

VZCZCTGI * RR RUEHC RUEKJCS RUEHGT RUESMG RUEHSJ RUEHSN RUEKJCS RUEOEHA RUEBSAA RUEATRS RUEHDT DE RUEHTG #2426 314 **

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TO RUEHC / SECSTATE WASHDC 8369
RUEKJCS / SECDEF WASHDC
INFO RUEHGT / AMEMBASSY GUATEMALA 1254

RUESMG / AMEMBASSY MANAGUA 5483 RUEHSJ / AMEMBASSY SAN JOSE 8833 RUEHSN / AMEMBASSY SAN SALVADOR 9711

RUEKJCS / JCS WASHDC

RUEOEHA / USCINCSO QUARRY HTS PN

RUEBSAA / COMJTF-11 COMAYAGUA HO

RUEATRS / DEPTREAS WASHDC RUEHDT / USMISSION USUN NEW YORK 1411

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E.O. 12356: DECL: OADR

TAGS: MARR, MASS, MOPS, HO
SUBJECT: DR. IKLE DINNER WITH GENERAL ALVAREZ

- ENTIRE TEXT

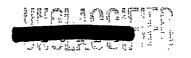
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2. SUMMARY: DURING DINNER MEETING WITH DR. IKLE, GENERAL ALVAREZ RAISED HONDURAN EQUIPMENT NEEDS, CONDECA AND THE ADDITIONAL COSTS TO HONDURAN BUDGET OF JOINT EXERCISES. ALVAREZ ASKED FOR MORE CONCES-SIONAL FMS TERMS, ALONG LINES OF THOSE PROVIDED TO KOREA AND ASKED IF USG COULD ABSORB ADDITIONAL OPERATING COSTS FOR HONDURAN MILITARY CAUSED BY

SIONAL FMS TERMS, ALONG LINES OF THOSE PROVIDED TO KOREA AND ASKED IF USG COULD ABSORB ADDITIONAL OPERATING COSTS FOR HONDURAN MILITARY CAUSED BY EXERCISES. ALVAREZ ALSO APOLOGIZED FOR GOH ABSTENTION ON MAIN GRENADA RESO [UTION AT UNGA. END SUMMARY.

3. DURING DINNER MEETING NOVEMBER NINE WITH UNDER SECRETARY OF DEFENSE IKLE, GENERAL ALVAREZ RAISED A NUMBER OF ISSUES OF CONCERN. FIRST, HE ASKED IF WE COULD AGAIN LOOK INTO WAYS OF SOLVING HIS PROBLEM OF TRANSPORT AIRCRAFT. HE WANTED TO KNOW IF WE COULD HELP FINANCE PURCHASE OF ITALIAN G-222. NEXT, ALVAREZ DISCUSSED ANTIQUATED STATE OF THE SUPER MYSTERES POINTING OUT THAT SOMETHING WOULD HAVE TO BE DONE TO REPLACE THEM SOON. HE ALSO RAISED QUESTION OF POSSIBLE PREFERENTIAL TREATMENT FOR HONDURAS IN AREA OF FOREIGN MILITARY SALES. HE CITED EXAMPLE OF CONCESSIONAL FMS CREDITS AND EXTENDED REPAYMENT TERMS WHICH WE PROVIDE TO KOREA AND WONDERED IF WE COULD DO SAME FOR HONDURAS. DR. IKLE AND HIS PARTY POINTED OUT THAT THERE WERE LIMITS TO WHAT WE COULD DO IN THIS REGARD BUT THAT 3. DURING DINNER MEETING NOVEMBER NINE WITH UNDER SECRETARY OF DEFENSE IKLE, GENERAL ALVAREZ RAISED A NUMBER OF ISSUES OF CONCERN. FIRST, HE ASKED IF WE COULD AGAIN LOOK INTO WAYS OF SOLVING HIS PROBLEM OF TRANSPORT AIRCRAFT. HE WANTED TO KNOW IF WE COULD HELP FINANCE PURCHASE OF ITALIAN G-222. NEXT, ALVAREZ DR. IKLE AND HIS PARTY POINTED OUT THAT THERE WERE LIMITS TO WHAT WE COULD DO IN THIS REGARD BUT THAT THIS WAS A MATTER HIS PEOPLE WOULD EXPLORE WITH THE TREASURY DEPARTMENT UPON RETURN TO WASHINGTON.

ALVAREZ THEN RECITED LITANY OF RECENTLY FAILED ATTEMPT TO HOLD CONDECA CHIEFS OF STATE MEETING. HE SAID THAT HONDURAS WOULD TRY TO DO ITS SHARE IN OVER-

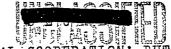


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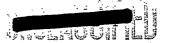
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COMING OBSTACLES TO REGIONAL COOPERATION; BUT HE FELT USG HELP WAS NECESSARY BEHIND THE SCENES AS IT HAD BEEN IN THE OECS CASE IN GRENADA.

- 5. ALVAREZ ALSO MENTIONED THE IMPACT OF AHUAS TARA EXERCISES ON HONDURAN BUDGET. HE ESTIMATED THAT ADDED OPERATIONAL COSTS OF AHUAS TARA FOR HONDURAN MILITARY COULD RUN AS HIGH AS \$10 MILLION. HE UNDERSTOOD THAT SIMILAR COSTS IN JOINT EXERCISES WITH KOREA AND CERTAIN COUNTRIES HAD BEEN ABSORBED BY THE UNITED STATES. HE ASKED THAT WE LOOK INTO WAYS OF OFFSETTING THIS ADDITIONAL DRAIN ON HONDURAN BUDGET AS A RESULT OF OUR EXERCISES.
- 6. FINALLY, ALVAREZ VOLUNTEERED AN APOLOGY FOR THE HONDURAN ABSTENTION ON THE GRENADA RESOLUTION AT THE UNITED NATIONS. HE SAID THAT THE HONDURAN PERMREP WAS AWAY AT THE TIME AND HIS ALTERNATE HAD BUMBLED IT. ARVAREZ REPORTED THAT PRESIDENT SUAZO HAD BEEN INFURIATED OVER THE OUTCOME. NEGROPONTE BT #2426

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