

SECRET

PAGE 01 SAN SA 12133 01 OF 03 232331Z  
ACTION SS-01

INFO LOG-00 ADS-00 /001W  
-----980E36 232331Z /38  
P 232326Z SEP 91  
FM AMEMBASSY SAN SALVADOR  
TO SECSTATE WASHDC PRIORITY 0897  
USCINCSO QUARRY HEIGHTS PM

RELEASED IN PART  
B1,25X1

SECRET SECTION 01 OF 03 SAN SALVADOR 12133

EXDIS **DECAPTIONED**

E.O. 12356: DECL: OADR  
TAGS: PGOV, PINS, MARR, ES  
SUBJECT: [REDACTED] GIVES  
- AMBASSADOR READ-OUT ON ARENA, CORRUPTION,  
- ESAF COUP-PLOTTING

B1  
25X1

1. SECRET - ENTIRE TEXT.

2. SUMMARY: DURING A SEPTEMBER 17 LUNCH, [REDACTED]

B1  
25X1

[REDACTED] TOLD THE AMBASSADOR OF POWER STRUGGLES INSIDE ARENA RESULTING FROM D'AUBUISSON'S FAILING HEALTH; [REDACTED] ELECTRIC COMPANY PRESIDENT SIGIFREDO OCHOA AS AN ARENERO WHOSE EMPIRE BUILDING NEEDS TO BE HALTED. [REDACTED] ARENA'S INTERNAL DIVISIONS ARE INEXTRICABLY LINKED TO GROWING CORRUPTION IN THE GOVERNMENT, PARTICULARLY AT  
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**REVIEW AUTHORITY: Oscar Olson, Senior Reviewer**

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THE AIRPORT. AS D'AUBUISSON'S BACKERS LINE THEIR POCKETS.  
[REDACTED] DISCUSSED RECENT COUP-PLOTTING IN THE ESAF, SAYNG THAT IF MOD PONCE FAILS TO REMOVE FIRST BRIGADE COMMANDER ELENA FUENTES AND VICE MINISTER OF DEFENSE FOR PUBLIC SECURITY INOCENTE ORLANDO MONTANO BEFORE THE END OF THE MONTH, PONCE'S AUTHORITY WILL BE IRREPARABLY DAMAGED. THE AMBASSADOR STRESSED [REDACTED] IMPORTANCE OF THE PRESIDENT'S RENEWING CONTACT WITH CHRISTIAN DEMOCRATIC SEC GEN FIDEL CHAVEZ MENA AND THE NEED FOR THE GOES TO SERIOUSLY ADDRESS THE UPCOMING REVIEW OF EL SALVADOR'S BENEFITS UNDER THE GENERALIZED SYSTEM OF PREFERENCES. END SUMMARY.

ARENA POWER STRUGGLES

Classification Extended on : 10/07/2014 ~ Class: SECRET ~ Reason: 25X1

3. DURING A SEPTEMBER 17 LUNCH [REDACTED]  
[REDACTED]

B1  
25X1

TOLD THE AMABASSADOR THAT, ALTHOUGH HE EXPECTED ARENA'S SEPTEMBER 30 BI-ANNUAL PARTY CONGRESS TO GO SMOOTHLY AND SAN SALVADOR MAYOR ARMANDO CALDERON SOL TO BE REELECTED PARTY PRESIDENT, THE DECLINING HEALTH OF PARTY FOUNDER ROBERTO D'AUBUISSON HAD WEAKENED ARENA TO AN EXTENT UNIMAGINABLE SIX MONTHS AGO. D'AUBUISSON'S FIRST CONCERN [REDACTED] IS TO CLEAR UP HIS DEBTS AND SEE THAT HIS FAMILY IS TAKEN CARE OF AFTER HIS DEATH. D'AUBUISSON HAS DECIDED TO ENTRUST HIS FAMILY'S FUTURE TO EX-COLONEL SIGIFREDO OCHOA PEREZ, THE PRESIDENT OF CEL (THE ELECTRIC COMPANY),  
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[REDACTED] FURTHER STRENGTHENING OCHOA'S ALREADY STRONG HAND. [REDACTED] AS PRESIDENT OF CEL, OCHOA COMMANDS A BUDGET OF A BILLION COLONES (125 MILLION DOLLARS) A YEAR, HELICOPTERS, A FLEET OF CARS, AND MANY PATRONAGE POSITIONS, ALL OF WHICH HE HAS USED TO GRANT FAVORS TO SUPPORTERS AND BOLSTER HIS POSITION WITHIN ARENA. WITH D'AUBUISSON'S BACKING, OCHOA IS POISED [REDACTED] TO SUCCEED D'AUBUISSON AS THE POWER BEHIND THE SCENES IN ARENA.

