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I. EXECUTIVE SUMMARY

Over the past three months, the Secretary of State's Panel on El Salvador has conducted a comprehensive assessment of how the State Department and the Foreign Service handled human rights issues involving that country from 1980 to 1991. The Panel reviewed the public and State Department record, including classified documents. It interviewed over 70 individuals, inside and outside the Department, who were directly involved. It convened a public hearing and heard testimony from 25 witnesses. It paid particular attention to nine of the most egregious cases of human rights abuse reported by the United Nations Truth Commission in March 1993. Throughout, it was mindful of its mandate (1) to review human rights performance, not overall American policy toward El Salvador, and (2) to concentrate on the actions of the State Department and Foreign Service, not the U.S. Government as a whole.

The Panel's basic conclusion is that, within the parameters of overall U.S. policy, the Department and Foreign Service personnel performed creditably -- and on occasion with personal bravery -- in advancing human rights in El Salvador:

-- Ambassadors consistently pushed their staffs to prepare honest, detailed human rights reports for Washington concerning specific abuses and the overall situation.

-- Reporting officers pursued cases aggressively, and the Embassy put steady pressure on the Salvadoran government and military to bring perpetrators to justice.

-- Enormous effort was expended, and modest progress achieved, in developing El Salvador's institutional capacity to deter and punish human rights abusers.

-- Mistakes were certainly made: in dealing with specific cases, in the handling of reporting during one period of the decade, and particularly in the failure to get the truth about the December 1981 massacre at El Mozote. But breakthroughs were achieved as well: in winning the first convictions of Salvadoran security personnel for murders of American and Salvadoran citizens.

Departmental performance was sometimes flawed, particularly in handling the public dimension of human rights policy toward El Salvador:

-- While much of the information provided Congress and the public was factual and straightforward, certain egregious

statements, especially early in the decade, conveyed a message of callousness that the public media magnified.

-- While the Panel found no instances of officials intentionally lying to Congress about El Salvador, there were definitely occasions when policy advocacy spilled over into statements that were perceived as misleading Congress or conveying "disinformation."

-- Dialogue with private human rights organizations was frequently strained and U.S. officials sometimes showed as much interest in countering the arguments of these organizations as in finding ways to work together on human rights issues.

In the course of its work the Panel was struck by how over-heated American political rhetoric concerning El Salvador remained throughout the decade. The core question was often reduced to whether improvement of the terrible human rights situation or prosecution of the war against the leftist forces should be the overriding goal of U.S. policy. The State Department and the Foreign Service worked to implement an Administration policy that sought to achieve both these goals.

Over time the situation in El Salvador clearly improved. Progress was never as fast as the officials, family members, or human rights groups wished it to be. The fundamental decision to try to force the Salvadoran judicial system to work ensured frustrations all around.

A key question before the Panel was whether the change of political rhetoric in Washington following the 1981 Presidential transition led to timidity in reporting on human rights violations from Embassy San Salvador. The Panel found this was not the case. Human rights reporting from the Embassy was good and generally voluminous during the period. The junior officers who did the bulk of the reporting impressed the Panel as intelligent, capable, and not inclined to be intimidated by their seniors. In fact, they were told by their ambassadors to be objective and to pursue cases energetically.

The annual Human Rights Reports on El Salvador were usually published essentially as written by the Embassy. Editing by the Department in the early eighties did not alter the facts as reported but did tend to limit the scope of condemnations of rightist actions and to add details on abuses by the leftists to support the basic U.S. policy framework.

Statements early in the Reagan Administration by Cabinet-level officials raised questions about its support for pressing other governments on human rights violations. The Congressionally-mandated "certification" process in 1982-83 added further doubts about Administration intentions by its requirement that every six months the Executive Branch show progress in El Salvador on human rights and other issues in

order to continue military aid. This encouraged the Department to emphasize the positive to such an extent that it undermined its credibility with the Congress.

The report flags a potential problem for career personnel which arises when officers who have worked on problems as controversial as El Salvador go before the Senate for confirmation for an ambassadorship or senior position in the Department. If the President and Secretary believe an officer is worthy of such important responsibility, they must seek to ensure that past service in controversial areas is not used against the officer.

The final section of this report details recommendations based on the Salvadoran experience for the future conduct and staffing of the Department and of an Embassy placed in such a situation as El Salvador in the 1980s. It also recommends declassification of the bulk of the record.

II. THE SETTING

Introduction: The publication of the United Nations' Truth Commission Report on El Salvador in mid-March 1993 generated considerable press, Congressional, and public interest in the United States. As that three-member international body reminded us, during the 1980s, tens of thousands of Salvadorans were murdered: by right-wing "death squads," by Salvadoran police and armed forces, and by leftist rebels seeking to overthrow the government. The murders were carried out with impunity; only a handful of individuals were brought to trial and convicted.

Throughout this period, the United States provided major aid to the Salvadoran government. The policy had generated sharp controversy, and the publication of the Truth Commission Report revived many of the issues. In particular, news stories contained charges that Administration representatives had ignored or seriously downplayed human rights considerations in carrying out U.S. policy toward El Salvador, that the U.S. Embassy in San Salvador had suppressed reporting on Salvadoran human rights abuses, and that policy officials in Washington had intentionally misled or lied to Congress and the public about conditions there in order to pursue other policy aims.

Secretary of State Christopher called for a review of the Salvadoran question during the decade beginning with the last year of the Carter Administration to assess the validity of the charges and to consider what lessons might be learned by the State Department from the Salvador experience. He established a panel to review the conduct of the Foreign Service, the Embassy, and the Department in dealing with these issues. He chose two of the Foreign Service's most senior retired ambassadors, George Vest and Richard Murphy, as members of the Panel and asked two respected foreign policy scholars, I.M. Destler of the University of Maryland and Carol Lancaster of Georgetown University, to serve as academic advisors. (Professor Lancaster later excused herself from the Panel after being chosen as Deputy Administrator of the Agency for International Development.)

Mandate: Secretary Christopher emphasized to the members of the El Salvador Panel with whom he met on March 30 that he wanted an objective review of the issues. He said that he was not asking the Panel to analyze overall U.S. policy toward El Salvador in the eighties or to investigate the actions of individuals. He directed that the Panel should focus on human rights issues where the integrity of Embassy reporting and activities and the Department's public statements on violations were again being questioned. He recognized the extraordinarily contentious political atmosphere in which the Embassy and the people in the Department had worked. How had our professionals

handled those pressures? He wanted an assessment of the performance of the Foreign Service, the Embassy, and the Department's public stance on human rights to see if suggestions could be made for future situations where our country's diplomats may again work in a similarly highly politicized environment.

The El Salvador Panel was formally established on April 28, 1993, in accordance with the Federal Advisory Committee Act. Its charter states:

> "The Panel will examine the conduct of the Department of State in dealing with the issues raised by the Truth Commission. The Panel's review will include an examination of the Department's and Embassy's human rights reporting, the degree to which full and objective inquiries into abuses by both sides in the conflict in El Salvador were conducted, and the approach taken by the Department to Congressional and public inquiries on these issues. The Panel will take appropriate steps to deal with classified information and to protect personal privacy. The Panel will report to the Secretary of State and make recommendations on appropriate steps by the Department to ensure that it functions in a manner consistent with the highest professional and ethical standards and with our nation's values."

The Panel's mandate was therefore limited in three important respects:

> It was to evaluate not <u>the policy</u> that the United States pursued during this period, but <u>the performance</u> on human rights issues.
>
> It was to assess the performance of <u>Americans, not Salvadorans</u>.
>
> It was to concentrate on <u>the Department of State and the Foreign Service, not the U.S. Government as a whole</u>.

This report therefore should not be read as a judgment on the performance of other key agencies involved, including the Department of Defense and Central Intelligence Agency. Nor did the Panel generally have access to the documents of other agencies. The Panel is pleased, however, that President Clinton has instructed other agencies, as well as the State Department, to review and declassify documents on the period to the extent feasible.

<u>Methodology</u>: The Panel set out to review the public and classified State Department record on U.S. actions on human rights violations in El Salvador from 1980 to 1991 and to interview individuals who had been directly involved. The

assist the Truth Commission formed a core part of that effort. The material in these files consisted of topics specifically requested by the Truth Commission. The Panel also retrieved approximately 2,100 relevant documents from additional listings of over 20,000 items called up from the Department's record. It reviewed highly restricted as well as widely distributed cables and other materials. The Panel made an effort to assemble as much of the public record as could be reviewed in the time available, including Congressional hearings, human rights and certification documents, State Department briefings, reports of interested non-governmental organizations, books, articles, and press items.

The Panel conducted over seventy confidential interviews with people involved in the issue, including three former Secretaries of State, relevant assistant secretaries, personnel from the bureaus of Inter-American Affairs (ARA) and Human Rights and Humanitarian Affairs (HA), U.S. ambassadors to El Salvador, deputy chiefs of mission, other Embassy officers, including in particular the political officers directly charged with human rights reporting, and a sampling of people in Congress, and in human rights and other public organizations. The Panel also held a formal, open hearing at which 25 representatives of such organizations presented testimony or exchanged views.

Its approach was to look at how the Embassy and the Department dealt with human rights issues generally, and in particular at the cases discussed in the United Nations Truth Commission Report. Obviously, the Panel could not study every document or talk with every person relevant to human rights in El Salvador from 1980 to 1991. Rather, it sought to develop a sufficient base of information to respond to the Secretary's mandate.

Background: El Salvador is a small, densely-populated Central American country of just under 5 million people, traditionally dependent on coffee exports. Two percent of the population controlled sixty percent of the land before land reform was instituted in 1980. The disparity between the ostentatious wealth of the few and the grinding poverty of the majority has been evident to all. For decades the government remained firmly in the hands of the military that had brutally repressed a revolt in 1932. Although there were efforts at reform in the 1960s, the regime became increasingly repressive as the seventies progressed and a leftist guerrilla movement gained adherents. During most of this period, the United States paid little attention to El Salvador -- it seldom surfaced as an issue in the U.S. press or Congress -- and efforts to prod the Romero Government to ease repression during the Carter Administration produced few results.

The situation changed importantly with the coup d'état

as the Sandinista takeover in Nicaragua in July 1979, and -- as they affected Washington's world view -- of the Soviet Union's December 1979 invasion of Afghanistan and growing Cuban involvement in Africa and Central America. Some 70 senior members of the Salvadoran armed forces were dismissed following the coup and the civilian-military junta initiated plans for reform. The new government soon collapsed, however, as violence worsened and dissension within the junta increased. It was replaced by a junta that included senior military figures and the Christian Democratic Party led by Jose Napoleon Duarte. This government announced significant economic reforms in March 1980 with land reform as the centerpiece.

Meanwhile, human rights abuses rose sharply. The Truth Commission described the next decade as "a war that plunged Salvadoran society into a nightmare of violence that left thousands upon thousands dead and seared it with criminal forms of terror. . . . Violence was a wildfire that blazed through the fields of El Salvador, invading its villages, cutting off roads, destroying bridges and highways. It devastated energy sources and transmission systems, attacked the cities, penetrated families, and violated holy places and schools. It struck at justice and filled government offices with victims, labeling anyone not on its list of friends as an enemy."

Violence came from both the left and the right, but human rights violations by the right were particularly blatant in the early period. Security personnel from the armed forces and police, often off-duty and working for wealthy landowners who bore the brunt of the land reform program, took part in rightist death squads. Hundreds of victims were killed each week in the early eighties.

El Salvador Becomes a U.S. Political Issue: The Carter Administration reinstated military assistance to El Salvador (which it had halted in 1977) early in 1980 -- despite the strong opposition of certain U.S. human rights and church groups -- to bolster the Duarte-led junta against the growing insurgency movement. U.S. Ambassador Robert White, who served in San Salvador in 1980-81, was vocal in denouncing the death squad violence and pressing the regime for change. But violence accelerated sharply coincident with the transition from the Carter to the Reagan Administration in the United States in late 1980 and early 1981. Some on the far right in El Salvador evidently believed the time was appropriate to settle scores. There were several particularly egregious cases. Six leaders of the opposition Revolutionary Democratic Front (FDR) were kidnapped, tortured, and murdered on November 27; four American churchwomen were brutally killed on December 2; and two American agrarian reform workers from the AFL-CIO-affiliated American Institute for Free Labor Development (AIFLD) and the head of the Salvadoran land reform

program were assassinated in the Sheraton Hotel on January 3.[1] Shortly thereafter the leftist FMLN guerrillas launched their self-styled "final offensive" to overthrow the Salvadoran government.[2]

Suddenly, the Salvadoran backwater became front page news in the United States with gruesome pictures of murdered Americans bringing home the level of human rights violations. At the same time, the incoming Administration elevated the importance of El Salvador as it drew a direct connection between events there and Cuban and Soviet efforts to weaken the U.S. world role. In the words of a State Department memorandum issued in the first weeks of the Administration, which sought to demonstrate the FMLN was armed through Nicaragua: "The insurgency in El Salvador has been progressively transformed into a textbook case of indirectly armed aggression by Communist powers through Cuba." The supply of arms to the FMLN by the Sandinistas became a critical rationale for our support for the contras in Nicaragua as well as for the El Salvador government. Opponents of the Reagan Administration's policy were quick to see a Vietnam analogy in U.S. support for El Salvador, expressing concern that the United States would inevitably be drawn into greater involvement.

The role of human rights in U.S. global strategy became a matter of hot debate as the new Administration took office. There were many references to then Professor Jeane Kirkpatrick's critique of the Carter Administration's foreign policy in a November 1979 Commentary article, which argued that the U.S. could work with authoritarian, as opposed to totalitarian, governments, and encourage their political evolution. The incoming Administration said it would pursue human rights issues more quietly than had the Carter Administration. Secretary Haig announced in his first press conference that while human rights would remain an essential and fundamental aspect of U.S. policy, "international terrorism will take the place of human rights in our concern because it is the ultimate abuse of human rights." The Human Rights Bureau in the State Department remained leaderless for almost a year as the first nominee for Assistant Secretary was withdrawn in the face of Congressional criticism. Finally, remarks questioning the activities and motivations of the murdered

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1. Brief reviews of Embassy and Departmental performance on nine of the most prominent cases are at Appendix B.

2. The Farabundo Martí National Liberation Front (FMLN) was the umbrella organization of the armed opposition forces brought together under Cuban sponsorship in the fall of 1980. The Revolutionary Democratic Front (FDR) noted above was the political arm of the coalition of left-wing parties that worked closely with the FMLN.

American churchwomen by UN Ambassador-designate Jeane Kirkpatrick (in December 1980) and Secretary Haig (in March 1981) provided a target for the policy's opponents who treated those comments as "emblematic" of the Administration's approach to human rights in El Salvador.[3]

In sum, the violence in El Salvador and overheated political rhetoric in Washington, which portrayed advocacy of opposing positions in ideological and apocalyptic terms, set a pattern that framed the debate on human rights in El Salvador through the decade and continues to some degree even today. House Democrats elevated a junior but articulate critic, Michael Barnes, to the chairmanship of the Foreign Affairs Subcommittee on Western Hemisphere Affairs. Senator Christopher Dodd led the Democrats' effort in the Senate and Senator Jesse Helms challenged the Administration from the right.

Virtually a non-issue for Americans only a year before, El Salvador had become one of the principal topics in the foreign policy debate. Church groups became actively engaged, mainly in opposition to U.S. policy, driven in large part by the killings and persecutions of church workers in El Salvador. Across the political spectrum, groups were inclined to assume the worst of any statement or action by anyone with an opposing view, and many clothed their positions in the garb of moral righteousness. The "debate" was described by one participant more as "intellectual ping-pong" than a serious attempt at communication.

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3. Professor Kirkpatrick, who became the Reagan Administration's Ambassador to the United Nations and an important player on Central American issues, was quoted in the Tampa Tribune of December 25, 1980, as having said on December 16: "I don't think that the government was responsible. The nuns were not just nuns; the nuns were political activists. We ought to be a little more clear-cut about this than we usually are. They were political activists on behalf of the Front, and somebody who is using violence to oppose the Front killed them." She later said this was a misquote, that she had said the nuns "were perceived by people in El Salvador as political activists." Secretary of State Haig told the House Foreign Affairs Committee in March 1981: "I would like to suggest to you that some of the investigations would lead one to believe that perhaps the vehicle that the nuns were riding in may have tried to run a roadblock or may have accidentally been perceived to have been doing so, and there may have been an exchange of fire." The assumption of several of the people interviewed was that the Secretary must have seen some speculation in raw intelligence data or a cover story by some in the Salvadoran military. They had not seen the reference themselves. The statement was a clear mistake

Despite this charged atmosphere, the underlying U.S. policy toward El Salvador remained relatively straightforward. Its basic lines -- support for a moderate but shaky government's economic and political reform efforts, assistance to the Salvadoran military to defeat the FMLN, and efforts to improve the country's human rights and social conditions -- had been set by the Carter Administration in 1980. The Reagan Administration followed the same basic policy, but it toughened the rhetorical approach ("drawing the line against Communism"), abruptly changed the leadership of the American Embassy, and the Bureau of Inter-American Affairs (ARA), increased U.S. economic and military aid, pressed for the holding of elections, and took a skeptical approach to internal negotiations.

III. U.S. HUMAN RIGHTS POLICY IN EL SALVADOR

Role of Human Rights in U.S. El Salvador Policy: Much of the criticism of the State Department and the Embassy over the decade derived from an argument whether human rights or prosecution of the war should be the overriding goal of U.S. policy. Critics on the left contended that the Department was willing to overlook human rights abuses by the Salvadoran military in pursuit of success in the war. Critics on the right argued that policies to promote human rights and democratic institutions were weakening the forces the U.S. Government needed to support in the fight against Communism. The State Department's attempt to pursue both goals at the same time satisfied no one at either end of the spectrum. Disputes also focused on the Administration's emphasis on the election process and institution building as ways to secure long-term protection of the human rights of Salvadoran citizens.

A formal instruction from Secretary Shultz to his ambassador in El Salvador in mid-decade put the matter succinctly: In order to ensure El Salvador's security and stability in the short and long term, it was necessary to have "not only a high level of support against the current guerrilla threat, but also assistance in building and consolidating institutions which will lead to Salvadoran national reunification, more peaceful and representative political and judicial processes, and economic development." A specific goal was to "continue to strengthen El Salvador's moderate political center and to promote further development of representative democratic institutions and full respect for human rights." These goals remained constant for most of the period of the Panel's review.

Strong underlying forces ensured that the promotion of human rights would be a critical element of U.S. policy toward El Salvador despite the changes in rhetoric. First, there was an assumption in the State Department that the Salvadoran government and society had to reform and develop a friendly, stable government supported by its people or there would be no hope to avoid an FMLN takeover. Without reform, military aid would be wasted. Second, without improvements in the barbaric human rights practices in El Salvador, support in the United States for aid to that government would collapse. Pressures from Congress, the American public, and interests groups made progress on human rights issues key to continued U.S. assistance. Third, the Foreign Service reflects the nation it serves: human rights are an integral part of what we stand for as a nation and by the 1980s had become an accepted part of the American diplomatic agenda. Fourth, there were legal requirements to prepare the annual Human Rights reports, certifications of Salvadoran human rights performance, etc. As one former Assistant Secretary summed it up for the Panel:

"There was no way to sustain our policy toward El Salvador without an aggressive approach on human rights. It was essential morally and politically."

Pressuring the Salvadoran Government on Human Rights: The files contain reports of sustained efforts by U.S. ambassadors in San Salvador and other members of the Administration to pressure the Salvadoran government and military to improve their record on human rights throughout the period. There is nothing in the record to suggest official indifference on this issue. U.S. ambassadors in San Salvador pressed their message firmly throughout the period that U.S. support for El Salvador was unsustainable if the human rights violations continued. Most did so publicly, as well as in private. The techniques applied included trips to the country by Vice Presidents Bush and Quayle and visits by many senior Washington officials, statements by U.S. leaders to Salvadoran visitors, numerous general and specific démarches by U.S. ambassadors, and continuing efforts by members of the Embassy to get results on specific cases of human rights abuses. The most dramatically successful of these efforts was the trip by Vice President Bush in December 1983. His message to assembled officials and military leaders was blunt: stop the death squads or the President and I will lead the charge in stopping aid to El Salvador. His entourage provided a list of leading military figures who had to be moved out of command positions if U.S. aid were to continue.

The record was certainly not flawless. Despite its skepticism, the Embassy failed to get to the bottom of one of the major atrocities of the war, the massacre of several hundred people by the U.S.-trained Atlacatl Battalion at El Mozote in December 1981. And when Ambassador Hinton made a forthright denunciation of government abuses in an October 1982 speech, its impact was undercut when sources in the White House criticized him for going public and the State Department softened his language upon publication of the address in its

monthly Bulletin.[4] There were other mistakes from the conclusions of a Carter Administration mission following the churchwomen's murder, to some inept public statements, to the handling of conservative political leader Roberto D'Aubuisson, to treatment of key informants in the Jesuit case.

Over the decade, however, the situation clearly improved. Some of the worst offenders were weeded out of the security services. By the mid-eighties, there was a sharp drop in the incidence of right-wing violence. At the same time, left-wing urban violence came to the fore with the killing of the Marines, the attacks on mayors, and the kidnapping of President Duarte's daughter in September 1985. Some critics of U.S. policy argue that the improvement was illusory, that the tactics of the security services merely became more sophisticated as they found ways short of murder to continue their repression. Most observers agree, however, that the trend was certainly toward improvement until the 1988 murder of ten prisoners at San Sebastian by a military unit and the killing of the six Jesuit priests in the Pastoral Center of Central American University by government forces in November 1989. The latter widely-publicized incident reminded the world in dramatic terms that the Salvadoran "culture of violence" had not ended.

Critics of Administration policy argued that the only way to end rightist abuse was to stop giving American aid to the military. Some asserted that to give such aid to authorities who abuse human rights is to be complicit in their actions. Others felt that at least a convincing threat of an aid cutoff might have helped. But the Administration was generally unwilling to halt or threaten the military assistance which was

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4. Ambassador Hinton minced few words in his October 15, 1982 address on human rights to the Chamber of Commerce in San Salvador. He insisted that El Salvador clean up its "death squads" and condemned violence from the right and the left, declaring that "as many as 30,000 Salvadorans have been murdered, not killed in battle, murdered!" His conservative audience reacted with outrage that was reported in the U.S. press. "White House aides" widely believed to be the NSC Advisor William Clark expressed surprise that the Ambassador had gone public and complained that the speech had not been cleared by the White House. The State Department confirmed that it had cleared the speech, but when it published the address, it watered down the Ambassador's language: the 30,000 were no longer "murdered," but "killed illegally, that is, not in battle." Ambassador Pickering made a similar speech a year later that passed without major complaint in either San Salvador or Washington. Critical public statements by U.S. ambassadors on human rights became quite common by the end of the decade.

seen as necessary to successful conclusion of the war. Only once was it temporarily curtailed: to force progress in the Jesuit case. Administration spokesmen contended that the situation in El Salvador was more likely to improve if the United States stayed engaged than if we abandoned the military completely. Furthermore, they argued that the situation would be far worse if the FMLN took over. Congress regularly voted for military assistance, though sometimes at reduced levels.

There were also prolonged arguments over whether ranking Salvadoran military leaders were directly involved in human rights abuses. American opponents of U.S. policy tended to see the military and security forces as a tightly-knit group in which top military leaders either ordered or at least tolerated continuing abuses by their underlings and death squads. The Department and the Embassy knew this might be true in specific cases and no one disputed there had been coverups. But the U.S. Government could not accuse, and attempt to have removed, individuals unless it had facts to support their case. Some people interviewed by the Panel argued that the U.S. Government did not have the luxury of making accusations based on presumption or unconfirmed reports, particularly since it had to deal with military leaders on other matters.

Outsiders tended to see the Embassy as possessing enormous power, whereas those inside were acutely aware of the limits of that power, particularly when it came to changing long-standing patterns of violence. And Embassy personnel had no real option but to work with Salvadoran counterparts to reform the military, the police, and other organizations as well as to help fight the war.

Institution-Building: The State Department and the Embassy felt that the best approach to managing the Salvadoran problem was to build a civil society with appropriate institutions that could develop links between the government and the people and provide the basis for progress in human rights and other areas. Current and former officials whom the Panel interviewed held that Salvadoran society in the early eighties had become so polarized that the only hope for the country's future stability was to build a political center. The military had been running the country for a long time and had contempt -- sometimes justified -- for the corruption of the civilian governmental structure. The constraints on the civilian leadership's power were readily observable.

The Embassy, therefore, worked closely with Presidents Duarte, Magana, and Cristiani to devise ways to increase the power of civilian authorities in the country and encouraged military leaders to accede to this change. It strongly supported elections to pull political forces from the extremes to the center and give the winners the legitimacy necessary to govern. It sought to professionalize the army and inculcate more humane values in its ranks. The U.S. Government also worked hard to create an improved security and judicial

system. The judiciary, however, was badly intimidated and shied away from any action on controversial cases.

The U.S. made a conscious decision to work through existing organizations both to increase their experience and prestige and to ensure the reforms had a "made in El Salvador" tag so they would last. As Assistant Secretary Enders told a Senate Foreign Relations Committee in early 1982, the Department believed that, though the judicial system was "very largely inoperative," the investigation of prominent cases had to be carried out within the Salvadoran system if it were ever to begin fulfilling its proper functions. He added that, "We are asking them not only for justice, we are asking them to make the judicial system work, because it is an essential ingredient of human rights in any country."

The slow progress towards ending impunity through building the Salvadoran judiciary was frustrating for U.S. officials. It caused constant anguish to families of Americans killed in El Salvador as the cases dragged on without resolution. A handful of convictions were achieved in the courts only to have the perpetrators in many cases released soon afterward in general amnesties. Investigative help from the FBI proved useful in several of the cases, but all the ambassadors felt they could have done more with a permanent investigations advisory unit attached to the Embassy. Foreign Service Officers are trained to report on the country they are in and on developments there which are relevant to U.S. policy interests; they are not criminal investigators. The presence of an investigations advisory unit attached to the Embassy might also have avoided the mistakes made in interrogation of a witness to the Jesuit murders.

Commenting on the slow process of institution building, one officer noted that by the time of the Jesuit murders in 1989, there had been real progress, with the Salvadoran security people moving from using torture as their most common investigatory tool in 1980 to modern, American-style investigation techniques. But it was hard to publicly demonstrate any real progress when the court system always seemed to look for ways to let people off. Another officer noted that even in the sophisticated U.S. court system it takes several years for reforms to take hold. To expect overnight changes in the non-functional Salvadoran judiciary was simply to expect too much.

Some see this effort to build Salvadoran institutions through the eighties as a major success which provided the confidence and process that allowed for the possibility of reconciliation in the nineties. A succession of U.S. ambassadors and State Department officials understood this approach to be a key goal of U.S. policy in El Salvador throughout the eighties. Others remain skeptical and feel the U.S. Administration consistently portrayed the results too optimistically. The harshest critics of the Administration

still feel that almost all of these institution-building efforts were misguided. A surprising number of Americans joined in the FMLN criticism of the election process as too narrowly-based because it did not participate in the process. For its part, the Truth Commission emphasized the importance of institution-building. It said "El Salvador must establish and bolster the proper balance of power among the executive, legislative, and judicial branches and institute full and indisputable civilian control over all military, paramilitary, intelligence, and security forces."

