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REGIONAL DIPLOMACY IN THE CARIBBEAN BASIN

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## ABSTRACT

Despite their heterogeneous nature, the 45 political entities sharing the Caribbean Basin are bound together by distaste of foreign domination and by a shared goal of individual freedoms.

Traditionally, the United States has been the only member of the community disposed to protect the other members from extracontinental aggression. However, its willingness to intervene came in time to include paternalistic armed intervention to save its neighbors from themselves or to protect the private interests of its own citizens. Such a hegemonic attitude led to increasing resentment until, by the time of World War II, the U.S. realized that defense responsibilities must be shared with other hemispheric states. The Rio Treaty, however, only provided for collective action in case of external aggression. It was not designed to suppress the frequent revolutions inspired by internal forces. Nor did it foresee the advent of ideological subversion inspired, in part at least, from abroad. The latter raised anew the problem of hemispheric security. No effective collective response has been devised.

In the belief that Latin American nationalism would eventually prevail in revolutionary situations, especially if adequate economic and social reform could be instituted, four key members of the Caribbean Basin community constituted the Contadora group in 1983 to mediate the growing conflict involving opposing Marxist and democratic models of reform. Their efforts to induce nationalist commitments among the revolutionaries, however, have been hampered by ideological intransigence. Their reliance upon moral suasion has proved insufficient to prevent growing crisis. However, as the U.S. has exerted military pressure on the situation through a variety of means other than its own direct armed intervention, the situation has stabilized. Some would even claim that headway has been made. However, the situation today is basically at stalemate and if further progress is to be made toward a peaceful solution, the Contadora states must overcome grave internal contradictions as well as differences among themselves. To assure an adequately verified democratic solution as the means to political power, they must have continued and sufficient backing of U.S. power. Only such cooperation -- even if informal and tacit -- is likely to bring success to the Contadora diplomatic initiative.

It is equally true, however, that unless the U.S. can promote the continued Contadora process, it will have utmost difficulty in imposing any lasting unilateral solution in the troubled Caribbean. This paper considers the past role and possible future involvement in the Contadora process of each of the member nations, the effectiveness of the process vis a vis current United States policies and prospects for the future.

## INTRODUCTION

We are probably the only country in the world that treats its near neighbors as unimportant. The new Caribbean is no longer our placid American sea. It is a seething cauldron, indifferent or even hostile to us. We can no longer neglect it; we can no longer patronize it; we must recognize its power as well as its problems. To meet the new realities of the new Caribbean we must devise new policies -- and we must devise them now.

John B. Martin<sup>1</sup>

The Caribbean Basin is a region of vast contrast -- geographic, racial, political and economic. Its northern arc is the rich flank of one of the world's two great superpowers, the Gulf Coast of the United States, a nation of 240 million people. The southern arc ends in the steamy coastal lowlands of the South American mainland. There, and in the intervening seas, a large number of newly independent and politically weak nations abound, interspersed with a few remaining vestiges of European colonialism with scanty populations.

The center of the land arc is made up of older states with a Hispanic heritage, many with a strong native American Indian racial ingredient. Together with the two largest island nation states -- Cuba and Santo Domingo -- their combined population is about half that of the United States. There are about six million other inhabitants, mostly on the islands, who, although largely of African race, claim a European (English, French, or Dutch) cultural heritage. In all, there are 45 different political entities -- including independent states and dependencies -- bounding upon or within the Caribbean Basin today. No two are alike. Even those with a common cultural heritage, or adjoining each other, have developed their own distinctive sense of individual identity. Until recently, there was remarkably little political or economic connection among them.

There is one common cultural strain, however, which tends to bind the peoples of the region together -- a highly prized sense of national independence and a rejection of foreign domination, stemming from their wars of liberation against European colonial domination and their subsequent struggle against autocratic government. So great is this feeling that all of them want to be known as republics, even when their political life does not bear this out. Interference with freedom in these countries tends to be much more resented when it comes from abroad rather than from within.

At the present time, two threats to freedom are especially perceived by the peoples of the Caribbean Basin. The first is posed by ideological subversion encouraged by the Soviet Union and its Caribbean ally, Cuba, and now by the pro-Soviet government of Sandinista Nicaragua. Fear of Marxist subversion exists in all other countries of the area, to a greater or less degree. Nowhere, however, is it as keenly felt as in the U.S., which sees Soviet-inspired intrusion as part of a larger global struggle between itself and Russia, and therefore constituting a direct threat to its national security.

For more than a century and a half, the U.S. has provided a protective shield for the Caribbean Basin against extracontinental aggression in the name of its own and hemispheric security. In doing so, although succeeding admini-

strations have opposed intervention by others, they have felt free to intervene in the region, even broadening the concept of protection to include the maintenance of law and order within the region and, as a corollary, the defense of U.S. citizens and their property located there. The use of armed force, especially in the last regard, has generated deep resentments among many of the peoples of the area. Although the U.S. publicly abjured the practice of intervention before the outbreak of World War II and agreed that future defense of the hemisphere should be multi-lateral in nature after the War, it has been unable to keep the promise as political aggression has become less overt and more ideological.

The experience of the Caribbean peoples with yanqui intervention has been frequent enough and recent enough so that fear of it is widely regarded as the second threat to their freedom. In fact, in many cases it may outweigh the perceived danger from Marxist subversion inspired in good part from abroad. There is a basic incompatibility between the threat of Marxist revolution and fear of intervention by the United States. Of all the Caribbean Basin states, only the United States is strong enough to provide effective armed resistance to well-prepared and well-financed Marxist insurgencies. This poses a dilemma for Washington, as well as for those democratic leaders of the region who fear Moscow more than Washington. The frustrated policy-makers of the U.S. are aware they will be condemned if they send their troops to oppose Marxist revolution in the Caribbean. But they also fear their national security will be severely compromised if they do not. Caribbean democratic leaders wish to resist the penetration of the marxists, but they believe that if they sign a pact with Washington to do so their own public will turn against them. Not a few of them privately assure the U.S. that they will welcome U.S. assistance if need of it should ever arise.<sup>2</sup>

Without any alternative policy, it would seem likely that there may be an increase during the coming years in the number of Caribbean states -- most of which have severe social and economic problems -- that are subjected to ideological subversion or, as the only counter to this possibility, a rise in U.S. armed intervention. The latter will probably be much more costly and difficult than the most recent example in Grenada.

However, the beginnings of an alternative policy are emerging as the major regional states, as well as the U.S., grope with the crisis in Central America. It has been the product of trial and error rather than of statesmanship, in good part, and consists of a mix of idealism and practicality, of pride with pragmatism. It springs from a realization that the more influential non-U.S. members of the Caribbean Basin community must play a more responsible role than the other. A search is now underway for a peace-keeping formula which will enable the U.S. to make discretionary use of its power to counter non-democratic inspired insurgencies at the same time that the other regional states maintain some control and monitoring of the process. Both the governments of the U.S. and the principal Caribbean Basin neighbor states are increasingly aware that if they do not devise a common policy, they will all lose. However, it is not an easy task. This paper tries to set forth why this is so.

The so-called Contadora diplomatic initiative, begun in 1983 by four Caribbean Basin states -- Colombia, Mexico, Panama, and Venezuela -- carefully excluded participation by the United States. It insisted upon both non-intervention and democratization in Central America -- the basic demands of sovereignty and

freedom. It depended, at the outset, entirely upon moral persuasion to maintain the peace but it was evident that diplomacy without power would not work. The Sandinista revolutionaries were not disposed to establish democratic institutions and the U.S. was not disposed to tolerate Sandinista subversion, aided by the Cubans and the Soviet bloc, in neighboring countries.

The history of how the Contadora states and the U.S. have edged towards a more realistic diplomatic formula reveals how diplomacy is subject to the vagaries of domestic politics. The difficulties are multiplied by the number of states directly involved in the crisis and by the various pressures which governments and public opinion, even from afar, can bring to bear. Contadora diplomacy currently is denounced as a fraud or delusion by some and as having saved Central America from general conflagration by others. Neither of these extreme evaluations withstands much serious scrutiny. However, it seems true that a continuation of the process represents the only alternative to grave military confrontation and the only promise of eventually establishing conditions for both freedom, sovereignty, and peace in the region.

## REGIONAL DIPLOMACY: ANTECEDENTS AND CURRENT HISTORY

The implications of the struggle extend beyond Central America. For the argument in fact mirrored larger East-West issues -- whether containment was enough; whether the West, safe behind an adequate security shield, should look to its economic, political, and moral strengths to work their corrosive effects on Soviet ambitions over the long term or whether, on the other hand, Washington should finally conclude that agreements served no purpose and that moderation in Moscow -- and in Managua -- could be expected only under pressure. Thus was the Nicaragua issue defined as President Reagan began his second term.

William D. Rogers<sup>3</sup>

While Contadora has been widely praised and occasionally damned, it so far is nothing more than a process, incomplete and inconclusive. Various drafts of treaties have been circulated, but none has been adopted and none is likely to be for some time to come, given the complexity of the issues and the large number of states affected by them.

Before entering into the difficult task of drafting a peace treaty or treaties which, it was hoped, would gain approval not only from the five Central American states involved in the crisis -- Costa Rica, Nicaragua, Honduras, El Salvador, and Guatemala -- but also from such interested parties as the U.S. and Cuba, the four Contadora states proposed a set of 21 principles upon which their mediation effort would be based. These obtained unanimous approval by all parties to the dispute and it has been these, rather than any specific treaty, which have come to represent the Contadora concept to the world at large. They include the withdrawal of all foreign military personnel, non-intervention, non-alignment with the world's power blocs, and democratic pluralism in government (see appendix A ).

Spelling out the 21 Contadora principles in treaty form is a formidable task and may, indeed, be impossible. Do Cuban workers in Nicaragua, allegedly numbering in the thousands, qualify as foreign military personnel? (The U.S. would claim they do, after its experience with Cubans working on the Grenada airport.) Are U.S. troops, on temporary joint maneuvers in Honduras, to be considered military stationed in that country? (Managua insists they are there to prepare for the invasion of Nicaragua.)

Definitions are only one aspect of the very complex problems. An even greater hurdle comes in verifying compliance with any treaty. The refusal of Contadora to contemplate any kind of collective security apparatus makes prospects for enforcement difficult. The obstacles are so great, in fact, that it is not surprising that at least one of the Central American states under greatest stress should fear that faithful compliance would put it at a grave disadvantage.<sup>4</sup>

Despite the awesome complexities of any treaty, plus the fact that the terms of the most recent "final" draft of a treaty are not yet known, many of



the world community have hailed the "Contadora Solution" as the only way out of the present imbroglio in Central America. This may be a facile diplomatic answer to a difficult question, or simply a way of not taking sides. But others, closer to the negotiations recognize that the process may take a long time, and a final solution will be most difficult.<sup>5</sup>

Despite setbacks and delays, the Contadora states have persisted in their efforts, now in their third year. They have shown remarkable agility in revising their drafts -- the product of 33 meetings -- with their own governments, the five Central American states involved, and indirectly with Washington and Havana, without whose support, it has been admitted all along, no progress in the mediating effort can be expected.<sup>6</sup> Even if the Contadora initiative, which is unprecedented in Latin America, fails to accomplish its purpose, invaluable experience will have been gained in attempted regional settlement of disputes by states with limited military power at their disposal. While examples abound of big states mediating in international conflicts, or large regional organizations such as the OAS doing so, never before have four Third World states, with a modicum of power of their own, sought to bring hostile nations into agreement. The Contadora effort, however, is not without some precedent in the Western Hemisphere, where the problem has always been to keep peace without being subject to the overwhelming military might of the United States of America, the single member of the hemispheric community whose power exceeds that of all others combined.

Simón Bolívar, the Venezuelan liberator, tried to convoke the first regional conference in Panama in 1826. The U.S. was not present, although invited, and Bolívar later expressed the belief that regional cooperation with the northern giant would be plagued with difficulties. This early "amphyctionic" conference has been hailed as a forerunner of the Pan-American union, established with headquarters in Washington in 1889. Even after its reorganization as the Organization of American States in 1948, supposedly with the purpose of reducing the predominance of the U.S. in the hemispheric body, it has proved to be ponderous and inept in the settlement of disputes.

For its part, long before any regional body came into existence, the United States put forward a unilateral protectionist policy, formulated as the Monroe Doctrine, to keep European powers from acquiring new colonial territories in the Americas. Historically, it has received but a lukewarm response from Latin American states at best, although there have been times when its application was warmly welcomed. However, as it came to be seen more and more as a pretext for hemispheric political hegemony and, with its later interpretations, as the basis for armed intervention within the hemisphere, the Monroe Doctrine became increasingly a source of contention. This was recognized by President Franklin D. Roosevelt, prior to World War II, when he forswore the right of intervention. Following the war, when the hemisphere was united as never before in its opposition to the Axis powers, the Inter-American Treaty of Reciprocal Assistance (the Rio treaty) converted defense of the hemisphere into a multilateral obligation, supposedly rendering the Monroe Doctrine obsolete.

However, subsequent efforts of the OAS to act as a peace-making or peace-keeping body made it clear that the organization was too large and too diverse (It grew from a membership of 21 republics in 1946 to 33 at present.) to act decisively in emergencies. Also, the Rio treaty had been basically conceived to prevent overt aggression. Its provisions hardly covered the

various forms of indirect aggression or domestic subversion which increasingly characterized political strife. John Foster Dulles obtained grudging approval for a resolution condemning communist subversion, aimed at the left wing regime of the Guatemalan president Jacobo Arbenz at the Tenth Inter-American conference in 1954, but after the overthrow of that government by the CIA-sponsored Col. Carlos Castillo Armas, the Latin American governments became increasingly wary of using the Rio treaty or the OAS to cloak armed intervention promoted by the United States. In 1960, at the Sixth Consultation Meeting in San Jose, the first called under the Rio treaty, the Dominican Republic was condemned for its government's attempt upon the life of Venezuela's president Rómulo Betancourt, but the republics stopped short of the use of armed force and merely broke diplomatic relations. In 1964, a similar measure was directed against Cuba, after tangible proof was discovered of its armed intervention in Venezuela.

In 1965, at the Tenth Consultative meeting, the OAS did approve an Inter-American Peace Force after the U.S. had already sent troops into the strife-torn Dominican Republic. Only a few members contributed men, and the action, was highly unpopular in Latin America. In 1969, the OAS sent unarmed observers in an effort to mediate the conflict between Honduras and El Salvador but they were ineffective and the quarrel persisted until 1976, when OAS mediation was finally accepted. The members of the OAS disagreed when the U.S. proposed that another Inter-American peace-keeping force intervene in the Nicaraguan civil war in 1978, hoping to maintain the pro-Somoza National Guard as a counterweight to the left-wing guerrillas, after the anticipated fall of the Nicaraguan dictator.

#### Aftermath of the Nicaraguan Revolution:

In the first two years following the Sandinista victory in Nicaragua, the Carter administration sought to put the best possible interpretation on the new situation in the hope that the Managua revolutionaries would settle down and give priority to their domestic situation. Despite an impressive amount of U.S. economic aid provided to the new government, it soon became apparent that Managua was opening wide its doors to a military buildup with the aid of the Soviet bloc. Most Latin American governments continued to hope that the Sandinistas would keep their promise of democratic pluralism, but the conviction grew in Washington that they were playing the Soviet game and were intent upon fomenting revolution elsewhere in Central America. This became especially true after Ronald Reagan won the presidency in the November elections. Alexander Haig, the secretary of state-designate, let it be known that he would give top priority to Central America, and Fidel Castro, in Havana, warned that the U.S. was about to embark on a new Big Stick policy.

Meanwhile, Mexico, after years of paying scant attention to its neighbors in the south, abandoned its indifference. President José López Portillo made several visits to the region and assured the Central Americans that Mexico was a friend upon which they could rely to resist the spread of super-power conflict to the area. Carlos Fuentes, the respected Mexican intellectual, warned the U.S. not to take an aggressive role in Central America but rather to permit regional nations such as Mexico and Venezuela to take the lead, a viewpoint which foreshadowed the emergence several years later of the Contadora initiative.<sup>7</sup>

However, there were significant differences between Mexico and Venezuela with regard to Central America, although at this time the two states had begun talks regarding cooperation in economic aid to Central America and the Caribbean. Both were concerned lest they be blamed for the hardship caused by the big boost in OPEC oil prices which forced the impoverished clients of the region to quadruple their oil payments. Venezuela took the initiative in proposing that the two oil producers provide soft loans (for part of the oil purchase price) to the countries hardest hit in the Caribbean Basin. After Mexico finally acceded to this idea, President Luis Herrera Campins of Venezuela accepted an invitation for a state visit to Mexico in the hope of convincing his Mexican colleague to withhold support for the Salvadoran guerrillas, now growing rapidly in strength due to help from the victorious Sandinistas. The Venezuelan president was a personal friend of José Napoleón Duarte, also a Christian Democrat, who was now presiding over the civil-military junta in San Salvador, after years of exile in Caracas. During his visit, in April, 1981, Herrera urged that Mexico support a democratic electoral formula for El Salvador rather than the negotiated political settlement demanded by the guerrillas. López Portillo would agree only to a vaguely worded communiqué in which the two nations offered to mediate the conflict, if requested to do so.

Nothing came of the Mexican-Venezuelan offer at this time. The Mexicans were intent upon trying to persuade President Reagan, to adopt a moderate course in his dealings with Nicaragua. In December, before taking office, the U.S. president-elect made an ostentatious pilgrimage to Mexico to interview López Portillo. Mexican relations with the previous administration of President Jimmy Carter had been notably poor, not so much because of the American's famous gaffe during a visit to Mexico when he complained of "Montezuma's revenge," on his personal digestion, as because of a series of what Washington regarded as hostile Mexican actions -- its reneging on the promise to allow the Shah of Iran to return to Mexico after his medical checkup in New York; Mexico's refusal to pay damages for pollution of U.S. beaches caused by extensive spillage from a runaway oil well in the Gulf; and a noisy conference in the Mexican capital to promote Puerto Rican independence. Reagan, a westerner who claimed to understand the Mexicans, did hit it off extremely well with López Portillo. After their meeting, they issued a communiqué pledging "close personal relationships" as the basis for easing tensions and renewing past friendship.

Reagan was non-committal when urged by López Portillo to consider a negotiated settlement in El Salvador. A month after his inauguration, Reagan instructed Secretary of State Haig to fly to Mexico with the evidence of Sandinista involvement there. López Portillo listened to Haig but, in what was interpreted as a rebuff to Reagan, three days later warmly welcomed a Cuban delegation and stressed Mexico's strong ties with Havana. When Reagan was wounded in an assassination attempt at the end of March, he was forced to cancel his scheduled trip to California where he was to hold his first meeting as president with López Portillo in April. Instead, the Mexican President flew to Washington in June, hoping to obtain Reagan's acceptance to the Cancún North-South economic summit that he was planning as the crowning achievement of his presidency. Reagan agreed to come, but only after the Mexican promised to disinvite Fidel Castro to the event. To assuage any wounded feelings, López Portillo then held a dramatic meeting with the Castro on the island of Cozumel in August, at which time he gave unstinted praise to Castro and assured him of Mexico's unswerving support. Later, in a further rebuke to Washington, López Portillo joined with President Francois Mitterrand of France to issue an extraordinary

communiqué which virtually extended recognition to the Salvadoran guerrillas. Washington was incensed. The move was also poorly received by Venezuela and other Latin neighbors in the Caribbean. However, sharp congressional and public criticism had been aroused by Haig's broadsides against Nicaragua and what seemed like threats to take strong military action. On a private visit to Michigan, the Mexican leader again met with Reagan who promised to send vice-president George Bush to the Mexican capital for the national holiday there in September. This was followed by his own trip to Cancún the following month, where he found López Portillo expansive and cooperative.

