TO: DCI CASEY
NSC CLARK
ARA ENDERS

FROM: NEGRROPONTE

SUBJ: GENERAL ALVAREZ VISIT TO WASHINGTON, MAY 16-17

SPECIAL / SENSITIVE DECL: OADR

REF: JULIUS CAESAR, ACT FOUR, Scene Three, lines two hundred and fifteen through two hundred and twenty-four.

1. Alvarez visit to Washington Monday and Tuesday is very important to him and President Suazo. They are concerned about a "Bay of Pigs" (their phrase). They want continued and increased logistical support, including arms, for anti-Sandinistas. And they view with suspicion and concern the way elements of our Congress tend to treat Central America as a political football. And, it should come as no surprise to you that intelligence committee revelations and news stories about "secret war" emanating from Washington in utter disregard for Honduran interests and sensitivities have not helped matters.

2. Though Suazo and Alvarez are preoccupied and are in one of their moods of feeling taken for granted by Uncle Sam, the picture is not one of unrelieved gloom. The Senate Intelligence Committee vote was a good antidote to the House action, although Alvarez will certainly appreciate a full explanation of implications, the congressional state of play, likely next steps, etcetera. (So would we.) And both Suazo and Alvarez remain convinced that strategy of pressure against Nicaragua can be successful provided we put enough into it.
3. Specifically, Alvarez may raise some pretty nasty questions which go to the issue of the consistency of our word and the constancy of our support. He may recall the meeting between Washington representatives and then President Paz on January 8, 1982 when we first got directly involved in this affair. Read-out given to me after that meeting was that we indicated willingness to effectively stay the course until desired changes took place in Managua.

4. Next, Alvarez may raise question of recent chopping and changing on issues of logistic support. Removal of C-130 is one example. Another is Alvarez' conviction that Langley has promised him substantial assistance (e.g., $10-15 million) in resolving his transport aircraft problem through purchase of De Havilland Buffaloes. I don't blame him for wanting to improve his crumby transport capability of his air force. Alvarez feels totally frustrated in getting our help in this his single highest military equipment priority. It can be characterized as offensive weaponry either and makes enormous sense in terms of keeping his armed forces relatively small, but mobile, rather than seeking to match Nicaragua's buildup man for man.

5. Perhaps most important, Alvarez will raise matter of increasing flow of arms to insurgents. He will likely point out that at one point we specifically promised to provide arms for at least ten thousand men. Now we have imposed arbitrary limit which is even lower than promised ten thousand minimum. More to the point,
this thing is starting to work and is building up a momentum. It wouldn't surprise me if size of force could be doubled in next five months if we provided necessary weapons.

6. Lastly, Alvaréz may raise economic situation. He is broad gauge in his approach to Honduras' problems and sees economic deterioration as one of most immediate threats facing country. He is also President of Association Pro Honduras (APROH), a civic group of heavy hitters which recently sent delegation to Washington. Vice President of group, Miguel Facussé, has today, May thirteen, sent us a memorandum for Enders which we are translating on crash basis for transmittal to Washington. It will be useful for you to be able to refer to receipt of APROH economic memorandum if Alvarez raises economic questions. Also, as a follow-up to memorandum, Enders may wish to consider inviting Presidency Minister Carlos Flores to Washington for economic talks. Doctor Suazo has mentioned this a couple of times, most recently in context of Honduran willingness to host a regional military training center for Salvadoran forces. Flores visit would also provide balance to Alvarez trips for a country where question of civilian/military relationships is important issue.

7. One final point is that Alvarez is also going to Washington June 8-10 for public visit at formal invitation of Chairman JCS. Believe it important for multiplicity of reasons that planning for that visit go forward and that present trip in no way be considered substitute for June one.

Amb. Negroponte
5-13-83