4. IN AN EFFORT TO PUT A HALT TO OCHOA'S EMPIRE BUILDING [REDACTED] HANDFUL OF TOP ARENA LEADERS (AMONG THEM CRISTIANI [REDACTED])

B1  
25X1

[REDACTED] HAD DECIDED IN MID-JULY TO REMOVE OCHOA FROM THE CEL PRESIDENCY AND INSTALL COENA MEMBER BILLY SOL. BEFORE CRISTIANI COULD TRAVEL TO HOUSTON TO INFORM D'AUBUISSON OF THE DECISION, HOWEVER, BILLY SOL WAS KIDNAPPED, AND PLANS TO REPLACE OCHOA FOUNDERED WHEN NO OTHER TAKERS COULD BE IDENTIFIED

[REDACTED]

B1  
25X1  
25X6

5. THE NEW PLAN [REDACTED] IS FOR CRISTIANI TO OFFER TO PAY D'AUBUISSON'S DEBTS AND ENSURE HIS FAMILY'S FINANCIAL SECURITY IN AN EFFORT TO CLEAR D'AUBUISSON'S MIND OF HIS PRINCIPAL PREOCCUPATION AND REDUCE HIS PERCEIVED NEED TO FORGE AN ALLIANCE WITH OCHOA. [REDACTED] CONCERN ABOUT D'AUBUISSON'S

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ATTEMPT TO STEER THE PARTY IN A MORE "POPULIST"  
DIRECTION BEFORE THE 1994 ELECTIONS AND HIS EFFORTS  
TO DEVELOP NEW FUNDING SOURCES TO FREE THE PARTY FROM  
DEPENDENCE ON OLIGARCHIC FINANCIAL BACKERS. [REDACTED]  
FEARED THAT "INDEPENDENCE FROM OLIGARCHIC FUNDS" WAS  
BECOMING A RALLYING CRY FOR GOVERNMENT WORKERS,  
ESPECIALLY IN POTENTIALLY LUCRATIVE AREAS SUCH AS

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INFO LOG-00 ADS-00 /001W  
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P 232326Z SEP 91  
FM AMEMBASSY SAN SALVADOR  
TO SECSTATE WASHDC PRIORITY 0898  
USCINCSO QUARRY HEIGHTS PM

S E C R E T SECTION 02 OF 03 SAN SALVADOR 12133

EXDIS

E.O. 12356: DECL: OADR  
TAGS: PGOV, PINS, MARR, ES  
SUBJECT: [REDACTED] GIVES

B1  
25X1

IMMIGRATION AND CUSTOMS, TO ENGAGE IN CORRUPTION. AS  
THEY LINE THEIR POCKETS AND PERHAPS CONTRIBUTE SOME  
OF THEIR ILL-GOTTEN GAINS TO PARTY COFFERS [REDACTED]  
[REDACTED] ARENA'S GREAT ELECTORAL STRENGTH--ITS CAMPAIGN  
THEME OF GOOD GOVERNMENT, CONTRASTED TO THE CORRUPTION  
OF THE CHRISTIAN DEMOCRATS--WOULD BE SQUANDERED AND  
THE PARTY'S FUTURE SERIOUSLY JEOPARDIZED.

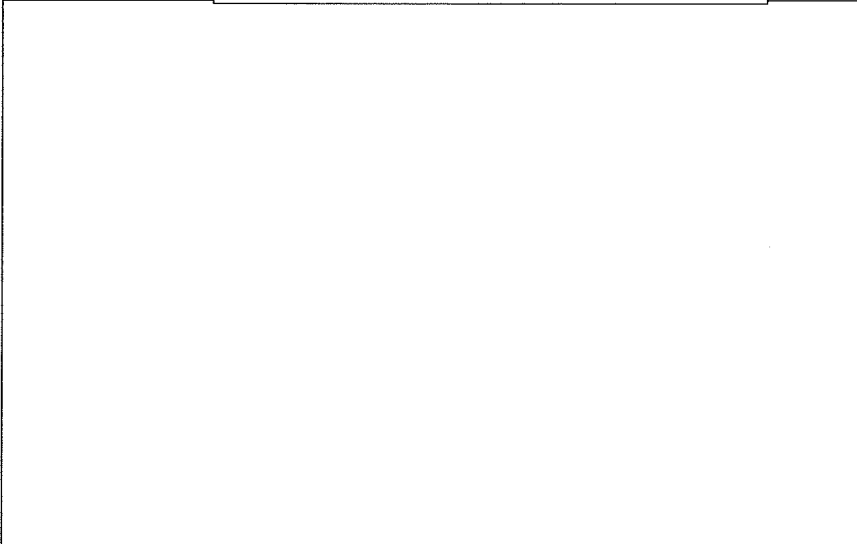
B1  
25X1

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CORRUPTION  
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6. THE CORRUPTION AT THE AIRPORT, IN IMMIGRATION AND  
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CUSTOMS, [REDACTED] IS PART OF THE STRUGGLE  
WITHIN ARENA. [REDACTED]