IV. CASES REPORTED BY THE TRUTH COMMISSION

The Truth Commission Report: The United Nations' Truth Commission was established as part of the Chapultepec Peace Accord and began work in July 1992. Its members, Belisario Betancur (former President of Colombia), Reinaldo Figueredo Planchart (former Foreign Minister of Venezuela), and Thomas Buergenthal (professor at George Washington University) issued their Report on April 15, 1993. They chose to structure the Report around a series of cases that had major internal or international impact or that demonstrated a systematic pattern of violence or mistreatment that was designed to intimidate certain sectors of society. (The list is at Appendix A.)

U.S. Approach to Prominent Cases: In keeping with its mandate, the El Salvador Panel sought to review the Department's reporting and public statements from 1980 to 1991 on the cases discussed in the Truth Commission Report. Most of the cases listed had been reported by Embassy San Salvador (or sometimes from neighboring Embassy Tegucigalpa). Those of greatest interest to the Embassy and the State Department generated files of hundreds or even well over a thousand documents each. Inevitably, the Truth Commission list did not include a large number of human rights cases reported by the mission. Many of the cases had been pursued by the Embassy on its own initiative; hundreds of other instances were referred to it by Congressional staffs and human rights organizations in the United States.

This report includes as Appendix B a review of nine cases which highlights the Embassy's and Department's approach to them. The Truth Commission Report discusses several cases involving American citizens which were of direct concern to the American government: the murder of the American churchwomen in December 1980, the murder of the AIFLD advisors in January 1981, the murder of four U.S. Marine Guards in June 1985, and the killing of two downed American military men in January 1991. It does not include other American-interest cases such as the killings of the head of the Embassy MILGROUP Col. Schlaufelberger in May 1983, the journalist John Sullivan in December 1980, or the student Michael Kline in October 1982. Appendix B includes discussions of the churchwomen, AIFLD advisors, and Marine Guard cases noted above as well as the assassination of Archbishop Romero in March 1980, the murder of the six opposition leaders in November 1980, the massacres at Rio Sumpul (May 1980) and El Mozote (December 1981), the killings at San Sebastian in 1988, and the murder of the Jesuit priests in November 1989.

The assassination of Archbishop Romero in March 1980 was a brutal beginning to a terrible year in El Salvador. The Embassy, the Department, and White House quickly condemned the

murder, and the Embassy concluded early that it had been carried out by the extreme right. Information obtained by the Embassy later that year and in 1981 blamed the murder on the right-wing leader Roberto D'Aubuisson. Salvadoran investigations tended to fall apart quickly. A major complication developed when D'Aubuisson and his ARENA party became a strong political force as the electoral process moved forward. U.S. pressure helped keep D'Aubuisson out of the Salvadoran presidency, but the Embassy dealt intermittently with him in the effort to move El Salvador's political extremes toward the center.

President Duarte used the widespread suspicions of D'Aubuisson's involvement in the Archbishop's assassination as a political weapon against him, and after winning the 1984 presidential election put the newly-formed Special Investigations Unit (SIU), financed by the U.S. Government, on the case to develop new leads. The U.S. Government strongly supported this effort and worked to extradite a key figure from the United States in 1987-88, but the effort was blocked by D'Aubuisson's supporters in the judiciary. Ironically, in the period before he died of cancer in 1992, D'Aubuisson strongly supported the reconciliation process. His political rival President Duarte summed up the D'Aubuisson problem for Ambassador Corr by listing three levels of proof: moral -- he was morally sure D'Aubuisson had ordered the Archbishop's assassination; police -- he did not have enough evidence to arrest him; and judicial -- even if he could get D'Aubuisson arrested, there was no basis to prove his guilt in a court. The Embassy and the U.S. Government walked a difficult line on this case. It worked hard to help Duarte and the judicial authorities to build a case against D'Aubuisson and at various periods refused to have anything to do with him or give him a visa to the U.S. It also sought, successfully as it turned out, to channel his popularity to the service of building a strong civil culture in El Salvador. Despite a decade of trying, however, neither the Salvadoran nor U.S. authorities was able to bring anyone to justice for Archbishop Romero's murder.

Eight months later, on November 27, 1980, six leaders of the Revolutionary Democratic Front (FDR), the political alliance of the leftist opposition, were kidnapped and killed in San Salvador. Upon learning of the kidnapping, the Ambassador sought to intercede on their behalf with the acting Foreign Minister. The effort was not successful. The Embassy's immediate view of the killings was the same as that of the Truth Commission thirteen years later: Salvadoran security forces were the culprits. The killers presumably calculated -- correctly as it turned out -- that with the U.S. Presidential transition well under way, there was little the Carter Administration could do to respond. The Department condemned the killings, but there was no time to act on a recommendation by the Ambassador to suspend aid before four American churchwomen were killed on December 2. That incident

then became the focus of U.S. attention. No progress was ever made in investigating the murders of the FDR leaders.

It is useful to see how far in some ways the Salvadoran system had come from the time of these 1980 killings to the murder of University of Central America Rector Ignacio Ellacuria and his Jesuit brethren on November 16, 1989, but the similarities are also painfully obvious. Archbishop Romero was apparently killed by a death squad reporting to a civilian leader of the extreme right. The murderers of the FDR leaders were assumed to be security forces. And the line in the Jesuits' case went directly to the Salvadoran military. In the latter case, the police investigation was far more professional, but the delays and evasion of responsibility were similar. Unlike in the earlier cases, some but not all of those responsible for the Jesuit killings were actually tried and convicted of the crime.

The U.S. Embassy was also more intimately involved in the investigation of the Jesuit case than most of the earlier ones mentioned above. It worked closely with the SIU, providing encouragement and technical assistance to the investigation. It applied strong and sustained pressure to move the process forward, and allowed its people to appear as witnesses. The adept and complementary investigation and pressure by Congressman Joe Moakley and his staff also played a key role in forcing the system to act.

Despite the intense effort, there were enough glitches along the way that the Embassy came under considerable criticism for its handling of the case. Its reluctance to point a finger at the military early in the investigation appeared to critics to go beyond a desire to be fair and objective. The interrogation of an early witness in Miami became an embarrassment as she changed her story under intense FBI questioning. A U.S. MILGROUP major waited two weeks before relating key evidence to his superiors that the Salvadoran military had carried out the murders, the head of the MILGROUP then exposed the source without checking with the Ambassador, and the major changed his own story about whether he had prior knowledge of the plan to kill the Jesuits.

The murders were carried out five days after the FMLN launched its largest urban offensive of the war. The initial technical work of the SIU was considered quite good, but it was slow to get basic information from the Salvadoran military. On January 2, the MILGROUP commander confronted Chief of Staff Ponce with the major's story that personnel from the Atlacatl Battalion had killed the Jesuits on the orders of Col. Benevides. Five days later, President Cristiani announced that certain military elements were implicated in the Jesuit killings, and a week after that, that nine soldiers had been charged.

The investigation moved slowly despite sustained pressure from the Embassy and Congressman Moakley's Task Force. The Embassy made a tough démarche in July in an attempt to speed up the case and Congressman Moakley publicly accused the military high command of dragging feet a month later. After a series of fits and starts, which the Embassy reported in detail, and continued urging by the United States that the process be accelerated, the trial was finally held in September 1991. Benevides and Lt. Mendoza who led the soldiers were sentenced to thirty years in prison, others involved received lighter sentences or were found not guilty. Both Congressman Moakley and the Truth Commission accused Col. Ponce and his associates of ordering the assassinations. (Ponce and others named as involved in this or other major human rights violations were retired on June 30, 1993.)

Another category of continuing brutality in El Salvador involved the massacre of civilians or prisoners as part of the civil war. This report discusses three of these cases in some detail since they generated some controversy. There were many more on both sides, including a particularly nasty FMLN assassination campaign against mayors and other Salvadoran political figures across the country. On May 14, 1980, some 300 civilians (the number is from the Truth Commission) were killed by Salvadoran military personnel as they attempted to flee the advancing army by crossing the Sumpul River into Honduras. Priests in Honduras broke the news of the massacre over a month later and Embassy Tegucigalpa did the primary work in following up on the story. Although the Department and Embassy San Salvador were inclined to believe that the report was FMLN disinformation, Embassy Tegucigalpa did an excellent job following up. It treated with a grain of salt disclaimers from the Honduran army that it had not helped block the civilian exodus, discouraged the Honduran government from expelling the priests (most of whom were foreign), and interviewed people who might have information on the case including the priests who made the original report. In the end the Embassy concluded that civilians had indeed been killed although it did not hazard a estimate on the number.

While the Rio Sumpul incident received very little international press coverage, a sweep by the Atlacatl Battalion through the town of El Mozote and the surrounding area in December 1981 became a cause célèbre when a massacre of civilians there was reported in late January in the New York Times and the Washington Post. The Truth Commission concluded that over 500 men, women, and children were killed over the space of three days. Embassy San Salvador was skeptical of the report (it was publicized the day before President Reagan issued a required certification that the human rights situation in El Salvador was improving), but it sent two officers to the area to investigate the story. They did not make it to El Mozote itself which had been retaken by the FMLN, but their report was ambivalent about what had occurred. It said that "no evidence could be found to confirm" a massacre in El Mozote

and discounted that anything of the size reported had likely occurred.

The use of this and other Embassy reporting on the massacre became highly controversial in the charged political atmosphere on Central America in Washington, as Administration spokesmen drew selectively on the Embassy report to counter critics' concerns. This left the Department vulnerable when it did not have all the facts. The Embassy had suspicions that something untoward had indeed occurred, but busy with the elections and other pressing cases (and unable to get to the site without Salvadoran military help), it did not follow up. Exhumations in 1992 showed the Department had been wrong on El Mozote: a massacre had indeed occurred, along the lines reported originally in the international press.

The difficulty in reaching the site of reported massacres was a continuing problem for the Embassy. Since the sweeps were mostly in FMLN-controlled areas where Embassy personnel could not go without a military escort, the dangers and pitfalls of reporting on such incidents was obvious. Indeed, an Embassy officer did not go to El Mozote before the story broke in the press precisely because as avowed targets of the FMLN, it would have been foolhardy to allow an officer to go to a remote area alone under FMLN escort. One human rights officer told the Panel of flying to a remote site to investigate a reported massacre, only to be left in hostile territory when the helicopter failed to return in a timely fashion for the pick-up. The Embassy could do far more on cases in or near San Salvador such as the San Antonio Abad massacre in early 1982 and the San Sebastian killings in 1988.

A true success story in El Salvador was the work of the International Committee of the Red Cross in improving the conditions of prisoners and keeping them from being killed as soon as they were captured. So when Salvadoran soldiers arrested and murdered ten people in San Sebastian on September 21, 1988, they knew they could be in trouble and put out a cover story that the prisoners had been killed in an ambush. The Embassy was skeptical of the military's story and pressed for a prompt, impartial investigation of the case. An Embassy officer stayed in close contact with the investigation, which soon had to be turned over to the SIU. The military continued to stonewall President Duarte as well as efforts by the Embassy until the case was made a critical element in Vice President Quayle's visit in early February 1989. The military then agreed to carry out a genuine investigation and asked for FBI help. Having completed its investigation, the Salvadoran High Command announced on March 11th, that it believed that nine active duty personnel were responsible for the killings and turned them over to the civilian courts for prosecution. The next year, all but the major in charge of the operation were released for lack of evidence. Three years later, the major's case had still not gone to trial.

The Embassy paid particular interest to cases involving U.S. citizens, as is expected of all American embassies abroad. The murder of the four American churchwomen on December 2, 1980, engaged U.S. public attention and galvanized opposition to U.S. aid to the Salvadoran military more than any other event. From the first word of the murders, the Embassy was deeply involved. Ambassador White went to the site for the exhumation of the bodies, the Department dispatched a special mission to review the incident soon after it occurred, and the Embassy pressed hard for a full and honest investigation. After some months of Salvadoran foot-dragging and coverup, the Embassy human rights officer broke the case after eliciting information from a sensitive source.

The case had by then become part of the intense controversy of the time. The statements by Ambassador-designate Kirkpatrick and Secretary Haig were cited as a rallying cry by the opposition to the Reagan Administration's policy; the former ambassador criticized the U.S. and Salvadoran governments for inaction; and the families demanded justice. In a particularly strong made-for-television movie on one of the slain women, a family member is shown months after the case was broken saying: "We are supporting a government, that government killed my sister, and my government didn't care." The facts are that the Embassy and Washington consistently pressed the case hard for over three years, including an independent study by Judge Harold Tyler and strong threats by Congress to cut U.S. military aid. On May 26, 1984, the perpetrators of the crime were convicted and given thirty-year sentences. Family members and the Truth Commission believed there was higher-level complicity in the commission of the crime as well as in the coverup. Judge Tyler and former Embassy officials agree on the coverup, but they considered it more likely that the chaotic and permissive atmosphere at the time, not high-level military involvement, was behind the crime.

The murder of the two American AIFLD workers at the Sheraton Hotel a month after the churchwomen were killed paired the cases in American eyes as damning marks against El Salvador and tests of U.S. influence in El Salvador. Embassy personnel were on the scene immediately after the men were gunned down, pressed hard on the case, and received strong support from the FBI. After extensive U.S. pressure, the Salvadoran court finally convicted the two National Guard triggermen five years after the murders. Again, the files reflect the large amount of time expended on the case. Despite these efforts, however, the Embassy could not get any of the people believed responsible for giving the orders brought to trial and even the two triggermen were freed in the 1987 amnesty.

A third major American-interest case discussed in the Truth Commission Report involved the killing of four of the Embassy's own Marine Guards on June 19, 1985, at a restaurant in the Zona Rosa district of the capital. The Embassy and FBI worked

run down and jail several participants in this avowed FMLN action. An INS interview of an intended illegal alien was instrumental in breaking the case. When the courts decided to release the men after the 1987 amnesty, the Embassy claimed "internationally protected persons" status for the Marines who had been killed. This, in turn, provided the basis on which President Duarte overturned the court's verdict. The defendants were convicted and sentenced in 1991.

Other American-interest cases included the killing of the downed American servicemen Colonel Pickett and Sergeant Dawson in January 1991. The Panel felt the Embassy and the Department had taken prompt and appropriate action in all American-interest cases. They did not do equally well in dealing with the public on these cases, and the families of the churchwomen, in particular, felt their cause received low priority in the Department. Otherwise, the Panel believes that the Embassy and Department pursued these U.S. cases with vigor, and occasionally with personal bravery.

V. HUMAN RIGHTS REPORTING FROM EMBASSY SAN SALVADOR

Quality of Human Rights Reporting: One of the key questions the Panel asked everyone from Secretaries of State to the most junior officers in the field concerned the quality, quantity, and integrity of human rights reporting from Embassy San Salvador. It also looked closely at the record to see what bias, if any, might be evident in Embassy cables. The Panel concluded there was no truth to the view, voiced widely in the eighties, that the Reagan Administration's perceived downgrading of the importance of human rights issues sent ambassadors and reporting officers scurrying to trim their sails. In fact, the human rights reporting from Embassy San Salvador was found to be good, carefully written, and generally voluminous. It was not always perfect. And it varied somewhat depending on reporting officers and Embassy management. There was always an extra effort to report left-wing violence because this unambiguously served then current policy. The human rights organizations and international press, for their part, emphasized violence by the right, but the Panel found no indication that Embassy reporting downplayed the actions of the right. In hindsight and with more recently available information including that in the Truth Commission's Report, Embassy El Salvador human rights reporting for the period stands up well.

The primary burden for reporting on human rights issues, as well as prodding the desperately weak Salvadoran judiciary system to take action against the perpetrators, fell on the Embassy leadership and its political and legal sections in San Salvador. They devoted an extraordinary amount of attention to human rights cases, all of which were important in humanitarian terms. Action against the perpetrators was also essential if the level of wanton violence in the country were to be reduced and a lasting civil society constructed. According to people interviewed by the Panel, other sections of the Embassy, particularly the Defense Attaché Office, the Military Training Group,. and intelligence personnel made important contributions to available information and occasionally pressed for specific improvements. (There was a specific human rights element in the U.S. military training program.) The Panel did not review separate reporting by these units. From its interviews with Department and Foreign Service personnel, however, it was apparent that these other agencies had prosecution of the war (i.e. not human rights issues) as their primary mission.

The ambassador, deputy chief of mission (DCM), political section, and legal officer (when the position was filled) handled the bulk of the human rights work, including contacts with interested Salvadoran groups and the steady stream of visitors from the United States. At least one junior officer in the Political Section was assigned full-time responsibility

for human rights issues. In addition to reporting requirements, a large amount of time was devoted to visitors from the U.S. For significant periods of time, virtually every weekend featured briefings and support for visiting Congressional delegations. There were also hundreds of visits to El Salvador arranged by human rights and church groups in the United States and many received Embassy briefings.

The human rights reporting in 1980 under Chargé James Cheek and Ambassador Robert White was extensive, usually on target, but inevitably somewhat incomplete: the pace was hectic, and the environment dangerous as the country lurched from crisis to crisis. The work was engrossing and the implications so important that reporting officers considered service in the Embassy an extraordinary opportunity. It was widely expected that the Embassy would pull in its horns the day Ambassador White was recalled, but this turned out not to be the case.[5] When Ambassador Frederick Chapin arrived to take temporary charge of the Embassy for several months pending the selection and confirmation of a permanent ambassador, he made it clear to a somewhat worried staff that he expected the Embassy to continue its aggressive human rights reporting. One junior officer recalled feeling that the total impression created during the Carter-Reagan transition might have encouraged right-wing forces to do their worst. Another remembered a concern that reports be carefully documented, given the possibility (in early 1981) of an unwelcome Washington reception. And Chapin did stipulate that the reporting should be factual and objective, not speculative. The bottom line was that the quality of human rights reporting remained the same, despite the changeover of Administrations.

Deane Hinton arrived as ambassador in June 1981, bringing his blunt, no-nonsense approach to the job. He was tough on his staff, demanding the highest professional work and complete objectivity. He expected his Embassy to report all the facts available. He too was insistent that officers keep speculation and commentary out of the body of the cables and label it plainly as "comment." The Panel detected no restraint on reporting. As one officer put it, no one likes senior officers to rewrite his prized prose, but he and every other reporting officer the Panel interviewed from this period felt the editing was fair, objective, and improved the credibility of the cables. One officer commented that caution in "rushing to judgment" was particularly appropriate in El Salvador in the early eighties given the anarchy in the country and the purely nominal existence of many institutions.

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5. This was fueled in part by the Ambassador's severe public criticism of the Reagan policy after he left the Foreign Service.

Ambassador Thomas Pickering insisted on and got the same objectivity in reporting. Again, the Panel could find no one responsible for human rights issues at the Embassy or the Department who did not believe the subject was given great importance or who felt the Ambassador limited the reporting. Ambassador Pickering also developed a reputation for being in command of the facts -- unpleasant ones included -- and open to communication with policy critics as well as supporters. He commented to the Panel that it was "self-evident" that the political section had to spend a great deal of its time on human rights. The human rights situation in El Salvador had to improve if the U.S. Government was to sustain its economic and military assistance and the Salvadoran government was to have a chance to survive.

Ambassador Edwin Corr took a somewhat more restrictive approach to reporting in general. It was a time of relatively few dramatic incidents of right-wing violence, and the big story, FMLN efforts to assassinate mayors, was reported in detail. The Ambassador emphasized building the political center through a close working relationship with President Duarte. The Department's Inspector General criticized the Embassy's penchant for excluding bad news (particularly on corruption in the government) from the cable traffic -- reporting it by telephone or on Corr's frequent visits to Washington. Thereafter the Embassy increased reporting on questionable activities that were allowed by the government. The only instance the Panel found of a junior officer who felt he was restrained in reporting human rights issues had its origin in this period. The problem appeared to the Panel to have stemmed from a combination of personality clash, debate over the proper function of a reporting officer, an argument over facts in one particular case, and an overall tendency of the Embassy to lower the volume of reporting.

Ambassador William Walker arrived determined to increase the amount and credibility of the Embassy's reporting and did so. With the San Sebastian murders, the killing of the Jesuits, the 1989 election, that year's guerrilla offensive, and the advent of the peace process, he and his staff had much to write about. They did so ably and in detail.

The Department's leaders from that period told the Panel that they felt they were getting objective and timely information from the Embassy, which was responsive to their needs. They relied on their ambassadors in San Salvador to ensure this was the case. As Secretary Shultz commented, he chose the best ambassador he could find in Tom Pickering and then told him to go down and "raise hell" on human rights. Pickering's version was similar: he was told the insurgency and the human rights situation in El Salvador were a mess, and he was to deal with the problems, run his Embassy, and keep Washington informed. This very general instruction from

The only effort the Panel found to limit Embassy activities on human rights issues was the criticism (on background) by a White House official of Ambassador Hinton's public remarks to the San Salvador Chamber of Commerce in October 1982 noted earlier. It is worth noting that even that complaint was about the Ambassador "going public," not about his Embassy's reporting on human rights. The Panel found no evidence that any of the ambassadors was ever told they should limit human rights reporting. One desk officer, in dismissing the idea the Embassy was tailoring its information, commented that the Department was inundated with bad news on the human rights front from Embassy San Salvador.

The Reporting Officers: San Salvador was a difficult post to staff throughout the eighties. It was a dangerous place for U.S. diplomats for much of the period, so much so that from 1980 to 1983 families were not allowed to accompany employees assigned to the Embassy. Recruitment of mid-level personnel was a particular problem. To accomplish the rapid buildup of the post in the early eighties, the Department turned to junior officers to fill out the political section reporting slots. This allowed bright, ambitious younger officers the opportunity to make their mark early in the service. The Panel was impressed throughout the interview process and its study of the record with the remarkably high quality of the junior officers sent to San Salvador to do the human rights reporting.

Restraints on reporting tended to come mostly from the limitations imposed by security concerns. Officers often used armored cars and security details to move around the city and countryside, and they frequently carried guns. For several years Embassy officials were avowed FMLN targets. Two-thirds of the country was off limits unless the officers were accompanied by Salvadoran military forces. Many officers pursued human rights issues at considerable personal risk, and ambassadors and their deputies constantly had to make judgments on the right balance between the value of reporting and the dangers to their staff. Foreign journalists, religious workers, and private human rights personnel also took risks in El Salvador, many were heroic and some had numerous enemies on the right. But most were usually not targets of the guerrillas and could travel in FMLN-dominated territory in a way the Foreign Service Officers could not.

Some officers complained to the Panel that Embassy security restraints became excessive after the killing of the Marines in 1985, even putting parts of the capital itself off limits. This greatly increased the difficulty of developing the contacts necessary to do an effective job of reporting. There was a time when State personnel were under tighter restrictions than other members of the Embassy. These strictures were eased toward the end of the eighties.

The reporting officers were given wide latitude to report, but as first or second tour officers, they were expected to undergo the usual on the spot training, learning how and what

belonged in official Embassy cables. This approach reflects a long-time assumption of the Foreign Service that learning on the job is the best approach. There was no specific human rights training available at the Foreign Service Institute early in the decade, although a program was developed later by the Human Rights Bureau that provided better background for human rights officers. Given the ambassadors' emphasis on a high standard of proof, most officers had experience with having some of their speculative comments cut. Many of them probably grumbled at times about this process, but of the officers responsible for human rights reporting, all but one told the Panel he or she felt the changes to their cable drafts had been right and improved the final product.

The Panel concluded that this was not a group of people who felt they were being censored or intimidated, nor did the officers consider it necessary to shade their reports to accommodate policy pronouncements in Washington. The Washington battles apparently seemed far away to these overworked officers who were being pushed, and pushed themselves, to their limits. During the entire period, the Department's protected "dissent channel" was used only three times by Embassy officers, twice in 1980 and once in early 1981. One of the cables concerned the evacuation of dependents and two were reasoned discussions of policy alternatives. It was not used again in the time covered, although the officer mentioned above who felt his reporting was being bottled up apparently threatened to use it as a lever to get some of his cables sent. The Panel found people who were generally not naive about the country they were dealing with. One said they knew they had "been through hell" when they finished their tours. Their reports form a record that attest to the brutality and problems of Salvadoran society.

The Annual Human Rights Reports: The Department's Annual Country Report on Human Rights Practices for El Salvador received a great deal of attention and often criticism. In general the criticism was less than that directed at the certifications (discussed in Section VI), though organizations such as Americas Watch and the Lawyers Committee on Human Rights issued annual counter-reports critiquing the Department's findings. The Panel sought to examine both the process and end result, reviewing the reports for accuracy and completeness and to see how the Embassy's drafts were altered in Washington. It reviewed the annual reports, their first drafts, the final versions, and the critiques (noted above) by human rights organizations.

Officers involved in their preparation emphasized the efforts made to ensure the reports were thorough and accurate. None felt he or she had been pressured to skew the drafts for political purposes or to write what they thought Washington wanted to hear. As with the rest of the human rights reporting, drafting officers were urged to base the annual

necessary to read the outside critiques, however, to be reminded that throughout this period ambiguity and complexity were hallmarks of the human rights situation in El Salvador, and some events could be plausibly interpreted in more than one way.

The Panel found one Embassy complaint in the files that the Department had made changes in the introductory section of the 1982 Report that "substantially debilitate the original draft [and] . . . do not accurately reflect the El Salvador that we here on the ground know." It complained about the lack of time to rewrite the Department's version and argued (unsuccessfully) that the Embassy's original should be used. It did acknowledge that the body of the report was substantially the same as the Embassy's version.

The Department did not attempt to alter any of the facts in the reports as far as the Panel could determine, but it did make changes in tone in the early years of the decade which put a more positive gloss on the human rights situation in El Salvador in the final versions. The Department also tended to limit the scope of condemnations of rightist actions and to add details about abuses committed by the FMLN. While Washington occasionally toughened up on the government in the final versions, most of them, especially in the early years, ended in a more positive final report on government actions. In general, during the early eighties, human rights reports shied away from assigning responsibility for human rights abuses to the military as an institution. The reports cited the facts of abuses perpetrated by members of the military, but its reserved language often softened the effect. Annual reports at the end of the period stated more directly that the military committed human rights abuses. Such directness should have been employed in the earlier reports as well, when such abuses were more frequent.

In part this appears to have been a pulling of punches to support the policy, but it was also due in part to an evolution in the Department's approach to producing the annual reports for all countries. People within and outside the government commented that the quality of the human rights reports for all countries improved greatly through the decade. In the early years of the reports, which were an innovation of the Carter Administration, the human rights officers lacked experience, the information base was weaker, guidelines for drafting officers were looser, and bureaucratic frictions in Washington affected the final reports. As the process became more institutionalized and the Foreign Service gained more experience in producing the draft reports, the overall product improved. This process is clearly evident in the El Salvador reports.

