

TO: The Hammer

April 1, 1985

FROM: T.C.

SUBJECT: Southern Front

The following paper discusses a series of meetings the author has had over the last several weeks concerning the future of the Southern Front. These meetings took place in the South and in Washington. The most recent ones were held on Friday and Saturday, March 29 and 30 in Washington.

### Project for Reconstruction

The Project was conceived by seven people. They are:

- Leonel Poveda Sediles
- Carlos Coronel
- Guillermo Mendieta
- Luis Rivas Leal
- Alejandro Martinez Saenz
- Harold Martinez Saenz
- Juan Zavada

Meeting with me in Washington were: Poveda, Mendieta, and Alejandro Martinez.

The meeting was originally proposed and setup by Arturo Cruz Jr.

About four months ago some six of the seven came to Washington, at the urging of Nat Henry, to meet with Senator Helms. They gave the Senator the attached paper and discussed their idea but they never heard another thing from the Senator or his staff. Out of desperation they came one more time hoping to meet with the Hammer.

I had met Poveda during the summer of 1983 when I visited Costa Rica. He recognized me and was glad the meeting was with someone he knew. All three realized the reasons for the meeting with me instead of with the powers that be.

The concerns of these people and who they represent are valid. They include:

- Lack of leadership in the South
- An alternative to Pastora
- Lack of coordination between several small groups now operating
- The need for a new organization to mount operations

In essence, these people are offering their services to structure and organize a new southern front.

They say they represent El Negro Chamorro's camp, which now consists of some 43 men under the command of Jose Robelo (Chepon), and another camp which is under the command of the Cubans and Calero's people. This last camp is actually under the day to day command of a Nicaraguan named Jesus, but overall is under the wing of Pape.

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Before coming to Washington, they said they had met with El Negro and had talked with the Cubans in Miami who are working the other camp. The former is true, but they did not come representing the Cubans or the other camp.

Poveda said he and Carlos Coronel had had breakfast with Calero on March 2 in Costa Rica and had discussed the possibility of building a new southern command structure. According to Poveda they have Calero's blessing.

The new organization would fall under the political leadership of UNIR and the new Nicaraguan Democratic Resistance. Militarily it would come under the command of Leonel Poveda, who along with the other seven would help structure and command the new force.

The crux of their plan is to develop small bases of no more than 100-150 men several hours away from each other on the Nicaraguan side of the border. See attached map. Initially they want to start with 150 men

These groups would be resupplied by purchasing the food and other basic necessities from the small towns and villages along the Costa Rican and Nicaraguan border. They would not buy the food and other material in San Jose and truck it out like Pastora used to do.

Weapons and ammunition can be purchased on the black market to start. AK's go for about \$300 a piece. An inventory of their equipment is attached. Once things get moving, they believe material can be either airdropped or flown into small fields. This was done and is still being done to bring supplies into Pastora and the other groups. There are strips big enough to land a DC-3 on.

To accomplish this effort, Poveda would like to start with some financial backing on a monthly basis. He is more than willing to account for all funds spent. Attached is an initial estimate of immediate needs for funds. On top of this, they would like to start with a minimum of between \$150-200,000. This would cover the expenses of moving a couple high level people back to CR, including Luis Rivas and Martinez or Mendieta.

They believe the time is right to begin establishing a new structure. There are many people who are financially on their last legs and if this does not come through they will have to abandon the fight, so they are in hopes something will work out.

Obviously, they hoped for an answer in the near future. I put them off and said I or someone will get back to them in the next two to three weeks.

They believe they are capable, have the leadership and the knowledge necessary to undertake this effort. Although they will operate in the south, they will stay away from Pastora and not infringe on his territory. They will work closer to the Pacific. It was stressed they would work in concert with the North.

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One last comment that they made and has been made by others: some of Pastora's field commanders are ready to join any side which will provide them with food and medicines. They have not been resupplied in at least 8 months. In fact, several of his commanders want to leave and actually aren't controlled by Pastora, he just talks with them over the radio. These include according to Poveda: Lionel, Sam, Oscar, and Navegante.

Others who will leave include two Panamanians, Risa and Johnny, who between them have about 1000 men, supposedly.

UPDATE APRIL 9, 1985

Sparkplug has decided to go with El Negro Chamorro as the military commander of the South. There will be a political/military council which will have supervisory capacity over Chamorro. This will be made up of:

- El Negro Chamorro
- Donald Lacayo
- Indalacio Pastora
- Picasso (who is married to Calero's wife's sister)
- Poveda (possibly and others)

Pape has broken down the camp that was under him into 4 small camps and thus spread the men around. He is waiting for equipment to start coming in from El Salvador. Moral is good and the men will start working in small teams.