B1  
25X1  
25X6

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ESAF COUP PLOTTING  
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7. AS BAD AS THINGS ARE INSIDE ARENA AND WITH  
CORRUPTION IN PARTS OF THE GOVERNMENT [REDACTED]  
THEY ARE WORSE WITHIN THE MILITARY. NOW THAT FIRST  
BRIGADE COMMANDER ELENA FUENTES AND VICE MINISTER OF  
DEFENSE FOR PUBLIC SECURITY INOCENTE ORLANDO MONTANO  
HAVE BEEN FAIRLY BLATANT IN PLOTTING A COUP AGAINST  
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THE PRESIDENT [REDACTED] PONCE NEEDED TO AT LEAST  
TRANSFER THEM, PREFERABLY BEFORE THE END OF THE MONTH,  
OR FACE A DEBILITATING EROSION OF HIS AUTHORITY.



B1  
25X1  
25X6

[REDACTED] PONCE COMMANDS NO TROOPS AND HAS SO LITTLE BACKING WITHIN THE TANDONA THAT HE WILL HAVE TO REACH DOWN TO MORE RECENT TANDAS TO FIND A BASE OF SUPPORT.

B1  
25X1  
25X6

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AMBASSADOR CALLS FOR CRISTIANI-CHAVEZ MENA MEETING;  
URGES GOES TO ADDRESS GSP REVIEW  
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8. THE AMBASSADOR CLOSED THE MEETING BY MAKING A STRONG PITCH [REDACTED] ABOUT THE NEED FOR CRISTIANI TO RENEW CONTACT WITH CHRISTIAN DEMOCRATIC (PDC) SECRETARY GENERAL FIDEL CHAVEZ MENA AS SOON AS CRISTIANI RETURNS FROM THE U.S. CHAVEZ MENA IS LOOKING FOR WAYS TO BE HELPFUL ON THE PEACE ISSUE, THE AMBASSADOR ARGUED, AND RECENT PARTISAN BATTLES HAVE DONE NOTHING TO NUDGE EL SALVADOR DOWN THE PATH OF RECONCILIATION. [REDACTED] THAT THE GOES/ARENA  
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B1  
25X1

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NEEDS TO BRING THE PDC OPPOSITION BACK ON BOARD AND [REDACTED] URGE CRISTIANI TO SET UP A MEETING WITH CHAVEZ MENA SOON AFTER THE PRESIDENT'S RETURN.

9. THE AMBASSADOR ALSO WARNED [REDACTED] THE POTENTIAL FOR EL SALVADOR TO LOSE ITS BENEFITS UNDER THE GENERALIZED SYSTEM OF PREFERENCES (GSP) UNLESS THE

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INFO LOG-00 ADS-00 /001W  
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FM AMEMBASSY SAN SALVADOR  
TO SECSTATE WASHDC PRIORITY 0899

USCINCSO QUARRY HEIGHTS PM

S E C R E T SECTION 03 OF 03 SAN SALVADOR 12133

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E.O. 12356: DECL: OADR  
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GIVES

B1  
25X1

GOES TAKES SERIOUS STEPS TO IMPROVE WORKERS' RIGHTS IN EL SALVADOR. THE AMBASSADOR POINTED OUT THAT HE HAD FIRST RAISED THIS ISSUE WITH CRISTIANI IN MAY OF 1989, BEFORE CRISTIANI EVEN TOOK OFFICE, AND THAT THE GOES HAD ALLOWED MORE THAN TWO YEARS TO SLIP PAST WITHOUT ADDRESSING THE PROBLEM. WITH THE REVIEW COMING UP IN THE SPRING OF 1992, [REDACTED]

[REDACTED]

[REDACTED] SAID HE WOULD TAKE A

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PAGE 02 SAN SA 12133 03 OF 03 232332Z  
LOOK AT THE ISSUE AGAIN AND MAKE SURE THAT THE LABOR MINISTRY IS BACK ON TRACK.

WALKER

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