The "Grim Grams" and the Decline in Violence: A much-debated example of the reporting from Embassy San Salvador

initiated in September 1980 of information on violence in El Salvador based on reporting in the Salvadoran press. The reports were unclassified and Embassy cables on methodology and comparisons were provided to the Congress and published in the Congressional Record. In testimony during the certification hearings, Administration officials regularly pointed to the decline in the death totals to justify their argument that the human rights situation in El Salvador was improving. Human rights organizations and Congressional critics protested with equal frequency that the reports were based on flawed methodology and, therefore, biased and inaccurate. Through it all, the reporting officers in the field worked hard to prepare the reports with care and objectivity. They were willing to discuss the shortcomings of the methodology openly.

An Embassy airgram of January 15, 1982, analyzing a year of the "grim gram" statistics stated at the outset that it understood the "inadequacy of a method which submits data to the vagaries of the Salvadoran press." (The airgram was subsequently declassified and published in the Congressional Record.) It noted there was certainly under-reporting in the statistics because the journalists working for the newspapers could not report on areas where they could not reach, but estimated the totals were within 30% of the actual total. The analysis discussed other statistical reporting by the Central American University (UCA) and the Legal Aid Office (Socorro Juridico), and concluded that their bases were "at least as distorting as those built into the Embassy tabulations and also reflects the motivations of and the pressure within those organizations" (i.e. they were sympathetic to the guerrillas). It also included numbers and charts from all three sets of statistics so readers could compare the trends.

The dispute over statistics grew with the certification debates, but an Embassy cable in July 1982 stated emphatically that "the arguments over methodology are bogus. All organizations following human rights developments in El Salvador have to rely on data and collection methods which leave much to be desired. Nobody denies the existence of political violence. We do say that the data from all sources show trends, not accurate body counts."

Another persistent question was how to categorize deaths, meaning whom to blame. Embassy officials were typically cautious, attributing large numbers to "unknown assailants" because they lacked clear evidence. Private human rights groups saw this as indicative of Embassy bias or the bias of its press sources. Embassy officials were equally critical of the sources and methods employed by the Archbishop's human rights organization, Tutela Legal, and other private reporting groups. There is no question the Embassy understood the problems of using conservative newspapers with a strong pro-government bias as their basic source for the weekly report, but they were convinced a consistent approach was

useful in showing trends. Embassy methodology remained consistent throughout the period.

The real issue with the statistics, therefore, was not their source or method of compilation, but their political implications. The January 1982 airgram noted that an "unexpected result of the statistical depiction of political murders month by month is the conclusion that violence in El Salvador has diminished during the period under study, or that at least it is in a state of remission." The Embassy's July cable also noted that there had been a "distinct downward trend" in all of the statistics for the first six months of 1982. This result, of course, allowed Administration officials to use the statistics to bolster their case for certification that the human rights situation in El Salvador was improving.

The "grim grams" were imperfect. They were the subject of fierce political disputes in Washington, and probably given too much weight by the Administration in testimony to support its policy.

Department representatives testifying before Congress and Embassy officials in San Salvador sought recurrently to discredit the reporting of the private human rights organizations since their numbers consistently showed higher numbers of human rights abuses than the newspaper statistics and attributed a larger share of the violence to government forces. The Administration was more effective when it omitted invidious comparisons and merely listed the reports of other organizations alongside the Embassy press data, because the downward trend was evident in all the reports.

VI. PRESENTATION TO THE CONGRESS AND PUBLIC

Throughout the decade, State Department officials in Washington were regularly explaining and defending policy: in public statements and in testimony to Congress. Given the highly contentious atmosphere -- especially early in the decade -- they faced a dilemma. They were squeezed between their obligation to state the truth and their need to present the situation in ways that would increase public and Congressional support. The situation was perhaps worst in early 1981, at the time of the Haig statement suggesting the churchwomen may have run a roadblock and when releases of the Department emphasized the Cuba-Nicaragua-Communist threat and said little about right-wing violence then at its peak. Later that year, these statements became more balanced, and tended to remain so thereafter. But the advocacy remained sharp enough, and opposition strong enough, that critics repeatedly complained they were being fed "disinformation." Several Americans who opposed the Administration's policy told the Panel they found the Reagan Administration statements on Central America far less credible and believable than those about other parts of the world.

The Certification Process: The Executive-Legislative battle over policy toward El Salvador in 1981 led to a statutory requirement that the President had to certify Salvadoran human rights performance in order to continue the provision of military aid. The Administration had to certify that the Government of El Salvador was: making a "concerted and significant effort to comply with international recognized human rights," "achieving substantial control" over its armed forces to this end, "making continued progress" in implementing essential economic and political reforms including land reform, committed to holding free elections, and making good faith efforts to investigate the murders of the American churchwomen and AIFLD workers. This requirement continued in effect through 1983.

Certification was a classic political compromise with the swing vote in Congress arguing that the aid for El Salvador should be used for leverage on human rights. One seasoned congressman who opposed Administration policy told the Panel that there was a feeling in Congress that the Administration's concerns (over the Soviet and Cuban threat in Central America) were exaggerated and that the Congress was being asked to support bad people doing some pretty awful things. Since Congressional opponents knew they could not beat the Administration outright, they "devised this God-awful certification requirement, and knew that the Administration would certify, no matter what." He said he recognized that this procedure put the ambassadors and the assistant secretaries in an impossible situation. A more cynical view of

the certification process, noted several times to the Panel, was that the process was "an exercise in Congressional blame shifting." Inherent in the process was the assumption that some would argue certification requirements were not met and others would argue they were with whatever support they could muster.

President Reagan signed the first bare-bones certification on January 28, 1982, and Assistant Secretary Enders defended the decision on the Hill. Secretary of State Shultz signed subsequent certifications later that year and in 1983. Several participants in discussions at that time noted the discomfort caused by the process, citing in particular extended discussion with Secretary Shultz before he would sign. The formal certification process ended with President Reagan's pocket veto in late 1983 of the aid bill, but a variety of certification requirements were continued in other aid legislation.

Despite initial Administration opposition to the certification process, Enders endorsed it in his February 1982 testimony as useful for pressing the Salvadorans. As the Administration interpreted the legislation, Congress had determined that military and economic assistance for El Salvador were required because there was a "challenge to our national security," but that we must also "use our assistance to help El Salvador control violence in that country, make land reform work, develop a democratic process, and bring the murderers of our countrymen and countrywomen to justice." He defined the human rights requirement not as saying "that human rights problems must be eliminated" but that the situation "demands progress."

These House and Senate hearings held at six-month intervals set the tone for much of the early El Salvador debate. Administration witnesses argued the importance of aid to El Salvador, emphasizing perceived improvements in human rights, the successes in holding elections, and other programs designed to build institutions. They portrayed the problems as serious but maintained that U.S. policy was having overall success -- i.e., they saw the glass as half-full. Opponents argued that high levels of abuses continued with the approval of the top ranks of the military leadership, and that certification should therefore be denied. They insisted that the Administration was painting a rosy picture of the situation that misled the American public and encouraged Salvadoran foot-dragging. The majority in Congress continued to support a policy of pressing the Salvadorans for progress on human rights, supporting elections and building institutions, and prosecuting the war.

The certification process may initially have provided some useful leverage against the Salvadoran authorities. But it soon became mechanical and undermined the Department's credibility on the Hill and with the public at large. Every six months the process compelled Administration witnesses to demonstrate "improvement" and provided opponents a ready basis

for arguing that the Department was "lying," covering up, or, at least, ignoring the continuing human rights situation in El Salvador which was "obviously" not improving in any fundamental sense. Assistant Secretaries Enders, Abrams, and Motley had to demonstrate that what everyone in the hearing room knew was a bad situation was indeed getting better. The requirement had little effect on the situation on the ground since it quickly became obvious that the Administration was not about to yield to critics by cutting off the aid.

Credibility: Credibility is fundamental to democratic government. The Department's relationship with Capitol Hill and the American public was an issue the Panel wrestled with throughout its deliberations. A decade after the certification hearings, testimony made then is still scrutinized by a wide range of critics of the Reagan Administration's policy. The Panel compared some of these statements against the facts as known to the Department at the time and sought the impressions of people involved. The Panel concluded that a great deal of the information presented was straightforward and fairly balanced, and did not find overall that critical information had been withheld from Congress. It found no evidence that any of those who testified intentionally lied to Congress.

The real question is whether the Administration's effort to put the best face on the evidence shaded over into misleading Congress or the public. As noted above, disputes over testimony resulted from the very different goals of the Administration and its critics. The Panel, however, did find some instances which raise questions about the handling of Embassy reporting. For example, Assistant Secretary Enders' selective quoting of the reporting cable on El Mozote in the public Congressional hearings in February 1982 (noted above) left him open to charges of manipulating the evidence, despite the fact he handed over the entire telegram to the Senate Foreign Relations Committee on a classified basis. It would have been better had he emphasized our lack of conclusive information rather than made a selective reading of the cable text. In the weeks that followed, the Administration's public statements became less careful and more one-sided. By the time of the summer 1982 certification statement, Enders' phrase that the Administration had "no evidence to confirm" the allegations of a massacre at El Mozote became the clearly incorrect "no evidence to support" these allegations.

The circumstances of this lapse on El Mozote were not typical, they were the exception. As noted above, the Department and the Embassy were genuinely skeptical that a massacre had occurred at El Mozote. They viewed the timing of the published stories on the eve of certification as a propaganda ploy instigated by the FMLN. They put it in the same category as earlier disinformation about an alleged massacre in a cave and the presence of U.S. military advisers at Salvadoran torture sessions which had already been proved to be false. Clearly, the Administration wanted to believe El

Mozote was a similar instance and was accordingly eager to discredit the source. Exhumations ten years later, in 1992, show they were wrong.[6] The Panel believes the handling of El Mozote damaged the Department's credibility and that of the Administration as a whole on an issue where the facts were murky at best. The reported atrocity should have been pursued more vigorously and, if possible, those responsible punished.

Other developments directly related to these hearings further hurt the Department's credibility. The relatives of the churchwomen killed in 1980 felt that progress (if any) was too painfully slow to justify certification. Assistant Secretary Abrams' unwillingness to label opposition leader D'Aubuisson an extremist at a time when the U.S. Government was encouraging him to promote the democratic process drew protests that it had ample evidence D'Aubuisson was a murderer.

The Panel concluded that Embassy and Departmental officials worked long and hard to improve the human rights situation in El Salvador and to build the institutional base for a sounder society. The fundamental success of the policy is illustrated by the -- still fragile -- healing process now under way in El Salvador. However, their impressive effort was undermined in the public eye by allowing the Department's credibility to be called into question. One result is that to this day critics of the policy give little credit to these officers and the Department for their work.

The Great Divide: The Panel's review traced the "Great Divide" that developed between critics of the Administration's policy toward El Salvador and people in the Embassy and the Department who were charged with carrying it out. The ideological and policy differences were real, partisan efforts in both political parties served to fan the flames, and the certification process placed the Department and the Embassy in a difficult vise. Still the continuing bitterness reflected in current discussions of the topic suggests something else broadened the divide.

Americans opposed to the policy in El Salvador often complained that they felt the Department withheld information, occasionally misled them, and generally treated them as "the enemy" during much of this period. In the Department many felt that these critics were so shrill that they were deaf to every

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6. Assistant Secretary Enders, in a March 29, 1993, OpEd piece in The Washington Post stated he had no reasons to make apologies for El Mozote. He noted that the exhumations showed that he was wrong about the massacre, and took responsibility for being unable to confirm that it happened to Congress. He denied there had been a coverup and praised U.S. engagement for

effort at dialogue. Many critics saw officers in the Department and the Embassy as their adversaries; for their part, most of the Foreign Service professionals felt themselves under attack both from the "left" in Congress and in church and human rights circles and from the "right" in other parts of the Congress and the Executive Branch. Each indeed suspected that the other side was either "using human rights as a way to scuttle a broader policy it opposes" or "ignoring human rights to prosecute the war." The opposition of various church groups to the Administration's El Salvador policy gave secular critics a base of support far broader than if only lay people had been involved on purely human rights or foreign policy grounds.

The Human Rights Bureau under Assistant Secretary Abrams (1982 - 1985) did not effectively cultivate these critics as a constituency on El Salvador. While that Bureau worked well with some of the same human rights groups in other parts of the world, its estrangement from such groups on Salvadoran issues had become almost total by mid-decade. The Bureau of Inter-American Affairs took the brunt of the attack, but it also tended to treat many of these groups as the problem. It squandered the possibility of a better understanding, if not goodwill, in some cases by excessive bureaucratic treatment of requests for information and assistance.

Part of the problem was insufficient personnel. The Central American desk was woefully understaffed in the early days of the El Salvador crisis when the worst abuses occurred, and it never had enough staff to deal with the deluge of inquiries from the outside and demands from the Department's senior levels on both El Salvador and Nicaragua. But the Panel heard too many such complaints to dismiss them. It doubts that relations were handled as well as they could have been even given the admittedly difficult circumstances. Too many times, callers seemed to feel they had been put off without the courtesy of a hearing.

Embassy San Salvador's relations with U.S. human rights organizations and other policy critics appear to have been distinctly better in the early part of the decade than later. This was so despite the fact that the abuses were more numerous and the U.S. policy debate already highly polarized in the early period. Those with whom the Panel talked from both sides of the debate referred in complimentary terms to their ongoing dialogues with Ambassadors Hinton and Pickering. These discussions may not have changed minds but left the distinct impression that the door to discussion stayed open. By mid-decade critics sometimes felt themselves and their contacts in El Salvador under attack by the Embassy as well as by Washington. The relationship improved toward the end of the decade, but it was then clouded by the controversy over the handling of the Jesuit murders.

The relationship was always somewhat distant because the Embassy felt that the reporting of Salvadoran human rights groups tended, in varying degrees, to favor the FMLN. Visitors from the U.S. reported receiving briefings in the Embassy that started off with highly negative assessments of Salvadoran human rights activists. This left the visiting Americans with the unfortunate impression that for the officer giving the briefing, it was more important to fight the propaganda battle than to pursue human rights violations. On the other hand, Embassy officers were frequently put off by the confrontational and morally superior tone of some of their visitors who seemed more interested in gathering ammunition to use against the Administration's policy than finding the objective "truth" in El Salvador.

Critics of the policy often expressed concern that the Administration's determination to support the Salvadoran government and military in prosecution of the civil war against the FMLN led Washington, in its public and private comments, to excuse that government at every turn. There is no doubt that as part of a legitimate and necessary effort to defend the Administration's policy, Washington and Embassy briefers put a positive gloss on actions by the Salvadoran government. There were also undoubtedly periods when the Department and the Embassy became caught up in selling the policy and crossed the fine line in briefing visitors to San Salvador that turned their description of the glass as half-full into a justification of Salvadoran government and military actions that was simply not credible to their critics.

Allowing this communication gap to develop appeared to the Panel to be a serious failure by the Department during most of the decade and by the Embassy for part of it. The divide was extraordinarily difficult to bridge: the fundamental issues were important; many felt the battleground over the policy was Washington, not San Salvador; the ideological nature and partisan overtones of the debate pressured the professional diplomats; and the questioning by each of the other side's honesty and intentions personalized the policy disagreements. Some ranking officials in the Department relished taking a partisan and ideological approach to foreign policy that opened them to a similar counterattack. For lower-ranking officials, to stay courteous, responsive, and open when one's integrity is being questioned requires great forbearance. This is, however, expected of professionals in the government, and critical to the retention of the credibility necessary for our government to function. The costs to the Department of allowing this breakdown in dialogue were high.

The picture the Panel has drawn of Embassy and Departmental performance is therefore one of failures as well as successes. But it bears little resemblance to some of the more prominent press reporting that followed the Truth Commission report. With headlines like "How U.S. Actions Helped Hide Salvadoran Rights Abuses," much of the coverage had something of a rote-

quality, reciting the litany of the Kirkpatrick/Haig statements on the churchwomen's murders, the Enders' testimony on El Mozote, a U.S. military study that reported institutional violence in the Salvadoran military, Abrams on D'Aubuisson, questions on handling the Jesuit Case, and Administration "lies" in general. The Panel's account includes most of these. But it also reports efforts by Embassy officials to break cases, the institution-building effort to improve Salvadoran society, the link between past efforts and current successes, and the demonstrated role of elections in moving El Salvador toward a more centrist political system. This picture may be less satisfying to those determined to refight old battles, but the Panel believes it comes closer to conveying the complexity of a notably difficult foreign policy problem, and the persistent efforts of U.S. officials to cope with it.

The Foreign Service and Policy Implementation: The role of the Foreign Service and the embassies abroad in policy implementation is frequently misunderstood. The core concept of the professional American diplomatic service is that it is responsible for carrying out the policy of the President of the United States. It is essential that the Department and its embassies retain their objectivity and credibility in reporting on issues of interest to the United States, but they cannot be neutral toward the President's policy nor disinterested observers. Given the complexity and detail involved in foreign affairs, Foreign Service Officers and U.S. embassies may influence the details of a policy set forth by the President or his Secretary of State, but they cannot publicly oppose that policy. This is not an easy role, and in El Salvador it was sometimes handled inadequately. However, it is an essential part of the function if the Foreign Service is to carry out its charge to serve the President, whatever his party, and to support U.S. foreign policy as he formulates it. To protect this fundamental linkage, Foreign Service Officers who cannot support a particular policy must ask for transfer to another area or resign.

The Department, its embassies, and the Foreign Service do not have the luxury of seeing issues in absolute terms. When faced with dramatic alterations in the public statement of policy (as occurred in the treatment of several issues with the advent of the Reagan Administration), the State Department and Foreign Service seek to combine the new approach with promotion of ongoing U.S. interests in a country, the history of the relationship, and the broad concerns of the American people into as cohesive a policy as possible. There is always a fine line between supporting official policy publicly and internally pressing ideas to change it. There is no question that the great majority of the FSOs and others involved cared deeply about the problems of the Salvadoran people and had nothing but contempt for killers and those who encouraged death squads or wanton murder. Some would have preferred to go farther in cutting off military aid at certain times. In addition, there were policy differences between the State Department and the

NSC and the CIA. But Department and Embassy officers talking to the public had an obligation to defend the Administration's policy, and there were real limits on what they could say to a public audience and retain the confidence of the President and his Secretary of State.

Another problem of interest to the Panel was the effect of the El Salvador experience on the careers of individual officers. If the American people are to be served and the Foreign Service is to fulfill its mandate, it is precisely on complex, controversial issues where the service needs to use its best people. While ambassadors, and to some extent DCMs, can be dragooned into service even in the toughest situations, the critical signal for other officers is how people are treated when they take on the tough jobs and whether they are later rewarded with promotions and good assignments for their extra effort. El Salvador was a difficult place to recruit officers because of the controversy, the unsavory nature of the problems, the dangers, separation from families required by the policy of unaccompanied tours, and a feeling that the rewards would not match the risks involved. It was particularly hard to recruit the critical mid-level people to serve in Embassy San Salvador during most of the period.

The Panel looked at the issue of how the system had treated officers who served in El Salvador or had responsibility for Salvadoran issues in the Department. There were enough highly-publicized cases early in the decade to raise clear questions: the firing of Ambassador White and the abrupt reassignment of Assistant Secretary Enders and Ambassador Hinton. Only one DCM in the American Embassy in San Salvador during this period later became an ambassador. At the middle ranks, it is hard to draw any firm conclusions. Most of the people whom the Panel asked if El Salvador service had hurt or helped their careers felt it had been a wash. Many said they found it an exhilarating, once-in-a-lifetime experience but they had little interest in doing it again. While the Panel has no basis to say that the mid-level people have been penalized by the experience, they seem to have been little rewarded for taking on such a difficult task. The junior officers appear to have done relatively well in career terms. Given that they were such a talented group, most should have risen quickly in the service in any case. The system seems to have served the junior officers well.

At the top ranks, however, the penalty of working on El Salvador or other areas in Central America can be more direct. Historically, there has been a problem when Department professionals who have taken on sensitive assignments are nominated by the President to be an ambassador and come before the Senate for confirmation. All involved in the naming of people for high office in the United States understand there is no due process involved when one or more influential Senators decide to oppose a nomination or place it on hold because they disagree with the policy that the professional was obliged to

carry out. The basic problem which remains for senior officers is that work on the more controversial issues can entail great risk to their future careers, especially when the controversy involves heated partisan debate. Only the President and the Secretary of State can ensure that the professional diplomats are supported in the appointments process.

VII. CONCLUSIONS AND RECOMMENDATIONS

The core strategy for U.S. policy in the 1980s, trying to help El Salvador build a political center, was inherited from the Carter Administration. If one agreed that this was a viable strategy or at the minimum the "least bad" option available to the United States, then working with the Salvadoran military and certain right wing political figures was not an unreasonable price to pay. Policy critics, however, saw this strategy as disingenuous, ensuring the dominance of the military and the right, inimical to human rights and without moral justification.

It was not the Panel's task to judge the balance of right and wrong in this debate, but to assess the performance of officers within the context of the policy set by successive Administrations. This report finds that Embassy officers performed well on human rights issues. They pushed Salvadoran officials repeatedly. They miscalled some important cases, but they had some real successes. They pressed many cases against considerable odds and, on occasion, at substantial personal risk. Such progress as was achieved in Salvador in bringing abusers to justice during this period seems to have resulted mainly from these American efforts.

In El Salvador, reconciliation is under way. Perhaps the Panel's report can make a small contribution to reconciliation among Americans who anguished over Salvador, through its depiction of what Department and Embassy officers actually did in that real-world situation.

A considerable amount of the Department's records for the period on the most prominent human rights violations have already been released through Freedom of Information Act requests. There continues to be strong interest in further declassification among the public and in Congress. Following the Secretary's instructions and requests from Congress, the Department has set up a special group to process the documents assembled for the Truth Commission and for this Panel, and to declassify them to the maximum degree possible.

The Panel believes it would be useful to help clear the air by declassifying the vast bulk of the record, making minimal deletions to protect sources and sensitive issues. It believes the vast majority of the documents could be declassified in toto. A particular effort should be made to review documents released in part several years ago to restore material deleted at that time.

As declassification proceeds, others will review the documents the Panel has read, and other documents besides. No doubt, some will find additional facts and others will

challenge the Panel's interpretation of the record, at least of certain episodes. But the Panel does not believe that anyone who makes such a study with a reasonably open mind will find the State Department record differs fundamentally from that summarized in this report.

In response to the Secretary's request for lessons learned for the future from Departmental and Embassy handling of human rights issues in El Salvador, the Panel submits the following:

The U.S. Government pays a high price when its representatives are perceived, rightly or wrongly, as indifferent to human rights concerns. In the case of El Salvador in the 1980s, a more open dialogue might not have won the support of human rights activists for U.S. policy, with which they were in fundamental disagreement, but it could have brought better understanding to both sides.

When giving human rights briefings in such highly politicized situations as El Salvador, the more senior the briefer the better the prospect for conveying the overall context of U.S. policy within which human rights issues are addressed.

There must be solid interagency cooperation on human rights work to assure its maximum effectiveness. This requires that the embassy's leaders provide a clear guideline that human rights are a major concern of the mission. Furthermore, they must ensure that other agencies' representatives in the mission understand the necessity to cooperate with the human rights officers. In the case of El Salvador, these officers were typically on their first or second tours in the Foreign Service and needed this reinforcement.

In crisis-ridden countries, the deputy chief of mission is a key figure in the embassy structure. He or she needs to be just as strong a leader as the Ambassador when the latter is absent on consultations in Washington or heavily engaged on other issues for a prolonged period. The Department should therefore exercise particular care in screening deputy chief of mission candidates for such countries as El Salvador in the past decade.

The Department should be sensitive to the workload in such crisis situations and should also ensure that embassy or bureau requests for specialized personnel get priority attention. The Panel was struck, for example, by evidence that Embassy San Salvador's requests for assignment of a legal officer were not more quickly satisfied. The need for generous staffing applies to the Department as well as to the field: the Central American desks in the 1980s faced an overwhelming workload.

Formal guidance for human rights reporting, other than for the Annual Human Rights Report itself is insufficient. The

entering the Service with handling of human rights issues during their orientation course. This Institute also includes a few hours of discussion on human rights reporting in its "Political Tradecraft" course. To supplement Institute training, in October 1992 the Bureau of Human Rights and Humanitarian Affairs prepared and disseminated a handbook of human rights to Foreign Service posts. This handbook should be updated to include a listing of the private organizations specialized in this field, with a description of the nature of these organizations' memberships and the geographic areas where they are most active. It should also note any self-imposed restrictions which individual organizations may practice in terms of open cooperation with U.S. Government officials. All human rights reporting officers should be made aware of the availability of this handbook at embassies and in the Department, and should be strongly encouraged to familiarize themselves with it.

Finally, those occupying policy positions in the Department of State have a critical responsibility for the credibility of the institution. An adversarial relationship between the Legislative and Executive branches of our government is inherent and essential to its proper functioning. Congress understands that Department officers whom it calls to testify come before it to support policy. In turn, those senior officers must exert great care that their support for policy does not cross over that often fine line between advocacy and providing misleading information.

APPENDIX A: CASES IN THE TRUTH COMMISSION REPORT

MURDERS

1. Murder of six Jesuit priests (November 16, 1989)†
2. San Francisco Guajoyo (May 29, 1980), 12 murdered
3. Murder of Six FDR leaders (November 27, 1980)†
   Enrique Alvarez Cordoba, Juan Chacon, Enrique Escobar Barrera, Manuel de Jesus Franco Ramirez, Humberto Mendoza, Doroteo Hernandez
4. Four American Nuns executed (December 2, 1980)*†
   Ita Ford, Maura Clarke, Dorothy Kazel, Jean Donovan
5. El Junquillo Massacre (March 3, 1981)
6. Four Dutch journalists murdered (March 17, 1982)
7. Las Hojas Massacre (February 22, 1983), 16 peasants executed
8. San Sebastian Massacre, 10 executed (September 21, 1988)†
9. Attack Against FMLN mobile hospital (April 15, 1989) five killed, of which at least one victim, French nurse Madeleine Lagadec, executed
10. Dr. Begona Garcia Arandigoyen, Spanish national, executed (September 10, 1990)
11. FENASTRAS and COMADRES bomb attack (October 31, 1989), nine dead
12. Hector Oqueli Colindras and Gilda Flores Arevalo kidnapped and killed in Guatemala (January 12, 1990)

FORCED DISAPPEARANCES

13. Ventura and Mejia (January 22, 1980)
14. Miguel Angel Rivas Hernandez (November 29, 1986)
15. Sara Cristina Chan Chan Medina and Juan Francisco Massi Chavez (August 18, 1989)

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* U.S. citizens
† Described in Appendix B

MASSACRE OF PEASANTS BY ARMED FORCES

16. El Mozote (December 10, 1981)†

17. Sumpul River (May 14, 1980)†

18. El Calabozo (August 22, 1982)

19. General pattern of conduct 1980-82

ASSASSINATIONS BY DEATH SQUADS

20. Archbishop Oscar Arnulfo Romero y Galdamez (March 24, 1980)†

21. Death squads, general operations, 1980-1991

22. Mario Zamora Rivas, Christian Democratic leader and Attorney General (February 23, 1980)

23. El Bartolillo hamlet, Tehuicho (July 23, 1980), 13 killed

24. Jose Rodolfo Viera Lizama, Michael Hammer, and Mark Pearlman (January 3, 1981)*†, President of ISTA and two American AIFLD workers

VIOLENCE AGAINST FMLN OPPONENTS

25. Summary execution of mayors (1985-88)

26. Zona Rosa murder of U.S. Marines*† and civilians (June 19, 1985)

27. Herbert Ernesto Anaya Sanabria (October 26, 1987) Head of (nongovernmental) Human Rights Commission

28. Napoleon Romero Garcia, "Miguel Castellanos" (February 16, 1989) assassinated at Center for Studies of the National Reality (CEREN)

29. Francisco Peccorini Lettona (March 15, 1989) murdered

30. Jose Roberto Garcia Alvarado (April 19, 1989) murdered

31. Francisco Jose Guerrero (November 28, 1989) ex-President of the Supreme Court of El Salvador assassinated

32. U.S. military survivors of a downed helicopter* (January 2, 1991) two wounded men killed

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* U.S. citizens
† Described in Appendix B

33. Kidnapping of Ines Guadalupe Duarte Duarte and Ana Cecilia Villeda (September 10, 1985)

34. Assassinations of judges -- 28 judges assassinated (1980s)

35. Justice of the Peace Jose Apolinar Martinez (June 14, 1988) murdered

APPENDIX B: EMBASSY AND DEPARTMENTAL PERFORMANCE ON NINE PROMINENT CASES

1. Assassination of Archbishop Romero

On March 24, 1980, the Archbishop of San Salvador, Monsignor Oscar Romero, was murdered while celebrating mass. The Truth Commission concluded that Roberto D'Aubuisson ordered the assassination, that others involved included Capt. Alvaro Saravia, Capt. Eduardo Avila, Fernando Sagrera, Mario Molina, and Walter "Musa" Alvarez, that Saravia's driver Amado Garay was a competent witness, and that the Salvadoran Supreme Court had hindered Saravia's extradition from the U.S. and thus provided D'Aubuisson with impunity.

