

CRS Issue Brief

El Salvador under Cristiani: U.S. Foreign Assistance Decisions

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El Salvador under Cristiani: U.S. Foreign Assistance Decisions

SUMMARY

In 1990, Congress will consider the Administration's FY1991 request for \$375.4 million in economic and military aid for the Cristiani government in El Salvador. This request will be considered in an environment of heightened military conflict and deteriorating human rights conditions symbolized by the FMLN guerrillas country-wide offensive and the brutal murder of six Jesuit priests in November 1989. Alfredo Cristiani was elected in March 1989 under the banner of the rightist Nationalist Republican Alliance (ARENA) and was inaugurated as President of El Salvador on June 1, 1989, ending nearly a decade of U.S.-supported centrist governments in which the Christian Democratic Party was a key ally. Proponents, noting that serious cuts would undermine government efforts to resist the communist insurgents, argue that Cristiani is a moderate with widespread business and popular support who has been seeking to respect human rights and to end the conflict with the guerrillas through peace talks in September and October, 1989. Critics, noting a deterioration in human rights conditions and an escalation of the conflict, argue for limiting military aid, for using leverage to encourage a negotiated settlement, for strictly conditioning aid, and for denying police aid to the government.

Last year, Congress generally approved the Administration's request for economic and military appropriations for El Salvador along lines of recent legislation, and it rejected several attempts to impose tougher conditions on such aid, although it did limit foreign military financing to \$85 million (the same level as the previous year), rather than the \$97 million requested, and it earmarked \$7 million in administration of justice assistance, and permitted only \$5 million in police aid under demanding conditions. While congressional restrictions limited military aid for El Salvador to \$86 million -- given the overall shortage of FY1990 foreign assistance funds worldwide, especially unearmarked ESF funds -- the Administration was only able to allocate a total of \$315 million in assistance for El Salvador, including \$58.8 million in development assistance (rather than the \$67.8 million requested), \$39.4 million in food aid, \$130.6 million in Economic Support Funds (rather than the \$180 million requested), and the specified military aid.

The House passed a foreign aid authorization bill for FY1990-1991 (H.R. 2939), on July 21, 1989, with demanding conditions on aid to El Salvador, but the Senate never completed action on a foreign aid authorization measure. Both Houses passed foreign aid appropriations for FY1990 (H.R. 3743/P.L. 101-167) on Nov. 20, 1989, after rejecting last minute attempts to withhold 30% of military assistance to El Salvador pending evidence of prosecution of those responsible for the November 16 murder of the six Jesuit priests. In related action, both Houses passed bipartisan resolutions (H.Con.Res. 236/S.Res. 217) warning that future assistance would be carefully reviewed if efforts to prosecute those responsible for the murders of the priests were inadequate, and requesting the Administration to render a full report on the status of the investigation by Feb. 20, 1990. (For more detail, see CRS Issue Brief 90011, El Salvador and U.S. Aid: Congressional Action in 1989.)

ISSUE DEFINITION

The issue for Congress in 1990 is whether, and under what conditions, to fund the Administration's FY1991 request for \$375.4 million in economic and military assistance for the rightist Cristiani government in El Salvador in light of the significant escalation of death squad and guerrilla violence toward the end of 1989. Proponents argue that Cristiani should be given the benefit of the doubt because of his demonstrated popularity in the March 1989 election, his willingness to enter into peace talks with the guerrillas, and his efforts to prosecute those responsible for human rights abuse. Critics fear that extremist sectors of ARENA are prevailing, with the result that human rights abuse and violence are increasing. Some main concerns of Congress were (1) whether large-scale military aid will strengthen repressive elements in the society and impede a political solution to the war in El Salvador, (2) whether the imposition of human rights conditions on the aid will encourage reform, (3) whether to provide police aid to El Salvador, and (4) whether to exert leverage to encourage a negotiated solution to the conflict in the country.

BACKGROUND AND ANALYSIS

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U.S. Foreign Assistance Data
(millions of \$)*

	FY1987 <u>a/</u>	FY1988 <u>b/</u>	FY1989	FY1990 <u>c/</u> (allocation)	FY1991 (req.)
Development Aid	83.0	70.7	62.4	58.8	64.2
Food Aid	48.4	54.4	39.4	39.4	39.4
(Title I Loans)	(42.0)	(41.5)	(35.0)	(35.0)	(35.0)
(Title II Grants)	(6.4)	(12.9)	(4.4)	(4.5)	(4.9)
Economic Support Fund	281.5	195.0	206.6	130.6	180.0
Military Aid	111.5	81.5	86.4	86.0	91.4
(Financing)	(110.0)	(80.0)	(85.0)	(84.6)	(90.0)
(IMET Training)	(1.5)	(1.5)	(1.4)	(1.3)	(1.4)
TOTAL	574.4	401.6	394.8	315.1	375.4

a/ Includes \$125 million in Disaster Assistance, \$75 million of which was from ESF accounts.

b/ Includes \$25 million in Disaster Assistance.

c/ The Administration allocated only \$58.8 million in development assistance (rather than the \$67.8 million requested) and \$130.6 million in ESF funds (rather than the \$180 million requested) for El Salvador because of the shortfall in worldwide assistance, especially unearmarked ESF funds. Congressional restrictions limited military financing to \$85 million (rather than the \$97 million requested), but that amount was reduced to \$84.6 million when all accounts were reduced to provide additional funds for anti-drug activities.