The concern about Chamorro is that he drinks a fair amount and may surround himself with people who are in the war not only to fight, but to make money. People who are questionable because of past indiscretions include:

- Jose Robeló (Chepon): potential involvement with drug running and the sales of goods provided by USG.
- Carlos Coronel: Talks with all sides, potentially too much with the Sandinistas and is making \$ on the side.
- Leonel Poveda: Rumored to have been involved with the sale of goods and pocketing certain "commissions"
- Sebastian Gonzalez (Wachan): Now involved in drug running out of Panama
- Alvaro Cermeno (Tadeo)
- Julio Bigotes
- Hector Sanchez
- Sebastian Gonzalez (Wachan)

These are just some of the people Sparkplug and others should be wary about.

Whatever structure is established for the South, tight control must be kept on the money and resources. In the past it has been too easy to sell goods and too many people have learned how to make a good living off of the war. Money and equipment must be accounted for and when there are differences, examples should be made.

CMA

Posey has an individual willing to outright donate between 70,000 and 80,000 lbs. of medical supplies to the effort. It is a wide assortment of goods and someone will have to look at it to see what is good and what isn't. It is now located in South Carolina.

The material can be shipped as far as Alabama by the individual who is going to donate it, but it has got to get from Alabama to New Orleans.

Flako is back in business. He has established himself in New Orleans and is working on some new scams. He is staying at the Providence Hotel. It is time someone paid him a visit and told him to go back to the hole he comes from.

**EXCISED COPY FOLLOWS**

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under provisions of E.O. 12356  
by K. Johnson, National Security Council



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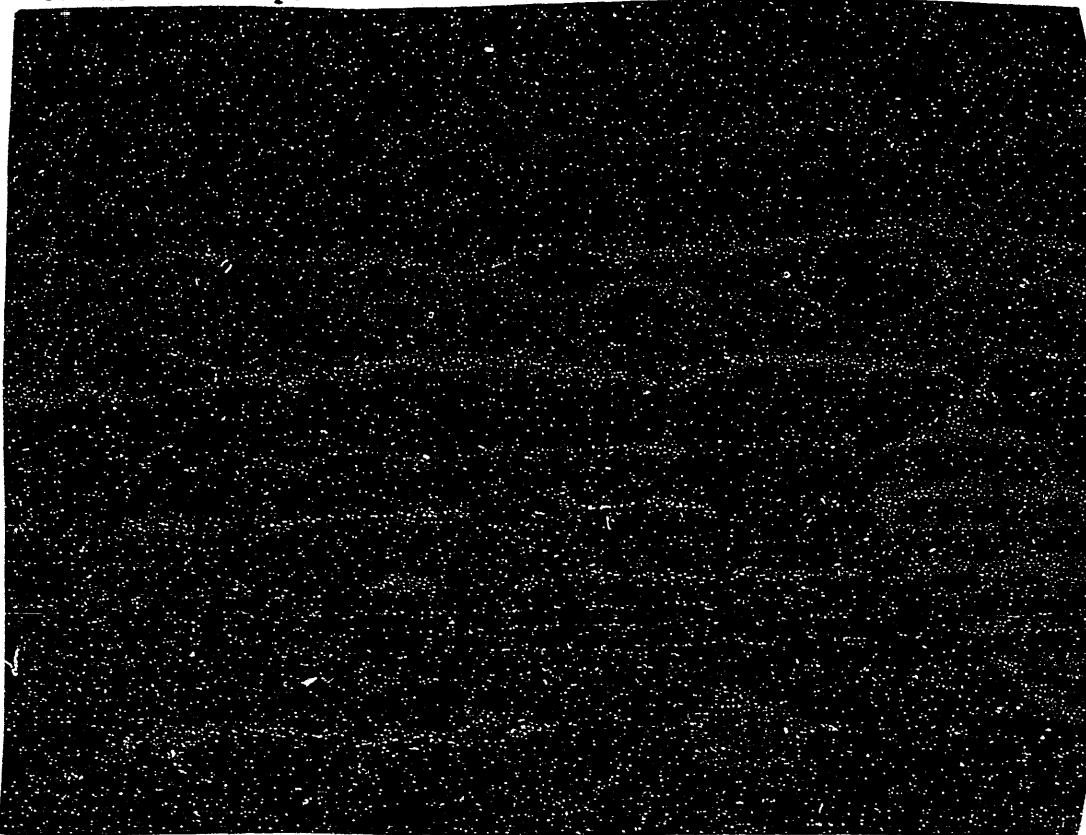
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