The Archbishop's murder was a traumatic event in El Salvador. His funeral was marked by serious violence and almost caused the collapse of the ruling junta. The White House, the Department, and the Embassy quickly issued statements condemning the assassination. There were numerous rumors about who carried out the act, duly reported by the Embassy, including a flap over misquotes of Ambassador White about possible right-wing Cuban involvement. The junta requested, and the Ambassador strongly supported, early involvement of the FBI in the case. The Department turned down the request purportedly out of concern for the FBI agents' safety and the possibility that it would add credibility to the argument that the government was a U.S. stooge or suggest U.S. complicity. In the early stages of the investigation, the presiding judge resigned and left the country after death threats. The Embassy concluded that unless the assasrination was an entirely mindless act of an individual, "the weight of evidence points to the responsibility of the extreme right."

There followed a long process of failed judicial investigations, despite the importance of the case to El Salvador and to its image abroad. A National Police investigation lasted only six weeks followed by an equally unsuccessful investigation by the Attorney General. An Embassy political officer was told by a new contact in November 1980 that Roberto D'Aubuisson was in charge of a meeting in which participants drew lots to see who would kill the Archbishop. (A former army major removed in 1978, D'Aubuisson was then temporarily in exile in Guatemala, because he and several confederates had been arrested, and then released, in May for coup plotting. Among the items confiscated was a diary which included information that appeared to be related to the assassination.) In August 1981, the same source told the Embassy officer that a man nicknamed "Musa" had drawn the winning lot. In December the Embassy concluded that "Musa" was Walter Antonio Alvarez who had been taken away from a football game in September and killed.

The question of D'Aubuisson's involvement and the diary became important political issues in El Salvador and in the United States as the former major became an important political figure. The ARENA party he established became his primary vehicle and his rivalry with Duarte was intense. In March 1982, former junta member Colonel Majano stated publicly that the captured documents implicated D'Aubuisson in the Romero assassination and former Ambassador White made a similar statement referring to the Embassy cables noted above. White had asserted on several occasions that the Administration was suppressing the facts in the case. D'Aubuisson came close to the presidency in 1982 after the National Assembly elections, but he had to be satisfied with the consolation prize of leader of the National Assembly when the military leadership imposed Alvaro Magana as Provisional President instead because of concern over foreign, principally U.S. reaction.

During the Presidential election campaign in March 1984, D'Aubuisson presented a videotape of a self-proclaimed guerrilla defector called Pedro Lobo who confessed he had been involved in the assassination. The Embassy was not impressed with his performance, calling it "nothing more than a fabricated fairy tale of the kind most favored by the right." Lobo turned out to be an ex-convict named Salazar paid to claim responsibility for killing the Archbishop. In August 1984, newly installed President Duarte set up a commission headed by Benjamin Cestoni to review this and four other human rights cases but it made no progress on the case. The Christian Democratic Party continued its efforts to link D'Aubuisson to the crime and accused him of trying to use "Pedro Lobo" to cover up.

When the Special Investigations Unit (SIU) was set up in mid-1985 with U.S. assistance (as part of the formal military structure), it began a intensive search for evidence in the case. In June 1987, the SIU located Antonio Garay who said he had driven Romero's assassin to the scene of the crime and implicated Captain Alvaro Saravia. Saravia was located living illegally in Miami and working in a pizza parlor. Following Garay's testimony, President Duarte went public with the information implicating Saravia and D'Aubuisson. Saravia was then placed in custody in Miami based on the Salvadoran government's provisional arrest request. The Embassy noted that "successful prosecution of the Romero assassins is of the highest priority to the Salvadoran and U.S. governments. The resolution of this prominent case would help demonstrate in an important way the strong commitment of the U.S. Government to supporting the Salvadoran government in its efforts to advance the rule of law and bring to justice violators of human rights." As the extradition process moved forward slowly, the Embassy reported several indications that the "D'Aubuisson Mafia" was making an effort to obstruct Saravia's extradition from the U.S. In December 1988, the Salvadoran Supreme Court

The Christian Democrats made D'Aubuisson's involvement in Archbishop Romero's death an issue once again in the 1989 campaign as it had in 1984, although with much less success, as ARENA won the election and Alfredo Cristiani became President. By 1991 D'Aubuisson had become an outspoken advocate of reconciliation in El Salvador. He died of cancer in February the following year. Saravia remained in the United States.

2. The Rio Sumpul Massacre

The Truth Commission concluded that on May 14, 1980, Salvadoran military personnel deliberately murdered at least 300 unarmed civilians on the edge of the Sumpul River near Las Aradas. The Honduran Armed Forces reportedly cooperated in the operation by preventing the Salvadoran civilians from crossing the river into Honduras.

The incident occurred on the border between the two countries, and the story broke in Honduras. Embassy Tegucigalpa reported on June 25 that the Bishop and priests of Santa Rosa de Copan (in Honduras) published a communique on June 24 which charged that 600 persons had been massacred by the El Salvador National Guard and ORDEN at Las Aradas on May 14, claimed complicity by Honduran forces, and said the OAS observers had turned a blind eye. The Embassy cable noted that rumors of widespread civilian and guerrilla casualties had been frequent in the area, that reporters who had tried to check out the charges had been unable to find evidence, at least on the scale charged, and that other sources thought something like what was stated may have occurred. The Embassy termed the charges serious and detailed and reported Honduran denials with appropriate skepticism. The Department's spokesman on June 26 stated that "we are aware of recurring rumors of large-scale civilian and guerrilla casualties along the Rio Sumpul. . . . To our knowledge, there has been no verification of those reports." He noted that reporters visiting the area had uncovered no evidence substantiating the charges and mentioned the Honduran government denial without comment.

A day later, a cable from the Department expressed concern about the "leftist propaganda campaign" over the alleged atrocity and asked for more information and analysis from both San Salvador and Tegucigalpa. Tegucigalpa pointed to its earlier cables and commented that "it appears that something more than a confrontation with guerrilla forces occurred . . . but additional details are difficult to verify." It suggested the priests would not have made up the story out of whole cloth but were ready to jump to conclusions, adding that the priests' conclusions were "gleefully picked up by extreme left throughout Central America and bounced back and forth to establish their 'veracity' through repetition." San Salvador reported Embassy personnel had talked with a U.S. reporter who had visited the area and "uncovered nothing at all of the atrocities nor had he come across even allegations of the

atrocities," and also with a member of the observer group who had "seen or heard of no evidence which would substantiate claims of the alleged atrocity." San Salvador concluded it could "find no evidence whatsoever of alleged atrocity on Honduran border."

Embassy Tegucigalpa continued to talk with its sources and reported "operations were indeed taking place in which civilians have been caught" and noted an American journalist who said a massacre, though of fewer people, had indeed occurred. It also reported efforts by the Hondurans to demonstrate they had not been involved. More concretely, it cautioned the Honduran government against expelling the priests for making the charges. On July 3, the Embassy sent a political officer to the area to talk with the priests. His cable concluded that the priests made a "convincing case that events occurred generally as described" and "as far as investigation on this side of the border is able to establish, there was a guerrilla sweep of which the GOH knew and civilians as well as guerrillas died."

In late September that year, a Department cable noted that allegations continued to be made about the massacre by private and religious organizations in the U.S. and asked for further information. Embassy San Salvador reported the story had not been given much currency inside El Salvador and commented that it had not "seen any convincing evidence to indicate that the massacre actually took place." It noted that several newsmen had visited the site "but were unable to uncover any evidence." It concluded: "However, it is extremely difficult to prove the negative."

The Panel found no further reporting on the Rio Sumpul Massacre.

3. Murder of FDR Leaders

Six leaders of the Revolutionary Democratic Front (FDR) were kidnapped and killed on November 27, 1980. The Truth Commission concluded the act was carried out by one or more of the public security forces.

The Embassy reported the murders along with the communique from an extreme rightist group claiming responsibility. It provided further details as they became available. The Embassy had contacted a witness immediately after the six were detained, and the Ambassador attempted to intercede on their behalf with the Acting Foreign Minister, but to no avail. The Embassy concluded from the first that the "evidence that the security forces are responsible for the action is overwhelming." It predicted that Col. Majano would leave the junta (which subsequently occurred), noted the possibility of a confrontation between the Christian Democrats and the military, and added that "strong United States action will be required to

keep the government intact and avoid [its] slide into a repressive military dictatorship with an unstated policy of permitting the security forces to kill with impunity." The Ambassador recommended an immediate suspension of military assistance until the assassination was dealt with satisfactorily.

Before receiving the cable above confirming the killing of the FDR leaders, the Department's spokesman called the kidnappings "a deplorable terrorist incident" and noted news reports that they had been killed. The following Monday he condemned the killings themselves as a deplorable act of terrorism" and expressed concern about the "vicious circle" of killings. The atmosphere in San Salvador was very different. The Embassy reported that many military leaders seemed "quite satisfied" that the FDR leaders had been killed. Rumors pointed to various groups who might have been responsible, including the military, Roberto D'Aubuisson, and National Guardsmen. But the investigation never made any progress and no one was ever arrested in the case.

U.S. attention was quickly diverted by the killings of the American churchwomen on December 2 and the AIFLD workers on January 3, 1981. The FDR murders were subsequently mentioned in Embassy cables as examples of the continuing violence.

4. Murder of Four American Churchwomen

On December 2, 1980, members of the Salvadoran National Guard arrested four American churchwomen (Nuns Ita Ford, Maura Clarke and Dorothy Kazel, and laywoman Jean Donovan) on the road from the international airport. They were taken to an isolated spot, raped and killed. In 1984, Subsergeant Luis Antonio Colindres Aleman and four other members of the National Guard were sentenced to 30 years for the crime. The Truth Commission concluded the abductions were planned in advance and the men had carried out the murders on orders from above. It further stated that the head of the National Guard and two officers assigned to investigate the case had concealed the facts to harm the judicial process.

This particular act of barbarism and attempts by the Salvadoran military to cover it up did more to inflame the debate over El Salvador in the United States than any other single incident. It produced a grass-roots opposition to the incoming Administration's El Salvador policy. The comments by UN Ambassador-designate Jeane Kirkpatrick in December and Secretary of State Haig in March on the churchwomen's motives and the event itself were taken as "emblematic" of the Reagan Administration's approach on human rights in El Salvador (see note 3). Congressional interest was intense and books and a television documentary added to the public controversy on the issue.

Embassy involvement in the case was strong from the beginning. The Ambassador went immediately to the temporary burial site of the women, the Embassy human rights officer broke the case, and the perpetrators were brought to justice only after intense pressures from both the Executive branch and Congress. In the midst of continuing public debate, Secretary Shultz asked Judge Harold R. Tyler, Jr. to make an independent investigation in 1983. His highly detailed study concluded that the National Guardsmen were indeed guilty, that an extensive coverup had occurred, and that "the killers would never have been identified and the evidence of their guilt never properly assembled had it not been for the efforts, often courageous, of United States (State Department and FBI) personnel." Unlike the Truth Commission, Judge Tyler concluded that Colindres Aleman probably acted on his own initiative.

Embassy reporting and the files on this key case are extensive. After the first visit to the exhumation site and discussions with local officials, the Embassy reported that the implication that the churchwomen were murdered by Salvadoran security officials was "absolutely clear." The U.S. sent William D. Rogers and Assistant Secretary Bowdler to El Salvador to make an immediate appraisal and underline the importance the U.S. attached to a prompt and thorough investigation. They found no direct evidence implicating Salvadoran authorities and urged that the FBI play a role in the investigation. The junta announced that Colonel Roberto Monterrosa would conduct an investigation into the crime and the National Police initiated a separate effort led by Major Lizandro Zepeda.

The Monterrosa Commission originally appeared to the Embassy to be sincere and "pursuing every avenue to bring this matter to a logical conclusion." After it took a long Christmas break and then proceeded at a much slower pace in January, however, the Embassy was much less confident about prospects for progress. On January 19, Ambassador White took issue with statements from Washington that the investigation was proceeding satisfactorily, saying that there was "no sign of any sincere attempt to locate and punish those responsible for this atrocity." In fact, as Judge Tyler stated, "Colonel Monterrosa did as little as possible throughout the early spring of 1981" despite instructions to the contrary from President Duarte. Monterrosa clearly knew what he was doing. When, after much prodding, he provided fingerprints to the U.S. in February of three of the four people from whom his Commission had taken statements, he specifically omitted prints from the person responsible.

Meanwhile, the U.S. Embassy was pressing its own effort. A contact of the human rights officer told him in April that Subsergeant Colindres Aleman had ordered the murders. Chargé Chapin met separately with President Duarte and Minister of Defense Garcia to tell them of this information, noting specifically that Colindres' fingerprints had not been passed

to the Embassy by Monterossa. Garcia promised the guilty would be punished. In discussions over the next few days, the source provided the names of all those involved and these too were formally handed over to the minister for action. The people on the Embassy's list were arrested the next day, their fingerprints taken, and guns sent to the U.S. for analysis. The FBI soon identified Colindres' print as matching one on the churchwomen's van and one of the confiscated rifles as having fired a shell discovered at the scene of the crime.

As the issue languished through the fall, the Embassy pressed hard for a serious follow-up investigation. Then in December the head of the National Guard established a new working group headed by Major Jose Adolfo Medrano to carry out an investigation. Medrano's group carried out a much more serious effort with direct Embassy involvement and technical assistance from the FBI. The Embassy reported the developments in the case in considerable detail. The Medrano investigation was completed on February 9, 1982, President Duarte announced the resolution of the case the next day, and the six men were discharged from the National Guard and turned over to civilian authorities for trial.

The process again slowed as the civilian authorities tarried in carrying out their investigation. Tensions over the case in the United States grew as predicted trial dates were not met. The frustrations of the families and their supporters grew apace. Some charged that: a) progress was not being made as required by the certification legislation, b) the U.S. was assisting in the delay ("there is mounting evidence that both responsible officials of El Salvador and what is more appalling, officials of the murdered women's own government, are studiously avoiding the measures that might expose the truth," said one critical report), c) the Administration was ignoring "evidence indicating that higher military officials participated in ordering the crime and covering it up," and d) the U.S. Government refused to declassify all information it had for the families and their supporters to use. Questions were raised about leads not followed or facts ignored that suggested a conspiracy. The investigation by Judge Tyler was designed to spur on the Salvadoran justice system and to review the merit of the many accusations and theories being advanced by the critics. His study, completed on December 2, 1983, and declassified following the verdict in the trial, took strong exception to criticism of the Department's role, noting its and the FBI representatives had been "vigorous and effective" in pressing the Salvadorans to investigate and prosecute the crime.

With U.S. pressure intense, the Salvadorans moved the case to the trial stage that October. Finally, on May 26, 1984, the defendants were found guilty and sentenced to 30 years in prison. The Truth Commission noted that this was the first time in Salvadoran history that a judge had found a member of

petition for release under the November 5, 1988, amnesty. This was denied after the judge ruled that the killings were not a political crime, and therefore not covered by the amnesty.

5. The Sheraton Murders

On January 3, 1981, two agents of the National Guard gunned down two American advisers of the American Institute for Free Labor Development (AIFLD) Michael Hammer and Mark Pearlman and the president of the Salvadoran Agrarian Reform Institute Rodolfo Viera in the dining room of the Sheraton Hotel in San Salvador. The two murderers Santiago Gomez Gonzalez and Jose Dimas Valle Acevedo were convicted and released after the 1987 amnesty. The Truth Commission stated that Captain Eduardo Avila and Lieutenant Lopez Sibrian took part in the planning of the operation and that it had sufficient evidence that the businessman Hans Christ participated in the planning. The last three were never brought to trial.

Embassy personnel were called immediately to the scene of the crime. The Chargé called President Duarte and the Defense Attaché called the Minister of Defense emphasizing the importance of the crime and the need for immediate action. The Embassy's first reaction was that given tight security at the hotel and the right wing's well-known hatred of Viera, rightist death squads were the leading suspect. Duarte told newsmen the same thing the next day.

On March 19 a waitress in the hotel approached an American to ask for help to go to the United States. She said she had seen the people who killed the three men on January 3 and feared for her life. Upon arrival in the U.S. she said she had served dinner to six men including Hans Christ and another businessman Ricardo Sol Meza who were later seen bending over the bodies. The witness returned briefly to El Salvador on April 4 to give testimony admissible on Salvadoran soil. The FBI polygraphed her to confirm her story and carried out ballistics tests on seized weapons. Sol Meza was taken into custody, Hans Christ was apprehended in Miami on April 15 for extradition to San Salvador, and Lopez Sibrian was arrested in San Salvador six days later. In October the Supreme Court ordered the release of Sol Meza for lack of evidence but reaffirmed the arrest order for Christ.

The U.S. pressed hard for progress in the case. In June 1982 a Salvadoran working group on the Sheraton began work by reinterviewing people involved in the case. The presiding judge in Miami dismissed the extradition case against Christ the same month. The working group began to get results in August: two National Guard bodyguards confessed to killing the three men and were put under detention by the military on September 1. The bodyguards implicated Christ but not Sol Meza. Lopez Sibrian was separated from the military and remanded to the court on September 24. Captain Avila had also

been questioned and polygraphed. When the presiding judge concluded there was insufficient evidence to hold Lopez Sibrian, the Embassy disagreed strongly, emphasizing that the evidence against him was strong and dismissal of the case would have serious consequences including on U.S. aid levels. Although Lopez Sibrian was removed from detention, he remained in "informal detention" because of the U.S. interest.

By this time the case was also linked to the certification process. In February 1983, the Ambassador argued that we should "play hardball" on Lopez Sibrian's detention, allowing military aid to be cut if necessary to force the Salvadoran government to get its act together. When the appeals court confirmed the dismissal of charges against Sol Meza and Christ and the suspension of the case against Lopez Sibrian, Ambassador Hinton again argued that the time had come to take a stand and called for a suspension of military aid. His recommendation was not followed. Meanwhile, the Embassy continued to press unsuccessfully for a full-time FBI investigator to provide support on this and other cases.

In December the police arrested Captain Avila who had early deserted the army and fled abroad. In January 1984, the Embassy summed up the problem of getting convictions of those who gave the orders for the killings by saying "extensive micromanagement on the part of the U.S. Embassy and full cooperation from the Salvadoran government and judicial authorities is going to be required to advance this case." It pressed the Salvadoran authorities to keep Avila in jail, hoping to use his testimony to reverse the dismissal of the case against Lopez Sibrian. Despite these pressures, Captain Avila was released on March 22, 1984. Later, on November 15, the Salvadoran Supreme Court definitively dismissed charges against Lopez Sibrian. The Embassy worked again to help build a case against Avila.

On February 13, 1986, five years after the murders, the confessed gunmen were convicted of the crime. They were later given 30-year sentences. Two months later, Lopez Sibrian was captured with the help of his erstwhile backer Roberto D'Aubuisson for involvement in a kidnapping. In December 1987, the two gunmen and Avila were all freed under the amnesty law. In April 1988, the U.S. Embassy claimed "internationally protected persons" status for the AIFLD workers but there was little more that could be done to reopen the case.

6. The El Mozote Massacre

The Truth Commission stated that more than 500 men, women, and children were massacred in El Mozote and nearby hamlets on over a three-day period beginning December 11. The massacre was carried out by units of the Atlacatl Battalion, an "Immediate Reaction Infantry Battalion" (the first of its kind

training earlier that year. The FMLN Radio Venceremos first broke the story of the massacre on December 27. It reached the international press with the publication of front-page articles in the New York Times and Washington Post on January 27, 1982, following visits by American reporters to the site. The incident was confirmed by autopsy reports on remains in the area ten years later.

Ambassador Hinton informed the Department on January 8 that he had been asked about a massacre in Morazan Department by a representative of the National Council of Churches and had responded: "I certainly cannot confirm such reports nor do I have any reason to believe they are true." He noted that Embassy sources had provided no hint that such a thing had occurred and quoted a Radio Venceremos report of January 2 as the only source he had seen. He then stated that he did not consider Radio Venceremos to be reliable. A discussion a few days later with a freelance American journalist who had apparently accompanied the Salvadoran troops on their sweep in the area and witnessed nothing untoward added to the Embassy's skepticism. Further skepticism, and a belief that the El Mozote story was part of an FMLN pre-certification propaganda campaign, was engendered by a false story filed a few days earlier by one of the same journalists who wrote on January 27 to the effect that U.S. military trainers had observed Salvadorans carrying out torture.

Asked about a massacre when the stories in the New York Times and the Washington Post appeared on January 27, the Department's spokesman said "if the reports were proven accurate, we would obviously deplore such an incident." He quoted the Ambassador's January 8 response at some length and added that "the Embassy has, and will continue actively, to seek corroboration of such reports." He reiterated the Department's position that "we abhor violence of this type, whether from the right or the left, whether by government troops or guerrilla insurgents."

The January 27 stories prompted the Embassy to carry out its own investigation. It sent the assistant defense attaché and a human rights officer to the area. They were unable to get to the site -- which had returned to rebel control -- but they flew over it by helicopter and talked to people in the vicinity.

The Embassy reported its conclusions in a cable dated January 31. The summary stated: "Although it is not possible to prove or disprove excesses of violence against the civilian population of El Mozote by government troops, it is certain that the guerrilla forces who established defensive positions in El Mozote did nothing to remove them from the path of battle which they were aware was coming and had prepared for, nor is there any evidence that those who remained attempted to leave. Civilians did die during Operation Rescate but no evidence could be found to confirm that government forces systematically

massacred civilians in the operation zone, nor that the number of civilians killed even remotely approached number being cited in other reports circulating internationally." It noted they were still pursuing the question of what army units were present in El Mozote.

The body of the cable described Morazan Department (where El Mozote is located), El Mozote itself (noting its population at the time was estimated at no more than 300), and the military's Operation Rescate. It said there was stiff guerrilla resistance and four hours of fighting. It further noted that "civilians remaining in any part of the canton could have been subject to injury as a result of the combat" and added that El Mozote returned to guerrilla hands December 29. The reporting officers quoted an aged couple who fled the town during the attack as saying they saw dozens of bodies. The mayor of a nearby town was unwilling to discuss the comportment of government forces saying "this is something one should talk about in another time, in another country." He and a priest both agreed that many of the refugees in this nearby town were from guerrilla families.

The conclusion of the cable noted that the area was war-ravaged with the government controlling the towns, the guerrillas the countryside, and "most civilians attempt[ing] to maintain a tenuous neutrality." With El Mozote in guerrilla hands since August 1981, the reporting officers felt "the inhabitants were certainly passive and probably active guerrilla supporters." The cable noted inconsistency in the reported numbers of deaths, adding its estimate that no more than 300 people were in the entire canton. It noted that various contacts in the area had been unable to provide first-hand information on El Mozote, that the officials had visited "locations throughout Morazan" on January 30 and interviewed inhabitants and refugees from El Mozote and nearby cantons.

Ambassador Hinton was clearly uncomfortable about jumping to conclusions on El Mozote. He complained to the Department on February 1 about a cable that referred to his "denying" the incident. "I would be grateful if Department would use extreme care in describing my views on alleged massacre," he wrote, noting that he had said he had no confirmation of it and no reason to believe Radio Venceremos. He added, however, that "additional evidence strongly suggests that something happened that should not have happened and that it is quite possible Salvadoran military did commit excesses." He also dismissed the Salvadoran Defense Minister's denial as "stonewalling without credibility" and told the Minister that something had "gone wrong" with the operation. The next day he pressed him to name the leaders of the battalion involved. The Defense Minister responded by calling the stories a "novella" and a "pack of lies."

The Department released the Embassy summary of its investigation to the press on February 1. Assistant Secretary Enders testified at several House and Senate committees over the next few days. His approach before the Subcommittee on Inter-American Affairs of the House Foreign Affairs Committee on February 2 was typical. He commented that there was "no question that the human rights situation in El Salvador is deeply troubled" and discussed the difficulties of gathering accurate information. He said the "most difficult of all to assess are the repeated allegations of massacres. The ambiguity lies in the fact that there are indeed incidents in which the noncombatants have suffered terribly at the hands of the guerrillas, rightist vigilantes, government forces, or some or all of them, but at the same time the insurgency has repeatedly fabricated or inflated alleged mass murders as a means of propaganda." He noted two instances that had not stood up under investigation in 1981 and sharply criticized the killing of 19 persons in San Salvador (San Antonio Abad) two days previously, adding that he "deeply deplored" the "excessive violence of the Salvadoran forces in this incident."

He continued that "we sent two Embassy officers down to investigate the reports . . . of the massacre in Mozote in the Morazan Province. It is clear from the report that they gave that there has been a confrontation between the guerrillas occupying Mozote and attacking government forces last December. There is no evidence to confirm that government forces systematically massacred civilians in the operations zone, or that the number of civilians remotely approached the 733 or 926 victims cited in the press. I note they asked how many people there were in that canton, and were told probably not more than 300 in December, and there are many survivors including refugees now." He added that "our Embassy tries to investigate every report we receive, and we use every opportunity to impress on the El Salvador government and army that we are serious about practicing human rights and they must be too."

In the testimony cited above, Enders did not note that the Embassy officers, unlike the reporters, did not actually visit the site. That omission became highly controversial, despite the fact he had told another subcommittee the day before the officers had not reached El Mozote.[7] So did the phrase "no evidence to confirm."