Program Background

Background to Current Government

From 1979 to 1989 the United States provided \$3.6 billion in economic and military assistance to support various "centrist" governments in El Salvador in the struggle with the five leftist guerrilla groups united in the Farabundo Marti National Liberation Front (FMLN). With U.S. encouragement, these governments enacted reforms and promoted democracy in this small agrarian country of 5 million people in an effort to break with the long past history of dictatorial government and to undermine support for the leftist guerrillas, while attempting to control political killings attributed to death squads and government security forces.

Non-Elected Transition Governments, 1979 - 1984. In the early period of U.S. assistance, from late 1979 to mid-1984, El Salvador had a series of non-elected governments, including several civilian-military juntas and the interim government of Alvaro Magana created after the 1982 Constituent Assembly elections. During this period, a Christian Democrat-military junta launched far-reaching land, banking, and export reforms in 1980; human rights abuse was widespread; powerful rightist parties sought to overturn the reforms; and leftist guerrillas controlled considerable portions of the country. Throughout this period, the Congress closely monitored the number of U.S. trainers in El Salvador, and regularly cut Administration requests for military aid. It also required the President to certify semiannually that human rights abuses were declining, that the land reform was continuing, and that efforts were undertaken to achieve a negotiated settlement of the conflict.

Christian Democratic Government under Duarte, 1984-1989. In the later period, the government was headed by Jose Napoleon Duarte of the reformist Christian Democratic Party (PDC). He won the presidency in the second round election in May 1984 with 53.6% of the vote against Roberto D'Aubuisson of the rightist Nationalist Republican Alliance (ARENA) with 46.4% of the vote.

During Duarte's presidency, death squad killings declined significantly, the Christian Democrats won majority control of the legislature in the March 1985 elections, and the Salvadoran military -- with improved training and equipment -- seemed to put the guerrillas on the defensive. In this stage, the Congress, seeming to sense a favorable trend, generally supported Administration requests for El Salvador. It approved significant increases in Economic Support Funds, set less stringent conditions on aid, and made no specific cuts in military assistance requests.

PDC Losses, ARENA Gains in Popularity. Toward the end of the Duarte presidency, the Christian Democratic government lost popular support when it was unable to revive the economy, despite large-scale economic assistance from the United States; and when it failed to end the conflict with the guerrillas, despite various peace talks over the years. Faced with a growing image of corruption and ineffectiveness, the party lost control of the 60-seat legislature in the March 1988 legislative election when its representation fell from 33 to 22 seats. The party split in late 1988 when the official wing selected Fidel Chavez Mena as its presidential candidate, while Julio Adolfo Rey Prendes took many Christian Democratic legislators

with him to form the Authentic Christian Movement (MAC). This split of the party left the PDC with only 6 seats in the Assembly.

The main beneficiary of the growing unpopularity of the Christian Democrats was ARENA, the rightist party founded by Roberto D'Aubuisson who has been accused of ties with death squad activity. With widespread support within the Salvadoran business community that never trusted Duarte's economic reforms, ARENA scored an impressive victory in the 1988 elections. It obtained a working majority in the Legislative Assembly, and captured 13 of 14 department capitals, including San Salvador. Seeking a more moderate image, ARENA selected Alfredo Cristiani, a U.S.-trained businessman, as its candidate for the 1989 election.

March 1989 Presidential Election. The period leading to the March 1989 presidential election was characterized by a number of new developments, including an intensification of guerrilla attacks, a resurgence in death squad activity, and participation in the election of the Democratic Convergence coalition of leftist parties associated with the guerrillas. A flurry of activity took place when the guerrillas offered on Jan. 23, 1989 to respect the electoral route to power if the elections were postponed to Sept. 15, 1989, and other significant measures were adopted to assure fair elections. In the end, the effort to revive peace talks broke down on Mar. 9, 1989, when a newly formed Salvadoran government commission called on the guerrillas to declare a cease-fire and to begin peace talks, while the FMLN called upon the government to postpone the elections and urged their supporters to boycott the election.

The presidential election was held, as scheduled, on Mar. 19, 1989, despite guerrilla intimidation. Alfredo Cristiani of ARENA, who had focused his criticisms on the economic failures of the Christian Democrats, won the election convincingly with 53.8% of the vote, more than the majority necessary to win in the first round. He was followed by Fidel Chavez Mena of the Christian Democratic Party (PDC) with 36.5% of the vote, Rafael Moran Castaneda of the National Conciliation Party (PCN) with 4.0%, and Guillermo Ungo of the Democratic Convergence (CD) with 3.8%.