Buoyed by his talks with Reagan and his diplomatic coup at Cancún, López Portillo stepped up his diplomatic efforts in the hope of climaxing his last months in office as the peace-maker in Central America. He believed the time had come for an improvement in U.S. relations with Cuba and felt he could use his good relations with Castro to persuade the Sandinistas to curb their ambitions for the time being in Central America, especially in El Salvador. Rebel successes there also convinced him that the Duarte junta would have to accept a political settlement eventually. He went to Managua in February, 1982, and while publicly praising the Sandinistas, cautioned the comandantes in private to pressure the guerrillas to seek a compromise solution in El Salvador. Although López Portillo may have again raised hopes in Washington that, at long last, Mexico might help to contain the Sandinista revolution to Nicaragua, the Reagan White House was committed to an electoral solution in El Salvador rather than any political compromise with the guerrillas. This stand was encouraged by the Venezuelan president, Luis Herrera Campins, who had told Reagan the previous November, during a state visit to Washington, that there should be no settlement with the guerrillas at gunpoint. When the Mexican Foreign Minister Jorge Castañeda went to New York in March to argue with Haig that the U.S. had nothing to lose by talking to the Cubans -- talks the Mexicans would be glad to arrange -- Washington reacted coldly. López Portillo followed this up with an interview in The New York Times in which he insisted that better U.S.-Cuban relations were the key to a Central American solution.

With public opinion reacting against the idea of a Central American intervention and liberals in Congress demanding that congressional approval be required for covert action by the CIA in Central America -- efforts that were being sharply increased at that time -- the Administration decided to give the talks with Cuba a try. Haig had already met secretly with Cuban vice-president Carlos Rafael Rodríguez in Mexico City late the previous year, it was revealed. General Vernon Walters was sent to Havana but Haig claimed that Cuba was anguishing over a U.S. offer that would require it to sever its links with Russia and ally itself with the West. This hard line was quickly repudiated by both the Cubans and Mexicans. In May, the Mexicans were complaining that it was evident that Washington did not appreciate their mediation efforts and they would not pursue them further.

Meanwhile, a new Social Democratic president, Luis Alberto Monge, had been elected in Costa Rica. His party, the Liberación Nacional, had been increasingly restive with Socialist International support for the Sandinistas and refused to attend a regional meeting of that group scheduled in Caracas unless the Nicaraguan delegation, invited to attend as observers, were barred. The move had the support of Jaime Lusinchi, the presidential candidate of the Acción Democrática the social democratic party in Venezuela. The flustered European leaders called off the Caracas meeting and Monge, then determined to convoke a meeting

of democratic states from the Caribbean region at San José in October. Observers have disagreed as to whether or not this move was inspired by Washington, which denies any paternity for the idea. There were serious divisions of opinion in the State Department as to whether the U.S. should attend or not. Finally, Assistant Secretary Thomas Enders himself went to the meeting. Mexico refused to attend, and, after some hesitation, Venezuela followed suit in deference to the Mexican claim that a regional effort without U.S. participation would be better received. Caracas was also upset by the elections for the constituent assembly held in El Salvador at Washington's urging, which had resulted in a setback for Duarte, whose party failed to win a majority. Duarte was forced to step down as junta president until elections for the presidency could be held.

The Falklands/Malvinas war, meanwhile, had also caused a rift between Washington and Caracas. Venezuela seized on the event as an opportunity to denounce colonialism and, indirectly, to bolster its claim for the vast Essequibo territory, formerly a part of British Guyana and now constituting 2/3rds of the land area of the Republic of Guyana. Caracas claimed this territory had been stolen from it by the British and refused to acknowledge its inclusion in the new republic on its eastern frontier. Noting this estrangement, Mexico revived its diplomatic offensive. López Portillo invited Herrera Campins to join him in sending letters in September, 1982, to Daniel Ortega, head of the Sandinista junta; the recently elected President Roberto Suazo Córdova of Honduras; and to President Reagan, proposing talks between Honduras and Nicaragua in Caracas. Ortega readily agreed, but Suazo said he preferred a multilateral meeting including all the Central American states threatened by Nicaragua's military buildup, since the tension between Honduras and Nicaragua was only one aspect of the general crisis.

Although President Reagan replied to the two Latin American leaders expressing "great interest" in their "very constructive proposal," the State Department made it clear that it preferred the Costa Rican plan with its regional approach. On October 4, the foreign ministers of Colombia, Jamaica, El Salvador, Honduras, Belize, the U.S. and Costa Rica, with a Panamanian observer, met in San José in an effort to establish a forum for dialogue focused on peace and democracy. An agreement was signed creating a "Forum for Peace and Democracy," whose purpose was to advise and assist nations wishing to strengthen democratic institutions, claiming that "in order to promote regional peace and stability, political understandings must be encouraged internally to lead to the establishment of democratic, representative, pluralistic and participatory systems." In response to Nicaraguan criticism, Foreign Minister Fernando Volio of Costa Rica announced that both Nicaragua and Guatemala would be invited to participate, although neither was considered a democracy, when the Forum would assess area peace proposals, such as that of Mexico and Venezuela.

Costa Rica then announced the next meeting would be held in Santo Domingo and decided not to invite the United States in the hope that Mexico would attend at least as an observer. Assistant Secretary Enders said the U.S. was not unhappy at being left out. However, Mexico refused to attend and the Santo Domingo meeting was postponed indefinitely. The Mexicans insisted that there should be direct bilateral negotiations between Honduras and Nicaragua, while the U.S. State Department responded that talks involving all the Central American nations offered the best possibility of resolving the area's problems. Picking up on

this suggestion, Honduras announced it would take the crisis to the OAS, a move which Jean Kirkpatrick formally endorsed at the UN, apparently to stave off Nicaraguan threats to go before that body. Meanwhile, the Mexicans were outraged by the leak of National Security Council minutes in which it was urged that Mexico be excluded from efforts to settle the crisis.

The Contadora Initiative:

While all this was going on, the Mexicans were hard at work persuading Panama to issue an invitation to three other countries -- Colombia, Venezuela, and Mexico -- to meet on the resort island of Contadora off the Pacific coast with the purpose of drawing up a peace plan to stop the fighting in Central America. The opening for the meeting was provided by the receptive attitude of the newly elected Colombian president, Belisario Betancur. Although a conservative party leader and anti-communist, Betancur made it clear, when he attended the inauguration of Mexico's new president, Miguel de la Madrid, that he wanted his country to follow a foreign policy more independent of the U.S. and that he would seek to restore Colombian diplomatic ties with Cuba, broken since the attempt of guerrillas, trained and armed by Havana, to invade Colombia in 1981.

The Venezuelans were angry with Washington and in no mood to let their traditional rivals in Bogota outrun them in peace-making, so they readily joined in the Contadora meeting. Panama was selected as the fourth member because it was least threatened by the Central American crisis and also because of its recent diplomatic triumph in convincing the U.S. to negotiate the Panama Canal treaties. The Panamanian accomplishment had been facilitated by strong and regular regional consultation involving Colombia, Venezuela and Mexico. This meant that a recent and persuasive precedent had been established for further regional cooperation to mediate between a Latin American state and Washington. The tradition of the virile nationalism of Omar Torrijos, principal Panamanian architect of the Canal treaties, was still very much observed by his successors and popular with the public in that country. However, President Aristides Royo, a strong nationalist, fell out with the military and was forced to resign in July, 1983. Although his successor, the young vice-president Ricardo de la Espriella, was highly influenced by the military, who tended to favor a cautious foreign policy, Panamanian diplomacy generally could be counted upon to seek greater independence from U.S. tutelage, more so than other Central American states, with the exception of Nicaragua. Panama also had the advantage of having been the site of the first regional Pan-American meeting convoked by Bolivar early in the 19th century, while the fabled island of Contadora, where much of the Canal treaties' negotiation had taken place, seemed an auspicious site for the new Latin American regional group to begin its work.

So it was that the foreign ministers of Colombia, Mexico, Panama, and Venezuela met on Contadora island on April 9, 1983, and then in a lengthy 14-hour session at Panama City, after which they engaged in a rapid shuttle visit to the other five Central American capitals, urging joint Central American talks to be followed by a conference of foreign ministers of both the Central American and Contadora states at Panama. The nine ministers met in Panama on April 21 but little progress was made and the Nicaraguans issued a communiqué demanding that the U.S. and Honduras sit down with them before wider talks again be considered.

Meanwhile, a top level U.S. delegation -- Secretary of State George Shultz, Secretary of Treasury Donald Regan, and Secretary of Commerce Malcolm Baldrige -- visited Mexico City on April 19 to discuss that nation's financial crisis as well as the Central American crisis. Prior to leaving Washington, Shultz made a tough speech warning Moscow that any attempt to introduce missiles into the Caribbean would meet with a similar response to that from President Kennedy at the time of the Cuban missile crisis.

Also, at this time the Inter-American Dialogue, a high level group of U.S. and Latin American business and political figures, popularly thought of as "liberal" and known as the "Linowitz Committee," issued a report strongly endorsing the initiative taken by Colombia, Mexico, Panama, and Venezuela in the recent Contadora Declaration, and offering their good offices in seeking peaceful solutions to Central America's problems: "We call on the presidents of these countries to go a step further and involve themselves directly in regional negotiations. These countries are well positioned to play such a role, for they enjoy good relations with the countries of Central America and with the U.S., and most of them have relations with Cuba. They have an urgent interest in ending Central America's tragedy, and they have the confidence of relevant actors. The United States should make it clear that it favors and encourages an active role by the Contadora group in seeking an end to the Central American conflict and that it stands ready to join the discussions as may be appropriate."<sup>8</sup>

Whatever the U.S. may have thought of the Contadora initiative at its outset -- and there are indications that the State Department was not happy with the idea -- publicly it claimed that this and similar efforts were, in effect, outgrowths of the Costa Rica session in 1982.<sup>9</sup> However, the military situation had worsened in El Salvador rather dramatically and President Reagan called in congressional leaders to alert them to the need for new aid to the embattled government forces there. He warned that the Central American nations faced the gravest crisis of their history and said he would ask unprecedented emergency military and economic assistance of \$298 million, including \$110 million military aid for El Salvador. At the same time, the Administration claimed that arms deliveries to Cuba and Nicaragua had been stepped up and the Soviet threat was such that the region might be turned into another "Eastern Europe."

The Mexicans became alarmed at the toughening of the U.S. position and their delegate on the UN Security Council called for a negotiated settlement. The Council debated the crisis on the motion of Nicaragua but without result. The Nicaraguans insisted that bilateral negotiations were necessary with the U.S. and Honduras. Other nations, including Britain, Italy, Honduras, and Guatemala called for regional negotiations.<sup>10</sup>

Events moved quite rapidly during the following months. The Mexicans supported Nicaragua in taking the proposal for bilateral negotiations to the United Nations Security Council, while Honduras, in the OAS, pressed for regional discussion. The Mexicans were incensed by leaks of NSC meeting minutes in which the U.S. government proposed to use widespread covert action to keep the Sandinistas from exporting revolution and recommended the diplomatic isolation of Mexico because of its perceived obstructiveness. The liberals in the U.S. press and Congress began to hold up the Contadora formula as an alternative to the tough Reagan line. The Contadora states went slowly to work but pressure mounted in Congress for direct negotiations as the Administration turned up the

heat for increased military aid. In reaction, Reagan named former Florida Democratic senator, Richard Stone, as his Ambassador-at-large in the Caribbean, with instructions to keep in close touch with the regional nations but without power to negotiate with them.

Stone, a somewhat brash Miami businessman, knew the Latins and ingratiated himself rapidly with them by giving them a sense of participation in the formulation of U.S. policy and by transmitting their views to Washington. The appointment was not well received by Enders, a hard-liner but without experience with the Latins. It may indeed have been a sign of White House displeasure with Enders, who was felt to have related poorly to the region. His removal at this time was apparently due to his strong opposition to publishing another State Department White Paper with evidence of Cuban complicity in supplying the Salvadoran guerillas. He was replaced by Langhorne Motley, a Brazilian-born businessman who had done well in Alaska and had entered government service under Reagan to take the Brazilian ambassadorial post. It was said at the time that Shultz had consented to the replacement of Enders with the understanding that he would obtain and wield more direct control over Central American policy. As part of the newly strengthened policy, Reagan decided to take the usual step of addressing a joint session of Congress, warning of the critical nature of the Central American situation and the need for greater U.S. assistance. Senator Christopher Dodd, in reply for the Democrats, said the Reagan policy was "a formula for failure."

The Contadora foreign ministers had several meetings and brought the five Central American foreign ministers together for the second time in Panama at their fifth meeting on May 29, 1983. The Nicaraguans were reluctant to discuss the idea of elections, claiming that would be interference in their internal affairs. They maintained this position in a six-point plan calling for the end of all outside assistance to El Salvador "to the two sides." prohibition of the military exercises by foreign troops, a clear allusion to the growing U.S. involvement in Honduras; and an end to economic discrimination. This one-sided plan was publicized immediately after the four Contadora presidents met at Cancún and called for renewed efforts at peace -- a statement sent to all of the Central American heads of state as well as to Castro and Reagan. The foreign ministers of Costa Rica, El Salvador, Honduras and Guatemala quickly responded with an eight-point plan, emphasizing the importance of democratization to the restoration of peace and stability to the region.

In the U.S., the administration sought to remove the Central American problem from the approaching presidential campaign and to restore a degree of bipartisanship to policy. Walter Mondale, in June, had already said that U.S. intervention was inevitable since the Reagan policy was failing. Reagan denied any plan to send combat troops and said the cuts in aid were condemning friendly governments to death. However, he warned that presidents "never say never."

#### The Kissinger Commission:

The president announced that a bipartisan commission to be headed by Henry Kissinger would undertake a study and make recommendations on U.S. policy for the region. At the same time, he said he would insist on the entire \$110 million aid package for El Salvador and that military exercises would be held



in Honduras and in the Caribbean in the near future. A few days later he said that the Nicaraguan peace plan was welcome but it had "serious shortcomings." He urged that the Contadora ministers analyze the Nicaraguan proposal. On July 27 he expressed strong support for Contadora and released the text of a friendly letter to the four heads of state, replying to their appeal from Cancun.

Reagan seemed to be successfully maintaining a holding operation during the elections campaign, as well as to give the Salvadoran government time to benefit from augmented U.S. aid. Castro made a determined effort to undercut him, announcing in late July, 1983, that deep concern was growing world-wide over the Reagan military buildup. At the same time, he ostentatiously and repeatedly announced his own endorsement of the Contadora process, although it is to be noted that Contadora, as yet, had presented no plan. He expanded his peace offensive with a promise to halt military aid to Nicaragua if all countries would stop sending military advisors and arms to the area. In response, Reagan said that while he was "willing to give Castro the benefit of the doubt," any agreement so made would have to be subject to full verification and reciprocity.

Meanwhile, a furious propaganda campaign against the U.S. military display in Central America was mounted in Europe, culminating in an incident in Germany when a Green party deputy threw blood on a U.S. general in protest against U.S. policy in Central America. And there were signs of confusion in Washington, with some Administration sources predicting that every Soviet ship entering the area would meet with a U.S. Navy warship to underscore U.S. military presence, while Secretary Schultz insisted that U.S. forces were not seeking confrontation and would withdraw if attacked. When the president and Shultz told a group of concerned Republican congressmen they felt the U.S. pressure was bringing about a more reasonable attitude from the Sandinistas and Castro, the claim was derided by Castro himself, and by the new Nicaraguan ambassador in Washington, who claimed that the Kissinger commission was simply a stall for time during the electoral period.

Another effort was made for Mexican support, probably because the Reagan camp was worried about the Mexican-American vote, reportedly turning heavily against the president. A Reagan spokesman claimed that differences with the Mexicans were "narrowing" before the president took off for Mexico to meet with the new Mexican president, Miguel de la Madrid in mid-August, 1983.

After the Kissinger commission presented the report, naval exercises were stepped up on both the Atlantic and Pacific coasts off Central America. Tom Wicker, a liberal columnist for the New York Times, worried that Reagan was beginning to convince the voters that his policy was correct while his colleague, James Reston, noted that Reagan had "defied the principle of non-intervention in a sovereign state of the hemisphere because the principle of political consultation and cooperation had not worked. The problem of Central America," he concluded, "may be worth more attention than other world problems, since it is so near the U.S. boundary." And Reagan, before a California audience said the U.S. had a "sacred responsibility" that Central America not become a "string of anti-American Marxist dictatorships." Secretary Weinburger, on a visit to Central America, declared there should be no letup of U.S. military pressure on Nicaragua. By September, despite the bitter attacks made on the Administration's Central American policy by Democratic candidates, it was reported that Reagan had decided to take on the frontal assault upon his policy by Congress and not to seek any accommodation.

The Contadora process, meanwhile, moved along at a desultory pace although the strong affirmation by the five Central American foreign ministers in July, 1983 that any peace plan must include democratization had, from the U.S. view, strengthened the Contadora discussion. In September, the Honduran foreign minister, Eduardo Paz Barnica, announced that his country would present a regional peace treaty to the Contadora group, which apparently induced its foreign ministers to adopt a Document of Objectives at their meeting on September 9, 1983, containing 21 principals, including the all-important ones of verification and democratization. This put the Nicaraguans on the defensive and they proposed the following month a series of bilateral and multi-lateral treaties addressing some but not all of the 21 principles. Two of the treaties covered relations between Nicaragua and the U.S., one between Nicaragua and El Salvador, and the fourth for all five of the Central American countries. Miguel D'Escoto, the Sandinista foreign minister, said the treaties would guarantee peace and security for the region. The new Mexican foreign minister, Bernardo Sepúlveda, however, gloomily reported that the same problems still existed in Central America nine months after the Contadora nations had begun the process that they hoped would lead to the rapid end of the violence.

Another meeting of the Contadora and Central American ministers was held in Panama in late October and it was decided to draft a treaty incorporating the 21 principles. However, the invasion of Grenada distracted both Washington and the Contadora states. After a violent attack by the new Mexican representative on the U.S. for its Grenada invasion, all the Contadora states actually did was to present a resolution calling for a treaty, which was unanimously approved. Meeting then with the five Central American states, the Contadora ministers agreed upon a schedule and procedures for beginning talks on a treaty. These were finally agreed upon by all nine states in Panama on January 8, 1984. The "Norms of Implementation" established three working commissions on political, security and social-economic matters to recommend, by April 30, specific measures to implement the 21 Objectives.