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7. Enders had, in fact, noted to the House Foreign Operations (Appropriations) Subcommittee on February 1 that the town of "El Mozote was again in insurgents' hands and we could not go there" and repeated that point a few days later to the Senate Foreign Relations Committee. He provided a classified copy of the original reporting cable to the Senate.

The controversy on El Mozote was also heightened by the political context. Not only did the President make his first certification on El Salvador on January 28, but critics in Congress and the press were questioning Administration statements of Nicaraguan support to the Salvadoran insurgents (this, of course, was the basis for U.S. covert funding of the contras which had begun two months before). The Administration planned to send new aid to El Salvador, and the Administration had complained repeatedly that press reporting from El Salvador was biased in the favor of the FMLN. The thrust of Enders' testimony was to dispute the press reports on El Mozote. The standard response the Department then used for Congressional and other correspondence went further. It was, in fact, designed essentially to discredit the story by repeating that there had been a battle for the town, that civilians were not removed from the line of fire, and that "the guerrillas have grossly inflated the number of civilian deaths for propaganda purposes."

Embassy San Salvador did not attempt again to go to El Mozote. Embassy Tegucigalpa reported on February 17 that some recently arrived Salvadoran refugees from Morazan Province said there had been intense military sweeps through the province in December and that houses were burned and many residents killed. With the run-up to the March 1982 election and movement on some U.S.-interest cases, Embassy San Salvador found itself with little time to follow up on the El Mozote case. There was apparently also no effort in Washington to obtain and analyze the numerous photographs that had been taken at the site by the American journalists. In May the Embassy reported it had attempted to establish a data base for further investigation of the events in El Mozote, but said it was "unable to reach a definite conclusion regarding civilian deaths" there. Reviewing all available sources, it felt that none of them "concretely indicate that anywhere near 1,009 civilians were massacred there."

The El Mozote issue then appears to have been lost in the flood of ongoing embassy business. The election and its aftermath dominated the Salvadoran political scene. People the Panel interviewed underlined that it had dropped off the scope of the Embassy's and the Department's concerns. However, given the enormity and prominence of the charges, this was clearly a case where an extraordinary effort -- possibly including pressing for a Salvadoran military operation to escort neutral observers to the site -- was needed. The Embassy does not seem to have been inclined to press, and Washington preferred to avoid the issue and protect its policy then under siege. By July, Enders' careful "no evidence to confirm" had become in the certification report "no evidence to support allegations of large-scale massacres allegedly committed by government forces." This conclusion is obviously inconsistent with the January 31 cable and Hinton's subsequent cautionary messages as well as the press reports. It undermined the Department's

credibility with its critics -- and probably with the Salvadorans -- in a serious way that has not healed.

The exhumations in 1992 showed clearly that a massacre had indeed occurred and the U.S. statements on the case were wrong. On December 11, 1992, two Embassy officers went to El Mozote to attend a ceremony honoring those who had died in the massacre.

7. Zona Rosa Murder of Four U.S. Marine Guards

The Truth Commission found that on June 19, 1985, a group of armed men from the Revolutionary Party of Central American Workers (PRTC), one of the FMLN member organizations, opened fire on four Marine Guards from the U.S. Embassy, killing them and eight others. The Marines were in civilian dress, seated at an outdoor cafe in the Zona Rosa district of San Salvador, and unarmed. Three days later the PRTC claimed credit for the killings and on June 25 the FMLN leadership supported the action, labelling the Marines a legitimate military target. Three men were arrested in August for the murders.

President Reagan denounced the attack as an atrocity showing these were terrorists in a "war against all civilized society." The SIU was put in charge of the investigation, and the FBI offered full assistance. The State Department also posted its first counter-terrorism reward of up to $100,000 for information leading to the prosecution and punishment of those responsible. The Embassy and FBI worked closely with the SIU as it developed a series of clues in the case. (Of immediate importance to the Embassy staff was a State Department Inspector General's special inquiry that travelled to San Salvador to determine if formal action should be instituted to fix the blame for the deaths on Embassy management. The inquiry determined that the security program was "reasonably related to the security threats in San Salvador" and formal action was not necessary. However, given the obvious increase in the threat to the Embassy, security measures applied to personnel at the post were enhanced.)

On August 4, an intended illegal immigrant apprehended at the border told the INS that he had overheard William Celio Rivas Bolanos and Ulises Dimas Aguilar talking about the June 19 attack in an upholstery shop in San Salvador. The witness voluntarily returned to San Salvador and was put under arrest. By late August the SIU had the names of four men involved in the killings plus three who planned the attack, and on August 28 President Duarte announced that three people had been arrested. The initial investigative phase of the case was completed on January 21, 1986. It was passed on to the first instance (trial) court where the pace slowed. The Embassy complained that this reflected the usual lack of resources, judges, and defense counsel which hampered all of Salvadoran

Soon after President Duarte signed a general amnesty in October 1987 as part of the Esquipulas II Peace Accords, the defense petitioned the court to dismiss the proceedings on the grounds that the crime was "political." On December 4 a Court Martial confirmed the dismissal. The U.S. then formally notified El Salvador that the Marines came under the "internationally protected persons" provisions of the 1973 New York Convention and the Salvadoran Foreign Ministry agreed. As proceedings dragged on, the U.S. explored whether it could prosecute the three under U.S. law although it made clear its preference for prosecution in El Salvador. President Duarte revoked the Court Martial's decision in April 1988 citing the argument that the Zona Rosa killings were common crimes affected by El Salvador's obligations under the international terrorism and protected persons conventions. In September 1989 the Salvadoran Supreme Court upheld that ruling. In April 1991, the three defendants were sentenced to terms of 25, 11, and 4 years in jail. The two lesser sentences were reduced on appeal.

8. San Sebastian

The Truth Commission found that members of the Jiboa Battalion arrested and executed ten prisoners in San Sebastian on September 21, 1988. The report named those believed responsible and said they had fabricated a fictitious ambush to cover up the crime.

Shortly after the incident, Embassy personnel were given an account by the Salvadoran military that an ambush had occurred. The Embassy suspected the military version from the first and soon heard stories blaming the army. Ambassador Walker met with the Salvadoran Minister of Defense to underscore U.S. interest in a prompt, impartial investigation of the incident. The Department weighed in urging the Embassy to keep up the pressure for an accurate and speedy report. A team from the Embassy went to the area on September 24 to review the incident. They were told the military unit was escorting eight detainees to a helicopter landing zone when the group ran into a mine and rifle fire ambush and the detainees were killed. After inspecting the site and interviewing people in the village, the Embassy concluded that "there are a number of disturbing indications that the incident was not the product of an FMLN ambush." It then enumerated questions about the military's story that did not add up.

The Ambassador raised the Embassy's concern about the killings and the need for a complete, impartial, and definitive investigation into the case with President Duarte on September 27. Duarte agreed, saying that it was imperative the system be shown to work. He ordered two investigations -- civilian and military -- noting that his strategy was to let the Defense Minister "prove the capability of the military to investigate

daily contact with the investigators to move the process forward.

An Embassy officer (along with representatives of several human rights groups) attended the exhumation of the bodies on October 5 which confirmed that at least seven of the victims had been shot at close range. The Embassy report on that visit and the progress of the Salvadoran investigation indicated that the Salvadorans did not buy the military's cover story either. On October 14 a judge issued warrants for four of the soldiers involved, but the army balked. Duarte then changed course. He told the Ambassador in early November that he found the various reports he had received to be useless and had decided to put the Special Investigative Unit in charge of the case. Secretary Shultz congratulated Duarte on that decision. Meanwhile, the Embassy human rights officer and the Ambassador continued to press the case very hard.[8] Ambassador Walker raised it with the Foreign Minister on December 13, noting that Salvadoran actions on this case would affect Congressional attitudes on aid. The Foreign Minister replied that he hoped to convince the military that the stakes were too high to stonewall.

By early January, however, Embassy contacts close to the investigation left little doubt that the SIU was dragging its feet and was tending to accept the brigade's version of events. In a January 5 meeting with Duarte, the Ambassador said the investigation appeared aimed at protecting those responsible, that no one accepted the military version of events, and that inaction could put U.S. aid at risk. Duarte lamented his inability to force the high command to punish those responsible and suggested a high-level signal from the incoming Bush Administration. The Embassy provided the Department with its action program designed to get the process moving. It also reported that the judge and prosecutors in the case had resigned and the SIU investigation was moving at a snail's pace.

The Bush Administration decided to take up President Duarte's suggestion and the San Sebastian case was made an important part of the agenda of Vice President Dan Quayle's February 3, 1989, visit to San Salvador. The Vice President told the Salvadoran Joint Chiefs that the San Sebastian case was viewed as a critical test of the advancement of human rights in El Salvador, adding that "whoever was culpable must be punished." The Defense Minister told the Ambassador six days later they understood the Vice President's message and had

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8. A Department cable singled out the officer's work in this case, noting that "the quality and clarity of his reporting" and his "mastery of the details ... has enabled us to stay on

decided to establish an Honor Board to review the case, relieve three officers of command during the investigation, and have the Honor Board cooperate closely with the civilian legal authorities. He asked for U.S. assistance in carrying out polygraph investigations. At the Department's request, the FBI agreed to provide polygraph assistance and the Defense Department forensic experts. On March 9, the human rights officer who had been pressing the case briefed the Honor Board on the evidence available to the Embassy.

On March 11, 1989, the Salvadoran High Command announced its conclusions that it had sufficient evidence on nine active duty military personnel to detain them and hand the cases over to the courts. The Embassy called this a very positive outcome -- it was the first time the military had investigated human rights violations of its own people and concluded probable guilt on the part of active duty personnel -- but cautioned that the case was not over. That assessment proved correct. In decisions in February and May 1990, all but the major in charge of the operation were released for lack of evidence. Despite numerous promises of action, his trial had not taken place by the time of the publication of the Truth Commission Report in March 1993.

9. Murder of the Jesuit Priests

On November 16, 1989, six Jesuit priests at the Central American University in San Salvador, including the University's rector Father Ignacio Ellacuria, were killed along with a cook and her daughter. After two years of investigation, nine members of the military were tried for the murders. Colonel Guillermo Benevides and Lieutenant Yusshy Mendoza were sentenced to 30 years in prison. Three others received lesser sentences and were released. In a reversal of previous outcomes, the soldiers who actually shot the priests were acquitted, their confessions notwithstanding. The Truth Commission concluded that Colonel Rene Emilio Ponce gave the order to Colonel Benevides to kill Ellacuria in the presence of General Juan Rafael Bustillo, Colonel Orlando Zepeda, Colonel Inocente Orlando Montano, and Colonel Elena Fuentes. It found that the assassination was organized by Major Carlos Camilo Hernandez Barahona and that Colonel Oscar Alberto Leon Linares, Colonel Manuel Antonio Rivas Jejia, Colonel Nelson Ivan Lopez y Lopez, Colonel Gilberto Rubio y Rubio, and the attorney Rodolfo Antonio Parker Soto knew what had happened and took steps to conceal it.

The murders occurred five days after the FMLN launched its largest urban military offensive of the war. The Embassy reported the murders of the priests the day they occurred, describing Father Ellacuria as "an important figure in the ongoing political debate, greatly respected for his intellectual strengths while viewed with suspicion by some sectors for his clearly leftist views." American ambassadors

and other officials had met with Ellacuria several times in the 1980s, and his opinions were frequently sought by visitors from Washington. Ambassador Walker attended the funeral held for Ellacuria and his fellow Jesuit priests.

The story of what happened has been ably told by the Truth Commission, the Lawyers' Committee on Human Rights and other groups, and in particular by Congressman Joe Moakley's reports of the Speaker's Task Force on El Salvador in April 1990 and November 1991 along with several other statements by Congressman Moakley. The Jesuit case is unique for the involvement of Congressman Moakley and his staff not only in investigating the case itself, but in helping to push the case to trial. There remains considerable doubt among several people whom the Panel interviewed about the evidence used by the Task Force and the Truth Commission to substantiate higher-level orders in the case, but no one disputes top-level involvement in the coverup. There is also controversy over the Embassy's role at several points.

On the evening of November 13, after Father Ellacuria returned to San Salvador from abroad, a unit of the Atlacatl Battalion led by Lieutenant Jose Ricardo Espinoza Guerra, accompanied by Lieutenant Mendoza carried out a search of the University of Central America campus. During the evening of November 15, a meeting of the General Staff was held to discuss strategy for countering the FMLN offensive. The Truth Commission concluded that the decision to kill Ellacuria came at a side discussion of that meeting; participants deny the question was discussed. What has been established by testimony in the case is that Colonel Benevides called in Lieutenant Espinoza, Lieutenant Mendoza and Second Lieutenant Guevara Cerritos at around 11 p.m. and instructed them to eliminate Ellacuria. A group of military personnel from the Atlacatl Battalion led by Espinoza then entered the compound and killed the priests. They fired machine-gun rounds at the facade of the building and left graffiti suggesting it had been done by the FMLN.

The SIU began the investigation within an hour and a half after the bodies were discovered. Their technical work was given high marks, but it was three weeks before they began to ask for basic information from the military. Meanwhile, a witness, Mrs. Lucia Barrera de Cerna, had come forward. After giving a statement in the Spanish Embassy that she had observed soldiers at the scene, she, her husband, and their daughter were flown to Miami on a French military aircraft, put in a hotel and taken care of by Embassy San Salvador's legal officer, and questioned by the FBI from November 27 to December 3. The Embassy legal officer and the head of the Salvadoran SIU were also present at the interrogations. After Mrs. Cerna changed her story and registered deception on the polygraph, the Salvadoran Attorney General issued a statement saying she was a "very unreliable witness." The Catholic hierarchy in San Salvador furiously denounced the U.S. Government for her

"brainwashing." Congressman Moakley's Task Force concluded that U.S. officials should have acted with greater sensitivity toward this obviously frightened woman, but it rejected the idea that the U.S. intentionally sought to discredit her statement.

Similar controversy surrounded the second break in the story. On January 2, 1990, Major Eric Warren Buckland, a U.S. Army adviser, told the U.S. Military Group Commander that his counterpart, Colonel Carlos Armando Aviles Buitrago, had told him on or about December 20 that Colonel Benevides had informed the head of the SIU that the Atlacatl Battalion had killed the priests. The Military Group Commander took Major Buckland to see Salvadoran Chief of Staff Colonel Ponce without informing either Ambassador Walker (who was in Washington) or the Embassy chargé. Ponce summoned Colonel Aviles into the meeting, and Aviles immediately denied the story. The Salvadoran High Command and President Cristiani were briefed the next day. Despite the obvious impropriety of disclosing the identity of a key witness and acting without the authority of the Ambassador, this direct approach did spur additional action. On January 7, President Cristiani announced that the SIU had developed evidence that implicated military elements in the killings and had established a military Board of Honor to investigate. On January 13, he said that nine soldiers had been charged with participation in the crimes, and the investigation was largely taken over by Judge Ricardo Zamora. The Embassy, which continued to report developments in great detail, noted the case had spawned conspiracy theories and inevitable speculation about wider and higher level involvement. It affirmed that credible evidence of a coverup or a conspiracy with wider culpability would "be pursued vigorously" by the Embassy, but said "such evidence does not now exist." The Embassy felt that the evidence suggested Benevides acted alone. The blundering aspects of the murders with the obvious possibilities for leaks argued against a conspiracy directed by superiors. Meanwhile, the Embassy continued to urge the judge to follow up on all leads.

However, the case again slowed. By early April, the Embassy reported that the "initial enthusiasm and quality of investigation have not been present since the indictments." The lack of progress became more obvious as the weeks went on, as did the low level of cooperation between Judge Zamora and the SIU director Rivas. The Interim Report of Congressman Moakley's Task Force issued on April 30 noted that "the investigation and preparations for prosecuting the case have come to a virtual standstill." The Embassy pressed to speed the process. By July, Ambassador Walker cabled Washington that he was frustrated "by the attitude and actions of the armed forces vis-à-vis getting to the bottom of the Jesuit case." He suggested, and was authorized to make, a strong démarche.

On August 15, 1990, Congressman Moakley issued a statement

Command of the Salvadoran armed forces is engaged in a conspiracy to obstruct justice in the Jesuits' case." The effort was "to control the investigation and to limit the number and rank of the officers who will be held responsible for the crimes." The Embassy had reported the information obtained by the Congressional Task Force and discussed its import. It also undertook a review of all its documents pertinent to the case.

The Department instructed Ambassador Walker to make strong demarches to President Cristiani and Chief of Staff Ponce to demonstrate clearly that "the Administration cannot and will not condone ESAF [Salvadoran armed forces] foot-dragging on this investigation." It stated that the Administration was "not able in good conscience to move forward with respect to the USDOLS 19 million in FY 1990 military assistance that remains." Meanwhile, the High Command rejected Congressman Moakley's statement on obstruction as "irresponsible speculations." On September 7, Ponce, now Minister of Defense, said that he understood the seriousness of the cases and hoped progress could be made. The Ambassador recommended that the hold on U.S. military aid be continued. A small portion of the aid was released in late September, but the Ambassador emphasized to the Salvadorans that release of the balance depended on significant progress on the Jesuit case.

Major Buckland testified before Judge Zamora on September 28, relating how he had learned of the Benevides involvement in the murders. His various statements to the U.S. Government were provided to the judge on October 17, including a retracted statement that implied he had prior knowledge of plans for the killings. The next day Congressman Moakley criticized the Administration for failing to provide all of the Buckland testimony earlier. The Embassy continued to press the case at the highest levels of the Salvadoran government. On December 7, Judge Zamora announced his decision to take the case to trial, but progress again stalled and frustrations rose. A February 22, 1991, proposal by the Salvadoran High Command to reinterview the officers cited for involvement drew a mixed response as most people felt the military were continuing to stall. Limits on military aid disbursements remained in effect, and Congressman Moakley sought to turn up the heat again with a statement in April. He visited San Salvador again in July to increase the pressure and gave a strong speech that criticized the Salvadoran military for stalling.

The case went to trial September 26-28, 1991, with a secret jury. Only Col. Benevides and Lt. Mendoza were convicted of murder and sentenced to 30 years in prison. Others were given lighter sentences and set free, or -- for the lower-ranking soldiers -- found not guilty. The Department noted this was the first conviction of a high-ranking Salvadoran officer on a human rights charge. Other observers, including Congressman Moakley, felt the trial did not go far enough. He issued his

final statement on November 18 providing information he had received that claimed the involvement of General Ponce and other top leaders. This was also the conclusion of the Truth Commission.

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FOREIGN ASSISTANCE AND RELATED PROGRAMS APPROPRIATIONS FOR 1982

HEARINGS

BEFORE A

SUBCOMMITTEE OF THE

COMMITTEE ON APPROPRIATIONS

HOUSE OF REPRESENTATIVES

NINETY-SEVENTH CONGRESS

FIRST SESSION

SUBCOMMITTEE ON FOREIGN OPERATIONS AND RELATED AGENCIES

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PART 1

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WEDNESDAY, APRIL 29, 1981.

EL SALVADOR, ECONOMIC REPROGRAMING

$63.5 MILLION REPROGRAMING REQUEST

WITNESSES

JAMES BUCKLEY, UNDER SECRETARY OF STATE FOR SECURITY ASSISTANCE, SCIENCE AND TECHNOLOGY
JOHN BUSHNELL, DEPUTY ASSISTANT SECRETARY FOR INTER-AMERICAN AFFAIRS
ROBIN GOMEZ, DIRECTOR, CENTRAL AMERICAN AFFAIRS, AID
CARLOS FREDERICO PAREDES, FORMER UNDER SECRETARY OF ECONOMIC PLANNING, EL SALVADOR
ENRIQUE ALTAMIRANO, SAN SALVADOR NEWSPAPER EDITOR AND PUBLISHER, FREEDOM FOUNDATION
CAPT. ALEJANDRO FIALLOS, FORMERLY WITH THE ARMY OF EL SALVADOR
LEONEL GOMEZ, FORMER ASSISTANT DIRECTOR OF LAND REFORM PROGRAM

Mr. LONG. The hearing will be in order.

Our first witness today is the Honorable James L. Buckley, Under Secretary of State for Security Assistance, Science and Technology.

Let me congratulate you and the State Department on your appointment to the Under Secretary of State position. I am very pleased that you are able to be with us.

Would you introduce your associates from the State Department and the others here today?

Mr, BUCKLEY. I am happy to, Mr. Chairman.

To my right is Mr. John Bushnell, who is the Deputy Assistant Secretary for Inter-American Affairs.

To my left is Mr. Robin Gomez, who is the AID man in charge of Central America.

Mr. LONG. Very well. Mr. Secretary, you have a statement. Could you summarize it for the record, to give us a little more time for questioning?

Mr. BUCKLEY. It is not a very long statement.

Mr. LONG. Very good. We will leave it up to you.

Mr. BUCKLEY. Mr. Chairman, I do appreciate this opportunity to talk to you about the Administration's proposals to provide additional economic assistance for El Salvador, and say that it is a novel experience to be on this side of the bench, but a very enjoyable one.

As you know, we notified Congress on April 8 with regard to our intention to reprogram fiscal year 1981 foreign assistance for El Salvador and for Liberia.

We noted then that, because of the urgent need for additional Economic Support Fund (ESF) assistance for these two countries, and the limited availability of nonearmarked fiscal year 1981 ESF,

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the President intends to exercise his authority under section 614(a) of the Foreign Assistance Act of 1961, as amended, to reprogram limited amounts of ESF earmarked by legislation for these countries.

This particular exercise in the painful reprograming process illustrates why, as a matter of policy, the Administration is seeking an alternative, less disruptive way to meet unforeseen contingencies.

In this case, we have had to draw $21 million each from funds earmarked for Egypt and Israel. Fortunately, these governments have been understanding of the urgent need for us to be able to transfer to El Salvador and Liberia quick-dispersing funds that had been allocated to them. Their response has been generous and statesmanlike.

The need of Egypt and Israel for these funds, however, continues to exist. We are, therefore, increasing our request for ESF funding in fiscal year 1982 for Israel and Egypt by $21 million each and are reducing our request for unallocated ESF funds by a like amount.

These adjustments, in effect, reflect an allocation of the Special Requirements Fund we have requested mandated by events that have occurred between the time we first made our fiscal year 1982 request and this presentation.

The fiscal emergencies we have been called upon to meet this past month in both El Salvador and Liberia have stretched existing resources to the limit.

Time has not permitted a resort to a request for supplemental appropriations, which, in any event, ought to be considered a measure of last resort.

The problems created any time one seeks to reduce funding that other countries have been led to count upon would have made the task impossible without serious diplomatic setbacks had the governments of Egypt and Israel been less willing to accommodate over $40 million of reprograming requests.

Given the economic problems and uncertainties now facing so much of the Third World, it is impossible for us to anticipate today what countries we may need to provide with new or additional economic assistance a year or so hence as a matter of vital American self-interest.

It therefore seems to us, in the light of recent experience, that it is both sensible and prudent to establish a contingency ESF fund for fiscal year 1982, subject to all the safeguards that the Congress presently imposes on the reprograming process.

Such a fund will enable us to meet unforeseen needs without the difficulties and risks to international good will that are an inevitable part of existing procedures.

Let me now turn to the specifics of our proposal for additional economic assistance for El Salvador.

The total package amounts to $63.5 million to be used for the following purposes:

$24.9 million in Economic Fund Support assistance will be used in the next three months to provide foreign exchange to the private sector to import raw materials and equipment needed to revive industrial and agricultural production.

$13.5 million in Public Law 480 Title I aid will help finance food imports. We believe it will cover most, if not all, of El Salvador's requirements for wheat and edible oil for the rest of the year.

An extra $8 million will be added to the $22 million currently available under Commodity Credit Corporation Guaranty program.

El Salvador has traditionally financed industrial and agricultural imports with foreign commercial financing. Commercial bank lines of credit to El Salvador have dried up as a result of political violence and uncertainty.

The CCC guaranty serves to re-establish commercial bank financing for critical imports of tallow, soybean meal, cotton seed meal, bone meal and powdered milk.

An additional $7.1 million in Development Assistance loans will be added to existing agricultural programs providing credit, and to an employment program to construct labor-intensive public works in low-income areas.

Finally, disbursements of $10 million will be accelerated under an existing housing guarantee program for the construction of low-income housing in two cities in El Salvador.

The need for economic assistance is pressing. The gross domestic product in 1980 fell 9 percent below the level in 1979.

Export earnings have fallen sharply. A special mission recently returned from El Salvador estimates that the foreign exchange shortfall for 1981 may reach $150 million.

We based our reprogramming on this estimate. It could go higher.

We will need to review the situation later this summer to determine whether any further commitments will be necessary.

A failure on our part to respond promptly with the additional assistance we are requesting would be a devastating blow to the economy, perhaps bringing down the Duarte Government and with it, hopes for economic and social reform and a peaceful solution to the conflict through elections.

The private sector would lose hope in the future of the country and abandon any support for the government. Production would decline further.

Serious food shortages could develop. The government would be forced to slow down progress in agrarian reform. The increase in hunger, poverty, and unemployment would lead to greater political polarization. The United States would then appear to be seeking a military solution.

It is also well to remember the importance of others in helping El Salvador meet its immediate needs. International financial institutions and other governments are providing assistance.

For example, the concessionary credit terms for purchasing oil through the joint facility of Mexico and Venezuela should result in loans to El Salvador of $53 million in 1981.

The IMF is working to conclude a compensatory financing facility of about $40 million for El Salvador in 1981.

It has been asked by the government to negotiate a standby drawing as well that would be about $40 million. A failure now to provide the additional assistance we are requesting would leave these donors in doubt about our commitment to do our share in economic assistance for El Salvador.

The additional, fast-disbursing funds we are now requesting will bring our total commitment for economic assistance to El Salvador this year to $126.5 million.

This is significantly more than three times the military assistance, $35 million, we are providing.

This reflects our judgment and that of President Duarte's government as to his country's most pressing needs.

As a matter of fact, all parties interested in the welfare of El Salvador and its people understand the urgency of the need for quick and effective economic assistance if the country is to remain afloat.

There is admitted disagreement among people of good will as to the wisdom of our military assistance, but there is little as to the kind of economic assistance we propose to extend through the requested reprogramming.

And it is because of the critical importance of maintaining the viability of the Salvadoran economy that the guerillas have intensified their war of economic attrition by which they hope to collapse the economy and with it, the government.

For a proper perspective on the situation in El Salvador today, it is necessary to understand that its economic problems go far beyond the disruptions that can be expected in a country engaged in a bloody insurgency.

The fact is that with the failure of the military offensive launched last January, the revolutionary leadership has made a quantum jump in its efforts to paralyze the economy.

In order to disrupt transportation, the revolutionaries have blown up bridges, ambushed trucks, and blocked highways.

To deprive the country of electric power, they have attacked power stations and blown major transmission lines affecting an estimated one-third of the nation's electricity.

Some of the most intense fighting in the past has involved the protection of critically important hydroelectric dams from guerilla attack.

These concerted attempts to disrupt the economy have even been extended to commercial activity as witness the indiscriminate bombings of markets and commercial offices.

President Duarte estimates that economic sabotage results in about $15 million in destruction each month. Our economic assistance will not restore facilities destroyed by sabotage or directly employ those put out of work as a consequence.