ARENA Government under Cristiani

Alfredo Cristiani was inaugurated as President for a 5-year term (1989-1994) on June 1, 1989, marking the first peaceful transfer of power from one elected civilian to another in El Salvador's history. Cristiani must deal with many of the same problems as his predecessors. The main problems confronting Cristiani are the languishing economy, the increase in politically motivated killings, and the escalating war.

Economy. A critical problem for Cristiani is to revive the economy. Under Duarte, El Salvador experienced some economic growth, averaging 1% to 2% in the last five years; but in per capita terms the growth has been minimal or negative, and El Salvador's per capita GDP in 1988 is slightly less than what it was in 1984. During the presidential campaign, ARENA criticized the Christian Democrats for economic mismanagement and charged that "socialist-oriented" policies had weakened private enterprise, with the result that conditions for the poor worsened.

In his inaugural speech, Cristiani promised to rescue the nation by the adoption of free market policies and the "progressive liberation of our economic activities" from government interference. Proposing to modify the major reforms adopted in 1980, he promised to end the state monopoly on the export of coffee, and to permit private banks to compete with nationalized banks. While denying any intention to reverse the land reform program, he indicated that the government will allow peasants to choose whether to retain collective or individual title to property obtained through reform programs. To deal with the poorest sectors of society, he stated that a primary goal over the next 5 years would be to eradicate extreme poverty as much as possible through a national emergency program to generate productive employment and improve the food situation of families. However, some of Cristiani's economic policies have been criticized for raising the prices of transportation and basic staples, with adverse consequences for the poorer sectors of society.

Human Rights Situation. Another major problem is the worsening human rights situation, symbolized by the escalating number of political assassinations by extremists of the right and left, but exacerbated by the guerrillas' military offensive in November 1989. Even before Cristiani took office, various human rights monitoring organizations reported an increase in rightist death squad activity and security forces abuses, as well as mounting attacks by the FMLN guerrillas. Although Cristiani is viewed as representing the moderate wing of ARENA, some observers fear that human rights abuse will increase under the ARENA government because some ARENA members -- including party founder Roberto D'Aubuisson -- have been linked with death squads in the past, and some ARENA members have been critical of the Christian Democrats for paying too much attention to U.S. concerns with human rights. At the same time, the FMLN guerrillas escalated their use of political assassinations, particularly in the cities.

In 1989 the guerrillas were accused of killing innocent victims with car bombs and land mines, slaying 12 mayors, murdering several anti-guerrilla intellectuals, and assassinating other prominent persons, including guerrilla defector Miguel Castellanos in February, Attorney General Roberto Garcia Alvarado in April, Minister of the Presidency Jose Antonio Rodriguez Porth in June, and former President of the Supreme Court and prominent rightist politician Francisco Jose Guerrero in late November.

Incidents of prominent assassinations where rightists were suspected increased sharply in 1989 as well, with death squads or government security forces being accused of killing 10 persons when the headquarters of the anti-government National Federation of Salvadoran Workers (FENASTRAS) union and the COMADRES human rights office were bombed in late October, of assassinating three regional leaders of the leftist Popular Social Christian Movement (MPSC) on November 6, and of brutally murdering six prominent Jesuit priests associated with the Central American University on Nov. 16, 1989.

In this environment, leftist politicians like Guillermo Ungo and Ruben Zamora, who returned to El Salvador in late 1987 and campaigned openly in the 1989 elections for a negotiated settlement of the conflict under the banner of the Democratic Convergence, sought refuge, while the Salvadoran Attorney General wrote a personal letter to the Pope urging that certain priests be removed for their own safety.

In his inauguration speech, Cristiani stressed that he would attempt to end terrorist violence "through the clear and legitimate enforcement of law." In his first major legislative initiative, Cristiani, on June 23, 1989, proposed a controversial package of amendments to the penal code that has been labeled an anti-terrorism law. These proposed changes would make it a crime -- punishable by long prison terms -- to possess or disseminate propaganda that "subverts the public order," or to encourage international organizations to "intervene" in El Salvador's affairs by denouncing human rights violations in the country. Critics have denounced the package as a threat to opposition political groups and to freedom of the press. Given the flood of criticism, Cristiani postponed action on the penal code changes; but on Nov. 23, 1989, in the midst of the guerrilla's major military offensive, the dominant ARENA party pushed the measure through the Legislative Assembly by a 45-0 vote, with the Christian Democrats abstaining. On the same day, the respected *Al Dia* television news program ended programming to protest alleged government censorship. Cristiani vetoed the legislation because it was susceptible to subjective judgements and sent it back to the Legislative Assembly for modification.