During this period, there was considerable U.S. diplomatic activity Kissinger and his commission, having finished an extensive set of hearings with U.S. experts, conducted visits to Central America and members of the Contadora group. Back in Washington he met with representatives of both the Salvadoran and Nicaraguan rebel groups, Ambassador Stone had already accomplished without any result. Kissinger worked in close harmony with State Department officials, while Stone was inclined to go off on his own, which led to considerable friction and finally to his resignation in February, 1984. He was immediately replaced by Harry Schlaudeman, veteran Latin American envoy.<sup>11</sup>

A U.S. team of experts went to Panama to advise the Contadora committee working on security measures and on how to verify compliance with treaties. This was the first concrete collaboration with the Contadora by the U.S. The Central American states were sufficiently encouraged to ask the Contadora Group to integrate its recommendations into a single negotiating text, reassured by the new round of U.S. and Honduran troop maneuvers begun on April 1. Assailed by Democratic presidential candidates, who believed he was highly vulnerable on the Central American issue, Reagan nevertheless dug in his heels, especially after it became apparent that Congressional liberals were not going to accept the Kissinger report, insisting it put far too much stress on the military. In his State of the Union address at the end of January, 1984, the president asked for the large increases in military and economic aid called for by the

report. With the campaign heating up and the Democratic candidate Gary Hart promising to withdraw the troops from Honduras, a proposal termed by Shultz as "ridiculous," Reagan assailed Congress for its reluctance to support U.S. military aid and asserted that their wavering had encouraged the enemies of democracy. The president was encouraged by the massive turn out of voters in El Salvador for the presidential elections there in March. Even though the results were inconclusive, the voting, widely reported in the U.S. press, vividly demonstrated the desire of Salvadorans for a democracy and was taken as a repudiation of the guerrillas, who refused to participate in the election and tried unsuccessfully to disrupt it.

#### United States-Nicaraguan Talks:

The momentum Reagan seemed to be gaining was severely set back in April, 1984, when revelations of CIA participation in the mining of Nicaraguan waters created a storm in Congress and encouraged the foes of the U.S. military pressure. The Nicaraguans charged that the U.S. was trying to block the regional peace effort and the Contadora ministers promised to deliver a draft treaty by summer. Washington was further encouraged by the second Salvadoran vote in early May, which gave the Social Christian candidate Duarte a clear majority for the presidency and again produced a massive voter turnout without incident. In the dispute about covert action, National Security Council Advisor Robert McFarlane insisted that such efforts, supported by the CIA, were the only alternative to either getting involved in a war or doing nothing. However, congressional critics were in high gear, as were the Democratic presidential candidates, charging the Reagan administration with failure to negotiate, with indifference to the Contadora process, and with putting major emphasis on a military solution when the root of the trouble was economic and social injustice. A major battle appeared to be shaping up with the Democrats over renewed financial support of covert aid when Secretary Shultz, who had been in Mexico to consult on the financial problems of that country, paid a surprise visit to Managua where he conferred at the airport with Daniel Ortega on June 3 and agreement was reached to begin bilateral talks with the Sandinistas.

The Mexicans took credit for having arranged these talks, but the fact of the matter was that since Congress was stalling in an election year on consideration of the new aid package for El Salvador, the White House wished to avoid making the issue a central issue of the campaign. The announcement that Ambassador Schlaudeman would meet Nicaraguan Deputy Foreign Minister Victor Hugo Tinoco in Manzanillo, Mexico, did much to defuse the campaign criticism of the Reagan hardline on Nicaragua. It also seems to have renewed hopes among the Mexicans that some kind of an understanding was possible. They had recently taken a somewhat tougher stance in their dealings with the Sandinistas, or so it was thought in Washington. Bernardo Supúlveda, their new foreign minister, denied that Mexico was taking a harder line with the Sandinistas, although the Mexicans had suspended the oil shipments to Nicaragua for which they had not been paid since the start of the San José petroleum facility accord. Venezuela had earlier stopped shipments to Nicaragua in 1983 when no payment was received.

Several other events that occurred at this time may have also animated the Contadora process. General Gustavo Alvarez Martínez, minister of defense in Honduras and a strong anti-communist, was forced from power in a coup engineered

by younger officers, described as nationalists, who reportedly felt Alvarez had been too uncritical in his support of U.S. policy. The change, press reports said, threatened the continuance of joint Honduran-U.S. military exercises and the maintenance of a training center for Central American troops in Honduras. Also, an extraordinary meeting of European Community foreign ministers with their colleagues from Central America and Contadora in San José in late June, 1984, represented an unprecedented entry of European states into the Central American area in what seemed like competition with U.S. diplomacy. Neither of these events, as it turned out, met expectations, but they gave new stimulus to Contadora and the ministers rushed a draft treaty, "The Contadora Act for Peace and Cooperation in Central America," to conclusion by early June. The ministers flew from Panama to Managua to present the draft first to the Sandinistas and then on to the other Central American capitals. There was talk about a visit to the U.S. and Mexico to drum up enthusiasm for the project. The Central American states were asked to make their comments on the draft by mid-July.

In August, the Reagan administration succeeded in breaking down congressional opposition to the Salvadoran aid package by bringing the recently-installed President Duarte to town, where he deeply impressed congressional critics by his sincerity and pledge to eliminate death squads. The \$70 million military aid package was approved 234-161. Late in the month, the so-called technical group -- the deputy foreign ministers of Contadora -- met in Panama to consider comments on the June 8 draft. Reflecting some impatience with the pressure being put upon his government by the Contadora states, President Monge of Costa Rica suggested that the time had come to go to another forum rather than continue with Contadora, suggesting the OAS. However, on September 6, the Contadora ministers had a revised draft treaty prepared by the vice-ministers and, urging quick action, said they would like to have final comments by mid-October.

The Central American nations found it difficult to coordinate their action. Only one of the four original foreign ministers of the democratic states was still in office, Paz Barnica of Honduras. He took the lead of convoking all the Central American states, including Nicaragua, to meet in Tegucigalpa to consider the modifications proposed separately by each country to the September 7 draft agreement. Their draft of October 30 had generally insisted upon verification of performance and simultaneity of implementation of commitments under any treaty. Nicaragua refused to attend but the other ministers merged and endorsed their objections, sending copies of the changes they proposed to both Contadora and Nicaragua.

Unexpectedly, on September 21, 1984, the Nicaraguans stated they were willing to accept the Contadora draft without conditions. Washington had been actively consulting with the Central American nations on the revised draft, and appeared to have been caught by surprise. The Reagan administration lamely replied to the Sandinista charge that it was not giving support to Contadora by asserting that Managua was trying to sidestep the conditions insisted upon by the Central American governments. The Central Americans felt that the latest draft was defective, as all of its predecessors had been, in stipulating the kind of verification which would be established. Contadora had proposed that a Verification Commission come into existence 30 days after signing of the treaty, whose members would be from the signatories. The Central American states asked that an ad hoc disarmament group include an international corps of inspectors, with financing to be provided for in advance. The Contadora Verification Commission (CVC) would come into existence immediately after the

treaty was signed. Another serious weakness in the eyes of the Central American states was the issue of simultaneity, or the timing of entry into force of key provisions of the treaty. According to the Contadora draft, Nicaragua, with its vastly superior armed force -- greater than all the other Central American nations combined -- would have a marked advantage from the freeze on troop levels, stipulated to take place 30 days after signing of the treaty, and lasting until agreement was reached on arms ceilings. This would enable the Sandinistas to delay indefinitely compliance with the key criterion of the negotiation -- that no single nation's army have the capability to impose its hegemony over the armed forces of any other individual countries. The Contadora draft also called for prohibition of all international military exercises 30 days after signing and regardless of agreement on arms levels. This, and the provision for the elimination of all foreign military bases or schools within six months after signing, were highly favorable to the Nicaraguans, who were not under any requirement to make reductions until final agreement had been reached on arms levels. The Central American states asked that calendars for all reductions in numbers of advisors, base dismantling, and limitations of arms levels would be implemented immediately upon ratification of the treaty.

The Contadora draft also contained wide loopholes in the provisions regarding the reduction of arms and supervision of the withdrawal of advisers, on the disarming and relocation of irregular forces, and on enforcement of the treaty provisions.

#### Latest Developments:

Washington grumbled that the process of drafting the treaty had been carried out largely by the Mexicans and had consistently favored Managua. Nonetheless, high State Department officials maintained that the various revisions showed progress and that, if enough time were given, a worthwhile agreement might finally be produced. The Contadora group, after extensive consultation at the time of the OAS General Assembly at Brasilia in November, decided to make another attempt at revision and the new draft was reviewed by the Contadora group ministers in Panama on January 8-9, 1985. It was announced then that the "final" draft had been drawn up and the Central American states were convoked for a meeting on February 14-15, when the key questions of verification and control would be reviewed. However, in January, the process was disrupted when the Costa Ricans announced that their embassy was invaded in Managua and a young Nicaraguan who had sought asylum there had been seized by the Nicaraguan police. Costa Rica promptly said it would not take part in further discussions with Contadora until the seized Nicaraguan was returned. Honduras and El Salvador, in solidarity, also announced their non-attendance.

Although Nicaragua had previously refused to return the alleged draft dodger and had insisted that he had been taken when he ventured outside the embassy, Ortega announced on Feb 26, 1985 that the individual would be turned over to Panama, representing Contadora, as a demonstration of Nicaragua's desire to get the stalled Contadora process underway again. At the same time, he announced that Nicaragua was ready to send 100 Cuban advisors home, and would refrain from putting newly-acquired combat planes into operation, or any other "new weapons systems."

Although the Nicaraguan proposal was dismissed by the White House as a new propaganda effort designed to influence the forthcoming vote in Congress on the \$14 million aid bill for the contras, Secretary Shultz, on his way to the OAS meeting in Uruguay, said he would be willing to meet again with Ortega there as the Nicaraguan leader had suggested. State Department spokesman noted that the Sandinistas had offered to send home Cubans before and it had turned out that they were replaced by others. They also noted that the number was a small fraction of the 3,500-4,000 now in Nicaragua.

Mollified, the Costa Ricans withdrew their objectives to meeting again with the Contadora group and the meeting took place on April 11-12 in Panama. At that time, the Central American core group presented their revisions to the text of September 7. There was no agreement and the talks were reserved until May. There has been some talk among the foreign ministers indicating reluctance to continue the tedious work of treaty draft revision but at the same time there appears to be growing awareness that the process of obtaining a satisfactory draft may take a long time and must continue.<sup>12</sup>

The domestic situation in three of the four Contadora members has tended to deteriorate in recent months. Mexico, Panama, and Colombia all face serious political and economic problems. Venezuela, the most stable politically and the one with brightest economic prospects, does not appear ready to take a more active role in Contadora diplomacy. The strengths and weaknesses of each of the regional members are analyzed in the following pages.

## MEXICO AS A REGIONAL PARTNER

The dissolution of pax americana has nowhere been more evident, nor potentially more threatening to Mexico, than in Central America and the Caribbean. Given its proximity to this increasingly turbulent region, Mexico has been strongly motivated to exert greater leadership and influence in the area."

Bruce M. Bagley<sup>13</sup>

The participation by Mexico in the Contadora process represented a radical reversal of its traditional go-it-alone isolationism in hemispheric matters. On almost all past occasions, the Mexicans had seemed especially intent on demonstrating that their policy was not to be determined by any pressure from or identification with their powerful northern neighbor, the U.S. Only at the time of the Japanese attack on Pearl Harbor and consequent entry of the U.S. into World War II did the Mexicans demonstrate solidarity with Washington. On hemispheric matters, however, they characteristically stood alone, or at least apart from the United States. Although a signatory to the Rio treaty, Mexico rejected application of the collective security principle in the cases of the Dominican Republic intervention and the break with Cuba, and vigorously opposed the idea of an Inter-American peace-keeping force during the Nicaraguan revolution in 1978.

Mexico acted on its own in breaking off diplomatic relations with the Somoza regime well before the Nicaraguan dictator was toppled. In so doing, the Mexicans violated their own long held adherence to the Estrada Doctrine, which one of their foreign ministers earlier in the century had enunciated as a defense against further U.S. intervention in the Caribbean.<sup>14</sup>

In Mexico, the policy of active support for the Nicaraguan Sandinista rebels was described as the "Central Americanizing" of the nation's foreign policy. In effect, Mexico was now saying that the existence of rightist military-based governments in the Central American isthmus to its south were no longer acceptable, thus explicitly honoring, in name at least, its own revolutionary tradition which began in 1910.<sup>15</sup>

The emergence of Mexico as an active participant in Central American affairs, while perhaps mostly due to its antipathy to U.S. intervention there, was enormously facilitated by the fact that Mexico had been enjoying an unprecedented economic boom, stimulated by new oil discoveries and foreign borrowings. Its new wealth, in turn, has caused its most recent leaders to think in terms of a more ambitious role for the country -- and for themselves -- on the world stage.<sup>16</sup> While Mexico lost much of its revolutionary fervor during the subsequent 30-year period, its leaders retained the revolutionary rhetoric. While ruthlessly repressing domestic protest arising from rampant inflation, unemployment and spreading poverty, Mexico flaunted abroad its sympathy for revolutionary causes, at least in words.

In the seventies, the great increase in oil income coming from new production and increased OPEC prices enabled Mexican presidents to undertake vast public works programs at home and to dream, for the first time, of leadership abroad.<sup>17</sup>

New industries clamored for export markets and President Luis Echeverría, echoing leftist economic thinking, emerged as the champion of the New World Economic Order. His attacks on the industrial powers gratified the Mexican Left, which had been severely jolted by the bloody repression of the 1968 student riots. The Mexican leader played the Third World leader to the hilt. In four years, he visited 36 nations on 13 different trips. At the 1972 meeting of the United Nations Commission on Trade and Development (UNCTAD) in Chile he proposed a flamboyant Charter of Economic Rights and Duties of States as a kind of extension of the UN basic charter. The document had no practical effect and the bemused industrial states, while voting against it, gave it no importance -- not Echeverría, however, who began to think of himself as the next UN Secretary General and to court the Third World in earnest. His attacks on U.S. "imperialism," especially after the Pinochet coup in Chile, became increasingly strident. He welcomed thousands of Chilean, Argentine, and Uruguayan exiles much in the way that General Cárdenas had welcomed Spanish Republican refugees 40 years earlier. Also, he paid a highly publicized visit to Cuba, the first Latin American president to visit Havana since the Castro revolution, where he was effusively welcomed. All this did not endear Echeverría to the Mexican middle class, nor did it win him friends in much of Latin America, where he was regarded as a somewhat irresponsible demagogue.

The next president, José López Portillo (1976-82) was more moderate and sought at first to improve relations with the United States. However, Mexico's rapid rise in oil production brought new wealth and, at a time of intense world oil demand, made Mexico the object of special attention from oil-hungry nations throughout the world, including the United States. Flushed with his country's new importance, López Portillo started where his predecessor had ended, as an outspoken champion of the Third World, travelling widely and issuing lofty declarations such as his World Energy Plan proposed at the UN in 1979. In 1980, he accepted a seat for Mexico on the UN Security Council, significantly breaking with the isolationist tradition of the past. His foreign minister, Jorge Castañeda, was also given to travel and lost no opportunity to explain that Mexico was changing its outlook.<sup>18</sup> López Portillo's greatest moment of glory came shortly before he left office. He successfully convoked 22 of the world's most select heads of state to a North-South economic summit at Cancún in October, 1981. The industrial states firmly refused, however, to set any date for global negotiations on developmental issues at the UN and the meeting might have ended in discord but for the timely intervention of Venezuela.<sup>19</sup>

Despite its new global interests, Mexico's relations with its Caribbean Basin neighbors languished. It disdained repeated suggestions from Venezuela that it join the OPEC although it gladly followed OPEC prices as they moved upward. At first, it was also cool to urging from Caracas that it join in some sort of credit facility for the small Caribbean Basin nations whose meager exchange reserves were being badly depleted by the huge increase in the cost of their oil imports. Relations with Colombia and Panama were cursory, although López Portillo had accepted an invitation from President López Michelson of Colombia to join other regional leaders in Bogota to consult with Torrijos at a critical point of the Canal treaty negotiations. A succession of supposedly revolutionary-minded presidents of Mexico had never concerned themselves with the affairs of their southern Central American neighbors, most of whom suffered under a variety of military strongmen. General Anastasio Somoza of Nicaragua had even been an honored guest of Mexico on several occasions prior to the Sandinista revolution.



Even then, it was not until the OAS, at U.S. prompting, began to seek ways of mediating the Nicaraguan conflict in 1978, that Mexico began to pay serious attention to the growing insurgency. At first, its reaction was the familiar one of simply opposing U.S. suggested policy, but thereafter Mexico began to welcome rebel emissaries and give them limited aid, although much less than that already provided by Venezuela and Panama. Soon the various Sandinista factions opened offices in Mexico and their fugitives were given welcome there. As the rebel strength grew and as the U.S. floundered on in hapless attempts at mediation, López Portillo decided upon a spectacular gesture which would make Mexico, rather than Venezuela, Panama, or Costa Rica, or even Cuba appear as the main patron of the Sandinistas. On May 20, 1979, a few days before the Sandinista final offensive began, López Portillo personally announced in a luncheon toast to Costa Rica's president that Mexico would be the first nation to recognize the Sandinistas as the true government of Nicaragua.

The Mexican barnstorming was little appreciated in the rest of the region. Caracas, for example, felt that Venezuelan aid had been a much more significant contribution to the Sandinista cause than the Mexicans. President Carlos Andrés Pérez, despite his skepticism, had cooperated with President Jimmy Carter in trying to insure a democratic outcome in Managua. The rash Mexican action fortified the Marxist elements in the revolutionary columns and disrupted any further effort by the OAS to hold the Sandinistas to their professed pluralistic goals. Rather, it had to be content with a vague Sandinista promise to go the democratic route as the rush to recognize the victorious comandantes could be contained no further. The Venezuelans did not make their reservations known, however, as a major diplomatic effort was now underway to bring Mexico into closer relation with OPEC, something deemed more important to national interest at that time.

The Mexicans proved equally enthusiastic over the burgeoning insurgency against the Salvadoran government, ignoring the efforts at reform made by the Salvadoran revolutionary junta which took over in 1979. This was a matter of grave concern to Caracas, where the government was now in the hands of a Social Christian president, Luis Herrera Campins, who was personally, as well as ideologically, committed to support of his friend, José Napoleon Duarte, heading the Salvadoran junta. During his official visit to Mexico in 1980, Herrera unsuccessfully sought to convince his Mexican host that Duarte was truly devoted to reform but that for him to give the Marxists a share of power would lead to his own downfall and end of any hope for democracy there. López Portillo argued that the moderates among the rebels would dilute the Marxist impetus and referred to the guerrillas' frequent offers to sit down at the peace table without conditions. Herrera Campins replied that he had never seen such an offer signed by Cayetano Carpio, the secretive commander of the most extreme and powerful Salvadoran rebel faction. No agreement was reached at the Mexican meeting other than to offer the joint good offices of the two countries if requested by both sides.

Believing that revolution throughout the isthmus was inevitable, López Portillo also began to respond to overtures from the Guatemalan guerillas and basked in the tumultuous welcome given him in Havana in August, 1980, when he declared Mexico's undying admiration for Castro.

