

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

8102

THE WHITE HOUSE

WASHINGTON

MEMORANDUM OF CONVERSATION

SUBJECT: Memorandum of Conversation with President
Cristiani of El Salvador (U)

PARTICIPANTS: The President
Brent Scowcroft, Assistant to the President
for National Security Affairs
Bernard W. Aronson, Assistant Secretary
of State for Inter-American Affairs
William T. Pryce, Senior Director for
Latin American and Caribbean Affairs,
NSC

Alfredo Cristiani, President
Miguel Angel Salavaria, Ambassador to the
United States
Ricardo Casteneda-Cornejo, Ambassador
to the United Nations
Manuel Pacas-Castro, Foreign Minister
Aturo Tona, Secretary to President Cristiani

DATE, TIME AND PLACE: October 1, 1990, 6:15 - 6:45 p.m. EST
Waldorf Astoria Hotel, New York, NY

The President: [Before the Press] I'm so glad to see you. There is still a good glow from the elections in El Salvador and the democratic process as it has developed under your leadership. We welcome you, and want you to know how much we admire what you are doing. (Ø)

I wanted to get in those comments in front of the Press. It is so good to see you. How are your wife and kids? I just had an idea. Maybe your wife and your boys would like to come over to the room for a drink after this meeting. I have a few minutes between the end of the meeting and my scheduled departure. (Ø)

President Cristiani: I'm sure they would be delighted to come if we can find them, at least Mrs. Cristiani. (Ø)

The President: I have not diminished one iota in my support for you as President. I would encourage you to do what you are trying to do. We want to get this out of the way. You are

~~CONFIDENTIAL~~

Declassify on: OADR

~~CONFIDENTIAL~~

DECLASSIFIED
PER E.O. 12958,
AS AMENDED
2000-0429-F
TR 8/21/09

~~CONFIDENTIAL~~

trying, I know. I want you to see that our support for you continues. I want to see you succeed. (Ø)

I want you to know that the Secretary General talked to us about talking with the FMLN. If this would be helpful to you, we would do it. But we would do it only if it would be helpful in your view. This was something the Secretary General presented as his idea. We gave no view. If you want it, we would do it. But we won't do it unless you think it would be helpful. The Secretary General presented this idea -- I didn't support it. (Ø)

President Cristiani: Regarding the FMLN, there has been pressure on the FMLN after our discussion with Perez de Cueller. I think he will be pressuring the FMLN to be more forthcoming. I was proposing a cease-fire. We have to wait for their response. Our idea is being supported jointly with Costa Rica. What we need is to corner the FMLN. This is the message we tried to send Congress. Whatever conditions are placed should include a cease-fire. The only thing acceptable is a cease-fire. I tried to work out something with five Senators, two Republicans, Senator Kasten, Senator Lugar, and three Democrats. (Ø)

I think that the FMLN is waiting for Congress to decide. They have always had the idea of not accepting a ceasefire until after elections. They think that our party could get too much support if there was a cease-fire. It's kind of hard to work with our parties. They kind of worry about our being successful. (Ø)

We have been having talks with Chavez-Mena saying that we will take you in to share a victory together rather than have you work against us. (Ø)

We asked the Secretary General not to wait until the 4th of November, but to get in with some sort of mediation or confidential working session before the formal meetings. They agreed to contact the FMLN. They talked about Venezuela, Mexico, Spain, and the United States participating. DeSoto wants to involve the countries in negotiations. The four countries mentioned all have been working to help us. CAP is always trying to get into discussions. Mexico has a point of view. (Ø)

The President: When you say FMLN, who are the key figures? (Ø)

President Cristiani: There are five groups. (Ø)

The President: But who can speak for them? (Ø)

President Cristiani: The strongest group militarily is headed by the Villalobos. It is also the most radical. (Ø)

The President: Does he live around town? (Ø)

President Cristiani: No. He is out of town. (Ø)

The President: What about arms from Nicaragua? I asked Mrs. Chamorro. I asked her if she can control them and she said yes. Are you still concerned? (Ø)