Following the guerrilla offensive, several church and human rights organizations came under intense government scrutiny, and Salvadoran security forces raided the offices of Catholic, Baptist, Lutheran, and Episcopal churches on grounds of suspected ties to the guerrillas. In these raids, security forces have questioned a number of Americans, including Jennifer Casolo, associated with the Texas-based Christian Education Seminar, who was arrested on November 26 when ammunition, grenades, and explosives were discovered wrapped and buried in her back yard. Most of the Americans were released on the condition that they leave the country, and one of these, Josephine Beecher, who worked at an Episcopal refugee sanctuary, charged in New York on Nov. 29, 1989, that she was blindfolded, tortured, and interrogated in Treasury Police headquarters in San Salvador while a U.S. vice consul was in the building and did nothing to intervene. Jennifer Casolo was released from jail and deported to the United States on Dec. 13, 1989, when a Salvadoran judge ruled that there was insufficient evidence against her. At a news conference at La Guardia airport she charged that Salvadoran authorities had framed her and criticized Bush Administration officials for not presuming her innocence.

Investigation of the Nov. 16, 1989, murder of six prominent Jesuit priests and two housekeepers is seen as a major human rights test for the Cristiani government. Shortly after the crime, Catholic Church officials charged that the army was linked to the killings. This conclusion was apparently reached partly on the basis of the testimony of a housekeeper, and partly on the circumstantial evidence that army troops had searched the priests' residence several days before, that troops were posted nearby on the night of the crime, that a nationwide curfew was being enforced by the military as a result of the guerrilla offensive, and that military personnel were subsequently overheard gloating over the killings. The housekeeper, Luisa Cerna, after testifying before a Salvadoran judge, on Nov. 23, 1989, that she observed armed men dressed in military uniform on the night of the crime, was flown to safety in the United States amid tight security, but she subsequently charged that she was harshly interrogated by FBI and Salvadoran officials over several days and pressured to change her story. Archbishop Rivera y Damas and officials of the Association of Jesuit Colleges and Universities accused U.S. officials of intimidating the witness, while U.S. embassy sources claimed that Cerna gave different versions of her story

and failed six lie detector tests. President Cristiani announced on Jan. 7, 1990, that the investigation by the Special Investigative Unit indicated that members of the military, later identified as elements of the elite Atlacatl Immediate Reaction Battalion, were responsible for the killing of the priests and said he had formed a special honor commission of military officers and civilian lawyers to make sure that those responsible were brought to justice. Following the honor commission investigation, the case was turned over to the civilian judge in the Forth Penal Court who found, on Feb. 19, 1990, that there was adequate evidence to detain four officers and five enlisted men (one of which was not apprehended) in the case. Among those charged were three lieutenants and Colonel Benavides, the head of the Military Academy, who allegedly ordered the members of the Atlacatl Battalion under his command during the offensive to carry out the murders.

Military Conflict and Negotiations. A third major problem is the military conflict with the guerrillas, which waxed and waned throughout the year, with several pauses when the sides explored peace initiatives, but escalated dramatically in November 1989 when the guerrillas launched a country-wide offensive that was characterized as the most serious in the 10-year conflict. After a slowdown in early 1989 associated with the election period peace proposals, the Salvadoran army launched a more aggressive campaign, but the FMLN also increased operations with a new optimism, in part because of the increased polarization in the country resulting from the ARENA election, and in part because of the arrival of new Soviet-bloc weapons, including AK-47s and Dragonov rifles used against army helicopters.

After a series of peace proposals and counterproposals by both sides, guerrilla and government representatives met in Mexico City on Sept. 13-15, 1989, and agreed on procedures for regularly scheduled peace talks. Building upon the guerrillas' election period proposals and Cristiani's inaugural proposal for a permanent dialogue to achieve peace, both sides seemed to make accommodations following the August 1989 summit in Tela, Honduras, where the Central American presidents called on the parties in El Salvador to enter into a dialogue to achieve national reconciliation and to end hostilities in keeping with similar efforts in Nicaragua. In this period, the guerrillas declared a September 13-23 truce, offered a 3-stage peace plan, and agreed to meet outside of El Salvador, while the government adopted a defensive military posture during the truce and agreed to allow the Catholic Church to play a mediating role in the talks. Under the "Mexico Agreement" on procedures, the parties agreed to meet regularly at 30-day intervals, beginning in mid-October, and both sides committed themselves not to withdraw unilaterally from the dialogue process.