The Carter administration, meanwhile, after a prolonged effort to obtain congressional aid for the Sandinistas using the Mexican argument that not to

help would only drive the comandantes to the extreme Left, was angered by proof that Managua was shipping arms to the Salvadoran guerrillas and ordered further aid stopped. López Portillo promptly ordered more aid for Nicaragua. In all, Mexico extended \$200 million in credit to the Sandinistas and also, when Venezuela suspended oil shipments under the facility agreement because no payment at all was forthcoming from Managua, he ordered an increased Mexican oil allotment for Nicaragua to make up the difference.<sup>20</sup>

Before president-elect Ronald Reagan took office in January, 1980, he met with the Mexican president to warn him of the growing Soviet-Cuban presence in Managua and the danger of widening revolution. During his campaign, Reagan, who prided himself on his own affable relations with Latin American neighbors, found his Mexican host hard to convince. Shortly after his inauguration, Reagan sent General Vernon Walters to the Mexican capital with such evidence as Washington then possessed of large scale Soviet arms shipments to Nicaragua. López Portillo was unimpressed and insisted that if the social and economic inequities of Nicaragua were dealt with, the Marxists would gain no real foothold. A few days later, he effusively welcomed a visiting Cuban group to drive home the point that Mexico would not change its pro-Sandinista policy. Mexico City also now became a hotbed of Salvadoran rebel activity, with the government making no effort to hide its sympathies.

When the French minister, Claude Cheysson, another critic of Washington, visited Mexico City in August 1982, he readily agreed to join the Mexican foreign minister in a joint statement recognizing the Salvadoran guerrillas as "representative political forces" that should participate in negotiating the settlement of the civil war in that country. This action went too far for Washington and even for the Latin American nations that would be the future Contadora partners -- all of which signed a statement criticizing the French-Mexican declaration as "interventionist."

Nonetheless, the White House kept trying to win over López Portillo. Acknowledging his insistence that the root of the Central American crisis was economic, Mexico was invited to a foreign ministerial meeting at Nassau along with Venezuela, Canada, and Britain to discuss economic aid plans for the Caribbean Basin. Again, Mexico differentiated itself by insisting that it would not take part in any joint programs which discriminated against any needy state in the region for political reasons i.e. Nicaragua. The new U.S. Secretary of State, Alexander Haig, tried to placate the Mexicans by suggesting that each nation develop its own aid program on its own terms. He further agreed to meet in Mexico secretly in November, 1982, with the Cuban vice-president, Carlos Rafael Rodríguez. Nothing came of this or later Cuban contacts urged by the Mexicans to promote a political solution to the Salvadoran civil war. To the guerrilla and their supporters, this meant working out a power-sharing agreement. The U.S., with its unpleasant memories of similar agreements made with the communists in Poland, Korea, and Vietnam, was never ready to entertain such proposals. Neither was Venezuela, whose president repeatedly and unsuccessfully urged his Mexican colleague to use his influence with the Salvadoran rebels to join in the democratic, electoral process in El Salvador, scheduled for 1982, when a constituent assembly was to be elected.

For his part, López Portillo, now in his last year in office, continued to believe that if he could persuade both sides to make concessions, he could crown his term by becoming the peace-maker of a major world conflict. He went

so far as to chide the Sandinistas for their unnecessarily large arms build up, at the same time that he continued to blame the U.S. for the crisis by its threat to use force -- all to no avail. Although Washington obliged him by sending Gen. Walters to Havana for further talks while Haig met twice with Castañeda, there was no change in basic positions and as the Salvadoran elections went off smoothly. Washington felt that it was developing some momentum. The Hondurans had proved amenable to holding joint maneuvers in their country with U.S. military units -- a move which would keep the Sandinistas unsettled while a massive re-arming and training program for the Salvadoran government troops could be completed.

In one last gesture, López Portillo turned to the Venezuelan president, Herrera Campins, now angered by U.S. support of the United Kingdom in the Falklands/Malvinas conflict as well as discouraged by the exclusion of Duarte and his Christian Democrats from the interim Salvadoran government, after failure to win a majority in the assembly elections. The Social Christian Copei party in Venezuela was also facing an uphill election campaign in that country and mutual tweaking of U.S. eagle feathers suited both presidents. A declaration in their names was issued calling on Honduras and Nicaragua to prevent hostilities along their border and then, in what Washington was sure to regard as a gratuitous *démarche*, they also wrote Reagan in similar vein. The new Mexican-Venezuelan axis held firmly when both countries declined invitations to attend a regional meeting sponsored by Costa Rica's new staunchly social democratic president, Luis Alberto Monge, to discuss the democratization of Central America. The Mexicans suspected the meeting was inspired by Washington and even after the Costa Ricans offered to eliminate Washington from succeeding reunions, it was too late to deal with the outgoing Mexican president. Rumors abounded that the incoming chief executive, Miguel de la Madrid, would change Mexican policy on Central America, which had come under increasing criticism from businessmen and the opposition PAN party. The change proved to be only tactical in nature. Mexico's thesis continued to be that the Central American crisis reflected local social and economic injustice rather than a big power struggle which should, in any case, be kept out of the Caribbean Basin. The new Colombian president, Belisario Betancur, who attended the Mexican presidential inauguration, enthusiastically agreed with this line. The Venezuelans were angry with Washington. The Panamanians were ready to serve as hosts. So it was that Mexico suddenly was able to break out of its isolated diplomatic position and round up a regional group to meet on the island of Contadora in April 1983, to search for a peace formula.

A onetime pirate lair, Contadora had served as the site for much of the early negotiation on the Panama Canal treaties. It seemed an auspicious locale to begin the first sustained regional diplomatic effort by Latin American nations, although the foreign ministers who met there probably did not recall that the Canal negotiations took seven years to complete. However, the press and public of the countries involved hailed this exclusively Latin American initiative and the heady impression was created that through their combined pressure, the four states might quickly bring the Central American nations to peace terms. The Mexicans were especially jubilant, believing that they had support for their view that peace in Nicaragua, at least, could be negotiated. Long before the 21 Contadora principles had been enunciated, or the first effort made to reduce them to treaty form, expressions of support arrived in from foreign offices all over the world. The Sandinistas declared that they accepted the idea of multilateral negotiations (although they were to insist

for the next two years that only bilateral dealings would work) and Fidel Castro applauded from Havana. The four other Central American states agreed to form a common front for the negotiations. The presidents of the six Andean states cabled their support. Only the U.S. failed to hail the yet unknown peace formula. President Reagan replied to the communication from the four Contadora presidents advising them that Henry Kissinger would head a U.S. study group to recommend the course Washington would follow. He did note with pleasure that the four basic points of his government's policy were very similar to the principles advocated by Contadora, but he concluded that the OAS would seem to be the proper forum in which to discuss the region's problems. The Mexicans found his reaction "discouraging and with little inclination for a constructive approach."<sup>21</sup>

It was a difficult year for the new Mexican president. López Portillo had left the economy in a shambles. There was grave danger that Mexico would default on its huge foreign debt. A top level team of three U.S. cabinet secretaries including Secretary of State George Shultz, Secretary of Treasury Donald Regan, and Commerce Secretary Malcolm Baldrige rushed to Mexico City to cobble together a refinancing agreement and talk about Central America. They found that the new president, a Harvard graduate and supposedly much friendlier to the U.S., was appreciative of their efforts but hardly more sympathetic to U.S. policy in Nicaragua and El Salvador than his predecessors. A meeting between de la Madrid and Reagan was scheduled for August, 1983. U.S. military exercises in Honduras during the summer and the appearance of U.S. naval task forces off both the Nicaraguan Atlantic and Pacific coasts had led to rhetorical defiance by the Sandinistas and caused much adverse comment in Europe. In their meeting, de la Madrid explained his view that the U.S. military pressure was counter-productive, but Reagan reiterated his profound mistrust of Cuba and the Soviets and insisted the Sandinistas would have to distance themselves from the Soviet bloc if they wished normal relations with the U.S.

The Mexicans were not pleased when, a few days earlier, General Mejía Victores overthrew President Efraín Ríos Montt in Guatemala. Ríos Montt had kept his country from close involvement with its southern neighbors in the quarrel with Nicaragua, and it was feared that Mejía, known as pro-American, would put Guatemala's considerable weight behind the other three Central American states more enthusiastically. The Mexicans noted that General Mejía had taken power only days after being entertained by General Paul Gorman, head of the U.S. Southern Command, aboard the U.S. aircraft carrier Ranger in the Caribbean off Nicaragua.

The Mexicans had been pleased with the appointment of Richard Stone as U.S. ambassador-at-large. The voluble Floridian conferred repeatedly with de la Madrid following his meetings with Salvadoran guerrillas in Costa Rica and Bogota. He also encouraged the Mexican president to go ahead with the Contadora process. The new Mexican foreign minister, Bernardo Sepúlveda, succeeded in getting the group moving again in September, when a new meeting was held with the Central American ministers. After the U.S. invasion of Grenada in October, Nicaragua rushed to lodge a new complaint against the U.S. before the UN Security Council. Sepúlveda, in effect, diverted the issue by presenting the Contadora principles to the UN and urging that the Regional Group be given an opportunity to do its work. When hard-lining Costa Rican Foreign Minister Fernando Volio resigned in disagreement with the vote of his government on Grenada against the U.S. at the UN, the Mexicans were pleased and determined

to accelerate the Contadora process. Three technical commissions were set up to deal with political, security, and economic/social issues of the Central American problem. The question of verification was to be studied after agreement was reached on these topics. Belisario Betancur, the Colombian president, also instructed his minister to speed up Contadora. The first draft treaty was widely criticized as one-sided but in December, 1983 it was agreed that another draft would be prepared on the basis of the commission's work.

The following year, 1984, marked a degree of progress. The Central American issue was hotly debated during the U.S. electoral campaign and the Kissinger report, when it came out in June, failed to develop, as Reagan had hoped, a bipartisan consensus. The Mexicans were impressed by the popular support in El Salvador for two democratic elections but were unhappy with Washington's unrelenting military pressure on Nicaragua. In August, Foreign Minister Sepúlveda again angrily denied that Mexico was changing its policy, as Washington had intimated. An interview by James Reston of the New York Times with the Mexican president concluded that Reagan had not influenced him, nor had he influenced the U.S. president. When de la Madrid visited Washington in May, he repeated the familiar refrain that Central America should not become part of a confrontation between the East and West.

In September, in what observers generally interpreted as a surprise and setback for the U.S., Nicaragua accepted the latest draft treaty of Contadora but the other Central Americans, whom Mexico suspected of having been influenced by the U.S., rejected it and, instead drew up their own draft. A new Contadora draft was ready by December, 1984, and reviewed by the foreign ministers at Panama in January. It was distributed to the Central American states and a meeting called for late February. However, the diplomatic incident between Costa Rica and Nicaragua in early February resulted in cancellation of the meeting. The Sandinistas, with some reluctance, were persuaded by the Contadora states to make the concession Costa Rica had demanded and the new meeting of the Contadora Four and the Central American Five is scheduled for April 11.

The resounding re-election of President Reagan in November followed his repeated assertions of a strong line in Central America and, to the surprise of many, he made it clear that he would go all out in a fight for renewed financial aid to the Nicaraguan contras, despite overwhelming opposition to the continuation of covert aid by the Democratic-controlled House of Representatives.

Meanwhile, de la Madrid in Mexico was increasingly preoccupied by a series of domestic problems. Also, the reports of economic deterioration in Nicaragua and the economic destruction caused by the contras were causing Mexican leftist circles to fear that their country was facing major diplomatic defeat in Central America.<sup>22</sup> Mexico remains committed to the continuation of the Contadora process, but apparently has been unwilling to bring greater pressure on the Sandinistas to reach a rapid accomodation.<sup>23</sup>

### Role in Contadora

Mexico will continue its participation in the Contadora process despite its disappointments, its growing internal difficulties, and the occasional threats made by its diplomats to drop all further efforts at mediation. As

Mexico sizes up the prospects for Contadora success, it notes that the constraints upon the Washington hard-liners continue strong, while the Sandinistas are hurting under the military and economic pressure exerted by Washington. The Contadora Four, despite their internal problems, their lack of unified objectives, and their rivalries, have held together and are working better now than in the past.

On the other hand, Mexican credibility with the U.S. has reached a post-War-low -- because of its economic woes, rampant corruption, its perceived failure to make a decided effort to prevent the flow of drugs into the U.S., and above all, because of what Washington views as its continued and perverse obstructionism in Central America. However, U.S. relations with its Mexican neighbor are far too important to allow its frustrations with any of these problems to interrupt its need to maintain reasonably good relations. Secretary Schultz may have raged before Congress that "Mexico has passed the limits of our toleration" in connection with its failure to move against the killers of a U.S. drug agent, but he was all smiles and handshakes with Foreign Minister Bernardo Sepúlveda a few days later.

Mexico might do much to resolve the Central American crisis, if it had the will to do so, but its stubborn espousal of revolutionary causes there has, at least, one great virtue. More than anything else, it has forced Washington to develop a much more subtle diplomatic approach than outright use of force. Mexico has dramatized the deep-seated Latin American repugnance to U.S. unilateral action and pretensions of hegemony.

In refusing to follow the U.S. line, Mexico organized the Contadora group, a loose-knit unequal combination, held together largely by mutual aversion to the use of U.S. military in the region, but also by a very real dread regarding the course which Nicaraguan ideological subversion and military aggression may take. The other Contadora members do not share Mexico's almost automatic opposition to U.S. policy but all fear the political impact of U.S. intervention. This is the primary glue which has held Contadora together into its third year -- not Mexican leadership, respect for Mexico, or Mexican influence in the Caribbean Basin. Mexico brings strengths to the diplomatic process, but these are offset by critical weaknesses. These must be assessed in determining whether the Contadora Group offers a credible policy alternative to the U.S. in Central America.

Its ten most obvious strengths are:

- 1) A cohesive nationalism which unites all sectors of the population. Ranks tend to close on international issues, especially when they can be posed as confrontational with the U.S. This public support is more important than any vestiges of revolutionary sentiment and provides an emotional, popular backing which the government might otherwise lack.
- 2) A unique political system which, despite the monopoly of power by one party, the PRI, has given a sense of participation to a broad sector of the population and, through its renovation features, has, in the past, provided sufficient flexibility to forestall widespread discontent.
- 3) The continuing renewal of the leadership of the government and party produced by its political system has assured stability of goals and policies.

4) A consistent ideological position which has enabled Mexico to stay on good terms with both great power blocs and a revolutionary tradition which gives it reason to aspire to a leadership position in the Third World.

5) Nominal solidarity with Latin America despite the country's reputation as a maverick.

6) Growing military strength. The army, long kept in limbo by the government, is becoming a force to be reckoned with.<sup>24</sup>

7) A geographic location next to the U.S. which provides such economic and social benefits as tourist income, an outlet for excess population, easy access to U.S. educational facilities, and a secure market for Mexican oil.

8) Large oil production and income. The revived oil industry now has a producing capacity of nearly 3 million barrels daily. Reserves are much larger than Venezuela's or the United States'. Mexico will be a significant oil exporter for years to come and has benefitted enormously from higher OPEC price levels.

9) Potential for a high economic growth rate. A realistic approach has been taken to indebtedness and increasing awareness of the need to attract foreign capital.

10) Despite its support for leftist revolutionaries, Mexican leadership is firmly anti-Marxist. Its sentimental and opportunistic relationship with Cuba, furthermore, is conditioned, by police suspicion. There is widespread and increasingly vocal anti-communist feeling among the Mexican middle class. Despite the government leftist posturing, it can be said that there is strong latent resistance to Cuban-Soviet aggrandizement in Central America.

The above strengths that Mexico brings to the Contadora regional alliance are matched by an equal number of critical weaknesses which debilitate Mexican leadership in the group and put its long-term stability into question:

1) Mexican national unity on foreign policy, insofar as it is based on collective resistance to U.S. policy and goals in the Caribbean Basin, is of waning validity. Important economic interests are opposed to a stubborn adherence to revolutionary slogans and failure to change. Also, other Contadora members do not share Mexico's peculiar intransigence in dealing with the U.S.

2) The PRI, in the opinion of some observers, may be reaching a dead end in its political options -- both with regard to domestic political controls and in foreign policy. Latent opposition is now taking much more tangible form in important state elections.

3) The tapado system of presidential selection shows signs of fraying. Recent presidential selections have not satisfied many sectors and presidential behaviour has proven erratic and increasingly personalistic. Furthermore, the incumbent is locked into policies which prevent relevant change.

4) As a result of its lengthy period of insularity, Mexican statesmen and its public have been left poorly equipped to deal with the complexities of the modern world. They must deal with the same ambiguities and imperfections which plague nations that have been internationally much more active. Thus, in its

impetuous taking of sides in Central America, Mexico was criticized by its future Contadora associates. As it moves towards a more even-handed policy, it comes under attack by the extreme left at home and abroad.

5) Latin American solidarity is a slender reed upon which to depend when concrete action is required. Miguel de la Madrid has been under less illusion than his predecessors in this regard (i.e. he shied away from talk of a debtors' cartel). Any foreign policy based upon racial or cultural affinity is apt to prove fragile. The Mexicans have a reputation, furthermore, throughout Latin America of being singularly unreliable, in part because of their long self-imposed isolation.

6) As military strength has been increased, the security demands of the military have gone up correspondingly. There has been much criticism of the rigidity of Mexican foreign policy in Mexico military and security circles.

7) The influence of the U.S. on Mexican thinking and life styles is increasingly pervasive. Public opinion is less than monolithic in its conviction that this influence is bad. Growing ties make it more and more difficult to maintain the rigid rejection of U.S. positions in foreign affairs.

8) Economic growth is very uneven and poorly distributed. At present, it is evident that despite its austerity program, Mexico cannot meet its schedule of payments under the IMF agreement.<sup>25</sup>

9) Mexico is largely dependent upon the U.S. for its oil market and therefore could be vulnerable to U.S. pressure. Washington so far has resisted any impulse to use its oil purchases as a political lever.

10) Mexican insistence upon traditional revolutionary postures -- even if it is increasingly a pose -- and its serious structural economic weaknesses, have frightened away or inhibited the influx of foreign capital badly needed for economic growth and political stability.

Although it initiated the Contadora process, Mexico has played an increasingly ambiguous role. President López Portillo seemed to lose interest in the regional effort when it became clear that he would not be able to claim it as his personal triumph. Other Contadora actors, namely Belisario Betancur of Colombia and Foreign Minister Isidoro Morales Paul of Venezuela took over leading roles for a time in energizing the process.

As can be seen from the analysis of strengths and weaknesses, Mexico has not much room for maneuver and has inhibited itself by what its leaders still perceive as domestic constraints on bold and imaginative moves to strengthen genuinely democratic development in Central America. However, Mexico has provided a desirable check upon U.S. impetuosity during the first years of the crisis. It has also sponsored bilateral contacts between the U.S. and Nicaragua which are a necessary complement to Contadora diplomacy.