It will help the government to meet immediate needs for food, foreign exchange to buy seed and fertilizer, and domestic credit to finance agriculture and industry.

It will help restore confidence in the economy. It will allow the government to use its resources to rebuild the infrastructure destroyed by the guerillas and stimulate construction that will provide jobs for the unemployed.

We respectfully submit that the emergency economic assistance that the requested reprogramming can alone provide is essential to the achievement of an El Salvador in which the people can be given the chance to determine their own destiny through the electoral process to which the Duarte Government is committed.

His government has consistently made clear its determination to take the country to elections as the best path to resolve the conflict in El Salvador.

This commitment was reaffirmed just last Saturday by the Vice President and Commander-in-Chief of the Armed Forces. Both the Christian Democrats and the military are clearly determined to hold fair elections.

The response of the guerillas to the prospects of elections since the establishment of the Electoral Council has been interesting.

They are now attacking the offices of the Council and the provincial authorities where records are kept that would enable registration of voters to go forward.

More than 15 of these offices have been attacked in one way or another over the past few weeks. Plainly, they hope to disrupt the electoral process, which, it must be remembered, will be the first honest one in the country's history.

It is a pattern to weaken the government's reforms like the guerillas' war of attrition against the economy.

Mr. Chairman, I would be pleased to try to field your questions, and I have two experts flanking me.

Mr. LONG. Thank you very much, Mr. Secretary.

There are so many things here, I hardly know where to begin.

CONTINGENCY FUND PROPOSAL

On this question of asking for an end run around the committee, which basically is what it is, is this really because the Administration finds that this committee is quite a hairshirt when it comes to reprogramming unpopular programs and would like to bypass us?

Mr. BUCKLEY. No, sir. Quite the contrary. As I think I pointed out, our request for a contingency fund would be subject to the same reprogramming procedures now in existence.

There would be the notification, and the opportunity for the Congress to say, we don't approve what you want to do.

Mr. LONG. Well, first we want to know more about the terms. But we do not want to relax our oversight into how these moneys are being spent.

Reprogramming is a very important instrument, I think, of congressional oversight. I think you will agree with that, as a former Senator.

We will be talking more about that at a later date.

Mr. Secretary, were any promises made directly or indirectly to Egypt or Israel in return for using part of this economic supporting assistance funds?

Mr. BUCKLEY. Yes; that we would increase the requests for 1982 by these specific amounts.

Mr. LONG. By what amount?

Mr. BUCKLEY. $21 million for each country, and at the same time, reduce our request by that amount for contingency funds.

LAND REFORM

Mr. LONG. Very good.

Whether the Duarte Government is successful or not depends in large part on the land reform program.

I have my own questions about land reform. Parts of it, I think, sound good. But in general, I think they have used a different course from certainly what I would have advised and did advise them when I visited there.

Contrary to what many of my critics have been saying, this last time was not my first trip to El Salvador. I was there before.

I suggested to the Vice President they follow the American procedure which we call development, real estate development. When you have a big estate, you want to break it up, you sell it in small plots.

And we find they get about 10 times what it is worth in individual plots, what it is worth in the big estate. And it is worth more to the people in a small amount.

And when I was down there, I was told by the people showing me around that the plots that had been reformed, been split up and given to campesinos, were yielding up to 10 times more per acre than under the big estates.

That made it worth a lot more. And I saw a reason why, when I visited one of these.

We met one farmer. He was an absolute dynamo. He was paying for that farm in five years, a lot faster than I have been able to pay for my farm, I might say.

Building a house with capital-saving technology features that we have been recommending, building a house around his little shack. Very, very contented man.

Now, I felt they should have gone in more for that. No, they waited until the last minute, until there was so much unrest they had to sort of give it away as a means of buying off, I suppose, or hoping to head off the communists.

But I don't think it is a very satisfactory solution.

I found out that only 30 percent of the land has been actually given out. Less than half of that has gone to the individual tillers of the soil who are now working it.

But only 200 of 125,000 tillers of the soil—200—have been given even provisional titles to that land.

Now, sooner or later, there is going to be a tremendous backfire, when the guerillas and the communists come around to say, "Ha, don't kid yourselves, they are going to take the land away from you today."

I have been trying to get them to move that land reform program and get those titles out to those people a lot faster then they are planning to do. And I am wondering what our State Department can do to expedite that.

Mr. BUCKLEY. Well, part of the funds that we are requesting to be utilized to help the land reform process work efficiently and effectively.

But I think, though, Mr. Chairman, we have to recognize that just the bureaucratic problems created by a program of these extraordinary dimensions—some 150,000 titles ultimately to be parceled out—where are the papers, the seals?

I don't know about El Salvador procedures, but I know in some Latin American countries, everything is written out by hand, for example.

Mr. LONG. I understand. That takes time. But why only 200? A year has gone by.

Mr. BUSHNELL. I might clarify, Mr. Chairman, that although only 200 have received titles——

Mr. LONG. Even provisional titles. No. No. Those are provisional titles.

Mr. BUSHNELL. No. I think 10,000 applications have now been filled out and submitted. The number is going up all the time.

Before they can get a final title, the land must actually be surveyed the ligitamacy of the claims validated, and disputes resolved. And that all takes time.

Mr. LONG. Why not give provisional titles to the 125,000?

Mr. BUSHNELL. They are moving on that at a rapid rate. They hope to be to at least 30,000 by the end of the year. There are over 10,000 applications now. Once they get the application, that is the basis for credit. That is why it is so important. They can then get access to credit. We are working in accelerating this so that they can do perhaps even more than 30,000 by the end of the year.

Mr. BUCKLEY. I must say, Mr. Chairman, the figures I see here, they have managed to give out 5,000 applications in the last three weeks.

Mr. LONG. That is very interesting. Because as you said just a while ago, I think it was you or Mr. Bushnell, you said it takes so much time.

I was down there. I told them this was totally unsatisfactory, the pace at which they were going. So they managed to give out 5,000 applications in two weeks, whereas formerly they had only given out two hundred even provisional titles in a year's period.

Mr. LEWIS. Maybe we should send you again, Mr. Chairman.

Mr. ROBIN GOMEZ. Part of that, Mr. Chairman, is that it took about six to seven months for the Government to organize the procedures. They at first thought that the Institute of Agrarian Transformation (ISTA) would be in charge of the whole land reform.

It became clear ISTA had its hands full with the first phase. Then they went ahead and established a new institution. That was done in December.

So you are talking about December to now. A new institution was created in December. Staff was hired. Budgets and operating plans had to be drawn up. And then starting in February, they began to issue applications. It has taken a long time to get organized.

But we do think it is going to move, the provisional titles. And the targets, by the way, just to be clear—the targets in 1981 and 1982 on the applications are 75,000, in each one of those two years.

Mr. LONG. In order to clarify the Phase III, Land-to-the-Tiller, titling process please submit for the record a description of the tilling process and its current implementation. Be sure to clarify the difference between provisional titles and applications, and report how many of each have been processed.

[The information follows:]

Phase III (Land-To-The-Tiller) Implementation

A. Background

The basic agrarian reform decrees for the Land-To-The-Tiller Program have been issued. The reform itself is now being institutionalized. Implementation of the Reform is a matter of providing security of ownership, i.e. a titling process. Conveying legitimacy of land use and subsequently ownership rights to beneficiaries is in its simplest form a 3 step process: Upon application, a beneficiary receives a receipt that confirms use rights and access to production credit; upon verification of the information contained in the application a provisional title is issued; and a definitive title will be issued when valuation is determined for compensating former owners and scheduling land payments by beneficiaries, and the documentation meets the requirements for registering the title in the name of the beneficiary in the land registry.

The actual process of transferring land ownership, however is more complicated. It is necessary to: (1) identify "tillers" who have the legal right to claim a particular parcel of land; (2) identify that parcel and prepare a legal description; (3) identify the current owner; (4) determine the land's value; (5) negotiate agreements or administratively resolve any disputes; (6) record the action into the cadastral system; (7) register this transaction in the land registry records; (8) issue a provisional title; (9) publicize these provisional transactions to assure that the rights of others who believe they have rights to the affected land have an opportunity to contest; (10) establish financial records to permit the beneficiary to make amortization payments and pay applicable taxes; (11) establish records to compensate former land owners, and (12) issue bonds and make cash payments. To perform just these basic and preliminary procedures is an administrative job which is both complex and time consuming.

The administrative and legal requirements involved in transferring the ownership of approximately 180,000 hectares of land scattered over the length and breadth of El Salvador, affecting thousands of owners and over 125,000 potential beneficiaries, are considerable.

B. The Implementation Process

To implement this refc.m the JRG created a separate institution in December 1980 called the National Financing Institute for Agricultural Lands (FINATA), providing it with special budget, organization and administrative authorities solely for overseeing the Phase III reform effort. FINATA began with less than a dozen employees in December, expanded to about 100 personnel at the end of March, and now has 250 employees, including 130 secunded from MAG and 20 secunded from the National Geographic Institute, IGN.

The principal support agencies for FINATA operations are the Ministry of Agriculture (MAG), Ministry of Public Works (MOP), of which the IGN is a directorate; Ministry of Hacienda (Finance), and Agricultural Development Bank (BFA). A large portion of the FINATA employees have come from MAG and IGN.

The activities most critical to success of the land transfer take place in the field and take place in the early stages of the implementation process. These are locating those lands subject to the reform, identifying eligible recipients, and issuing provisional title documents. To carry out these functions FINATA with the assistance of MAG and IGN has established 81 field offices throughout the country so far. The offices are organized into two person teams called Agrarian Committees who receive applications and match them up with cadastral map data for location and land description purposes. So far there has been a minimum of farm site visits by Agrarian Committees; rather, farmer applicants have come to the FINATA Offices to fill out and submit application forms.

In late April FINATA distributed 13,000 blank "pre-application" forms to former organizations (UCS, ACOPAI, ANIS) as a means to obtain their active participation and hasten the land transfer process. The forms include most information required on applications. Farmer organizations have been directly contacting farmers, assisting with filling out "pre-applications" and accompanying farmers to FINATA field offices. This process should greatly facilitate work of the Agrarian Committees in preparation of application documents. The first of these "pre-applications" are beginning to show up at government offices and FINATA is prepared to distribute more blanks as needed.

This field data collection activity is preceded by a publicity/information effort carried out by the media and in other forms telling the farmer and landowner what to do and where to apply. Private farmer organizations have been helpful in assisting farmers in this regard. Landowners have also been requested to come to the FINATA office to file their declarations, but to date few have done so.

At the time a farmer files an application with FINATA he or she is given a receipt. This is not a provisional title. However, the receipt contains a statement that the farmer has submitted an application to claim his rights in accordance with Decree 207. Although the receipt lacks the authority of a land title it is de facto considered by the tenant as his right to receive that land. The claimant is then eligible to be considered for loans programmed under a special ₡9.0 million line of credit for Land-To-The-Tiller beneficiaries.

Latest available data show that the average size parcel of applicants is 4.5 acres for which beneficiaries have estimated the value to average $332 per acre. This is their estimate of current value and not the tax value declared by land owners in 1976/77.

The application, which notes supporting evidence that the farmer was actually cultivating the particular parcel (i.e. written lease contract, loan documents, names of witnesses, etc.) is forwarded to the Departmental FINATA office. El Salvador has 14 Departments. The data on the application form is checked with other records and verified for accuracy. If there are no conflicts and the applicant and land are found eligible, a provisional title is issued at the Department Office. This consists of a copy of the application form with a brief statement seal and signature of the President of FINATA or his designees who are the Department Chiefs. The provisional title gives the recipient full and legitimate land use rights and the right to receive production credit from the banking system: Of course, he or she must directly cultivate the land and pay for it in accordance with conditions of the law.

The original of the application form is forwarded to FINATA in San Salvador where its data are entered into a computer and a land registry document is generated. Definitive titles are to be issued later, but have a lower priority, given the urgent need to issue provisional titles and human resource constraints. Additional requirements necessary before issuing definitive titles are land valuation, accurate land measurement and resolution of any conflicts or disputes related to ownership. These requirements are essential to protect the country's land registry system and the integrity of the reform once completed.

C. Current Status

- Applications Received: 9,125
- Provisional Titles Issued: The number of actual provisional titles distributed is not available. We have received conflicting reports from FINATA and are trying to reconcile them. We believe that the number is small.
- Definitive Titles Issued: 0

Mr. ROBIN GOMEZ. The definitive titles will take more time.

Mr. LONG. The other aspect of the land reform, which is very unsatisfactory from my point of view, is the 15 percent of the estates in the Latifunda. The big estates, have been called cooperatives, but basically, they are really collectives.

They are no different from what the socialists have. And I understand they are not getting very much production out of them. When I went around to them, I can understand. Socialized production—I know you as a conservative must agree with this in your heart—has never worked out very well in agriculture.

Mr. BUCKLEY. Yes, Mr. Chairman—the Soviet experience classically demonstrates your point about individual ownership and productivity versus socialism.

The question is, we are facing an attempt to do something truly revolutionary by a government that, when it was put into place, decided that once and for all, it was time for El Salvador to march towards social and economic reform.

You and I might not agree about all the details. Nevertheless, this is how they choose to go forward. And it is moving in the right direction.

I also understand that, in fact, at least some of these cooperatives are operating as cooperatives with the profits distributed to the participants in the cooperatives.

Mr. LONG. Theoretically. I went to two of those and asked, "Have you ever gotten any of those profits?"

"No, that is turned back into investment."

The truth is they are just really State-owned. In fact, the whole law is vague on this question. The ownership is split between the government and the individual.

It is like soup made out of an elephant and a rabbit. You would not really expect the rabbit to have very much to say.

Of course, they give you a thousand reasons why they cannot do it. They say they cannot split them up into individual items because these are farms that used to yield big production, and they have to have large-scale methods.

Well, they could handle that cooperatively. They could have individual farm ownership on those properties and then have cooperative features in dealing with tractorization, and the milk sheds and that kind of thing.

It doesn't seem to have occurred to them. Then they come back and say, "Well, we can't do it because they might produce what they want to produce, rather than what we think."

That is what I thought the whole essence of enterprise was for, to enable people to produce what they thought it was profitable to produce.

Now, I know I am talking to a man who has got to be very sympathetic.

Mr. BUCKLEY. I am wearing my Adam Smith tie.

Mr. LONG. I wonder what we can do to get them to move ahead on some kind of individual ownership of that other 15 percent that is now in the hands of cooperatives?

Mr. BUCKLEY. Well, we can give advice, Mr. Chairman. But there is a limit to what one country can tell another country that is sovereign.

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Mr. LONG. There doesn't seem to be any limit how much they can ask in terms of money from us.

Mr. BUCKLEY. I know.

Mr. LONG. And this is a big sum of money we are proposing here. It is $154 million when you count the whole thing, going to them in one year.

I figure for a country of 5 million people, that is an enormous sum. That would be the equivalent if somebody gave the United States $7.5 billion.

Mr. BUCKLEY. Fortunately, we are not in a situation where $7.5 billion might make the difference of economic life and death. But this is the situation here.

If factories are to be able to buy the materials they need to continue in production and to maintain jobs, they have got to have foreign currency. If fertilizer and seeds are to be purchased to put the land into production, to have exports, you have got to have hard cash. The unfortunate fact of the situation is that it is a result of a bloody insurrection and disruption that goes with that kind of fighting, plus the fact of a deliberate campaign by the revolutionary forces to destroy the economy.

Mr. LONG. I don't have any use for these revolutionary forces, don't get me wrong. But don't put the whole blame on them.

I was talking to President Paz in Honduras. He said the whole problem of El Salvador is typical of what happens in a country when they let a problem go too long.

Mr. BUCKLEY. Yes.

Mr. LONG. They lose the handle on it.

Mr. BUCKLEY. About 100 years too long.

Mr. LONG. Yes; that's right, 200 years, maybe.

Well, I have got a lot of questions to ask a little later. But I will turn it over to the acting ranking member, Mr. Lewis, at this point.

[The information follows:]

EL SALVADOR PROGRAM SCOPE

Mr. LONG. One of my overall concerns is the size of the total program. As large as it is, you even suggest in your statement that the Administration will review the situation later to see if even more money is needed. This gives me grave concern and frankly should be a cause for alarm in my opinion. Would you comment on this?

ANSWER. I kept the door open on further assistance requests because of the uncertainty of the security and economic developments in El Salvador. Our assistance must be sufficient to meet the minium requirements. I hope that the present program will suffice for this fiscal year. Yet we must admit that economic conditions we cannot predict could necessitate further assistance. For example, if the guerrillas were more successful in their efforts to sabotage the food crops, we might well seek to meet the needs of the Savadoran people with additional assistance.

Mr. LONG. Along with concern about the size of the El Salvador program, I am also concerned about possible increases for other countries in the region. Is anything being contemplated in this regard?

ANSWER. My answer is yes, and permit me to provide some background. Our budget planning process and its presentation to the Congress of course precedes actual program obligations by some 12 months. We have been faced by such rapid changes in Central America that we do believe the needs have altered and that our response must include some increased economic resource allocations for the region. It is recognition of this acceleration of events that led us to propose a contingency fund of economic support funds for these kinds of emergencies worldwide. In the recent case of El Salvador we have gone the route of reprogramming, rather than seeking a supplemental in order to respect budgetary limitations. Apart from El Salvador we are examining conditions and our interests in other countries in the

region. While it is too soon to be specific, we may need to increase our economic resource allocations there.

POLITICAL AND SOCIAL PROGRESS

Mr. LEWIS. Thank you, Mr. Chairman.

I would guess, knowing a bit of your own background, that your view of "land reform," at least philosophically, wouldn't fall too far from my own.

But I traveled to Israel a year ago at the behest of some of my own communities, and I was most intrigued by the kibbutz, collective farming, done there. We don't raise questions regarding the use of our aid dollars for protecting kibbutzes and the like, in part because we don't attempt to impose our will or philosophical views on other countries too much to extend funding.

But nonetheless, the question of land reform in El Salvador is among some circles quite unpopular.

I wonder if you would share with us your analysis of the political benefits. What kind of impact in the real world is that process having? What are some of the strengths and weaknesses you see in that process developing there?

Mr. BUCKLEY. I believe we have a situation in El Salvador of growing pressures demanding reform, demanding change, that were becoming quite explosive.

And it was in response to that pressure that the more moderate elements of the military in El Salvador in effect had a change of management a couple of years ago, in order to be able to institute change.

Now, let's face it. In El Salvador and many other areas in the world, the people look to collective solutions to problems. You and I may very much disagree as to whether ultimately this is the most productive way of achieving goals of economic regeneration, opportunity, raising the standard of living of an entire populace. But it was a response to a necessary political pressure. And the fact is even though it is still inchoate as far as the cooperatives, it is intended to be a cooperative. And perhaps the kibbutz example is the one that ought to be focused on.

Now, the fact that you move from step A to step B does not mean that one cannot move from step B to step C. As experience comes along, as people compare yields and costs and things of that sort, relative efficiencies. Then you have the basis of comparison with respect to the tillers of the soil, where you have individual ownership, and you can compare the productivity.

As the Chairman pointed out, certain types of crops which happen to be export earners, like cotton, require large-scale operations. These can be handled in a cooperative way in which the individual farmers, owners, may have their own plots for vegetables and other things that they can do. There are all kinds of mixes there. But I think it is very dangerous to try to second-guess how a society evolves from where it is towards where at least we think it ought to go. They are in charge. And it is their sovereignty. I think one thing this Administration is very conscious of is the fact that if one tries to dictate specifics to other societies, it can be very counterproductive.

There is a certain kind of sense of national dignity, personal dignity, that simply bridles up. So I think we should be there with the best advice we can give, and be there to try to help this small country in our own hemisphere come through this very agonizing period.

Mr. LEWIS. It is quite amazing in the 20th century, the capacity of our country's policy to consistently fall and end up on a side which seems to be other than that which reflects the majority views of a people at a revolutionary time.

The Soviets, in contrast, have done an amazing job of taking advantage of that positioning.

Do you view this process that El Salvador is going through, that is one of the revolutionary steps called land reform—the transfer of managerial control and ownership to individuals as well as collectives, going from A to B, perhaps then go to C; where a free market kind of process would impact. Do you view that as perhaps a shift in the way we look at underdeveloped countries in terms of our own policy, encouraging that kind of movement in countries where the land has been held by very few?

Mr. BUCKLEY. We have been following a policy there—I am speaking for this Administration—of trying to make it possible for El Salvador to realize its own destiny in light of the alternatives.

We always have to ask this. What happens if the hard right wing—and I hate to use that word in a derrogatory sense, but in this case, I must—tries to go to the status quo and take—which would be authoritarian, would be bound to kindle an explosion—a step backwards for individuals having the opportunity at developing their own economic future, or the revolutionary alternative which is the Castroite State. Where do you find private enterprise in that cocktail?

At least by giving our support to protect this society from the kind of outside interference we saw coming in from the communist world, so that it can, in however faltering a manner, work towards elections and a government mandated by El Salvadoran people, we give them a chance to work their way into the kind of society we believe in.

Mr. LEWIS. Mr. Chairman, if the conservative movement in this country becomes that practical, some of my friends on the other side are going to be in deep trouble.

Mr. LONG. Well, we are all in deep trouble, I might say. Of course, it is their country. But it is also our money. And we have a stake in their succeeding. If that thing doesn't succeed, and I don't think it is going to succeed, frankly. I think a billion dollars left that country before they put down the curtain on the money flow.

Their output is way down compared with 1978 when all the problems began. So we not only have to produce a long-run development, but we have to correct for all the inefficiencies in this.

ASSISTANCE PROGRAM FINANCIAL CONTROLS

Mr. LEWIS. Which takes me to my other area of questioning.

I am very much concerned about our economic assistance programs in terms of the dollar flow getting to the point of purpose that we had intended in the first place.

From my view, there is often a discrepancy between that which is our way of doing business and the common process in another country.

People of control, of means, often find it convenient to do their business under the table in other countries. I am concerned about the percentages of our money that actually get to the individual, actually get to land reform and otherwise.

I wonder what procedures you are following in El Salvador, to give you assurance that those dollars will go to the purpose, rather than some of it being exported, if you will, to some foreign bank or other source?

Mr. BUCKLEY. I share your concerns, having wandered around different parts of the globe for a lot of years in private life. And I think that you will find this Administration focusing very much on that, plus focusing on what both of us, all three of us, have been talking about, and that is to use our influence to encourage the private sector and the marketplace economy to rebuild economies, or to build economies.

But in terms of the specifics of El Salvador, I would like, if I may, to ask Mr. Robin Gomez to address that question.

Mr. ROBIN GOMEZ. On our project assistance for example say credit going out to the cooperatives, generally the way we work it, we require in advance a list of the subloans, or other expenditures in advance. We require that these subloans be based on a financial plan for each cooperative.

We agree in advance on what the expenditures will be. Then we go ahead.

We have technicians who make site visits in the field and visit the implementing institution. They will go and check in general terms about what is happening to the credit.

They will ask the implementing institution, how the financial plans have been developed. We have two advisers in the Agricultural Bank itself. They are helping shape these financial plans.

They will also make site visits to cooperatives and ask general questions concerning the credit.

Then the bank will come to AID and ask for reimbursement of expenditures that they have made. At that point, there will be a spot check to see that those expenditures are supported by documentation in the bank.

The controller will check them with the technician—have these cooperatives been getting credit? Were the financial plans done?

Then, after that, the detailed expenditures will then be audited on a spot basis.

In El Salvador, the security situation has limited some of our monitoring ability. What we have had to do is make special arrangements.

For example, we had the two technicians in the agricultural bank itself, because we have had problems getting out to the cooperatives.

We have made some site visits, but our ability to get out there is not good. We are also in the process of hiring a local auditing firm who will do audits, because our auditors have not been able to go out and audit in the countryside.

Mr. LONG. We will be coming back to that later on.

Thank you, Mr. Lewis.

Mr. McHugh?

Mr. McHUGH. Mr. Secretary, first of all, welcome. We look forward to working with you.

As a former New Yorker, I am especially delighted to have you here today.

Mr. Gomez has just addressed himself in part to the monitoring and auditing of how this money will be spent. My concern, in addition to what Mr. Lewis has said, is that the money should not find its way to military purposes.

As you pointed out in your statement, people of good will have strong differences of opinion on the wisdom of the U.S. providing military aid.

I voted against military assistance, because I believe the government has been itself unwilling or unable to control violence by its own military forces.

And so many of us on the committee—it was an eight-to-seven vote—are, I am sure, concerned that the economic assistance actually go for that purpose.

I certainly want to address the economic problems which are real in El Salvador.

Let me ask specifically about the economic support fund assistance. What is the total number of dollars in economic support funds that will go for El Salvador?

Mr. BUCKLEY. If I may ask Mr. Gomez.

Mr. ROBIN GOMEZ. Mr. Congressman, are you talking about this package of $63.5 million?

Mr. McHUGH. Yes.

Mr. ROBIN GOMEZ. It would be $24.9 million.

Mr. McHUGH. That is the first item mentioned in the Secretary's statement.

Tell me specifically how those funds will be used and monitored.

Mr. ROBIN GOMEZ. Yes, sir. Essentially, private-sector importers come up to the Central Bank, via import licensing applications, and ask for imports.

We have agreed on the general type of imports with the Central Bank—raw materials, equipment, agricultural imports, that kind of thing.

At that time, the importer puts up his money in local currency in advance. Once the application is approved, his Letters of Credit are then confirmed in the U.S. The AID funds, along with other GOES monies, will be deposited in U.S. banks in accounts whose general use has been agreed upon. Letters of Credit are then paid from these accounts once the commodities are shipped. We will then be given by the Central Bank a list of imports financed from the account consisting of the importer, the import, evidence (a bill of lading of some kind), that the item was actually paid for and shipped.

And then we go through and we check, is it a private firm, are they eligible, are they from the U.S., was the payment actually made. From these Central Bank accounts we will be able to attribute at least $24.9 million in eligibile imports to the AID financing.

Mr. McHUGH. I see.

Mr. ROBIN GOMEZ. That kind of thing.

Mr. McHUGH. In other words, you have a rather detailed process for assuring us that this money actually will be spent for the purposes outlined?

Mr. ROBIN GOMEZ. Yes. Something could slip through, there is no doubt about that. But we have a process to go back and try to pick those up. We don't believe any systematic misuse of aid funds could happen.

LAND REFORM

Mr. McHUGH. I would like to go back to the Chairman's initial line of questioning on the land reform program and be sure I am clear on the current status of it.

As outlined initially, there were three phases. The first related to the largest States. How many of those largest States have now been taken over by the government and are operated in one way or another by, as cooperatives or otherwise, by the peasants?

Mr. BUCKLEY. Every one of the largest States subject to the plan have been taken over.

Mr. McHUGH. But they are still primarily in government ownership, is that correct? Or is that not correct?

Mr. BUCKLEY. Owned by government and operated as cooperatives.

Mr. McHUGH. Mr. Gomez has a comment.

Mr. LONG. Will the gentleman yield on that? It is my understanding that only 30 percent of the land in the country is under the land reform, of which 12.5 percent, roughly, has gone to the individual tillers of the soil.

That was, generally speaking, very poor, little plots. The other 15 percent, which consists mostly of very nice large places, of estates, is now operating under this cooperative or collective arrangement.