The first substantive talks, focusing on cease-fire proposals, were held in San Jose, Costa Rica, on Oct. 15-18, 1989. While no significant breakthroughs were achieved, the parties agreed to meet again on November 20-21 in Caracas, Venezuela. The major stumbling block to agreement was the parties' differing conceptions of a cease-fire. For the FMLN guerrillas, a cease-fire must be part of a comprehensive settlement that deals with many of the underlying causes of the insurgency. They proposed, in line with their mid-September 3-stage peace plan, to negotiate a cease-fire in the first phase under which the government would agree to reform the judicial system, to move up the 1991 legislative elections, to purge and professionalize the armed forces (including dismissal of much of the military's current leadership), to prosecute persons involved in death squad activity and the murder of Archbishop Romero, and to maintain the 1980 land and banking reforms. For the government,

a cease-fire is an initial act of good faith, after which negotiations can proceed on measures to insure the incorporation of the FMLN into the political life of the country. The government proposed agreement on an immediate cease-fire, with human rights guarantees, to be monitored by the International Support and Verification Commission set up by the Central American presidents and to be guaranteed by the U.N. Secretary General, the OAS Secretary General, and Pope John Paul II. In addition, the government proposed an inter-party review of the electoral system, the administration of justice, and policies to overcome the economic crisis.

The mood for talks was restricted and eventually closed by the series of political assassinations mentioned above, with the FMLN suspending participation in the peace talks following the killing of the labor union leaders in the October 31 bombing of the FENASTRAS union headquarters.

Fighting escalated dramatically on November 11 when the guerrillas launched a coordinated, country-wide military offensive, with attacks on military headquarters in major cities, assaults on the official and personal residences of President Cristiani, and takeover and sustained control of several poor neighborhoods in San Salvador, although the popular uprising called for did not materialize. The Salvadoran army generally regained control after 10 days of house-to-house fighting accompanied by strafing, rocketing, and in some cases bombing attacks on the neighborhoods by helicopters and planes. Even while withdrawing from some neighborhoods, the FMLN surprised the army by raiding some of the wealthier neighborhoods of San Salvador on November 21, in the process seizing one part of the luxury Sheraton Hotel and trapping a number of Americans, including 12 soldiers on short-term assignments, until the guerrillas slipped away during the evening before U.S. special forces dispatched by President Bush were deployed. The guerrillas renewed fighting in the eastern part of the country on November 29 and once again raided wealthy neighborhoods in San Salvador where many high ranking Salvadoran military officers and U.S. embassy officials live. Seeking to reduce unnecessary risk, 282 American officials and dependents were given accelerated vacations and temporarily evacuated from the country on Nov. 30, 1989. Not long after that, the insurgency returned to previous levels of activity, and dependants returned after the Christmas holidays.

Related to the fighting are the mounting Salvadoran charges of Nicaraguan involvement in the supply of increasingly sophisticated weapons to the guerrillas. Following upon the capture in Honduras on Oct. 19, 1989, of a major shipment of arms from Nicaragua allegedly bound for the Salvadoran guerrillas, the Salvadoran army found on November 25 a crashed twin-engine airplane carrying Soviet bloc SA-7 anti-aircraft missiles and other weapons. While identification was lacking, some of the documents linked the dead crew members to Nicaragua and to Cuba. Another burnt-out airplane was discovered that reportedly landed and was offloaded before being set afire after experiencing mechanical difficulties. While the guerrillas have not previously used the shoulder-fired, anti-aircraft weapons that observers believe might seriously escalate the nature of the conflict, FMLN leaders in Managua subsequently confirmed that it has such weapons, although Sandinista officials denied that Nicaragua supplied such weapons. Charging Nicaragua with supplying sophisticated arms to the guerrillas, El Salvador suspended diplomatic and commercial relations with Nicaragua on November 26, and President Cristiani said he would not attend the regional summit meeting scheduled for early December in Managua.

President Bush raised the issue with President Gorbachev in their Malta summit of Dec. 2-3, 1989, and although there were some previous reports of Soviet chastisement of Nicaragua and Cuba, the Soviet position was that the Soviet Union had ceased shipments of arms to the region and that Nicaragua had assured them of non-involvement as well.

The five Central American presidents, meeting in San Isidro de Coronado, Costa Rica, on Dec. 10-12, 1989, expressed support for the Cristiani government and demanded that the FMLN guerrillas halt their military offensive and return to negotiations to end the conflict. The final declaration vigorously condemned "armed and terrorist actions conducted by rebel forces in the region" and asserted that "the use of force and terror to attain political goals and objectives must be ruled out." The presidents expressed solid support for the democratically elected Cristiani government seeking to find a solution to the conflict through peaceful and democratic means, and "reiterated their vehement call to the FMLN for an immediate and effective cessation of hostilities ... and for its reincorporation into the dialogue process that had already begun." The presidents asked the U.N. Secretary General to promote the resumption of the government-guerrilla dialogue, and urged the International Commission of Support and Verification to continue working for the "demobilization" of the FMLN guerrillas as well as the Nicaraguan Resistance "contras" in accordance with previously approved plans. The FMLN initially rejected "with indignation the presidents' declaration because ... it gives unconditional support to the principal violator of human rights in the region." Then it agreed to U.N.-brokered talks, but backtracked when a prominent politician -- Hector Oquela of the social democratic MNR -- was killed in Guatemala on Jan. 12, 1990.