Of all the Contadora members, Mexico is in the best position to apply political pressure on the Sandinistas, to persuade them to agree to treaty terms which would effectively implement the 21 principles, including genuine political pluralism. That the Mexican leadership is prepared to do so, however, is doubtful.



PANAMA: CONTADORA HOST AND MINOR MEMBER

For three days, the Panamanian leader played host on the island of Contadora to his friends, the presidents of Colombia, Costa Rica, and Venezuela. After their friendly gathering they issued a joint statement, known as the 'Declaration of Panama.' It called on all governments in Latin America to step up support for Panama's effort to get a new treaty, and urged the United States to reach a new accord that would 'eliminate the causes of conflict' between the two countries. The Latin American leaders took Washington to task for moving so slowly in the negotiations.

It was an unusual step. Heads of Latin American governments had not found it easy, traditionally, to reach full accord on international issues and to publish their stand, especially away from the protective screen of the OAS. Strangely, the unique exercise in regional diplomacy attracted almost no attention in the United States."

William J. Jordan<sup>26</sup>

The small republic of Panama has played a minor role in the Contadora process, other than to offer the lovely island by that name as the initial meeting-place. The air-conditioned hotels of Panama City, located midway between the Contadora states of South America and Mexico, were the usual point of convocation for the subsequent meetings of the group.

However, Contadora has become a symbol of successful regional foreign policy initiatives by a group of Latin American states seeking peaceful resolution of issues which involve their own security and that of the United States, but without any direct participation by the latter in their diplomatic efforts. Much of the negotiation with the U.S. that eventually resulted in the Panama Canal treaties took place on Contadora. And it was here that the Panamanian leader, Omar Torrijos, brought together those neighboring presidents who represented the best in the Latin American democratic tradition, to support his claims for the devolution of the Canal Zone. Mexico, as the largest member of the Caribbean Basin neighborhood, was later substituted for Costa Rica when the Contadora group of mediating states was convoked in 1983. At various stages of the Panama Canal negotiations, the president of Mexico joined with those of Venezuela and Colombia to give critical support to the Panamanians.<sup>27</sup> This precedent was very much in the minds of the foreign ministers from Colombia, Mexico, Panama, and Venezuela as they met on the island on April 23, 1983, to discuss a joint effort to mediate between Sandinista Nicaragua and its Central American neighbors, Honduras, El Salvador, Costa Rica and Guatemala.

Throughout its 400 year history after the Spanish colonization, the Panamanian isthmus has been heavily dependent upon trade -- first with the Spanish mercantile elite, and after independence, with the U.S. administration in the Canal Zone. The nation never experienced revolutionary shifts of power. One group of elites emerged to replace another. The Panamanian merchants and the Canal Zone administrators constituted a single political and economic system during this century, with highly regularized relationships between the two groups

aimed at preserving the status quo. There was no landed aristocracy, given the scarcity of the land area in the narrow and mountainous isthmus.<sup>28</sup> Although the Panamanians were linked with the traditional Conservative and Liberal parties of Colombia while their country was a province of that nation, they shared little in the ferocious Colombian civil wars, although these contributed to the isolation of Panama and its eventual independence.<sup>29</sup>

Later, the identity of interests and close relationship between the local, merchantile class and the Canal Zone authorities was such that, on occasion, U.S. troops were asked to suppress unruly Panamanian workers outside the Zone. The Panamanian elite were made up of relatively few families, who alternated in power. The governments became notorious for corruption and for the expansion of bureacracy as the civilian leaders used the power of patronage to retain control of the legislature.

When the members of one of the principal families, the Arias, had a falling out in the fifties, an astute commander of the small military force, the National Guard, José Antonio Remon, seized the opportunity to insert himself, first as the arbitrator of the feud, and later as the incumbent in the presidency in 1968. Among the national guard officers, Lt. Col. Omar Torrijos eventually emerged as the dominant figure. He banned all political parties, muzzled the press and, although maintaining the institutional trappings of democracy, had himself installed as the "maximum leader of the Panamanian revolution." His chief source of popular support came from the rural areas, where he distributed government lands and maintained a close contact with the peasantry, from which he himself had sprung. While he spurned the urban elite, he won the enthusiastic support of nationalist youth and tried to control the labor unions, seeking to reproduce the model of the Mexican PRI.

However, the strongest labor unions were in the Canal Zone and, partly because many of the workers were West Indian in origin, Torrijos failed to create a strong labor base for his political movement. The Zone workers enjoyed a higher standard of living than those in the rest of the country and were apathetic to his nationalistic appeals. In his frustration, Torrijos decided to promote a movement to reclaim the Canal Zone for the nation. It had been turned over to the Americans at the time of the Panamanian revolution in 1903 "in perpetuity and as though the U.S. were sovereign." Although grateful to Washington for the help it gave in securing their independence, the Panamanians were increasingly restive at the presence of a foreign enclave cutting their nation in two.

Torrijos, although not a Marxist, maintained good relations with Fidel Castro and the Socialist International. Panama had smashed an incipient Cuban-armed guerrilla movement in 1958 in Panama and the political left thereafter was swept along in his nationalistic demands for the Canal. The U.S. agreed, after the Panamanian student rioting in 1964, to undertake the negotiation of a new Canal treaty but the discussions were protracted for years and the impatient Torrijos, advised by his Latin American colleagues, was able to evoke repeated support not only from those nations that later formed the Contadora Group but also from Castro, the Socialist Internaational, and even from a UN Security Council meeting convoked in Panama itself. On the Canal Zone issue, Torrijos neutralized the business elite and altered the traditional power structure of the republic. Although he was a military strong man, he created a sense of popular participation through his constant trips into the interior to meet

with the rural peasantry. It was on one of these expeditions that he was killed in a helicopter crash in 1981.

Before his death, he worked together with his Venezuelan and Costa Rican neighbors to supply arms and moral support for the anti-Somoza rebels in Nicaragua, who were seeking to overthrow a ruler who was generally regarded not only as anti-democratic but also as corrupt and selfish, who had used his power to enrich his family, not to help his people. The leaders of all three countries helping the Sandinistas were also closely tied to Eden Pastora, "Comandante Zero," the swashbuckling hero of the revolution, whom they looked upon as its natural leader. However, after Somoza fell, Pastora was sidetracked by the hardlining Marxists among the comandantes and grew increasingly disillusioned with them. Torrijos sent a police group to Nicaragua to train security officers for the Sandinistas, but withdrew it in protest when he found that the Cubans were assuming this function, as well as taking over key jobs in communications and information. Torrijos, before his death, was completely disillusioned with the Sandinistas.<sup>30</sup>

There was much maneuvering among the National Guard officers after Torrijos' death and the one who emerged, Col. Manuel Antonio Noriega, was not very fortunate in his choice of civilians to occupy the presidency. Three men were elevated in succession until national elections were held in 1984. At that time, the fiery octogenarian, Arnulfo Arias, scion of the old ruling elite, was narrowly defeated in an election in which there were widespread reports of fraud. Arias attracted much of Torrijos' former populist following with a radical program of reform. The power of the new president, technocrat Nicolas Ardito Barletto, a well-meaning former high official of the Inter-American Development Bank and onetime Torrijos Cabinet member, rests almost entirely upon the National Guard. Without a leader of Torrijos' charisma, the country is experiencing increasing difficulty in maintaining social peace and order. The labor unions are now tending to fall under extremist control and the National Guard officers have often been restless.

#### Role in Contadora:

Panama, as the sixth Central American nation, has been able to maintain close contact with its five sister nations on the isthmus and has frequently served as a go between for Contadora and its Central American neighbors. However, its influence is not great. There have been repeated changes in the foreign ministry during the Contadora negotiations. The quarrelsome attitude the civilian politicians have adopted with regard to the implementation of the Canal treaties has hardly contributed to convincing Washington that a negotiated political settlement of the Central American crisis is desirable or possible.<sup>31</sup>

To summarize, the strengths which Panama brings to the regional process are:

- 1) The predominantly business interests of the Panamanian middle class and traditional elite lead it to be wary of any negotiated settlement which would facilitate an extension of the Sandinista revolution elsewhere -- an attitude shared by the National Guard. However, the opposition tends to favor a populist, rhetorical solution to the region's problems.

2) The National Guard remains powerful and is a staunch defender of national security. It will not be easily rushed into any special political deals.

3) A powerful U.S. garrison remains in Panama until the year 2000 and serves as a bulwark against instability.

4) A younger, technocratic group of civilian officials has taken over and is seeking to carry out significant social reform and economic development.

5) Torrijos aroused the latent nationalism of the country and sought to divert it into constructive channels. The new generation has capable men whose vision is of truly democratic development.

Panama's weaknesses as a Contadora member are all too evident:

1) The equilibrium between the old elites, the labor unions, the students and intellectuals, and the National Guard is very uncertain.

2) The National Guard has been rent by rivalries and while Col. Noriega seems in control, his position may become precarious in a worsening economic situation.

3) There is no real democratic structure in the country today. Torrijos achieved a sense of popular participation through his indefatigable trips to the interior and personal contact. There is little of this today.

4) There is an apathy among youth replacing the nationalistic fervor with which it responded to Torrijos. In a deteriorated economic situation, this may turn out to be the lull before a political storm.

5) Panama is not highly regarded by the other countries of the region. It is in a weak position as an interlocutor, as a result, and its reputation for corruption is notorious even by tolerant Latin American standards. It was included in Contadora because of its symbolic value as a nationalistic and successful negotiator with the U.S., but it has little else to offer. However, Panamanian politicians and public welcome the prestige involved in belonging to the group and will continue as enthusiastic supporters of the process. There is always the danger that ambitious younger politicians may seize the opportunity to build up a reputation as critics of U.S. policy and disturb the delicate balance which successful mediation requires. The older officers of the National Guard are anxious to check the revolutionary impulse of the Sandinistas, however. If Ardito Barletta can successfully preside over a period of economic growth, Panama, at best, may become an anchor of stability for Central America. A less optimistic scenario, however, is more likely, and at present Panama hardly serves as a democratic model for the rest of the region. Whatever happens in Panama in the near future -- barring a successful leftist uprising against the National Guard -- is not likely to impede forward movement, if it proves possible, of the Contadora process.

## COLOMBIA: THE UNPREDICTABLE MEMBER

"Many Colombians from both political parties were convinced that Colombia had the wherewithal -- a population of 27 million, an extensive Caribbean coast, a rich natural resource base, an industrializing economy and a GNP of \$32 billion -- to become an influential power in the Caribbean Basin. From this perspective, the only ingredient lacking was the will to act . . ."

Bruce Bagley<sup>32</sup>

Colombia was invited to participate in the Contadora process both as a close neighbor of troubled Central America and because of its size and importance in the region. Although it has concerned itself less with the Caribbean Basin than either Mexico or Venezuela, Colombia took the lead in establishing the Andean Pact of Bolivarian mainland countries in the late sixties. It is the only nation of the region -- other than Cuba -- to have engaged in extra-hemispheric military operations, contributing troops to the UN forces in Korea and also participating in the Sinai international peace-keeping force after Camp David. However, generally, this country has been preoccupied with its own internal problems and has not sought to project its influence beyond its borders. Ever since Colombia broke away from Venezuela in the early 19th century, shattering Simon Bolivar's dream of a federal Great Colombia, a rather uneasy relationship has existed with its eastern neighbor, characterized by numerous frontier incidents and the present smouldering controversy over the boundary between the two countries in the Gulf of Venezuela.

Governmental indifference to what happened in the Caribbean was illustrated by the ease with which Panama, with U.S. connivance, seceded from Colombia to become independent in 1906. Hesitance, indifference, and what T.R. Roosevelt called "blackmail" diplomacy by Colombia led the impetuous U.S. president to back the Panamanian revolutionaries, who resented the equivocating and delays of the Bogota government in striking a deal with Washington to make possible the construction of the Panama Canal. Despite the high-handed nature of U.S. interference, the Colombians never reacted with violence. Washington, after protracted negotiations of its own, finally in 1922, gave \$25 millions in compensation for its role in Panama, although it refused to voice any formal regret, as Colombia had demanded.

Despite this unsavory episode, Colombia has followed one of the most consistently pro-U.S. policies in the hemisphere; developed a principal market for its leading product, coffee, in the U.S.; and awarded sizeable oil concessions to U.S. companies. Today, it is the site of a huge new U.S. investment in coal mining, the only major fresh private U.S. money going into Latin America in recent years.

When the Reagan Administration convoked the Nassau conference in 1981 to enlist the help of other nations with regional interests in the Caribbean Basin development, it invited Mexico and Venezuela but failed to include Colombia -- an oversight that was deeply resented in Bogota and only remedied when Colombia was added to the list of nations agreeing to give help.<sup>33</sup>

Colombia has long enjoyed a respect throughout Latin America, however, because its capital, Bogota, is considered a center of learning and is known as the "Athens of America." The country is also looked upon as a democracy, with an electoral record equalled by few Latin American nations. It has had only one military dictatorship in this century and its two traditional political parties have alternated frequently in power. However, the two main parties, Liberal and Conservative, are traditionally led by a relatively small elite, concentrated among upper class families. While six civil wars of unusual ferocity divided the two parties during the past century, with an especially sharp polarization in the countryside, the elite leaders in Bogota and the major cities -- especially after the latest civil war was interrupted by the military dictatorship of General Gustavo Rojas Pinilla (1953-57) -- composed their differences and entered a period of bipartisan coalition government under the National Front (1958-74). Because great social and economic inequalities have persisted, the threat of a renewal of rural violence continues. Colombia's geography is ideal for guerrilla subversion, which has continued endemic in its jungle and mountainous areas.

The former dictator, Rojas Pinilla, founded a political party and sought to return to power by electoral means. In 1970, he narrowly lost to a coalition candidate. A new and more powerful guerrilla movement, the M-19, formed in protest, and has engaged since then in widespread urban terrorism. A major attempt to infiltrate Cuban-trained and armed M-19 guerrillas into southern Colombia was frustrated by the government of President Julio César Turbay Ayala in March, 1981. As a result, the Colombian president became an outspoken advocate of an Inter-American force to deal with Marxist subversion, including the Sandinistas in Nicaragua, who had infuriated Bogota by their pretensions to sovereignty over Colombia's San Andres and Providencia islands, off the coast of Nicaragua.

Turbay took a further step in abandoning the low-profile foreign policy of his predecessors when he placed his nation squarely behind the U.S. in the OAS debate over Washington's support for Great Britain in the Falklands/Malvinas conflict. Turbay also sought a close relationship with the U.S. to obtain arms and training for his forces as they engaged the growing guerrilla movement, described as worse than at any time since the violence of the fifties. There was one sour note in relations with Washington: the drug charges against Turbay which surfaced in the U.S. press during the presidency of Jimmy Carter. Relations warmed up considerably with the advent of Ronald Reagan.

The Liberals, normally the majority party, lost power in 1982 as a result of their own internal divisions. Alfonso López Michelson, of the Liberal left wing, seeking another presidency, was defeated by the Conservative Belisario Betancur. López Michelson had expressed dissatisfaction with Turbay's strong support of U.S. policy and promised to align his government with the policies advocated by the Socialist International. However, the conservative Betancur, who had pledged not to renew ties with Cuba, surprised everyone by announcing at his inaugural that he would join the Non-Aligned Group of nations and pursue a more independent foreign policy. He also called for an end to the state of siege, under which Turbay had conducted his offensive against the guerrillas.

The unexpected shift by Betancur was more than a return to a low profile policy. There had been pressure from the rest of the hemisphere as a result of Colombia's stance during the Falklands/Malvinas conflict. The action had been

contemptuously referred to in the continental press as "the Cain of America." Betancur was a populist by instinct and sought to win public favor by such acts as banning of Mercedes-Benz cars for official use and his promises of low cost housing for the masses. He called for a national dialogue and amnesty for the guerrillas. His own ultra-conservative origins, rooted in Falangist philosophy, seemed to have given him an anti-U.S. bias.

Betancur called for an extension of his dialogue technique to the Caribbean situation. He joined Brazil, Argentina, and Peru in offering the Sandinistas an \$85 million loan, and, after a visit to Mexico, became an enthusiastic convert to the concept of Contadora. When Ronald Reagan stopped over for a brief visit to Bogota, the Colombian president criticized U.S. policies in a welcoming toast. He freed 19 of the major 22 guerillas held by the government and arranged for Ambassador Richard Stone to meet with the Salvadoran guerrilla representatives in Bogota to discuss a political settlement. In the fall of 1983, in an emotional speech at the UN, he urged the big powers to stand aside and allow the regional states to work out a peace arrangement in Central America.

However, the cease-fire Betancur arranged with a number of guerrilla groups began to come apart when the leftists refused to disarm unless their demands for structural changes in government were met. Meanwhile, there was a great increase in the drug trade as Colombia became a major producer as well as a refiner of cocaine. Betancur persisted in his truce efforts but his defense minister, a general, angrily charged that planes were flying out drugs to Cuba and returning with new arms for the guerrillas. In May, 1984, the Minister of Justice, an activist in the fight against drugs, was murdered. The drug mafia also threatened the life of the U.S. ambassador and U.S. citizens in Colombia, and the U.S. embassy in Bogota was bombed. The efforts to pacify the guerrillas appear, as of this writing, to be unravelling and Betancur has been taking a much tougher line on drugs, which are causing widespread damage to Colombian youth.

Nicaragua, meanwhile, has made peaceful overtures to Bogota on the San Andres and Providencia island claims, but charges have appeared in the Colombian press that a new contingent of Colombian guerrillas is being trained by the Sandinistas, as part of a plan to eventually seize the islands which command the entrance to the Gulf of Mexico.

#### Role in Contadora

Colombia continues to participate in the Contadora process, but the enthusiasm of President Betancur for the initiative appears to have waned as his own troubles with guerrillas have multiplied. As late as the middle of 1984, he was insisting there was no tie between the drug mafia and his domestic guerrillas, but the seizure of guerrilla propaganda in recent drug hauls seems to have muted this viewpoint.

His model of pacification can hardly serve as an example for Nicaragua or El Salvador in the light of its failure. The idea that guerrillas should abandon armed struggle and participate in the electoral decisions of the nation by voting has been rejected by El Salvador Marxist guerrillas and in Nicaragua by the Marxists leading the government.