President Cristiani: Yes. We think it is a group within the FSLN who is aiding them. I can't say that it is Humberto. (Ø)

The President: Can you say that Humberto has put out the order not to do it? (Ø)

President Cristiani: In talking with Mrs. Chamorro, she said she would put in a bill asking for ten years imprisonment for people who deal in arms and the Sandinistas had to support it. (Ø)

The President: I gather she is having a rough time with her economy. How is your economy? (Ø)

President Cristiani: We have been doing pretty well. The inflation rate was one-half percent a month for the last four months. It should be 16-18 percent for the year. Oil will be a problem. (Ø)

The President: Where are you getting your oil? (Ø)

President Cristiani: From Mexico and Venezuela. Mexico and Venezuela are upping their concessional financing from 20 percent to 30 percent. (Ø)

The President: Oil prices are too high. We think they are driven up by speculators. Our experts say that about in December there would be a shortage, but there is none now. If new production comes on line, there should be no shortage at all. There has been a lot of gouging speculation. This has pained everybody. There is talk of oil prices leading to a U.S. recession. We don't want this to lead to a world-wide recession. We are trying to get a budget bill which will help. We think it will bring down interest rates. Some experts say that there might be a recession. Others say no. Every time there is a message by Saddam Hussein, there is a reaction in the future's market. We are all agreed and all hold that we must confront Saddam together. There is broad support. (Ø)

President Cristiani: It was obvious yesterday when the Sheik of Kuwait spoke at the Children's Festival. He got the longest and loudest applause. Everyone recognized his position. (Ø)

The President: His reception at the United Nations before, last Thursday, should send a clear sign to Saddam. (Ø)

President Cristiani: The Iraqi speeches are interesting to see. I spoke with CAP and six or seven others to say that we supported joint actions strongly. (Ø)

The President: Who delivers the Iraqi speech? (Ø)

President Cristiani: The Ambassador. I don't know if he is a reasonable man, but reasonable men can't speak up. (S)

The President: I think we can hold the line on sanctions and hope it will have affect. Hussein is in a tough situation. He asked Queen Noor if she was interested in talking to Barbara about Israel. Anything else we want to talk about [Assistant Secretary] Bernie? (S)

Assistant Secretary Aronson: The idea of enlisting others in the El Salvador settlement when their prestige would be on the line might be useful. (S)

President Cristiani: They have been useful without being thrown together. The problem is that if they get together, they might pressure the government. (S)

Mr. Pryce: That is right. (S)

The President: There is the question of workers' rights. (S)

President Cristiani: I think we are going to be able to solve that problem. We are working with the unions. (S)

Ambassador Salaveria: I have talked with Bill Dougherty often about this. And Dougherty says he may eventually withdraw his objections. (S)

The President: Shall we go around the corner to my quarters?

President Cristiani: We want to assure you we are trying to do all we can. (S)

The President: The trouble is that the Jesuits have all sorts of support here. (S)

President Cristiani: We have done a lot. The Judge is courageous. We went down to testify and high-ranking officers have appeared in person instead of sending statements. Even the Provincial of the Jesuits has said that the Judge is doing nice work. The Judge said he thought he would be able to elevate the situation to a trial in several months. (S)

The President: Does the Judge ask you questions himself or do attorneys? (S)

President Cristiani: The Judge asks questions, then attorneys can cross examination. This is not public. The next step in the case is public. I think that it will go well. We are trying to push. The Judge says "I don't want to be seen as rushing." He told the Obey Commission "I'm not going too slow; I'm trying to be thorough and pick up everything that needs to be done." One last thing, we drafted a joint letter thanking you for the Initiative for the Americas. (S)

The President: We want to see Central America prosper. Thank you. I'll look it over. We want to get Europe involved. (C)

President Cristiani: We were all without exception pleasantly surprised with the Initiative, particularly with the message of getting all Americans together. (C)

The President: We all worked hard on this -- Bernie, Treasury. (C)

President Cristiani: Like you said this morning, Latin America is proving that democracy works. (C)

-- End of Conversation --