FY1991 Aid Request

The Administration's request for FY1991 is for a total of \$375.4 million, of which \$64.1 million is for Development Assistance, \$39.4 million is for Food Aid, \$180 million is for Economic Support Funds, and \$91.4 million is for Military Aid. Except for military assistance, the FY1991 request is nearly identical to the request for FY1990, which was not fully funded, primarily because of the shortfall of worldwide assistance. The FY1991 request for \$91.4 million in total military aid is less than the FY1990 request (\$98.6 million), but more than the \$86.6 million permitted by Congress for FY1990.

According to the Department of Defense, the primary purpose of the military aid is to sustain increased Salvadoran military operations against the guerrillas, and to support the armed forces with training and equipment improvements. The funds are to provide training, ammunition, light attack aircraft, helicopters, small patrol boats, and medical support so that the Salvadoran armed forces can become a modern counter-insurgency force with the basic equipment needed for mobility, command and control, and interdiction.

According to the Agency for International Development (AID), the goals of economic assistance (development aid, ESF, food aid) are to: (1) stabilize the economy and a deteriorated political and social situation through balance of payments support, reconstruction aid, and a program to reintegrate the nation's displaced population into the economy; (2) facilitate structural adjustments to achieve sustained economic recovery and growth through agricultural and industrial recovery programs,

private sector support, and the promotion of small-scale businesses; (3) broaden the benefits of growth for the majority through support for agrarian reform, housing development, health, family planning, education, and scholarships; and (4) strengthen democratic institutions through support for judicial reform, elections, democratic labor organizations, and local government.

Key Issues

(1) How much military aid should the United States provide?

The National Bipartisan "Kissinger" Commission on Central America in early 1984 recommended that the United States provide significant military aid to allow the Salvadoran military to carry out an effective and humane counter-insurgency effort. Proponents of this view argue that properly trained and equipped Salvadoran armed forces can be successful against the leftist guerrillas backed by Cuba, Nicaragua, and the Soviet Union, without any combat involvement by the United States. Were it not for U.S. military assistance, they argue, the country would by now have fallen into the communist camp, with serious strategic consequences for the United States.

Critics argue that large-scale military assistance to El Salvador has strengthened repressive military elements who are responsible for many of the human rights abuses. They contend that large amounts of military aid have encouraged the search for a military solution in the country rather than exploration of a negotiated political settlement between the government and the guerrillas. They fear that the United States might be drawn into direct involvement in the conflict as it was in Vietnam. These critics argue that military aid should be reduced and that a larger portion of U.S. aid should be directed to reform and development projects.

In 1988 and 1989, Congress required that 25% of Economic Support Funds be used for development assistance purposes. In 1989, Congress, in a break from recent practice, limited foreign military funding to \$85 million, rather than the \$97 million requested, although this was about the same amount provided in the previous year.

(2) Should the United States provide attack aircraft and rapid-fire helicopter gunships to the Salvadoran military?

Critics have argued that the U.S. supply of certain types of military equipment increases civilian casualties in the country. They argue that the Salvadoran Air Force, supplied by the United States with A-37 "Dragonfly" jet fighter-bombers and UH-1H Huey helicopters, has engaged in indiscriminate bombing attacks on civilian populations. Proponents argue that helicopters are vitally important to counter insurgency advantages of initiative and surprise, that Salvadoran pilots do not intentionally conduct indiscriminate bombings, and that civilian casualties are grossly inflated by human rights groups in El Salvador. Reflecting congressional concern, recent foreign aid authorizations and appropriations have required the Administration to notify the relevant committees at least 15 days in advance of the provision of helicopters and aircraft to El Salvador.

(3) What congressional conditions on aid can be effective in promoting respect for human rights and democratic freedoms?

Since 1981, Congress has imposed conditions on military aid to El Salvador. In 1981, it passed a 2-year foreign aid authorization that conditioned all aid on a semiannual certification by the President that the Salvadoran government was making a substantial effort to control the military, to comply with internationally recognized human rights, and to continue the land reform program. In 1983, Congress passed a continuing resolution that withheld 30% of the military aid until Salvadoran authorities obtained a verdict in the trial of the National Guardsmen accused of murdering 4 U.S. churchwomen, and also withheld 10% of the aid until the President certified that the Salvadoran government had not taken any action to "alter, suspend, or terminate" the land reform program. In 1984, it passed another continuing resolution requiring consultation and substantial progress in the reduction of death squad activities, elimination of corruption, improvement in the performance of the military, and progress toward a peaceful resolution of the conflict. Since 1985, authorization and appropriation measures have required the Administration to make nonbinding semiannual reports on the extent to which the Salvadoran government was making progress to end death squad activities, to control indiscriminate attacks by the military, to establish an effective judicial system, and to implement the land reform program. Aid would not be terminated, however, even if progress was not made; although the measures did set aside \$5 million in military assistance each year until all legal avenues are exhausted to bring to trial those responsible for the January 1981 murder of the U.S. land reform experts, and did specify that all aid would be suspended if President Duarte were overthrown by a military coup.