On the positive side, Colombia recognizes the threat to its own national security inherent in the Central American crisis and continues to support the Contadora process, despite the handicaps described below. Its strong points include:

- 1) The country has unusual economic potential, with a variety of raw materials and an able entrepreneurial class. It has made arrangements with foreign capital in connection with hydrocarbon and coal exploitation. It has an industrial plant capacity with which to increase exports.
- 2) It has a much smaller debt per capital than other Latin American countries of its size or larger.
- 3) The government, after years of blaming the drug trade on the consuming public in the U.S., seems to have been aroused from its complacency by recent terrorism and the social destruction caused by drug use among the nation's own youth. It is now cooperating much more with the Drug Enforcement Agency of the U.S.
- 4) The apparent failure of the attempt to pacify the guerrillas may cause the government to follow a more realistic policy and give the military more resources and authority to combat the drug mafia, now clearly linked with the guerrilla movement.
- 5) There is a widespread public consensus that effective political and economic reform is needed to halt the growth of social unrest. Also, the middle class recognizes and fears the danger of international political subversion, with the strong Catholic church largely united in its opposition to Marxism. There is the possibility for wide public support for a strong government of the democratic center.
- 6) The two traditional political parties are not polarized as they once were. There are now precedents for cooperation and even coalition.
- 7) There is generally friendly support of U.S. policy, even though the current government has felt obliged to distance itself from what is often perceived as U.S. hegemony and, by the same token, show solidarity for Latin American states to demonstrate independence from U.S. domination.
- 8) There is now increasing debate regarding foreign policy along with an increasing effort to develop consensus.
- 9) Colombia, like Venezuela, does not forget its Bolivarian inheritance of liberty. Furthermore, the Colombians, because of past history, have a desire to exceed Venezuela in democratic exercise, not emulate it.
- 10) The concern for image transcends rivalry with Venezuela. There is a sense among the Colombians that their nation is highly under-rated, that it should emerge from its self-imposed isolation, and should assume more of a leadership role. President Belisario Betancur represents traditional Colombian ultra-conservatism, protective of Hispanic values, but also demonstrates in his populism an urge to find new paths to leadership. Although his term of office has only two more years, he has recently shown a more realistic attitude -- some would say an abrupt turn around -- and his April 1985 visit to Washington will be carefully assessed for its impact upon regional relationships.



Weaknesses which raise serious questions as to the contribution which Colombia can make to the Contadora group in the future include:

- 1) Economically, Colombia is heavily dependent upon coffee -- a single crop -- for its foreign earnings, although a sizeable income has also been obtained in the last few years from illicit drug exports to the U.S.
- 2) The growth in drug income is a socially devastating influence. Cheap uncut and dangerous drugs are easily available to the nation's youth. The corrupting political influence of drug money is spreading, as well as the violence arising from government efforts to inhibit the drug traffic.
- 3) The guerrilla movement has not been effectively curtailed by the truce and there is no agreement on final pacification. The public is fatigued by nearly 40 years of constant irregular warfare.
- 4) The traditional imbalance between the Colombian elite and the lower class has not been bridged. Many urban working families voted for Betancur because of his promise to begin a vast lower income housing program, a promise that has remained mostly in abeyance because of financing problems. Rural dwellers continue to stream into the cities and are facile converts for the extremists.
- 5) Despite its size and importance, Colombia did not take an outgoing role in hemispheric affairs until the time of Turbay Ayala, whose strong stand in the Caribbean Basin was repudiated by his Conservative successor, and is unlikely to be followed by any future Liberal party candidate. The isolationist tradition of the country is aggravated by its domestic problems.
- 6) Colombia faces a difficult border situation with Venezuela. While leaders of both nations periodically swear undying friendship as heirs of Bolivar, there is a strong undercurrent of mistrust between them. Its relations with Panama have never fully recovered from the Panamanian secession. It has practically no trade or cultural interchange with Mexico. Its one venture into international economic arrangements, the Andean Pact, brought benefits to Colombian industry but now is in a state of deterioration. Efforts to convert the Andean Pact into a political instrument have been unsuccessful.
- 7) Currently, the Colombian military seem very out of step with President Betancur on foreign policy. There are frequent denunciations by high Colombian military officers of Cuban-Soviet subversion. Also, it is likely that the army is unhappy with its stringent budget at a time when it is asked to repress guerrilla activities and keep a vigil on the nation's frontiers. There is also considerable discontent in the army with Betancur's pacification efforts.
- 8) The business community is also dissatisfied with the government's soft approach to the guerillas and its failure to extract politically motivated trade concessions from the U.S.
- 9) Reflecting its withdrawn attitude, there traditionally has been little discussion of foreign policy among the various public sectors. The elitist tradition has made it possible for unilateral decisions to be made by the somewhat unpredictable presidency. As a result, policy has been contradictory and inconsistent.

10) Finally, current Colombian policy reflects the impulsive and quixotic views of the president, Betancur, with no particular support from the elite or the public.

In a characteristic gesture, Betancur made a three-day whirlwind side-trip to confer with the other Contadora presidents as well as those of the five Central American states on his way to Washington for his official visit in April, thus assuming the role of interlocuter for the other nations with the United States. This self-assumed role caused some embarrassment. Before leaving Washington, he told newspapermen that President Reagan's proposal to withhold further U.S. military aid to the Nicaraguan contras if the Sandinista government would agree to their participation in an electoral process "fits within the Contadora framework." On his return to Bogota, however, apparently after consultation with the other Contadora nations, he summoned the New York Times reporter to deny that he had given approval to the Reagan plan.

He also stressed his familiar theme of dialogue, insisting that mutual comprehension was possible between governments and armed insurgents. In view of the faltering condition of Betancur's own dialogue with Colombian extremists, it will be difficult for the Colombian president to give additional momentum towards democratization in the Contadora process. In his Washington press conference, he avoided giving any direct answer to a question as to whether his concept of dialogue would allow for power-sharing agreements with guerrillas rather than insist that authority derive exclusively from democratic elections.

## VENEZUELA: THE ONCE AND FUTURE LEADER?

The prospect of Venezuelan leadership in the Caribbean should excite and hearten us, for, more than any other Caribbean country save Costa Rica and Puerto Rico, Venezuela's modern political tradition is democratic. Venezuela may well prove to be the key to a whole new policy and power arrangement in the Caribbean.

John B. Martin<sup>34</sup>

Venezuela is closer culturally and geographically to the United States than any other South American continental nation. Under vigorous leadership, it could become the most important bridge between South and North America.

It provided, in the person of Bolivar as well as those of his brilliant generals and his tough llanero horsemen, the leadership in winning the independence for five South American nations. It has emerged in the 20th century as the most stable political democracy and with the healthiest economy of all Latin America.

It is very much a Latin American state, with an authentic national culture, a characteristic mestizo racial blend of European, Indian, and African origins, and a proud heroic tradition of national independence.

Also, more than any other mainland Latin American nation, it considers itself a member of the Caribbean community. There were important historical ties and, in this century, especially since World War II, the Venezuelans have sought to project themselves into the Caribbean Basin and develop positive relations with its neighbors there, whether they are of Hispanic, English, French, or Dutch heritage.<sup>35</sup>

However, in its vigorously functioning democracy based largely on two parties, its free press, and its informed public opinion, it has more in common with the U.S. politically than have other Latin American republics. It has had, for the most part, close and friendly relations with Washington. More Venezuelans travel to the U.S., more own property there, and more go to school there than from any other Latin American nation.

While the institutions, aspirations, and policies of Venezuela have much in common with the U.S., it identifies spiritually more with its sister Latin nations. It shares with them, to some degree, the fear of overwhelming U.S. power. It defends its culture from yanqui penetration. It is quick to side with its sister Latin American republics in disputes with the United States.<sup>36</sup>

Despite such displays of resentment, the Venezuelans seek to emulate the U.S. in many ways -- whether in the operation of its nationalized oilfields, participation in major league baseball, or in widespread construction of modern shopping malls. Thanks to its oil income, Venezuela has been able to develop a sizeable urban middle class, despite its threefold population increase in the last 30 years. Its per capita income today is the highest in Latin America.

Since the establishment of democracy 25 years ago, the country has ventured increasingly into the area of foreign affairs -- something it had not done since the time of Simon Bolivar, who not only helped to free half of South America but sought to unify it politically. His dream of a Great Colombia, extending from Venezuela on the Caribbean down the Andes to the Bolivian plateau, proved illusionary but continues to inspire his descendents today. One of the first efforts of the democratic revolutionaries who took power in 1945 was to establish a jointly-owned Great Colombia merchant fleet with Colombia and Ecuador. Successive presidents since then (except for the dictatorial period 1948-58) have enthused over the ideas of Latin America Free Trade Area (LAFTA), the Andean Pact of the west coast nations and Venezuela, and the Latin American Economic System (SELA).<sup>37</sup>

During their years of exile under dictator Juan Vicente Gómez (1906-35) and Marcos Pérez Jimenez (1948-58), many of the present day democratic rulers found refuge in the Caribbean Basin, especially in Costa Rica, Colombia, and Mexico. When the first democratically elected president, Rómulo Betancourt, took office after the 1958 revolution, he actively promoted the non-recognition of governments that had seized power by force. In so doing, he incurred the active hostility of the remaining dictators of the region, one of whom, Rafael Leonidas Trujillo of the Dominican Republic, unsuccessfully sought to have him killed by a car bomb in Caracas. Using the evidence demonstrating Trujillo's complicity, Betancourt, with U.S. support, got the OAS members to sever diplomatic and economic relations with the Dominican strong man, a prelude to his final downfall.

Fidel Castro had received vital support in the Sierra Maestra from the Venezuelan Revolutionary Junta headed by Wolfgang Larrazabal in 1958. When he came to Caracas in January, 1959, only one month after the fall of Havana, he publicly suggested that the Venezuelan revolution was incomplete. He was received coldly by President-elect Romulo Betancourt and shortly thereafter, an important sector of the left wing of Betancourt's Accion Democratic party, encouraged by Castro, teamed up with the Venezuelan Communist Party to open the first important Castroite guerrilla front on the South American mainland. There followed three years of terrorism against the coalition government headed by social democrat Betancourt. The Social Christian Copei party led by Rafael Caldera and the smaller URD liberals under Jovito Villalba joined Betancourt in a resolute resistance to the guerrilla offensive, including two dangerous uprisings from within the military. The fight continued under Betancourt's successor, Raúl Leoni. URD and COPEI both left the coalition and urged a negotiated political settlement with the guerillas but both Betancourt and Leoni held firmly to the thesis that the ballot box was the only way to power. Finally, Caldera, elected in 1968, offered an amnesty to those guerrillas who chose to abandon the fight and enter normal political activity and, with his "pacification" program, the country returned to political normality. Caldera also eased Betacourt's tough stand on recognition of Latin American governments, calling for "democratic pluralism." He claimed to speak for all of Latin America on his state visit to Washington, when he addressed the Congress in English. However, his plea for western hemisphere preference for oil imports into the U.S. fell on deaf ears and a resentful Caldera revoked Venezuela's trade agreement with the U.S. and led Venezuela into the Andean Pact with its discriminatory clauses against foreign investment.

The social democratic Acción Democrática (AD) was returned to power under President Carlos Andrés Pérez (1974-79), who, as Betancourt's minister of interior, had worked closely with the U.S. in fighting the Marxist insurgency. However, as president, he adopted highly nationalistic and populist policies. He nationalized the \$4 billion foreign-owned oil industry, renewed diplomatic ties with Cuba, held frequent consultation with leaders of Latin American states, and became the first Venezuelan president to visit the Middle East to demonstrate his interest in closer political relations with OPEC states. He sought an even wider world role in his support for the New World Economic Order and called for North/South redistribution of wealth.

The Caribbean Basin, however, was his greatest interest. He played a critical role in the negotiations of the Panama Canal treaties, acting as a constant advisor for Omar Torrijos, who flew repeatedly to Venezuela to consult with the Venezuelan leader. He was also highly regarded by U.S. President Jimmy Carter, who once referred to him as "my advisor on Latin America." Carter consulted often with Pérez during the Nicaraguan revolution in 1978-79, and sought his assistance to insure that the transition from Somoza brought democracy to the Nicaraguans. He rejected Carter's first plan for an Inter-American peace-keeping force and was skeptical regarding the alternative idea of persuading Somoza to go into exile and leaving the National Guard intact. He proved correct in his estimate that the wily Nicaraguan would not give up power voluntarily but events proved him wrong in his belief that the Sandinistas would be more Nicaraguan nationalists than Marxist revolutionaries. Venezuela's aid, in money and arms, were of vital importance in the final triumph of the Sandinistas.

The Social Christians regained power under Luis Herrera Campins (1979-83), who promised during his campaign to conduct an active but more orderly role in the Caribbean. He sent an inter-ministerial commission to eight Eastern Caribbean nations, including revolutionary Grenada, to review previous Venezuelan aid programs and to recommend future assistance. The most notable result was the oil facility program. The OPEC prices had risen ten times since 1971, placing an impossible strain on small Caribbean states. The dynamic Venezuelan oil minister, Humberto Calderón Berti, persuaded Mexico that joint action by the two leading oil exporters was desirable, and the San Jose agreement was signed in 1982 whereby the two nations eventually each provided approximately 150,000 bbls daily to nine Caribbean Basin nations under a soft loan arrangement, which, in effect, constituted a price discount. It was an important milestone, marking the first cooperative venture between the two major Latin American oil-producing states, lying at opposite ends of the Caribbean Basin, and opening the way for later efforts at political cooperation. President Herrera Campins went to Mexico the same year in an effort to enlist the help of President López Portillo to pacify the Salvadoran guerrillas, but was only able to obtain a vague offer of mediation from the Mexican president.

Venezuela, meanwhile, became increasingly disillusioned with the Sandinistas. When invited to Managua, Herrera Campins urged that the Sandinistas follow a nationalistic, pluralist and Latin American course rather than seek to implant any foreign ideology. The comandantes assured him that they would broaden their participation in government and appoint a Council of State to include representatives of the private sector and democratic political parties. However, the Council, when named, was

overwhelmingly Sandinista. Caracas was also angered when Interior Minister Tomás Borge accused the Venezuelan military attaché of participating in a far-fetched plot to blow up the only Nicaraguan oil refinery. President Herrera, a devout Catholic, was further alienated by Sandinista harassment of the Roman Catholic authorities in Managua, receiving reports personally from Archbishop Ovando y Bravo. The Venezuelan government also received regular reports from Washington of Sandinista complicity with the Salvadoran insurgents seeking to overthrow the junta headed by Jose Napoleon Duarte, who had become a personal friend of the Venezuelan president during his seven-year exile in Caracas.

Growing Venezuelan dismay at the course of the Sandinista revolution led to a cessation of economic aid. Oil shipments were cut off in 1983 with a terse explanation that no payments were being received. No further dollar credits were extended, despite urgent appeals from Managua. However, President Herrera joined with Mexico's president in an unsuccessful attempt to convoke a personal reunion of the Nicaraguan and Honduran leaders in Caracas, probably in the belief that the combined pressure of Mexico and Venezuela would convince the Sandinistas to keep their revolution at home. President Roberto Suazo Córdova of Honduras, however, refused to attend the scheduled meeting, pleading ill health.

#### Venezuela and Mexico

The Venezuelan and Mexican attitudes towards revolutionary movements in Central America were basically at odds. President Herrera made frequent public statements that power should not be sought at the mouth of a gun but should come from peaceful democratic processes. Mexico, on the other hand, after first openly espousing the guerrilla cause in El Salvador, later took the position that a negotiated political settlement should be sought and urged the guerrilla spokesmen, who were given full facilities in Mexico, to negotiate their way into the government.

In the belief that Mexico was giving ground, however, Venezuela responded favorably to the proposal for a foreign ministerial meeting in early 1983 at Contadora and continued to support the process during the ensuing years. J.A. Zambrano Velasco was foreign minister under Herrera Campins. A non-political bureaucrat, he was subservient to the dictates of the president and Aristedes Calvani, former foreign minister and now president of IDECA, the Social Christian international body in America. Calvani wanted strong support for Duarte in El Salvador and closely monitored the situation elsewhere in the isthmus. Venezuelan adherence to Contadora was faithful, if somewhat uninspired. Its position there was also seen as emphasizing Venezuela's independence from Washington and its assertion of a separate policy, especially in the light of several other unrelated developments.

Relations with Cuba were stormy and infected Venezuelan overall policy at this time. First, Castro was outraged when a Venezuelan military court threw out the charges against Orlando Bosch, anti-Castro militant, and two others for having plotted the bombing of a Cuban airliner in 1976. Although the suspects were held for a retrial, Castro's intemperant accusations that Venezuela was an imperialist puppet led to a diplomatic crisis, aggravated by the Cuban leader's arbitrary refusal to concede political asylum to 14

Cubans who had successfully penetrated the police cordon around the Venezuelan embassy in Havana to claim refuge there. When Venezuela threw a similar cordon around the Cuban embassy in Caracas, Castro abruptly withdrew all diplomatic personnel from Caracas in 1983.<sup>38</sup>

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On another front, Venezuela took the lead in Latin America in denouncing the British for their alleged aggression against Argentina in the Falklands/Malvinas war, and was indignant when the U.S. abandoned its attempted mediation and sided with London.<sup>39</sup> This, and the failure of Duarte to win a majority in the Salvadoran constituent assembly elections -- leading to his removal as head of the junta there -- caused Venezuela to take a relatively passive role in Contadora during President Herrera's last year in office. In contrast, Mexico energetically sought to find a formula for peace -- first by promoting talks between the U.S. and the Sandinistas and later through the Contadora process, which it initiated.

The curious ambivalence of Venezuelan policy was illustrated late in 1983 by its reaction to the Grenada invasion. This was condemned as an act of intervention, but the Herrera government defended itself against domestic critics by stressing that its communique on Grenada denounced all "interventions" in Grenada, thus inferring that it also disapproved the Cuban military presence on the island.<sup>40</sup>

Acción Democrática recaptured the government in the December, 1983, presidential elections. During the intervening years, contradictory voices had been heard from the party leadership regarding the Central American situation. Former president Carlos Andrés Pérez was named vice-president for Latin America of the Socialist International (SI) and continued to support the Sandinista revolution, especially against possible military intervention by the U.S. The

Europeans who dominated the Socialist International were extremely critical of the U.S. and its assistance to the "contras." However, in an important departure, Jaime Lusinchi, then a candidate for the presidency in 1982, supported L. A. Monge, president-elect of Costa Rica, and the Liberación Nacional party in opposing Sandinista attendance at a Socialist International regional meeting in Caracas. The Europeans, rather than withdraw their invitation to Managua, cancelled the meeting. After Lusinchi became president, he signalled his disillusionment with the Nicaraguan revolution on various occasions. When Duarte, after winning the Salvadoran presidency in the 1984 elections, came to Venezuela, Lusinchi welcomed him to Miraflores with the remark that if the Marxist revolution spread in Central America, "it would not stop in Panama." A chastened Carlos Andrés Pérez, now actively engaged in seeking the presidency in 1988, found it desirable to publicly reject the invitation to attend the inauguration of Daniel Ortega as Nicaraguan president early in 1985, terming the elections held the preceding November a travesty of true democracy.<sup>41</sup>

However, Pérez also denounced the continued U.S. military threat and President Lusinchi, when he made an official visit to Washington in December, 1984, pointedly ignored the strong language used by Reagan against the Sandinistas, limiting himself to a call for "democratization" of the region at the same time that he warned against armed intervention.

Lusinchi's new foreign minister, Isidoro Morales Paul, was much more active than his predecessor in pursuing the Contadora process. A man of traditional legalistic Latin American bureaucratic mould, and an expert on boundaries, he sought to win recognition for the diplomatic language of the first treaty draft produced by Contadora in 1984, which utterly ignored the realities of verification of the undertakings it called for. He and his ministerial colleagues of Contadora, received a premature accolade from the King of Spain when they were given the Prince of Asturias prize in Madrid. Flushed with this award, Morales hurried to Santo Domingo to catch Pope John Paul II enroute back to the Vatican to present the draft for his edification. His insistence brought complaints from the other three Central American governments most immediately threatened by the Sandinistas (Honduras, El Salvador, and Costa Rica) as well as from Washington, which began to suspect that the Contadora ministers were more interested in lobbying for the Nobel Peace Prize than in drafting realistic treaty terms.

