGTON AND MANAGUA WOULD RESUME TALKS TODAY" IN MANZANILLO.

ORTEGA SAID, "PRESIDENT REAGAN ISSUED A CALCULATED LIE WHEN HE SAID SIX SOVIET FREIGHTERS WERE COMING TO NICARAGUA WITH ARMS."

-- (MONDAY, 12/10) CHRISTIAN SCIENCE MONITOR --

NICARAGUA: "NEWS IN BRIEF," P. 2, NOTES: ("US-NICARAGUAN TALKS RESUME TODAY IN MEXICO, ORTEGA SAYS"). ORTEGA, "SPEAKING SATURDAY AFTER A MEETING WITH THE MEMBERS OF

THE US HOUSE HISPANIC CAUCUS, DID NOT SAY WHO WOULD ATTEND THE MEETING."

CHILE: SAME COLUMN ("US; VOTES AGAINST HUMAN RIGHTS-RESOLUTION CRITICAL OF CHILE") REPORTS, "THE US CALLED FRIDAY NIGHT FOR AN END TO 'HARSH REPRESSION' IN CHILE, BUT REFUSED TO JOIN THE UN MAJORITY IN A RESOLUTION FORMALLY CENSURING THAT LATIN AMERICAN COUNTRY FOR HUMAN RIGHTS ABUSES." ALTERNATE US DELEGATE AMB. RICHARD SCHIFTER ACCUSED THE UN OF APPLYING "DOUBLE STANDARDS," IGNORING "THE WORST VIOLATIONS IN THIS HEMISPHERE WHICH TAKE PLACE IN FIDEL CASTRO'S CUBA."

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CENTRAL AMERICA: ROBERT M. PRESS, P. 9 FROM DECATUR, GEORGIA ("PEACE ACTIVISTS PLAN SIT-INS TO PROTEST U.S. ROLE IN CENTRAL AMERICA") REPORTS THAT "MORE THAN 10,000... AMERICANS ACROSS THE NATION HAVE SIGNED PLEDGE CARDS TO ENGAGE IN LEGAL PROTESTS AS WELL AS CIVIL-DISOBEDIENCE SIT-INS AT LOCAL OFFICES OF MEMBERS OF CONGRESS AND AT OTHER FEDERAL BUILDINGS IF THE US ESCALATES ITS MILITARY ACTIVITIES IN CENTRAL AMERICA."

ORGANIZATIONS SPONSORING THE DRIVE INCLUDE THE AMERICAN FRIENDS SERVICE COMMITTEE (QUAKERS), THE SOUTHERN CHRISTIAN LEADERSHIP CONFERENCE, AND SOJOURNERS. ALTHOUGH SOME OF THE ORGANIZATIONS IN THE DRIVE ARE "LEFTIST GROUPS TRYING TO REPRESENT THE POINT OF VIEW OF GUERRILLAS IN EL SALVADOR OR GUATEMALA, MOST ARE MAINSTREAM CHURCH GROUPS, ACCORDING TO THE ORGANIZERS."

SMALL GROUPS SENT BY WITNESSES FOR PEACE "ARE CONTINUING TO GO TO BORDER CONFLICT ZONES IN NICARAGUA TO HOLD PEACEFUL, PUBLIC VIGILS PROTESTING THE VIOLENCE."

BRAZIL: LOUIS WIZNITZER, P. 13 FROM BRASILIA, INTERVIEWS TANDCREDO NEVES ("MAN OF CENTER SET TO PUT BRAZIL ON DEMOCRATIC PATH"), "VIRTUALLY CERTAIN TO BECOME BRAZIL'S FIRST CIVILIAN PRESIDENT IN 20 YEARS." HE SEES HIS MOST PRESSING TASKS AS STRENGTHENING DEMOCRATIC INSTITUTIONS, ALLEVIATING THE BURDEN OF THE NEARLY \$100 BILLION FOREIGN DEBT, AND REDUCING GRADUALLY THE "SCANDALOUS GAP THAT DIVIDES A SMALL, WEALTHY MINORITY FROM AN ABJECTLY POOR MAJORITY," IN NEVES' WORDS.

"MANY OBSERVERS DESCRIBE NEVES AS A CONSERVATIVE ON ECONOMICS, A LIBERAL ON SOCIAL JUSTICE, A PRACTICING ROMAN CATHOLIC, AND A TRADITIONALIST WHEN IT COMES TO MORAL VALUES. ABOVE ALL, THEY SAY, HE IS A MAN WHO

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BELIEVES DEEPLY IN DEMOCRACY AND HAS OPPOSED

AUTHORITARIAN RULE ALL HIS LIFE."

-- (MONDAY, 12/10) USA TODAY --

EL SALVADOR: DON KIRK, P. 6 FROM SAN SALVADOR ("SALVADOR CHURCH PUSHES FOR TRUCE") WRITE, "EL SALVADOR'S CATHOLIC CHURCH IS FIGHTING BOTH THE EXTREME RIGHT AND THE EXTREME LEFT TO OBTAIN A SHORT-LIVED CHRISTMAS TRUCE IN THE GUERRILLA WAR, WHICH SHOWS EVERY SIGN OF GAINING IN INTENSITY DESPITE PEACE TALKS." ARCHBISHOP RIVERA Y DAMAS IS GIVEN CREDIT BY US AND GOVERNMENT OFFICIALS FOR SAVING THE PEACE TALKS, BUT CHURCH LEADERS ARE "AS PESSIMISTIC AS ANYONE ELSE HERE IN THINKING THAT THE TRUCE WILL BRING ABOUT PEACE IN THE NEAR FUTURE."

"WORLD" NOTE, SAME PAGE, REPORTS ARRIVAL OF FIVE MEMBERS OF THE US HISPANIC CONGRESSIONAL CAUCUS TO TALK TO DUARTE AND THE US AMBASSADOR.

NICARAGUA: SAME COLUMN NOTES ANOTHER ROUND OF TALKS AT MANZANILLO.

-- (MONDAY, 12/10) WASHINGTON TIMES --

NICARAGUA: "AMERICAS," P. 5 ("MISKITOS, SANDINISTAS AIR TRUCE") NOTES TALKS BETWEEN OFFICIALS AND MISURASATA REBEL LEADER BROOKLYN RIVERA IN BOGOTA.

NICARAGUA: AP/MANZANILLO, SAME PAGE ("TALKS RESUME BETWEEN U.S., NICARAGUANS") REPORTS THE NINTH ROUND OF NEGOTIATIONS SINCE JUNE.

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2. HIGHLIGHTS OF TV NEWSCASTS AND PROGRAMS, DECEMBER 7-9, 1984:

NO ARA TOPICS DISCUSSED. DAM

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