Proponents of tough conditions argue that the United States should use the available leverage to encourage an improvement in human rights conditions and a continuation of the political and economic reforms, particularly the land reform program, to weaken the guerrillas' appeal for the peasants. They argue that tough conditions have been effective in reducing human rights abuses and in demonstrating that a termination of the land reform or a military coup against the government would not be acceptable to the United States.

Critics of binding conditions argue that progress in El Salvador, particularly since 1984, has been about as good as could be expected in a war. They argue that tough conditions tend to encourage "certification offensives" by the guerrillas to inspire overreaction by the Salvadoran military, that they have the appearance of being imposed by the United States, that they make military aid contingent upon a series of high-profile "snapshots" rather than on long-run developments, and that they tend to focus more criticism on the Salvadoran government than on the guerrillas. They fear that binding conditions might undermine effective counter-insurgency efforts, discredit moderate elements in the government, and lead to a right-wing coup and the rejection of U.S. assistance and advice.

(4) Should the United States provide police aid to El Salvador?

In 1974, Congress passed Section 660 of the Foreign Assistance Act which prohibited the United States from providing financial support, training, or advice for the police, prisons, or other law enforcement forces of any foreign country. In 1985, however, an amendment to Section 660 was passed that waived the general police aid

prohibition for El Salvador and Honduras for FY1986 and FY1987, provided the President determined that the countries had made significant progress within the last 6 months in eliminating human rights violations. For FY1986, the Administration provided \$3.1 million in police training to El Salvador under the waiver, and in 1987, \$14 million was provided, after significant controversy.

Supporters of police aid argue that U.S. assistance is necessary to improve El Salvador's ability to deal with urban terrorism in the country. They point to El Salvador's improved human rights record in general and in particular to human rights improvements on the part of the public security forces. They believe that training in professional and humane counterterrorism techniques and the provision of needed equipment will deter terrorism and encourage the necessary respect for individual rights. Effective police work, it is argued, can often prevent the need for military action, saving lives and money.

Critics argue that human rights abuse and death squad killings, although markedly improved since the early 1980s, are still substantial and continuing. They contend that developments fall short of demonstrating the need for such a high level of police aid. Critics fear that much of the training and equipment provided by the United States could be used for repressive purposes, and may link the United States directly with political police action and human rights abuses.

In 1989, Congress approved \$7 million in administration of justice assistance, and up to \$5 million in police training for El Salvador under demanding conditions.

(5) Should the United States exert leverage to encourage a negotiated settlement of the conflict?

In the early 1980s, Congress sought to encourage a negotiated settlement of the conflict by conditioning aid to El Salvador on progress toward a dialogue with the armed opposition and by resisting requests for increased military assistance on grounds that political and diplomatic solutions had not been exhausted. Beginning in 1985, Congress softened such conditions, but required semiannual reports on the extent to which the Salvadoran government was seeking to achieve an equitable settlement with the rebels. Critics have charged that pressure for a negotiated settlement handicaps and weakens the government in power and may permit the communist-led guerrillas to shoot their way to power without demonstrating their popular support in elections. Proponents argue that a negotiated settlement is the only way to end the deadlock, with neither side able to deliver a decisive blow against the other.

While government-guerrilla negotiations in 1984 and 1987 were unsuccessful, the March 1989 presidential election stimulated efforts to revive the peace talks. After a series of proposals and counter-proposals, representatives of the Cristiani government and the FMLN met in Mexico City on September 13-15, and agreed on procedures for regular, continuing peace talks.

In the first substantive talks, in San Jose, Costa Rica, on October 15-18, the FMLN and the government deadlocked over cease-fire proposals. The government called for an immediate cease-fire and subsequent negotiations over reforms, while the guerrillas insisted that a cease-fire be part of a comprehensive settlement involving

a purging of the military leadership, reforms of the judicial system, the moving up of legislative elections, and prosecution of those responsible for death squad activity. The parties agreed to meet again in Caracas, Venezuela, on Nov. 20-21, 1989, but the guerrillas suspended participation in early November after the bombing of the FENASTRAS headquarters.

The five Central American presidents, meeting in San Isidro, Costa Rica, on Dec. 10-12, 1989, called upon the parties to return to peace talks with the facilitation of the U.N. Secretary General, and Cristiani indicated a willingness to enter into such talks. After initial rejection, the guerrillas indicated a willingness to participate, but they backed off when prominent leftist Hector Oqueli was killed in Guatemala on Jan. 12, 1990, and they seem to be demanding that the U.N. Secretary General play a major mediation role.

Congressional Action

FY1990-91 Foreign Aid Authorization

The House passed a foreign aid authorization bill (H.R. 2655) on June 29, 1989, which limited foreign military financing for El Salvador to \$85 million (rather than the \$97 million requested) and imposed demanding conditions on the release of most forms of aid for the first time since 1984; but it also passed an amendment that permitted police aid for El Salvador under certain conditions. The Senate has not completed action on a foreign aid authorization measure. The Senate Foreign Relations Committee's report (S.Rept. 101-80) on S. 1347 would limit foreign military financing for El Salvador to \$90 million and would permit police aid for El Salvador under conditions similar to those in the House-passed bill. The committee report also calls for reports on the role of U.S. military advisors and the Administration of Justice program in El Salvador.