Washington, meanwhile, was finding the Sandinistas as intransigent as they had been in previous negotiations in the bilateral conversations, begun in mid-1983 as a result of Mexican pressure and the Reagan White House's hopes of keeping the Central American crisis out of the 1984 election campaign. Repeated trips by Ambassador Harry Schlaudeman to Caracas to brief Lusinchi on the Manzanillo talks offset the drafting zeal of Morales Paul and eventually engaged Morales Paul in a more constructive negotiating position in Contadora. From the U.S. viewpoint, it would have been highly desirable had Venezuela taken more leadership in insisting that the Contadora process obtain effective safeguards for the commitments called for in the treaty drafts. Of all the Latin American nations, it was felt in Washington, Venezuela -- which had refused to negotiate with its own guerrillas but had insisted that institutional reform be the result of democratic procedures -- should be the nation which best understood Washington's view that power won by other means than the ballot box was unacceptable.<sup>42</sup>



Privately, President Lusinchi has assured U.S. leaders that he is in full agreement with this viewpoint but publicly, he has refrained from taking any forthright stand, other than to support the pluralistic political principle contained in Contadora's Declaration of 21 Points. He has also given his backing to the elected Duarte regime in El Salvador, overcoming previous reluctance on the part of his social democratic colleagues to back a Christian democratic regime. Also, he apparently instructed Morales Paul to tighten up the provisions of the June 7 Contadora draft treaty. A new version, approved by the foreign ministers in January, 1985, will be formally presented on April 11 to the five Central American nations in Panama.

Morales Paul was replaced in early March by Simon Albert Consalvi, who previously held the same post under President Perez. A cautious man but with pronounced liberal tendencies, he is not expected to strengthen the Venezuelan role in Contadora unless President Lusinchi insists that he do so. At the moment, Venezuela is giving priority to resolving its border disputes with Guyana and Colombia. According to foreign office sources, Venezuela continues to press for effective verification but considers the possibilities limited, although not impossible. The "political ignorance" of the commandantes was cited as a primary obstacle, augmented by the policies of several highly ideological members of the junta. The uncertainty regarding future U.S. policy was also cited as a handicap in moving the Sandinistas. Continued support for the "contras," according to this view, was very helpful in gaining Sandinista concessions, although it was considered highly unlikely that they would ever agree to their electoral participation. Also, U.S. direct military intervention, it was felt, would be disastrous. Venezuela will patiently stay the course, but a long process was predicted before a final formula for peace would be found.<sup>43</sup>

### Role in Contadora

Of all the four Contadora states, Venezuela presents the most positive balance when it comes to evaluating the strengths and weaknesses of the various members to act as mediators. If the political will to do so existed, it could obviously play a much stronger role in Contadora. On the positive side, the following strengths are present:

1) Venezuelans are very conscious of their heroic liberation tradition. Bolivar not only freed Venezuela, Colombia, Ecuador, Peru, and Bolivia, but he left a legacy of 18th century Enlightenment thinking in his speeches and letters which continue to inspire his countrymen. The Bolivarian tradition was renewed as democratic doctrine by Rómulo Betancourt, one of the ablest of Latin American political figures of the 20th century. His unflinching assertion of human rights restored the faith of his own countrymen in democracy and served as a model for other Latin American leaders in confronting the dangers of totalitarianism from both the Right and Left.

2) Marxist political insurgents made their first great effort to subvert the government of a major Latin American country when they began warfare in 1960 in Venezuela. The timing was propitious. Venezuela had just thrown off an oppressive military regime and the Marxists had played a significant role in the underground opposition. The doctrinal line between the Marxists and the

social democrats had become blurred in the common fight. Many of the most promising young people of the nation were lured by the facile theory of dialectical materialism. Although a Marxist in his youth, Betancourt alerted the nation to the anti-national implications of Marxism and refused to compromise with the ideological extremists. Having failed to shoot their way into power, they finally accepted democratic procedures. In their long struggle, lasting until late in the 1960s, Venezuelans became thoroughly familiar with the methods used by Fidel Castro and his Marxist allies, which inured them to the temptation of "political negotiations" and power-sharing solutions.<sup>44</sup>

3) Venezuela, unlike many other Caribbean Basin nations, has never suffered the indignity of an armed intervention of the U.S. There have been times of tension but also Venezuela has had reason to be grateful to Washington, as when Grover Cleveland invoked the Monroe Doctrine to support Venezuelan claims against Britain regarding the contested Essequibo territory. In modern times, the vast Venezuelan oil industry was developed largely by U.S. capital. Learning their lesson from the Mexican expropriation the foreign companies never questioned the sovereign right of Venezuela over the sub-soil and departed meekly when the industry was nationalized, with compensation promised, in 1976. In fact, the general perception of relations with the U.S. has been so good that Caracas has been sensitive to the charge of being a yanqui puppet, which is certainly not the case. The Venezuelans are fully aware of the record of U.S. intervention in the Caribbean Basin and share Latin American resentment for such intervention. However, the U.S. is admired for its way of life, its technology, and increasingly for its art, music, and literary accomplishments. Public opinion polls show that the U.S. is considered much less of a threat to peace than Cuba and the Soviet Union.

4) Venezuela is by far the most successful democracy among the Contadora states. Despite its relatively recent establishment, in 1958, it has experienced remarkable progress in effective functioning at the national level, less so on the state level where governors still are presidential appointees. The communications media are free of censorship and generally outspoken. The political parties have quickly adopted sophisticated electioneering techniques. The military appear thoroughly institutionalized. As a result, there has been a practical alternability of power between the two leading parties, although the checks upon executive power by the legislative and judicial power still leave much to be desired. Public support for the system continues at a high level, although many of the younger voters express frustration. Generally, the Venezuelan experience serves as evidence that Latin Americans are not unsuited to democracy, as has often been charged. There is little doubt that most Venezuelans consider that democracy provides the best results for the most and that freedom is worth defending.

5) Venezuela has the wealth and outward vision needed for regional leadership. Its widely-travelled politicians have been at the forefront in OPEC, Third World groups, the OAS, the UN, the Socialist International (SI) and IDECA, and in the Latin American Economic System (SELA) and the Andean Pact. The nation wants to project its influence into the Caribbean Basin, to develop trade and political allies there, and to guard its security interests. Caracas has become a mecca for Caribbean Basin leaders, seeking economic aid and political support. Venezuela feels that it is in competition with Cuba there for political influence but has welcomed the entry of Mexico into a Caribbean role and even facilitated it.

6) The Venezuelan state is highly conscious of its security needs in the region. Its economy depends upon oil exports of 1.4 million barrels per day at the present time through the Caribbean and requires that the sea lanes be secure. The Venezuelan military have been worried about the threat posed by Cuba to the principal tanker routes into the Atlantic, especially when the Cubans were involved in the construction of a major airfield on Grenada, only 15 minutes flying time from major Venezuelan oil fields. With the Cuban threat in mind, Caracas was able to purchase 24 F-16s from the U.S. in 1982-84, giving it air superiority over Castro for the time being. Although Nicaragua, in communist hands, poses less of a threat to Venezuelan petroleum traffic, Caracas takes the domino theory very seriously in Central America.

7) Venezuela has done little to develop trade ties with Caribbean Basin and Central American states other than to provide a source of oil. Before currency devaluation in 1983, prices for Venezuelan industrial products were prohibitive but Caracas did buy Jamaican bauxite, Costa Rican cattle, Barbadian consumer goods, and Mexican corn. Now new prospects are opening up, especially for Venezuelan agricultural products. Venezuela once provided most of the fresh meat consumed in the Caribbean and hopes to do so again. Also, Venezuelan tourist traffic could be an important source of income for nations possessing attractive beaches.

While the above give Venezuela a potential strength for taking a strong regional position, it has not done so consistently to date. In analyzing the reasons for its apparent caution, it must be remembered that the country, up until the last quarter century, was fully occupied with its own internal situation. Under authoritarian presidents, Venezuelans who travelled in the Caribbean Basin usually did so as exiles rather than as businessmen in search of trade or diplomats cultivating political influence.

Drawbacks hampering a stronger Venezuelan role in the regional diplomatic effort include:

1) Historically, Venezuelan foreign relations were marked by timidity vis-a-vis the U.S. and big European powers whose warships steamed in the Caribbean. There was little sense of national interest in the region nor was there any military power to back it up. Public opinion was uninformed and diplomatic posts were assigned as sinecures to regime loyalists. A young and aggressive generation of diplomats is now taking over, but policy is too often still ambiguous, there is a lack of policy coordination and foreign affairs still are too often left to be improvised as domestic considerations may require.

2) Venezuelans complain that their diplomats substitute idealistic rhetoric for realistic action. Hapless diplomatic functionaries who often have little policy guidance take refuge in meaningless verbiage. Venezuela, with the increasing democratic accountability of government officials to the public, is moving toward a more defined foreign policy but its presidents still tend to delegate little real power to their foreign ministers. The two first ministers during the Contadora process were strict technocrats, without political influence, thrown into an unprecedented situation where they dealt with three foreign states upon a matter of great diplomatic delicacy without adequate instructions from either of the presidents who appointed them. Under the circumstances, they generally acted in traditionally cautious diplomatic fashion. When Morales Paul began to show unwonted enthusiasm, he apparently was warned to cool his ardor and was shortly thereafter replaced by the current incumbent, Consalvi.

3) The fragmented nature of the Latin American identity often makes a mockery of the alleged sentiment of unity. Venezuelans may make common cause, in theory, with the Argentines on the questions of Falklands/Malvinas but the fact remains that there has been bad blood between the two nations since the time of independence, when San Martin regarded Bolivar as something of an upstart and Bolivar considered the Argentine overbearing. Their descendents tend to have similar feelings.

The fact that the Contadora initiative was proposed originally by Mexico hardly recommended it to the Venezuelans, especially in view of the well-known Mexican tilt toward the Left. However, it was felt in Caracas that something had to be done by the principle regional states, themselves, apart from the United States. The Mexican proposal seemed worth trying.

4) Although it has beefed up its own military strength in response to the Cuban threat, there is profound reluctance to employ the Venezuelan military on any mission which might enhance its prestige or promote political ambitions among its generals. The military has been subordinated to civilian political control with considerable difficulty. In addition, there is sensitivity to any appearance of armed intervention in a sister republic, and even greater aversion to participation in any joint military operation with other American nations. Insofar as this attitude prevails, it weakens Venezuela's diplomatic credibility.

5) Although there has been considerable continuity in Venezuelan foreign policy, it cannot be said that a consensus exists among the major political parties or that an informed public opinion supports a clearly defined line in Contadora. The logic of events has led Acción Democrática to follow COPEI in turning away from the Sandinistas and in supporting the Salvadoran government against the insurgents. However, this de facto consensus is hardly commented upon and is poorly understood by the general public. Differences of criteria within each party also tend to confuse the public and reflect greater divergence than actually exist at the decision-making levels of the two big democratic parties.

6) Because of lack of articulation of the nation's foreign policy, the Venezuelan Left continues to enjoy a disproportionate influence in defining the terms of public debate and understanding. The total vote for the parties of the Left dropped to under 10 percent in the last national election. However, the system of proportional representation in Congress gives them an outsized voice in Congress while their sympathizers are well situated in the press. Thus, although the Marxists have been defeated both on the field of battle and in the polls, they are as vociferous as ever in debate on such issues as Central American policy.

7) Finally, although it is less trapped by nationalistic pride and resentment against the U.S. than Mexico, whose foreign policy is often characterized by confrontation with its northern neighbor, the Venezuelans are reluctant to appear as subject to yanqui pressure and, in seeking to bolster regional diplomacy, are often reluctant to identify themselves too closely with U.S. policies. Although they may actually approve of actions by Washington designed to curb Marxist subversion in the region, such as the invasion of Grenada, the Venezuelan leaders for fear of peer disapproval, do not publicly say so.

In summary, although Venezuela, more than any other participant, possesses the potential for strong democratic leadership in the Contadora process, this is not likely to be realized in the near future. Its presence in the Contadora Group, however, serves to counter-balance Mexico's seeming sympathy for the Sandinistas. As the country with the strongest democratic institutions, Venezuela will favor democratization in Central America and is not likely to endorse electoral facades or political negotiations which do not require true democratic pluralism.

President Jaime Lusinchi is temperamentally disinclined to take sharply defined positions or to assert strong personal leadership in political matters. However, he is a convinced democrat and has a sense of history. He wants to carry out the ideals of Bolivar and Betancourt. If he successfully overcomes the domestic economic crisis in his country, it is conceivable that he would seize an opportune moment to try to rally Contadora behind the banners of democracy and Latin American nationalism.

## CONCLUSION

It is so easy to find historical justification and sociological reasons for the imposition of non-democratic systems on other people, based generally on their lack of democratic traditions, or their poverty, or both. It is only we, who live here, who don't agree with that overseas sophistication. Maybe we don't have any democratic traditions, but we don't like to live under dictatorships, either. Besides, we do have democratic forces in our region. This is a real and fundamental turnaround of the whole perspective, as much for you as for us.

Luis Burstin<sup>45</sup>

In the opinion of almost all knowledgeable observers, the key to peace in Central America can only be found in Nicaragua. If the Sandinistas persist in applying authoritarian practices and acting as allies for the Cuban/Soviet bloc, no agreement they may be willing to make will last for long. If, however, they can be persuaded to move towards authentic pluralistic political democracy, a Contadora formula may succeed.

The chances do not appear very bright that this will happen. Before the suspension of the bilateral talks with the Sandinistas in Mexico, U.S. envoy Harry Schlaudeman proposed to the Sandinistas that if they were to allow all Nicaraguan political groups to campaign freely and hold new parliamentary elections within a specified time -- presumably one year -- the U.S. would encourage the contras to lay down their arms and resume economic aid to Nicaragua. The offer was rejected.

A similar offer from Arturo Cruz, acting on behalf of all the groups presenting armed resistance to the Sandinista regime, was ready for delivery but Cruz was not allowed to get off the plane to deliver it in Managua. On April 4, President Ronald Reagan picked up on this offer and proposed that future U.S. military assistance to the anti-Sandinista "contras" depend upon whether or not Managua enters into serious negotiations to hold democratic elections with them. The Sandinistas disdainfully rejected Reagan's proposal.

The intransigence of the Sandinistas may be explained in part by the prospect that Reagan's proposal -- tied to the release of \$14 million in aid to the contras -- will not be approved by the U.S. Congress. A favorable reaction by the Contadora states, however, would undoubtedly improve the chances for congressional approval of the U.S. president's proposal and might also influence the Sandinista attitude.<sup>46</sup>

On the other hand, it may also be true that the ideological commitment of the Sandinista commanders is so great that they will not, under present circumstances, change their political course. If, however, military and economic pressure is continued against the Nicaraguan leadership, they may in time become more receptive to intensified political pressure from Contadora for democratization. If any agreement can be reached, it will have been due in good part to the fact that the evolving relationship between the U.S. and the more developed Latin American states of the Caribbean Basin requires a leading

role by the latter in setting the terms, without direct participation by the U.S. These states have reached a level of national maturity in which unilateral U.S. armed intervention or political imposition would provoke a hostile reaction and unpredictable political consequences. Furthermore, public opinion in the U.S. itself does not seem prepared to support such an intervention.

The fact that the Contadora states have, themselves, achieved a degree of democracy enables them to recognize -- although to varying degrees -- that spreading Soviet and Cuban influence is a danger to their security, a conclusion they share with the U.S. This has made possible a kind of "tandem diplomacy" -- involving the Contadora meetings as well as those between the U.S. and Nicaragua -- which possibly may produce an agreement to: 1) put the focus on a democratic selection of government in the troubled areas; 2) satisfy the desire of the regional Contadora group to provide a peace formula without hegemonic dictate by the U.S.; 3) make use of the U.S. power in the most constructive way -- having it available to use in case of need but not prematurely resorting to it; 4) enable the verifiable removal of all foreign troops and military advisors from the area; 5) provide what amounts to a multilateral Contadora guarantee that treaty provisions will be executed and that there will be effective monitoring of performance under the treaty.

Clearly, it is yet premature to predict that the Contadora process will come to any such successful conclusion. The delicate balance needed for it to do so could be upset by one or more of the following circumstances:

1) Weakening of U.S. resolve to deal with the perceived menace of the Sandinista regime as presently constituted which may then be able to stabilize itself. (Congress may not authorize further aid to the "contras", who may be defeated and demoralized by the Sandinistas. Honduras may undergo a political upheaval which would remove it as an operational base for "contra" activity)

2) The Contadora process may dwindle away, its members may fall out. It could even conceivably be turned against the U.S. in which case Washington would be in the intolerable position of acting on its own.

3) A shift of power in the Managua regime which could give outright control to: a) a completely pro-Moscow faction which would use its military power to subvert and eventually overcome its neighbors and provoke U.S. intervention; or b) moderates within the regime, who would temporize as the revolution gradually lost its steam.

4) Matters may continue as at present without any decisive result until larger world events distract everyone's attention and, in effect, determine what the final outcome in Central America will be.

5) Dangerous leftist insurgencies could break out in other Central American countries and the subversion of Mexico and Colombia begin.

Any of these scenarios, and perhaps others, might occur. The one thing we may be sure of is that there will be change, change in Central America and the entire Caribbean Basin region, change in the relationships among the various states within it, change in the relationship between the region and the U.S.

Contadora, while it purports to be a formula for resolving Central America's civil wars and bring peace among the several small Central American nations that threaten to use force against each other, actually addresses the larger theme of relations between Latin America and the U.S. The political and economic power of the U.S. has been so great in the past that it has been impossible to develop any true sense of partnership among the Western Hemisphere nations. Even with the best of intentions, this disproportion of power has tended to provoke a sense of confrontation of Latin American nations against the United States. Wise statesmen on both sides have recognized the danger of such a trend.

Regardless of other differences, the American republics do have one great common tie which binds them together -- they were all founded in opposition to authoritarian government imposed from Europe. From the beginning, they also all adhered to the democratic ideals of individual liberty and well-being, enshrining them in constitutions that, more often than not, during the following years, were ignored by the domestic elites that frequently imposed a local authoritarianism.

However, the democratic ideal persisted among the people and, with the passage of time and the acquisition of political maturity, authoritarian rule in the hemisphere has been increasingly challenged and replaced. Today, 27 of the 33 independent American states have, or are in the process of installing, democratic government.

Nevertheless, while European colonial power has largely disappeared from the Western Hemisphere, a new political system, exalting the state instead of the individual, has come from the Old World to the New. With powerful economic and military support from the Soviet bloc, Marxist-Leninism has established Western Hemispheric bridgeheads in Cuba and apparently in Nicaragua, as well as allegedly promoting revolutionary activity elsewhere in the Caribbean Basin. If the Marxist-Leninist ideology were challenging only the traditional authoritarian regimes of certain American states, it could not be as strongly objected to as when it seeks to overthrow reformist democratic governments, or to supplant revolutionary efforts to establish authentic pluralistic political models. Then, it is clearly perceived as a threat to the individual liberties to which all the peoples of the Americas, both North and South, aspire.