So I don't think we ought to get the impression that most of the land has been reformed.

Mr. McHUGH. Mr. Chairman, I was addressing solely the first phase, which is the large estate property.

As I understand it, all of the property in that category has now been taken over by the government and is operating as cooperatives, or at least in some measure, by peasants, is that correct?

Mr. ROBIN GOMEZ. Yes, it is. There is an implication here that the State runs or has very centralized control over these cooperatives. The situation in El Salvador, even if that was desired, wouldn't really support that.

But what you do have on the cooperatives making decisions, is a cooperative board of directors and an ISTA technician, and sometimes a third force; the previous administrator. Particularly, if the administrator was respected—he has been generally kept on.

So, decisions are made between those three forces—and it depends on what cooperative you go to. Where the campesinos have been on the farm for a long time, and are pretty knowledgeable in farming, the board of directors seems to be running things.

In other cases, the ISTA technician will be running it. And in other cases, the previous administrator will be running it.

One of the things that the government is moving towards is trying to train each one of those board of directors and the management. The first thing the government did after it intervened on the farms is to set up the cooperative structure and it is are now

beginning to try to train that management, particularly the weaker cooperatives.

Mr. McHUGH. My time will be limited. Let me move on to get a general overview.

The third phase is the Land-to-Tiller phase. What progress has been made there?

The Chairman has pointed out 15 percent of the 30 percent land which has now been subject to the reforms is in this category.

But with regard to this category, how much of the reform has been implemented?

Mr. BUCKLEY. All the people who have been tilling the land are on the land, and they no longer pay rent.

Mr. McHUGH. None of them pay rent?

Mr. BUCKLEY. No.

Mr. McHUGH. And with respect to this category, and those people, how many have gotten provisional or final title?

Mr. BUCKLEY. We have figures a little earlier. As of April 28, 10,000 had submitted applications for provisional titles and received formal receipts establishing their claim.

The goal for 1981 is 75,000 applications, with an additional 75,000 in 1982.

Mr. McHUGH. What does that represent in terms of the total population in this category?

Mr. BUCKLEY. There are 125,000 families involved.

Mr. McHUGH. I see.

I am brushing over this lightly. Hopefully, we will have time to go back to it later.

But Phase II involved property in between the large estate and the small plot. And I understand it is the most productive property. I have read somewhere or heard somewhere that the Administration has some question about the wisdom of Phase II.

I guess my question is, is that correct, and if so, what reservations do you have? Third, what is the progress in Phase II?

Mr. BUCKLEY. I think what you are referring to is the fact that we have advised the El Salvadoran Government that we do not see how, under current circumstances, it is possible to finance moving forward with Phase II at this time.

If it involves cash costs and so forth, the money is not there.

Mr. McHUGH. What political implications does that have, if any?

Mr. BUCKLEY. My belief is that if the people are satisfied, that there is absolute movement on land reform, and certainly there is in Phases I and II, which affect the larger part of the population—that a delay on one part of the package ought not to have an adverse effect.

Mr. McHUGH. I am not suggesting necessarily that your conclusion is wrong about Phase II. But if, indeed, this is the property which is the most productive, and perhaps the most profitable, if no movement takes place in Phase II, it would seem at least to raise a question about whether people would conclude that the land reform program is being implemented in a way which is most beneficial.

Is there no problem with respect to lack of movement here at all?

Mr. BUCKLEY. None that I am aware of. Let me ask John Bushnell.

Mr. BUSHNELL. Let me say this. I think there are the real effects and the psychological effects.

In El Salvador, the small group which monopolized power, not just economic power, but political and social power, tended to be the owners of the large estates.

Whether they were the most productive or not is beside the point. To own the banks, to have great control of foreign trade in the main products—because this was the group that was perceived, and did exercise this control, the reforms were directed from the political point of view at removing the basic power of this group which had monopolized power.

That has been done. Those reforms have been carried out, at least moving from A to B has been carried out. And so, that political change has taken place.

Now, many of the middle-sized farms, 200- and 300-acre farms, 400-acre farms, particularly in the coffee business, are very productive farms. They, by El Salvadoran standards, are very large farms.

The government's plans eventually call for some changes there. But they don't go to the same political point of a monopoly of power and so forth. And so, I don't think there is the same pressure for that.

Besides which, if we do the numbers, as we have just done, families are pretty large in El Salvador, so that on the land of the tillers, even though these are poor people, almost a fifth of the population of El Salvador is involved in getting their land under that program.

Mr. MCHUGH. Mr. Bushnell—I am sorry—my time is just up. I just want to throw in one brief question, and then have you conclude in this area.

The other fact that is missing in my mind is what the percentage of the population of the country will be affected by land reform.

How many people, in short, will be left out of land reform, even as defined by this Administration and the government in El Salvador?

Mr. BUSHNELL. Even if eventually all the plans announced are carried out, I don't think that we will advance to much more than a quarter of the population.

Now, remember, El Salvador is a small country. The population has been growing very fast. And I think most people's conclusion is that it has to find other employment than agricultural employment for some of its people.

So that it is not an answer for all the people. Moreover, there still are employees involved in the system. For example, a number of the farmers, maybe even a majority of the farmers who get land under land of the tiller, so they will have their own farm, but these are small farms.

They are not enough to support their families. They will also work, at least at harvest time and other times, on these middle-sized farms largely, or in some cases, on the larger farms.

But an overwhelming proportion of the rural people in El Salvador will be affected by this reform when it is carried out.

Mr. MCHUGH. Thank you.

Mr. LONG. Thank you, Mr. McHugh.
Mr. Conte?

INVESTIGATION OF AMERICAN DEATHS

Mr. CONTE. Thank you, Mr. Chairman.

Mr. Secretary, last month in voting for the reprogramming of $5 million in assistance to El Salvador, I made it very clear I would not support any further military assistance for that government unless and until the investigation of the killings of the Americans in El Salvador has been completed.

Can you tell us where the investigations of the killings of the three nuns and the lay person currently stand, and when we can expect the killers to be brought to justice?

And could you tell us, given the array of the evidence that exists, what is causing the investigation to drag on?

Yesterday, Secretary Haig, said that some progress in the investigation has resulted. Can you elaborate on what progress he was referring to?

Mr. BUCKLEY. Congressman, the latest briefings I have had from the FBI indicate that the authorities in El Salvador have followed the FBI recommendations to sifting the ground, the lifting of fingerprints, blood samples and so forth.

The information has been sent to the United States. Autopsies were performed in the United States. Analyses are being made here and the information returned.

The FBI is satisfied that President Duarte and his people are conducting a serious investigation, following up the clues given by that evidence.

Things may move slowly. But they are moving.

Mr. CONTE. From the newspaper accounts that I read it was mentioned that one of the links that is missing would be the fingerprints of everyone in the National Guard.

Now, are we getting any cooperation in getting those fingerprints?

Mr. BUCKLEY. My understanding is that we received the fingerprints of those who are identified as being at the road blocks and so forth. There are more to be gotten.

I would also point out, as you are aware, that one man in connection with the murders of the two land reform people, that one man has been apprehended in El Salvador, and another one in the United States. A request has been made for extradition.

Mr. CONTE. Is there anything new on a newspaper report in yesterday's paper about an American priest missing?

Mr. BUCKLEY. We are trying to track that one down. Do you know anything, John, in the last 24 hours?

Mr. BUSHNELL. No, we have no new report. We have talked with Duarte and with people in the security forces. They have alerted everyone to be on the lookout for him. But there is no word.

POLITICAL ELECTIONS

Mr. CONTE. Well, the Administration justifies its aid package on the basis that it will, among other things, quote enable the Salva-

doran Government to pursue its policy of peaceful change and development, end of quote.

Can you give this committee a status report on the efforts of President Duarte to negotiate a peaceful solution to the current political crisis with the leftist opposition?

Has the State Department or our embassy in San Salvador played any role in encouraging this dialogue?

Mr. BUCKLEY. We have been encouraging movement towards the earliest political settlement possible and feasible.

And we are very much encouraged that over the weekend—particularly when we had the setting up of the electoral college, the government officially declared not only that it was determined to move forward with the general assembly elections early next year, but it also invited all factions in El Salvador to work cooperatively with the government, to set up the ground rules, supervise the election and make sure this is the real voice of the people speaking.

To me, this appears to be the utmost bona fides in letting the El Salvadorans determine their own future.

Mr. CONTE. How about the identity of efforts for regional States like Mexico States and Venezuela to act as middlemen?

Mr. BUCKLEY. I am sure that all such proposals, as they take form, will be listened to with greatest care. If I recall, Costa Rica was invited to, in effect, be the monitor of the electoral process.

Mr. LONG. You mean as surrogates for, say, the Organization of American States, or instead of them?

Mr. CONTE. Instead of them. Well, they would be surrogates. You see, you have Mexico on the one hand supporting the left.

You have Venezuela supporting the Duarte Government. So it makes a lot of sense these two could act as middlemen to bring the parties together.

Mr. BUCKLEY. I just want to say we are satisfied that there is every intention to have a genuine election that will meet the standards of the international community with all political factions in El Salvador having full access to the electoral process.

Mr. CONTE. Well, I appreciate that answer. But you don't answer my question of whether you think it is a good idea to have regional States such as Mexico and Venezuela act as middlemen in resolving this situation.

Mr. BUCKLEY. I think it is a good idea to do whatever is required to satisfy the international community that a fair election is taking place.

I should hesitate as a representative of one government to appear to be, in effect, dictating to another government how to achieve this result.

UNITED STATES MILITARY ADVISERS

Mr. CONTE. Now, the Administration's security assistance package for El Salvador in fiscal year 1982 projects large dollar increases over previous fiscal year 1980 and 1981 levels.

Nothing, however, is mentioned about the level of U.S. military advisers that may be required. Does the Administration envisage any increase in the number of U.S. advisers that may be necessary to implement this increased program?

Mr. BUCKLEY. My understanding is that unless something happens that is not anticipated, that our present team we are comfortable with, and that is 54.

And furthermore, we don't see those 54 staying on indefinitely. Quite the contrary. As soon as their specific missions are completed, they withdraw.

Incidently, President Duarte has made it totally clear that he is not anxious to have an awful lot of Americans wandering around the landscape. Quite the contrary.

Mr. CONTE. While we are on that subject, can you give us a status report on the performance of those advisers, and their effectiveness?

Mr. BUCKLEY. John.

Mr. BUSHNELL. All of them have been in the country now for at least a month. The team, the largest team which is helping them to introduce the helicopters into their inventory is, I think, having outstanding success.

The Salvadorans are proving to have very good skills on helicopter maintenance and so forth. They are making very good progress in training them in the maintenance and use of the helicopters.

The other largest group is associated with the training of the rapid deployment force. The people have been recruited for that force.

And they have now just really begun in the last two weeks the actual training. Up until this point, our people have been working with the trainers of the trainers, in getting the people set.

So that that is just beginning, and it will be another four to five months before those groups are trained.

The small group of six that has been working with the Navy boats has made real progress. More of its boats are now operational.

And, in fact, they are coming to the point where within another few weeks, they will begin to wind down. There may then be need for other people within still about the same total number to come in with other logistic systems.

But I think, by and large, the progress has been very good. We have not had any serious incidents of any harm to any of these people. The only accident has been one which was self-inflicted among them.

So I think that we are all very pleased with the way that this is going. And the prospects for success look quite good.

[The questions submitted for the record follow:]

Question. Secretary Buckley, it is my understanding that of the $63.5 million package you are proposing for new aid to El Salvador, only $32 million is actually before this subcommittee for approval or disapproval. Is that correct?

That $32 million consists of $24.9 million in Economic Support Funds and $7.1 million in Development Assistance. The remaining assistance consists of $13.5 million in Food for Peace commodities, $8 million of Commodity Credit Corporation guarantees, and $10 million in housing investment guaranties.

While you do not legally have to come before this subcommittee for approval of these latter items, would you hold up on them if the subcommittee were to disapprove the Economic Support Funds and the Development Assistance?

Answer. It is correct that of the $63.5 million in assistance for El Salvador, only the $24.9 million of ESF and the $7.1 million of Development Assistance have been notified to the subcommittee since these represent increases above the levels previously justified. We would, of course, give careful consideration to any views expressed by the subcommittee regarding the other assistance to be provided.

Question. Describe for us how these other assistance programs operate and who benefits from them—I am referring to the Food for Peace, the Commodity Credit Corporation guarantees and the housing investment guarantees.

Under what authorizations can the Administration offer such assistance without further Congressional action? You can furnish those citations for the record, if you wish.

Answer. The overall purpose of the assistance programs in question—Food for Peace, Commodity Credit Corporation (CCC) guarantees and housing investment guarantees—is to help El Salvador through a difficult economic period caused largely by civil/military strife. By providing needed balance of payments support, these programs free up scarce foregin exchange needed for other imports including capital equipment.

The Public Law 480 Food for Peace Program consists of $26.2 million worth of wheat and vegetable oils which will be sold in the local economy. The availability of commodities (approximately 116,000 metric tons) is considered adequate to prevent shortages and resulting price increases which otherwise might have occurred. The sales proceeds from this assistance will be applied to specified self-help measures designed to benefit the neediest segments of the Salvadoran population. These self-help measures will concentrate in the area of agricultural development, rural development, nutritional and population planning.

We have offered a total of $30 million in CCC guarantees to cover U.S. exports of tallow, edible oil, protein meals and edible beans. So far, sales to El Salvador of about $10 million of these commodities have been concluded. The main purpose of the CCC guarantee program is to preserve or where possible expand the U.S share of the Salvadoran import market. The organization and policies of the CCC are described in the Commodity Credit Corporation Charter Act (1948).

This year we are providing $15 million in housing guarantees to help construct low-cost housing in San Salvador which will benefit the urban poor. It is estimated that when completed this new housing will provide 4,160 new units which will accommodate 25,000 people. The authority for the housing guarantee program stems from Title III of the Foreign Assistance Act of 1961, as amended.

Question. In the Economic Support Fund reprogramming, $18 million is to be taken equally from the previous program plans for Israel and Egypt. What will be the effects of those reductions for Israel and Egypt? Where is the remaining $6.9 million in ESF funds coming from?

Answer. In practical terms the reductions will have no effect since we plan to restore them with fiscal year 1982 funds as soon as they become available. These arrangements are satisfactory to the Egyptian and Israeli Governments.

The remaining $6.9 million is composed of $5 million from South Africa Regional programs and $1.9 million from Nicaragua.

Question. The data sheet on the Economic Support Funds portion of this package states that no other donors are planning this type of assistance. Why is that? Are we the only ones who recognize the need for these critical inputs?

Answer. The Activity Data Sheet states that "no other donors are planning this type of direct assistance to the private sector." We would of course welcome participation by other countries in providing support for the private, productive sector of the economy. As you know Venezuela has extended considerable economic assistance to El Salvador and we understand is considering further assistance in various areas, though to our knowledge aid to the private sector specifically has not as yet been part of their program. Mexico also, through its oil facility, is providing assistance to El Salvador. Promotion of market economies with a strong private sector is a primary concern of the US.

Question. Is there an estimated timetable for the removal of military advisors from El Salvador?

Answer. The American Mobile Training Teams (MTT's) in El Salvador are there generally for a three to six month period depending on their mission. As a team completes its mission it will be withdrawn. For example, the Naval Maintenance MTT has completed its work and departed the weekend of May 16. Other training requirements that have been identified by the Government of El Salvador or that may arise in the future would be considered on a case by case basis and will be met to the extent possible by training outside of El Salvador.

Mr. CONTE. Thank you, Mr. Chairman.

Mr. LONG. Thank you, Mr. Conte.

Mr. YATES. Mr. Chairman, may I ask a few questions at this time?

Mr. LONG. By all means. The gentleman is entitled to 10 minutes.

Mr. YATES. Thank you.

Secretary Buckley, why is the El Salvador Government so hostile to the Maryknoll Order? It seems that the members of the Maryknoll Order become targets for termination at one time or another? Isn't that true?

Mr. BUCKLEY. There have been some horrible atrocities performed. But to say that this is the act of the El Salvador Government, I think, is making a quantum jump not justified by the facts.

Mr. YATES. All right. Somebody is hostile to the Maryknoll Order. It keeps picking them off. Isn't that true?

Mr. BUCKLEY. We are all familiar with people who have been killed. There are horrible things happening in that country.

Mr. YATES. Right. And that is why I wondered why there wasn't a greater attention given to the investigation of the assassination of the four missionaries. We still haven't had a report on that.

Yesterday, I received word from my district about a constituent, a priest who is affiliated with the Maryknoll Order, Father Bourgeois.

I sent a cable to President Duarte in which I asked him for a very serious and sympathetic investigation immediately looking to the prompt rescue of the priest, wherever he was. Now, I haven't heard from that government.

And this morning, I gathered, as I walked in here, that Mr. Conte had asked about the priest, and Mr. Bushnell had said, we have been in touch with the Duarte Government.

I hope that is not a brushoff. Just a statement that we have been in touch with the Duarte Government seems to me not a proper representation of what I would hope would be a very strong effort on the part of the United States to persuade that government that we are interested in the protection of our citizens.

Mr. BUCKLEY. I believe that Mr. Bushnell went on to say that we had been given full assurances that the security forces have, in fact, been instructed to try to find the guy.

Mr. YATES. Well, what is the nature of the representation that was made by our government to the Duarte Government?

Mr. BUSHNELL. As soon as the facts of the situation were clear, after talking with CBS News, who was at least the semi-employer of this person, these facts were made available first to the leadership of the security forces, and then by our charge to Duarte himself.

Duarte was very concerned with it. He indicated that he would personally get in touch with the police and military authorities, to make sure that they were taking every step that they could through all units in the country to do anything they possibly could to locate this person.

And I think the response that he gave us was as forthcoming as it could possibly be. We have reason to know that he did follow up on this, and get in touch with the security forces.

And that the word has been spread, pictures have been made available, and I guess they have what we would call an all-points lookout for this person. We don't have very many, and they don't have very many clues to go on in this case.

Mr. YATES. You will keep on top of the situation?

Mr. BUSHNELL. We certainly will. The conversations are going on between our people and the embassies, not just on a daily basis, on an hourly basis, with the security forces who are engaged in this, trying to find more information.

Mr. YATES. Did Mr. Conte, before I came in this morning, ask you about the status of your investigation of the killing of the four missionaries?

Mr. BUCKLEY. Yes, he did.

Mr. YATES. And were your answers satisfactory to him?

Mr. BUCKLEY. You will have to ask him. They are satisfactory to our FBI.

Mr. YATES. They are satisfactory to the FBI, that a proper and appropriate investigation is going on?

Mr. BUCKLEY. Yes.

Mr. YATES. Did the FBI so report to you?

Mr. BUCKLEY. Yes, sir.

Mr. YATES. It did. That the government is doing everything it can to try to find the killers of the four missionaries, and that they still have not been able to find them?

What is the report that you have received?

Mr. BUCKLEY. The recommendations that the FBI gave as to how one goes about an investigation of this sort, including the utilization of some of our techniques in terms of tracing prints, blood, ballistics and so forth, have been administered, information has been sent here to be analyzed in our laboratories, and so on.

And, as you are aware, of course, in the case of the two killings of the American agricultural workers, one arrest has been made in El Salvador, and a request for extradition has been filed with our government.

Mr. YATES. Thank you, Mr. Chairman.

Mr. LONG. Thank you very much.

I might say it is pretty hard for the FBI to criticize anybody in another country when the FBI hasn't been very forthcoming in Atlanta.

Twenty-seven people have been killed down there, and they have not come up with a clue, from what I have been able to understand.

Mr. BUCKLEY. We investigated. We talked to two of the professional investigators down there, and we were rather impressed with their professionalism. We felt that they had a cool and objective approach.

But I would not know whether, if this thing got to a point where it identified someone who was very sensitive to the government, whether this would ever be anything that would get close to the perpetrator of this crime.

That would be my feeling on it.

Mr. YATES. May I ask one more question, Mr. Chairman?

Is there some hostility to the Maryknoll Order in El Salvador that singles this order out, as opposed to other religious orders?

Mr. BUCKLEY. I believe the Maryknoll Order has—not talking just in El Salvador——

Mr. YATES. Is what?

Mr. BUCKLEY. Not limiting myself to El Salvador—has been among the most active of the religious orders in terms of promoting social change.

They have been vocal. They have been ardent workers. And if you have a society where a people are out slaughtering people they don't like, it is not unexpected that their ministry and the intensity of their ministry could have this terrible result.

Mr. YATES. Should members of the Maryknoll Order receive special protection in that country, then?

Can such a request be made because of what has happened in the past?

Mr. BUCKLEY. I suppose it could.

Mr. YATES. Certainly it ought to be made with respect to American citizens who are members of the Maryknoll Order, I would think.

Wouldn't you think so?

Mr. BUCKLEY. I will discuss that when I get back to the State Department. I would say this. I think, by the same token, that the members of the Order ought to be very careful to be limiting themselves to the ministry.

The priest who disappeared yesterday, of course, was not there in the pursuit of his ministry, but outside it.

Mr. LONG. We talked to a number of priests, three bishops came before us. I had to say, they were three of the Saddest Sacks I have ever run into.

I asked them on this question of the killing of the nuns. These were El Salvadoran priests. When I asked them on the question of, you know, what gives on this thing, they just felt that American Catholics were all a bunch of communists, especially the Jesuits.

And I said, "Well, as a Protestant, I just find it very hard to swallow the idea that Jesuits were a bunch of communists."

But I got the impression they regarded anyone who took any interest in or had any sympathy for his fellow man was highly suspect from that point of view.

And I couldn't help feeling that much of these killings were simply directed at terrorizing the Catholic priest who had an understanding of that country. I think that has succeeded. Judging by the responses we got.

Bishop Rivera was out of the country. Incidently, I have had trouble running into bishops previously. In Nicaragua, the archbishop tended to be out of the country.

We couldn't get anything from these three. They just sat there like bumps on a log. I had the feeling they were thoroughly frightened people.

Mr. BUCKLEY. That, unfortunately, is precisely why terrorists do what they do. They try to intimidate and frighten. And unfortunately, they succeed.

Mr. LONG. Mr. Kemp?

Mr. KEMP. May I defer for a moment?

Mr. CONTE. May I ask one question, Mr. Chairman?

Mr. LONG. Mr. Kemp.

ECONOMIC CONDITIONS IN EL SALVADOR

Mr. KEMP. Thank you, Mr. Chairman. I apologize for being late.

I welcome our distinguished witness, Senator Buckley. As I understand it, your testimony is on the economic assistance package for El Salvador.

I do have some questions. To begin with, what is your view of the economic conditions in El Salvador at this time as they relate, not only to output, employment, GNP, and inflation, but also to the political difficulties that are facing Mr. Duarte?

Mr. BUCKLEY. The economy is in very, very dangerous posture right now. The GNP declined 9 percent last year, and exports are going down. Investment is being withheld. And, a recent study concluded that the country is apt to have a shortfall of $150 million in terms of its reserves.

It is in such a dangerous posture that unless the kind of program which has quickly deployable funds in it that we have submitted is put into effect immediately, we are going to find a significant rise in unemployment over the very high rates already existing.

We are going to find food shortages. We are going to find factories closing down. We are going to find a failure to be able to purchase the fertilizers and the seeds with which to produce the crops which are the basis of the economic well-being of the country. In other words, this is a crisis situation.

A failure to come forward with this kind of assistance at this time would not only severely damage an already sick economy, but could topple the government.

And I pointed out that the revolutionary high command is thoroughly aware of this, which is why they have stepped up their war of economic attrition.

Mr. KEMP. I had the opportunity to meet with the Minister of Planning from El Salvador, a decent and honorable individual. I believe I understand the problems, both political and economic.

All of us—left, right, center, liberal, conservative, Republican and Democratic—have a stake in a healthy economy in El Salvador and Central America.

If you remember a few years ago, there was talk about a Central American Common Market to break down barriers to trade. Obviously it is very difficult to pursue or advance this type of an idea in the face of the problems that are being caused in large part by outside forces. The State Department has been well-advised to expose these outside forces in terms of trying to deal with the problem and keep the American public informed.

But what I am most concerned about, I would say to my friend, Mr. Buckley, is that I am afraid that some of the economic assistance that the United States is providing to El Salvador is going to encourage the type of economic climate in that country which is going to exacerbate the conditions which have led to at least part of the sympathy for the guerilla movement.

The ultimate way to stop the guerillas is not just military—as important as the military is. The ultimate way to stop the disaffection from the Duarte Government is to pursue sound economics, sound money, sound tax, sound regulatory, banking, agricultural and trade policies, certainly you don't need to listen to a speech.

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But I would like to make a comment. This is extremely important to me, and it will lead to a question.

I am concerned that we are going to be endorsing the programs that are in large part exacerbating the economic conditions in the country, that is, the banking and so-called agrarian reforms.

The Chairman, I think, deserves a lot of credit for going to El Salvador. I must admit at first I thought it was the wrong thing to do. But I think the Chairman really courageously attempted to find out just exactly how our money is being used in El Salvador, and I think he came away quite critical of the land reform program.

And if I read him correctly, he suggested that we are subsidizing the confiscation of property, and the promotion of socialism.

I would like to ask a question.

The banking and agrarian reforms that have been urged upon the Government of El Salvador by previous Administrations, and the State Department, are somewhat reminiscent of some of the mistakes that were made in Vietnam.

People talk about the Vietnam-El Salvador equation. I am not so sure there is not an equation or parallel. But I think it is different from what some people have said.

During a very critical time in the history of Vietnam, the State Department in the early 1960s drew up a development plan. The initial feature of the plan was a 71 percent tax on "luxury items," embracing everything except food staples.

They taxed foreign exchange. They put duties on imports. The results were so negative that they were forced to devalue the piastre.

In addition, a program of land reform was thrust upon the Vietnamese economy.

The essence of the program was a Land-in-the-Tiller concept, among other things, conceived and overseen by Professor Roy Prosterman. I don't mention his name to attack him personally, but just to look at this idea from an objective standpoint.

The architect of land reform in El Salvador is the same individual Professor Prosterman, who testified recently before this subcommittee.

Under the plan, large landowners received government bonds in exchange for their property. The land was divided among the peasants subject to 20 to 30 year mortgages, held by the State.

The capital pool disappeared from the former landowners, leaving the peasants without any capital, without political clout, without organization or skills necessary to prosper, productivity went down. Mortgages went unpaid. The bonds were never paid off. And recession set in. Those areas in which the biggest land reform programs were implement fell quickest to the Vietcong. And I don't mean to suggest that the difficulties visited on Vietnam today are essentially or even largely due to misguided economic policies.

But I don't want to see those same policies encouraged or continued.

In formulating our economic assistance package for El Salvador is the State Department undertaking a serious, thoughtful, objective, analytical, empirical study of the content and the direction, of these programs. What is going to happen to the bonds with which the land was financed?

Or, are we simply continuing a practice that is going to drive the El Salvador economy into more serious straits?

I apologize for the length of my question. It is a tough one.

Mr. BUCKLEY. I am not unsympathetic to the thrust of what you have to say. I cannot help but recall that the extraordinary economic birth of West Germany dates from the moment when the West Germans, in control of their own destiny, rejected all of the tax and economic policies imposed by us.