FY1990 Foreign Aid Appropriations

The House passed a foreign aid appropriation bill (H.R. 2939) on July 21, 1989, which followed the authorization measure in limiting foreign military financing for El Salvador to \$85 million (rather than the \$97 million requested). In other regards the legislation is similar to recent appropriation acts in that it withholds \$5 million in military aid pending action on certain cases and requires reports on the investigation of specified murders and on progress in ending human rights abuse. The Senate passed H.R. 2939 on Sept. 26, 1989. Acting on El Salvador provisions on September 20, it accepted the sections of the bill which were similar to those in the House-passed bill, but it rejected the tough restrictions recommended by the Appropriations Committee, and it approved amendments to provide \$90 million in military sales for El Salvador and to permit up to \$12 million in police training for El Salvador under certain conditions.

House-Senate conferees filed the conference report on H.R. 2939 on Nov. 11, 1989, providing \$85 million in military financing, \$7 million in administration of justice assistance, and up to \$5 million in police training for El Salvador, and disagreements between the Houses were resolved on November 14-17, but the

President vetoed the bill on Nov. 19, 1989. Acting on a new bill on November 20, the House and Senate approved H.R. 3743, with similar provisions on El Salvador, after rejecting attempts in each House to add a new provision to withhold 30% of military assistance to El Salvador pending evidence of prosecution of those responsible for the Nov. 16 murder of six Jesuit priests. In related action, both Houses passed bipartisan resolutions (H.Con.Res. 236/S.Res. 217) in the last days of the session that deplored the violence in El Salvador by the FMLN guerrillas and the death squads, called upon the government and guerrillas to resume peace talks, and warned the government that the success of efforts to prosecute those responsible for the murders of the six Jesuit priests would be seriously considered in the provision of future assistance to the country.

Resolutions in the First Session Related to Future Assistance

Seeking to send a balanced and clear message to the various actors in El Salvador in the context of the significant upsurge of violence in the country, both Houses passed bipartisan resolutions by large majorities in the last days of the first session. The House passed H.Con.Res. 236 by 409-3 on November 20, and the Senate passed S.Res. 217 by a unanimous vote of 99 yeas on Nov. 21, 1989. With nearly identical wording, the resolutions deplored the escalating violence in El Salvador by the FMLN guerrillas and the death squads, called upon the government and guerrillas to disengage military forces and to resume peace talks, stated "unequivocally" that the question of aid to El Salvador will be carefully reviewed and considered if the Salvadoran government fails to make every good faith effort to prosecute and punish those responsible for the November 16 murder of six Jesuit priests and two women, and requested the Administration to render a full report on the status of the investigation of the six priests' case by Feb. 20, 1990.

On Dec. 6, 1989, Speaker of the House Foley appointed a committee headed by Representative Moakley to monitor the investigation of the killings of the Jesuit priests.

Bills Introduced in the Second Session

H.R. 3874, introduced by Representative Yates on Jan. 23, 1990, would stop the flow of current aid by rescinding all forms of assistance appropriated for El Salvador for FY1990. The bill was referred to the House Appropriations Committee.

S. 2083, introduced by Senator Kerry on Feb. 6, 1990, with 5 cosponsors, would cut off military aid and ESF funds (except for funds channeled through churches, or PVOs) for El Salvador until the President submits a new request for assistance after certifying that certain conditions are met, and Congress enacts a joint resolution authorizing such assistance. The conditions to be met are: that those responsible for killing the Jesuit priests and Hector Oqueli be brought to justice; that church, union, and human rights groups be guaranteed fundamental rights; that military or security force officers implicated in the death squad killings be removed from service; that the police force be separated from military control; and that the government be engaged in good faith efforts to achieve a negotiated settlement of the conflict. The bill was referred to the Senate Foreign Relations Committee.

S. 2125, introduced by Senator Dodd on Feb. 8, 1990, conditions all military assistance for El Salvador on the Salvadoran government's willingness to enter into negotiations with mediation by the U.N. Secretary General; withholds 50% of unexpended military aid for FY1990 and subsequent years unless (a) the FMLN guerrillas refuse to participate in negotiations under U.N. mediation, or the President certifies that an FMLN offensive jeopardizes the survival of the government; terminates all U.S. assistance if Cristiani is overthrown; conditions all assistance on quarterly determinations by the President, subject to congressional resolutions of disapproval, that the Salvadoran government has demonstrated full observance of internationally recognized human rights, including prosecution of those responsible for the killing of the Jesuit priests and the FENASTRAS union leaders. The bill was referred to the Senate Foreign Relations Committee.