In the past, the U.S. has been faulted for its failure to support democratic reform and its complacency before authoritarian military-type regimes. Today, many Latin Americans fear that growing U.S. confrontation with the Soviet bloc in the Caribbean Basin is due only to self-interest evoked by the threat of the extension of Soviet influence. Whatever the fact may be regarding U.S. motives, Washington today is publicly committed, as never before, to supporting the establishment of authentic democracy in the region, sensing that the only lasting opposition to ideological subversion can come from the freely expressed will of the peoples concerned, rather than from military repression.

On the other hand, it is also true that a Contadora formula will not work, no matter how perfect may be the wording of its formal agreements, unless its sponsors recognize that, in the final instance, their diplomacy must be backed up by a credible military power. Since they do not possess such power, they must inevitably look to their powerful neighbor, the U.S., which does. Furthermore, the U.S. has demonstrated a readiness to use its power when it deems its own national security threatened. Whether or not all of the four



Contadora states fully agree with the evaluations by Washington of the present situation in Nicaragua, they must realize that in the long run the U.S. is not likely to tolerate additional Marxist-Leninist penetration of the region.

At present, Contadora and the U.S. are engaged in a precarious balancing act and, at the same time, seem to be straining in opposite directions. When the U.S. threat to use force seems to exceed the desirability of pressure on the Sandinista regime, in the opinion of the Contadora states, they balk. However, when Contadora diplomats seem ready to accept Sandinista promises that seem empty and misleading, the U.S. -- with support of the Central American nations most involved -- has objected.

Exceptionally active bilateral consultations between Washington and each of the Contadora Four has kept the high wire diplomatic act going and may have even, as some would claim, have averted wider hostilities than already exist in Central America. Although applied in haphazard fashion, increasing diplomatic-military pressure has been maintained separately by Contadora and the United States on the Sandinistas to adopt an authentic democratic model for their revolution. Both Contadora and the U.S. agree on the need for authentic democracy in Nicaragua and throughout Central America as the only basis for lasting peace in the region. If, in addition to providing for the effective verifiable and simultaneous reduction of military forces, elimination of foreign military assistance, and cessation of subversion in neighboring states, Contadora and the U.S. could successfully insist upon democratization of the region, it would be possible to hope that the regional diplomatic effort might, at least, achieve a degree of collective security action which has always eluded Western Hemisphere nations in the past. In any case, if the Contadora process could realign firmly the nations of the Caribbean Basin -- including the U.S. -- behind a common democratic ideal, it would have the potential to transcend the inequalities, the errors, the suspicions, and the many differences of the past.

For Contadora to succeed, the Contadora group and the U.S. must, in effect, deal together with the present danger. The U.S. must be constrained not to intervene unilaterally. But the Contadora four must, in contradiction to their long-held traditions, realize that they must intervene actively in the politics of other Latin American states if the goal of democratization is to be realized. They must also realize that political intervention will be effective only if it is carried out in coordination with U.S. power. Such a common and cooperative alignment on behalf of true democracy may well foreshadow the direction toward which the American republics will conduct their mutual affairs in the future.

NOTES

- 1) John B. Martin, U.S. Policy in the Caribbean, Boulder, CO: Westview Press, 1978, p. 10
- 2) It is a common assumption in the region that the U.S. "will not permit another Cuba" or another Marxist-Leninist government to be established in the Caribbean Basin. Hence, the U.S. invasion of Grenada was almost universally accepted, and even welcome, by the governments there, although most of the Latin American states publically denounced it. Their ambiguous attitude is illustrated by the following historical anecdote: When the U.S. writer, Waldo Frank, questioned Venezuelan president, Romulo Betancourt, in 1961 as to what his reaction would be if the U.S. were to invade Cuba, he replied that he would take three steps: 1) issue a strong public condemnation; 2) call out the army to protect the U.S. embassy and U.S.-owned properties in the country; and 3) phone President John F. Kennedy to commend him for the invasion. Based on a personal interview with Frank in Caracas (1961).
- 3) William D. Rogers, "The United States and Latin America," Foreign Policy special issue, "America and the World."
- 4) Note from interview with Foreign Minister Fidel Chavez Mendes of El Salvador (February 1984).
- 5) Note from interview with Deputy Foreign Minister German Nava Castillo of Venezuela (March 15, 1984).
- 6) "Castro and Reagan Awaken World-Wide Concern," The New York Times, p.1, column 4, July 27, 1984.
- 7) "Carlos Fuentes Urges the U.S. be Guided by Mexico and Venezuela," The New York Times, p.27, column 1, September 19, 1980.
- 8) See "The Americas at a Crossroads, Report of the Inter-American Dialogue," Washington, D.C.: Woodrow Wilson International Center for Scholars, Latin American Program, 1983, p. 43.
- 9) "Enders Says U.S. Not Upset," The New York Times, p.12, column 5, March 6, 1983.
- 10) "U.N. Approves Compromise," The New York Times, p.7, column 1, November 12, 1983.
- 11) "Stone Resigns," The New York Times, p.8, column 3, February 17, 1984; "Schlaudeman Named," The New York Times, p.4, column 5, February 18, 1984.
- 12) Juan Drones, "Central American Peace Drive," Los Angeles Times, Section 1, p.6, column 1.
- 13) Bruce M. Bagley, "Regional Powers in the Caribbean," Johns Hopkins University, School of Advanced International Studies Occasional Papers, no. , p.1.
- 14) Mark Falcoff, "Small Countries, Large Issues," American Enterprise Institute Washington, D.C., 1984, pp.54-55

- 15) Evelyn P. Stevens, "Mexico's One-Party State: Revolutionary Myth and Authoritarian Reality," in Howard J. Wiarda and Harold F. Kline, eds., Latin American Politics and Development, Boston: Houghton and Mifflin Co., 1979.
- 16) Bagley, "Regional Powers," p. 1
- 17) *ibid.* p.2
- 18) Alan Riding, Distant Neighbors, New York: Alfred A. Knopf, 1985, p. 349
- 19) President Luis Herrera Campins of Venezuela, advised by Dr. Manuel Pérez Guerrero, drafted a compromise resolution which eased the demand of Third World nations at the Cancún summit that the U.S. commit itself to a time-table for global negotiations at the U.N. on North-South issues.
- 20) Mexico has greatly reduced its oil shipments to Nicaragua in 1984 as the result of continued non-payment. As a result, the Soviet Union has had to provide most of Nicaragua's oil needs, as it has for Cuba.
- 21) R. Herrera Zuñiga and M. Chavarría, "México al Contadora: Una búsqueda de límites a su compromiso in Centroamerica," Foro Internacional (El Colegio de México), 14:4 (April-June 1984), p.470.
- 22) Statment by Jorge Castañeda (hijo) in discussion at Woodrow Wilson International Center for Scholars, February 1985.
- 23) Interview with Venezuelan Foreign Office official, March 1985.
- 24) Edwin J. Williams, "Mexico's Central American Policy: National Security Considerations," in Howard J. Wiarda (ed.), Rift and Revolution: The Central American Imbroglío, Washington, D.C.: American Enterprise Institute, 1984, pp. 303-328
- 25) Mexico announced refinancing of its foreign debt on March 28, 1985
- 26) William Jorden, Panamanian Odyssey, Austin: University of Texas Press, 1984.
- 27) *ibid.* pp. 27, 64, 178.
- 28) Ricaurte Soler, "La independencia de Panama de Colombia," in Dependencia y liberación, San José, Costa Rica: Editorial Universitaria Centroamericana, 1974, pp.25-28.
- 29) Steve C. Ropp, "Panama's Domestic Power Structure and the Canal: History and Future," in Howard J. Wiarda and Harvey E. Kline, eds., Latin American Politics and Development, Boston: Houghton and Mifflin, 1974, pp. 482-490.
- 30) Jorden, Panamanian Odyssey, p. 450.
- 31) There have been frequent disputes over interpretation of the Cana treaty clauses. United States tempers were ruffled when Panama refused to permit continuation of the U.S.-operated military training school, School of the Americas, unless it was placed under Panamanian command. The school was closed in the fall of 1984. See The New York Times August 5, 1984, page 15, column 1 and September 24, page 12, column 4.

- 32) Bagley, "Regional Powers."
- 33) Bagley, "Regional Powers," p. 133, fn 3
- 34) Martin, U.S. Power in the Caribbean.
- 35) President Carlos Andrés Pérez visited 14 of the Caribbean Basin countries during his term of office (1973-1978). Under his successor, Luis Ferrera Campins, the prime ministers of 10 English-speaking states and seven Hispanic heads-of-state came to Caracas, as well as leaders of three from the Netherlands West Indies.
- 36) Comments such as these, especially references to U.S. protestantism, occur only at times of considerable aggravation, such as when a Catholic bishop objected to U.S. evangelical missionaries proselytizing among aboriginal groups.
- 37) None of these projects prospered. There was squabbling over the management of the fleet almost immediately. So Venezuela withdrew. LAFTA never got off the drawing board. The Andean regional group is currently in considerable disarray after 15 years of constant dispute.
- 38) Venezuela withdrew all but two of its diplomatic personnel in Havana, who remained to uphold its right to give political asylum to Cubans still in the embassy. The Cuban embassy in Caracas remains closed.
- 39) Guillermo García Bustillos, Secretary of the Presidency under President Luis Herrera Campins, stated in an interview that Venezuela had a "historical imperative" to rally the Latin American republics against European colonial power. June, 1983.
- 40) Venezuela received a U.S. invitation to participate in the Grenada operation. although it declined, the Venezuelan military strongly favored the U.S. move, which also received wide support in the Venezuelan press. Private interview with U.S. official, February, 1984.
- 41) Wall Street Journal, January 11, 1985, p. 19.
- 42) Ambassador Schlaudeman carefully briefed the governments of the Contadora members after each of his conversations with the Nicaraguan Deputy Foreign Minister Victor Hugo Tinoco, in Manzanillo. This informal consultation had been begun by the first U.S. ambassador-at-large, Richard Stone. It demonstrated the awareness of Washington of the need for close cooperation with the regional bloc.
- 43) Interview with Deputy Foreign Minister G. Navas Castillo (March 15, 1985).
- 44) The extreme left insurgency began in 1960 and reached a climax in 1962-1963 when two military uprisings (Carupano and Puerto Cabello) were put down. However, sporadic guerrilla activities continued until 1983, when the last organized band was defeated by the army.
- 45) Luis Burstin, "A Few Home Truths About Latin America," Commentary, February 1985, p.151.

46) President Lusinchi stated at a press conference in New York on April 10, 1985: "We believe that (President Reagan's proposal) is valid, as it explores a possibility for a peaceful solution to the internal crisis in Nicaragua. The Nicaraguan government would not lose anything by entering into conversations with the opposition." Cited from "The Nicaraguan Peace Process: A Documentary Record," U.S. Department of State, Bureau of Public Affairs, April 1985, p.9

APPENDIX A

DOCUMENT OF OBJECTIVES

Considering:

The situation prevailing in Central America, which is characterized by an atmosphere of tension that threatens security and peaceful coexistence in the region, and which requires, for its solution, observance of the principles of international law governing the actions of States, especially:

- The self-determination of peoples;
- Non intervention;
- The sovereign equality of States;
- The peaceful settlement of disputes;
- Refraining from the threat or use of force;
- Respect of the territorial integrity of States;
- Pluralism in its various manifestations;
- Full support for democratic institutions;
- The promotion of social justice;
- International co-operation for development;
- Respect for and promotion of human rights;
- The prohibition of terrorism and subversion;

The desire to reconstruct the Central American homeland through progressive integration of its economic, legal and social institutions;

The need for economic co-operation among the States of Central America so as to make a fundamental contribution to the development of their peoples and the strengthening of their independence;

The undertaking to establish, promote or revitalize representative, democratic systems in all the countries of the region;

The unjust economic, social and political structures which exacerbate the conflicts in Central America;

The urgent need to put an end to the tensions and lay the foundations for understanding and solidarity among the countries of the area;

The arms race and the growing arms traffic in Central America, which aggravate political relations in the region and divert economic resources that could be used for development;

The presence of foreign advisers and other forms of foreign military interference in the zone;

The risk that the territory of Central American States may be used for the purpose of conducting military operations and pursuing policies of destabilization against others;

The need for concerted political efforts in order to encourage dialogue and understanding in Central America, avert the danger of a general spreading of the conflicts, and set in motion the machinery needed to ensure the peaceful coexistence and security of their peoples;

Declare their intention of achieving the following objectives:

To promote detente and put an end to situations of conflict in the area, restraining from taking any action that might jeopardize political confidence or obstruct the achievement of peace, security and stability in the region;

To ensure strict compliance with the aforementioned principles of international law, whose violators will be held accountable;

To respect and ensure the exercise of human, political, civil, economic, social, religious and cultural rights;

To adopt measures conducive to the establishment and, where appropriate, improvement of democratic, representative and pluralistic systems that will guarantee effective popular participation in the decision-making process and ensure that the various currents of opinion have free access to fair and regular elections based on the full observance of citizens' rights;

To promote national reconciliation efforts wherever deep divisions have taken place within society, with a view to fostering participation in democratic political processes in accordance with the law;

To create political conditions intended to ensure the international security, integrity and sovereignty of the States of the region;

To stop the arms race in all its forms and begin negotiations for the control and reduction of current stocks of weapons and on the number of armed troops;

To prevent the installation on their territory of foreign military bases or any other type of foreign military interference;

To conclude agreements to reduce the presence of foreign military advisers and other foreign elements involved in military and security activities, with a view to their elimination;

To establish internal control machinery to prevent the traffic in arms from the territory of any country in the region to the territory of another;

To eliminate the traffic in arms whether within the region or from outside it, intended for persons, organizations or groups seeking to destabilize the Governments of Central American countries;

To prevent the use of their own territory by persons, organizations or groups seeking to destabilize the Government of Central American countries and to refuse to provide them with or permit them to receive military or logistical support;

To refrain from inciting or supporting acts of terrorism, subversion or sabotage in the countries in the area;

To establish and co-ordinate direct communication systems with a view to preventing or, where appropriate, settling incidents between States of the region;

To continue humanitarian aid aimed at helping Central American refugees who have been displaced from their countries of origin, and to create suitable conditions for the voluntary repatriation of such refugees, in consultation with or with the co-operation of the United Nations High Commissioner for Refugees (UNHCR) and other international agencies deemed appropriate;

To undertake economic and social development programs with the aim of promoting well being and an equitable distribution of wealth;

To revitalize and restore economic integration machinery in order to attain sustained development on the basis of solidarity and mutual advance;

To negotiate the provision of external monetary resources which will provide additional means of financing the resumption of intra-regional trade, meet the serious balance-of-payments problems, attract funds for working capital, support programs to extend and restructure production systems and promote medium- and long-term investment projects;

To negotiate better and broader access to international markets in order to increase the volume of trade between the countries of Central America and the rest of the world, particularly the industrialized countries; by means of a revision of trade practices, the elimination of tariff and other barriers, and the achievement of the price stability at a profitable and fair level for the products exported by the countries of the region;

To establish technical co-operation machinery for the planning, programming and implementation of multi-sectoral investment and trade promotion projects.



The Ministers for Foreign Affairs of the Central American countries, with the participation of the countries in the Contadora Group, have begun negotiations with the aim of preparing for the conclusion of the agreements and the establishment of machinery necessary to formalize and develop the objectives contained in this document, and to bring about the establishment of appropriate verification of monitoring systems. To that end, account will be taken of the initiatives put forward at the meetings convened by the Contadora Group.

Panama City, 9 September 1983

## CHRONOLOGY OF KEY EVENTS

### 1982

March 15: Honduras proposes Central American peace plan in the Organization of American States to reduce arms and foreign military advisers, to respect non-intervention and to provide for international verification of commitments.

October 4: At San Jose conference, the United States, Belize, Colombia, Costa Rica, El Salvador, Honduras and Jamaica issue Declaration of San Jose outlining principles of a regional peace settlement. Nicaragua subsequently refuses to receive Costa Rican Foreign Minister Volio as emissary of the group.

### 1983

January 8-9: Foreign ministers of Colombia, Mexico, Panama and Venezuela meet on Contadora Island, issue Declaration commending dialogue and negotiation as instruments for peace settlement.

April 20-21: Nine foreign ministers of the Central American and Contadora Group governments meet for first time in Panama.

July 17: Declaration of Cancun of the presidents of the Contadora Group, meeting in Mexico, calls for renewed efforts to continue peace process. Declaration sent to President Reagan, Central American heads of state and Fidel Castro.

July 19: Sandinistas issue six-point plan, calling for cessation of all outside assistance to "the two sides" in El Salvador; cessation of all external support to paramilitary forces in region; prohibition on foreign military bases and exercises; Nicaraguan-Honduran non-aggression pact; non-interference in internal affairs; and end to economic discrimination

July 21: Foreign ministers of Costa Rica, El Salvador, Guatemala and Honduras propose eight-point peace plan drawing on Honduran plan of March 1982 and emphasizing contribution that democratization could make to restoration of peace and stability to region.

July 23: President Reagan expresses support for Contadora objectives in letter to Contadora Group presidents.

September 9: Document of Objectives adopted by foreign ministers on the nine Contadora participating governments.

October 20: Nicaragua proposes series of bilateral and multilateral treaties addressing some but not all goals of Document of Objectives.

October-December: Attempts to translate Document of Objectives directly into treaty falter.

1984

January 8: "Norms of Implementation" declaration adopted in Panama by nine Contadora foreign ministers establishes three working commissions in political, security and social-economic matters to recommend by April 30 specific measures to implement Document of Objectives.

April 30: Five Central American foreign ministers request Contadora Group to integrate recommendations into single negotiating text.

June 8-9: Contadora Group delivers "Contadora Act for Peace and Cooperation in Central America" to Central American governments, requests comments by mid-July.

August 25-27: Technical Group (vice-ministerial level) of Contadora process meets in Panama to consider oral and written comments on the June 8 draft.

September 7: Contadora Group submits revised draft Contadora agreement for Central American comment by mid-October.

September 21: Nicaragua states it is willing to sign the September 7 draft without modification, calls on United States to sign and ratify its Additional Protocol.

September 29: European Community, Contadora Group, and Central American foreign ministers meet in Costa Rica and issue communique supporting Contadora process, viewing proposed draft as a "fundamental stage in negotiating process."

October 15: Comments submitted to the Contadora Group by Costa Rica, El Salvador and Honduras identify verification and need for simultaneous implementation of commitments as areas for modification.

October 19-20: Costa Rica, El Salvador, Guatemala and Honduras (Nicaragua was invited but did not attend.) meet in Tegucigalpa to consider the September 7 draft agreement and draft proposed modifications. Costa Rica, El Salvador and Honduras endorse modifications and forward them to the Contadora Group and Nicaragua.

November 12-16: Extensive private consultations among the Contadora participants are held on the margins of the Organization of American States General Assembly in Brasilia.

1985

January 8-9: Contadora Group foreign ministers meet in Panama, issue communique calling for February 14-15 meeting of pleni-potentiaries primarily to consider questions of verification and control.