I do believe that you will find that this Administration, in terms of its overall approach to economic development, will be taking at face value our own belief as to what it is that creates viable growing economic societies.

But with respect to the package now before us, we have to deal with the world as it is, with the situation as we find it. And if there are new directions, different directions, that we would encourage the El Salvadoran Government to proceed along, we must first have the government in place. And this is really the heart of this necessity.

There are factories there. But in order to produce, they have to import materials. To import the materials, they have to have the cash. And this is the great thrust of this particular package that you have before you.

With respect to your basic question, on the assumption that the situation holds together so that we can think, not in terms of emergencies, but in terms of the longer-direction planning, are we re-examining some of the programs and recommendations of the past Administration, I frankly don't know.

But, I will ask Mr. Bushnell.

Mr. BUSHNELL. Yes, we are having a very careful look at this. The initial conclusion that we have come to, which is reflected in this plan, is that it is very important to reactivate much more of the private sector in El Salvador.

Here I am talking mainly about the urban, more industrial sector, where in a country as crowded as El Salvador, the most densely populated country in the mainland of this hemisphere, it needs to get its industry operating.

And a large part of the package that is before the committee today is precisely to pay for the sorts of inputs that will allow this industry to get back in operation.

Obviously, you are not getting investment when the current industry is operating at 40 or 50 percent of capacity.

Mr. KEMP. May I just interrupt to say we are running out of time. I see the Chairman's gavel poised and ready to fall.

I want you to know I do recognize that part of your package. I am going to support the reprogramming. I would like for the record, at some early and propitious moment, to know more about what we are doing in this Administration to pursue the sound economics that the distinguished Senator from New York had talked about in terms of not only West Germany, but many Third World countries who are seen as Mr. Novak, our UN delegate to international development in Geneva, I cannot think of the exact title, that Mr. Novak—and I would suggest the State Department read the speech of Michael Novak, which was one of the few times in this country's history it has had somebody represent the United

States in front of the UN and talk about capitalism and free enterprise and private enterprise and things I thought we are trying to promote in the United States.

Some of us would like to see that promoted in the world. I know the gentleman from Connecticut and New York, my friend, is certainly interested in pursuing.

I thank you, Chairman, for his indulgence.

LAND REFORM

Mr. LONG. Let me say, I think Mr. Kemp's apprehensions are well-founded.

I think this land reform program is going to turn into a bottomless pit, along with many of the other features.

In fact, I talked with the business people down there, the whole chamber of commerce gathered around the table, and they are all convinced that the Duarte Government are a bunch of socialists.

And there are many socialist aspects to this thing. I think you are not going to get very much production out of those land reform projects.

I have visited some of them. I talked to some of the people. You have a project here, it is 1000 acres of marvelous land, with all kinds of equipment. It must be worth millions of dollars.

The guy in charge of it is making a couple of hundred dollars a month. And I predict he does not know how to run that thing, even under ideal circumstances, let alone under circumstances in which they are all really working for the State.

Nobody is getting any of the profits. They don't feel identity with the land. They don't feel it is part theirs. The whole idea of land reform where you confiscate, and in this I agree with, Mr. Kemp, is wrong, wrong, wrong. It is wrong economically and it is wrong from a point of view of social and political stability. There has never been anything in history that was more calculated to make people reach for their guns than to take their land away from them without compensation.

That is why I said I thought the solution was development like we do here in the United States—break the estates up and sell them, and make the farmers pay for the land. Then you will get people in there who want to do a good job, who want to make money, and will know how to do it.

We seem to follow on, encourage all the things that have not worked in this country, and encourage them abroad. I suppose because we don't give a damn whether they work or not in other countries.

But our money is going down there. And that is going to be a bottomless pit, believe me.

Now, let me call on Mr. Edwards.

Mr. EDWARDS. Thank you, Mr. Chairman.

Senator, I apologize for being late. We were tied up in another meeting we had to attend, because of the circumstances of the world being as they are.

Mr. BUCKLEY. I have experienced the problem in the past.

Mr. EDWARDS. Yes, I know. I first want to compliment you on your long service, both in the Legislative and Executive Branch.

We are very pleased with the service you have given to the country over a long period of time, and particularly being in the legislative end of it, the great service you rendered in the United States Senate.

Mr. BUCKLEY. Thank you.

Mr. EDWARDS. I didn't get to hear your testimony or some of the early answers. But one of my staff assistants took some notes on some of the things that were said.

At the risk of being repetitious, let me ask you again about Phase II, because the notes, at least that we have, are that while the questions were asked earlier about Phase II, and I share the concern that many others do, that I don't want to see American tax dollars used for expropriation of lands—and I understand that at one point, you answered by saying that the Salvadoran Government has been advised that it is not financially possible right now to carry out Phase II, and that Mr. Bushnell answered on another question that even if all phases of the land reform program were carried out, it will still affect only a small part of the population.

But I guess what I am really after is, if I can get it down to a more basic level, I would like to know what the Administration's position is on Phase II, whether or not the Administration opposes Phase II in principle, or whether it will be supporting Phase II reluctantly because it is itself prudent or pragmatic.

Would the Administration in principle oppose Phase II or go along with it?

Mr. BUCKLEY. As Mr. Bushnell has stated, we are, and I had hoped this was going on, but frankly, we have been dealing with so many fires to put out, I wasn't entirely sure—that we are in fact restudying and reviewing all of the economic problems in El Salvador to see what constructive advice we are able to give.

With respect to Phase II, the only position we have formally taken is that it would not be possible at this time to implement it, because of the resources that it would require. So that is not a for nor against.

In earlier discussions with Congressman Lewis, I did point out that I personally, which is beside the point because I don't represent the United States Government in this respect, believe in the incentive of ownership and the incentive of risk in the marketplace.

But I also pointed out that we are dealing with an existing situation that is very fragile, and that there is a point of very diminishing returns, when one government tries to impose its idea of what is good on another's sovereignty. And this is something that this Administration is acutely aware of.

And I would suggest that if we do come up to different conclusions as to what in the self-interest of the El Salvadoran people is desirable, you are not going to see it in the headlines. It will be spoken very quietly.

Mr. EDWARDS. I understand that. I would only say that if the Administration has not yet made a final decision about which way to go on Phase II, and is still studying it, that I hope the message would be clear that many members of the Congress on both sides of the aisle do not want to see American tax dollars used for expropriation.

While we don't want to impose our views on another government, we do have something to say about it if it is our dollars that are being spent for that purpose, as I know you agree.

Mr. BUCKLEY. If I may reiterate the point I made with Congressman Kemp, here we are not talking about economic transfers in order to solve long-term problems, but to keep a government in existence, and a society in existence so we can discuss long-term problems.

I also believe, too, that you have the responsibility to make sure that our aid, in fact, helps people which in turn involves an analysis of economics.

LONG-TERM ISSUES

Mr. EDWARDS. That leads directly into my next question, which would be whether you might be able to give us some projection of how much money we are talking about?

What might the financial requirement of the United States be, say, over the next three or four years in trying to arrest the deterioration of El Salvador's economy, and to keep that government afloat?

If you have any kind of a ballpark figure—what the Administration sees down the line in this area.

Mr. BUCKLEY. We have, of course, filed our long-term projections as part of the budgetary process. But the problem is that we are responding to effects beyond our immediate control.

If somebody blows apart the power facilities that throw a third of the country into darkness, that creates economic problems—if transportation is interrupted.

So, if we can assume tranquility, and that is what we all urgently hope and are working to achieve, you have one set of projections which would be reflected—we have asked in 1982, $91.1 million.

But I have pointed out in my testimony that in terms of this crisis in foreign exchange, we believe that what we have put together will do the job in cooperation with other countries.

But this makes certain assumptions as to the funds that will be coming from the IMF, for example. We are going to have to restudy the situation in another couple of months and hope for the best.

Mr. EDWARDS. I would like to pursue that. I wonder if I may ask one very quick question. It is my understanding that to date not a single former landowner who had his land taken has been compensated.

If you can tell me, first of all, if that assumption is correct, and if it is incorrect, when were they compensated? If it is correct, when do you anticipate that compensation will take place?

Mr. BUCKLEY. Which raises a third question—the passing of a 20-year or five-year, 10-year bond payment.

John, would you care to answer that?

Mr. BUSHNELL. There hasn't been any significant compensation. The land of which people were given 200 titles under the Land-to-Tiller was paid for.

This is a very small amount of land. I think most of that payment was in cash, because the procedure was those owning a small

amount of land get paid in cash. The more land you own, the higher percentage in bonds.

But in most cases, the bonds and the cash have not yet been distributed because of the very difficult problems of working out liens against these properties with the banks, for example, and of getting full inventories and so forth, particularly for owners who are no longer in the country.

Mr. LONG. Thank you very much, Mr. Edwards.

Mr. Livingston?

Mr. LIVINGSTON. That was my question. I was concerned about that.

First, Senator Buckley, I want to welcome you to this committee.

I am also concerned—and I do intend to support the President in this request—but I am concerned, as has been expressed by Mr. Kemp and the Chairman and others of the committee, about the entire perspective of this government that we are attempting to support.

I think you have already expressed yourself on this position, Senator Buckley.

What, indeed, is the role of the United States, if we are protecting a socialist government, and some people have even gone so far as to categorize it perhaps as national socialism, a government which has expropriated land without compensation in the past, has got a rather tenuous program for future compensation, which demonstrates a propensity to lean towards total government ownership, one which doesn't really have a great plan for strengthening the middle class?

Where are we going? Are we going to attempt to provide incentives with this money that we are giving them and have given them in the past to go ahead and rely on the characteristics of the very people that provided strength to the country in the past?

And is the middle class, the private sector, the people that generate wealth, are we going to be providing inducements for those people to regain their private property and to use that private property as means of production for future wealth of the country?

Mr. BUCKLEY. If you look at the specifics of our particular emergency proposal here, it is very much oriented to the private sector.

One of the problems that faces El Salvador right now is a bunch of factories which have just stopped operating for lack of the imports on which they depend for their operation.

Our overall emphasis in this Administration is going to be to emphasize the need to rely on the private sector to achieve true economic growth and expansion.

In terms of the situation we find ourselves in, with respect to El Salvador, it is the world as we have found it, and we have to judge this government in the context of the alternatives to this government.

And without saying we are supporting this government in the sense of everything it does, we can very definitely suggest that it's a capture by the hard right, would have a deviant consequence, or the success of the revolutionary would give us a Castroite regime on our soil.

Mr. LIVINGSTON. I totally sympathize with your objectives. I share your belief that it is the strength of the middle class which

will provide a foundation upon which this country can ultimately be built.

However, in looking at the alternatives, which I don't value highly, the hard right or the hard left, I fail to see a strong distinction between those and perhaps the evidence that we have seen in recent news reports of atrocities that have occurred.

People have been killed. The question is, have they been killed at the response or the behest of this particular government? I think just in the last two weeks, there has been an indication that some 23 people were pulled out of their homes and murdered, ostensibly by people in uniform.

Were those people acting under orders of the Duarte Government? And if so, then how is the Duarte Government any different from the hard right or the hard left?

Mr. BUCKLEY. Number one, with respect to that particular incidence, the bodies that were found in that one location have been identified as not having lived in that area.

Therefore, the story given by the left of people being pulled out of their homes would seem not to have validity.

This doesn't mean that they were not slaughtered by security forces. But I think what has got to be understood is that we are dealing with a government that doesn't have total control over all of its forces. And this is a central fact.

Yes, atrocities are being done, and yes, there is undoubtedly a lot of blame to be laid at the door of people who are security forces.

This focuses on what we are trying to do to help the Duarte Government, which doesn't like this sort of thing, but may not be able to control it in many areas, achieve the ability to control it.

That is why our military assistance goes exclusively to the Army, which is the disciplined of the three elements—the Treasury Police, plus the security forces and so on—including the mobility to go out to where these problems are and to take charge, and start to establish some kind of responsibility. But this takes time.

Mr. LIVINGSTON. Well, I understand the difficulty of the situation. And I certainly wish you well. And again, I do intend to support the President on this request.

But I hope that with strong guidance, along with money, we can bring some stability to the region.

Mr. BUCKLEY. That is being urged every day in a quiet way.

Mr. LONG. Thank you, Mr. Livingston.

Mr. Porter?

REGIONAL CONCERNS

Mr. PORTER. Thank you, Mr. Chairman.

Senator Buckley, we welcome you here as a man known for your thoughtful approaches to governance. All of us, I think, realize that one of the worst things that government does is look ahead and plan.

Mostly, we seem to react to crises. Mostly, we seem to find a problem when it has already existed for years, and suddenly, it bursts out into the open.

Last year, we found Nicaragua, and the Sandanistas. This year, we are finding the problem at our doorstep, virtually, and we have

our fire extinguishers out again, putting out another blaze almost in our backyard.

What are we doing, or what have we learned about our policy towards Central America? What are we doing in respect to Honduras and Guatemala and Costa Rica, and Belize, and Panama, and even Mexico?

Are we going to be here next year putting out another fire in Honduras, or Guatemala? How can we learn from this situation and improve our relationships and have a policy that looks down the road five or 10 years or 25 years to make this hemisphere not only a welcome place for the principles and ideals that this country believes in, but one for economic growth and happiness for the people who live nearby us?

Mr. BUCKLEY. Congressman, you have put your finger on one of the very important things that we have to learn to do, to anticipate. The fact is that what we are seeing in El Salvador is not an isolated phenomenon. It has broken out there. We know what has happened in Nicaragua. We know there is trouble brewing in Guatemala, Honduras, and other areas.

We know there are people now describing themselves not as Salvadoran revolutionaries, but Central American revolutionaries.

We have and had for the last several weeks, more than that, I believe, a study in progress, in the State Department that is trying to identify the basic sources of the discontent, the fragility, in order that we can come up with a policy that will achieve specifically your goals—how can we help encourage political stability and real economic growth and development in Central America.

Mr. PORTER. One other question I would like to ask. That is, what are we doing to work with some of our allies to get their participation in aiding in this situation?

Are we getting any help from them? Is there any bilateral aid going to El Salvador? What are the multilateral lending institutions doing to help that situation?

Mr. BUCKLEY. I mentioned part of that in my testimony. We do have the IMF coming forward. The Mexicans and the Venezuelans are offering petroleum on concessionary terms that, in effect, add up to about $43 million.

All together from the sources that we can publicly identify, there are about $150 million, I believe, of assistance outside of what we are calling for.

In addition to that, there is significantly more assistance from other countries. But I could not divulge the sources in open session.

Mr. PORTER. Finally, and this may have been asked earlier, but could you tell us what has happened in respect to the flow of arms, are we getting cooperation from Nicaragua now to stop that flow?

Did the aid cutoff bring that about? What is happening with respect to Cuban shipments into Nicaragua? What is that entire situation?

Mr. BUCKLEY. As a result of the action we took shortly after the Administration came into office, that pipeline was aborted. You may have noted that Castro admitted the truth of our White Paper just the other day.

That has been called to a substantial halt in terms of the blatant transmittal of arms into Nicaragua and then on in. There are

indications that there continues to be a trickle through other routes, in other parts of Central America.

There continues to be a transfer of arms into Nicaragua. Whether that is for their own purposes or in storage for subsequent shipment, we just don't know.

But there has been a very dramatic decline in the transmission of arms.

Mr. PORTER. Thank you. I certainly intend to support the reprogramming of funds. I think, though, that we have to look ahead, that we have to make certain that we are not going to be doing this next year and the year after this, and it is not one country after another. We need a long-term plan and a policy that really brings some hope to people.

Mr. LONG. Thank you, Mr. Porter.

Mr. KEMP. Mr. Chairman, for the record, I formally request of the State Department the information that I alluded to in the beginning of my remarks today.

I would like to know what is going to be the policy of the Administration towards some form of trade policy in Central America, along the lines of the Kennedy Administration, pushing the Common Market idea, the alliance for progress.

I would like to know whether the government has replaced the oligarchy that Mr. Bushnell talked about in March of 1980, when he talked about the bloodless military coup, and the great chances of democracies?

I am a democrat small "d," Mr. Chairman. I want to see democracy work in El Salvador. The best way to bring it about, of course, is to make this policy work.

And I hope that we can get some idea as to what this Administration is going to advise El Salvador with regard to not only trade policy, but tax policy as well.

Is the government dictating the choice of crops? Have we moved from coffee, sugar and cotton to corn, rice and beans, because the government made the decision?

Is that any better than the oligarchical decisions that were made in the 1970s? I would like to know what advice this Administration through the State Department plans to give to El Salvador.

I thank the witness for his usual clarity.

Mr. LONG. Thank you very much, Mr. Kemp.

Thank you, Mr. Secretary. We appreciate very much your coming.

We are now going to have several outside witnesses who will be testifying on some of the corruption problems, the difficulties of actually administering.

These are people who are by no means radicals. They are people who worked in the government, who are now on the outs. But they, I think, are all sound people.

I don't think one would accuse them of being communists or anything like that. So I would hope that you could stay around, if you could, and listen to them, and make your comments on what they say.

I would deeply appreciate it.

Mr. BUCKLEY. Mr. Chairman, I wish I could. But I have an engagement in about 20 minutes that I have to meet. But I will leave a member of my staff here, if I may, to report to me.

Mr. LONG. Very well. Because what I think we have to do, if we do reprogram this thing, is put in some safeguards which ultimately are going to help you folks more than anything else.

Because if this thing becomes a scandal, then it could backfire in a way that the damage, of course, is to people pushing aid to El Salvador.

I myself feel it is going to be a bottomless pit. But I am going to support the economic program if we can get some safeguards here that would make some attempt to make it efficient and reasonably honest.

I hope you can support that.

Mr. BUCKLEY. I am a taxpayer, too.

Mr. LONG. Well, so am I.

Mr. BUCKLEY. Thank you, Mr. Chairman.

Mr. LONG. Thank you very much.

PRIVATE CITIZEN TESTIMONY

Mr. LONG. I am going to ask Carlo Frederico Paredes, former Under Secretary of Economic Planning of El Salvador, to come forward; Captain Alejandro Fiallos, formerly with the Army of El Salvador, and Leonel Gomez, former Assistant Director of the Land Reform Program.

CARLO FREDERICO PAREDES

Mr. Paredes, could you summarize your remarks in five minutes? We will have each one of you summarize your remarks, and then have questions.

Mr. PAREDES. Thank you, Mr. Chairman.

Gentlemen of the subcommittee, my name is Carlos Paredes. I am 30 years old, and although I am an economist by training, I have had varied experience in business, academics and politics.

From 1975 to 1978, I was a professor of development theory in the Faculty of Economics at the National University of El Salvador. In 1978, I was appointed Director of the Department of Investment Promotion and Free Zone Development in the Salvadoran Institute of Foreign Trade.

In October 1979, after the coup which toppled the regime of General Romero, I was asked to become the Director of Industry in the Ministry of Economics, a position which I held until May 1980. Finally, in June 1980, I joined the government cabinet as Under Secretary of Economic Planning.

On January 27, 1981 I resigned my position in the cabinet as it had become clear to me that the civilian members of the government were unable to exert any control whatsoever over the security forces which, under the direction of the high command of the armed forces, were responsible for widespread violence and atrocities committed against the civilian population.

Moreover, it is important to point out that the victims of this directed violence were not simply Salvadorans but, as you are well

aware, also included North American journalists and members of the clergy.

Gentlemen of the subcommittee, I understand that the purpose of this hearing is to consider the request of the Administration to reprogam $63 million in economic aid to El Salvador. With respect to the proposed aid package, I would like to point out several things.

First, I definitely feel that the small- and medium-size businessmen who have had the courage to remain in my country in the midst of incredible violence generated by the civil war, deserve assistance.

Likewise, the Salvadoran people who, for 50 years, have had to live under the yoke of a dictatorial political system which continues to persist, need help in order to simply meet their basic human needs.

However, it is necessary to clarify that were it not for these considerations, I would be strongly opposed to the provision of any type of economic aid which would help maintain the repressive system which continues to exist in El Salvador today.

Furthermore, in spite of supporting—for humanitarian reasons—the provision of economic aid to my country, and expressing my appreciation to you as a Salvadoran for this assistance, I would like to offer a few observations regarding the roots of the economic crisis in my country, along with a realistic assessment of the impact which this assistance is likely to have on the Salvadoran economy, given the conditions which currently prevail.

Let us be clear in understanding that the overriding cause of the economic crisis in El Salvador is the violence which has occurred in the country during the past three years.

This violence is the outgrowth of a long history of structural inequality and a political system which has enabled a small elite to monopolize the bulk of the country's wealth and has excluded the majority of Salvadorans from any meaningful political or economic participation.

Hence, the primary problem in El Salvador is a political one. Until there is an end to the conflict which has divided my country, there will be no peace, a condition which is essential for rebuilding an economy that has been shattered by three years of civil war.

In light of this, let me turn to a brief examination of the Administration's reprogramming request in an effort to clarify why such assistance will not help regenerate the country's economy but, instead, is likely to be only the first in a long series of aid packages which the United States will be forced to provide simply to keep the economy afloat.

Most of the aid programed for El Salvador will be used to provide working capital and balance of payments support to cover salaries and to import raw materials, all of which is supposed to help restore economic and political stability.

This was precisely the purpose of the $120 million in economic aid which the United States provided to El Salvador in 1980.

What has been the effect of this support? In 1979 the Gross National Product of El Salvador declined by 2.5 percent. In 1980, the GNP declined another 16.5 percent, not the 9 percent, as the State Department has pointed out, a rather remarkable statistic

considering the level of external support which the government received that year.

Moreover, just as such assistance did not help strengthen the economy, neither did it serve to restore political stability.

Mr. LONG. You mean the GNP is now roughly 20 percent in 1981 below 1978?

Mr. PAREDES. That is correct, Mr. Chairman, a fact evidenced by the marked rise in the number of military confrontations and violent deaths which occurred that year.

If the U.S. Government believes that additional economic support is likely to achieve what previous assistance failed to accomplish, it is sadly mistaken. When the principal objective of economic assistance is to help maintain levels of employment, as is the case here, it is clear that the economy isn't capable of self-regeneration, and that there exists no meaningful process of capital accumulation.

Why do these conditions exist? El Salvador has had almost three years of continuous political instability. In 1978, 8,000 jobs were lost in the industrial sector as a result of domestic and foreign firms that closed down. In 1979, 20,000 more industrial jobs disappeared.

The construction sector, which contains 40,000 workers, has been almost completely paralyzed since 1978. Indeed, more than $120 million has been channeled into the construction of condominiums and housing units which haven't been sold due to the absence of an internal market.

Moreover, the volume of sales in the commercial sector has also declined dramatically. Nor is it likely that this sector of the economy will improve for the simple reason that it remains low on the list of government priorities due to the fact that until production levels increase, commerce cannot be stimulated, and the economy is a long way from reaching this point.

Finally, since 1978, capital flight from El Salvador has reached almost $1,500 million, causing a critical lack of liquidity within the banking system. Private sector investment declined by 35 percent in 1979, and by 45 percent in 1980. Without a doubt, the reason behind this kind of economic deterioration is the political instability and widespread violence which exists throughout the country.

All indications are that the economic situation is not likely to change in 1981 for the better. Indeed, there is ample evidence to suggest that the economy will deteriorate even further.

For example, in 1980, 40,000 fewer manzanas were planted in cotton than in the previous year, the impact of which will be felt in 1981 by higher rates of unemployment, decreased levels of foreign exchange, and a shortage of raw materials for the textile industry along with such products as cooking oil and animal feed.

With respect to the cultivation of sugar cane, 75 percent of which is under private ownership, there will also be a considerable decline in production levels. This is principally due to the fact that 40 percent of the land base which is planted in cane is in the northern part of El Salvador, an area which is characterized by extremely high levels of violence and instability.

As a result, many landowners, including myself, have abandoned their fields out of fear for their own personal safety. As is the case

with cotton, reduced cane production will also lead to higher rates of unemployment and a further reduction in foreign exchange.

But the gravest threat to the Salvadoran economy inevitably lies in the decreased production of coffee, a crop which accounts for 43 percent of all revenue in El Salvador.

82 percent of all land on which coffee is cultivated is in the hands of the private sector. Due to high levels of violence in the countryside, many landowners have not tended their crops for two years.

They have not fertilized the land, trimmed excess foliage from the trees, nor performed other essential tasks such as the preparation of nurseries for the planting season. Similarly, many failed to construct water reservoirs during the summer needed to control the spread of 'coffee rust', a fungus which destroys the leaves, thereby causing significant crop loss.

Due to these factors, I estimate that within a year's time overall coffee production will decline by 50 percent in El Salvador. If we also consider the fact that because of depressed coffee prices in the international market, producers are barely able to cover even basic production costs, the situation becomes extremely bleak.

Finally, it is necessary to add that the industrial sector is more depressed than ever before. There is virtually no local or regional market to realize the sale of manufactured goods, and there is a critical shortage of working capital and revenue with which to import raw materials.

All of the conditions which I have just described are the result of a political conflict which must be resolved before investing millons of dollars in aid, a large part of which is likely to wind up in Miami, along with the $1.5 billion which left the country between 1978 and 1980. In short, the economic crisis in El Salvador is the result of a political problem which, in turn, demands a political solution.

Gentlemen of the subcommittee, I am not among that group of businessmen who believe in seeking a violent solution to the problems which afflict my country. Nor do I believe, like some individuals, that both the political and demographic problems of El Salvador can be resolved through the elimination of the opposition, a process which would entail the slaughter of hundreds of thousands of people.

The problems of El Salvador will never be resolved through the kind of 'exclusionary 'solution sought by the extreme right. Rather, the solution to the current conflict must entail an entirely different process, one which involves participation in the government by the democratic sectors of the army, small- and medium-size businessmen, members of the Christian Democratic Party, the popular organizations and, of course, the FDR, or opposition party in El Salvador.

Such an approach would likewise require the implementation of reforms necessary for the modernization of capitalism, but not the type of reforms currently supported by the U.S. Government which are being attempted in the midst of a civil war in which the civilian population is being massacred by the security forces.

In conclusion, gentlemen, I would like to make it very clear that if the United States continues trying to resolve El Salvador's prob-

lems with dollars and arms, rather than attempting to encourage a viable political settlement, it will have to reprogram many more millions of dollars in the future in order to support an economy which isn't even capable of producing sufficient amounts of capital to function on its own.

What we need is peace, a lasting and stable peace which is the product of understanding between those democratic sectors of our society committed to the establishment of a government characterized by broad social participation and a sense of justice.

Thank you.

LEONEL GOMEZ

Mr. LONG. The next person I would like to call on is Leonel Gomez, former Assistant Director of the Land Reform Program.

Mr. LEONEL GOMEZ. Mr. Chairman, before I start I would like to present for the record additional testimony given by me to the Subcommittee of Inter-American Affairs, if I be allowed.

Mr. LONG. Yes.

Without objection, it will be put in the record.

Mr. LEONEL GOMEZ. Thank you.

[The statement follows:]

PREPARED STATEMENT OF LEONEL GOMEZ

BEFORE

THE SUB-COMMITTEE ON INTER-AMERICAN AFFAIRS

March 11, 1981

My name is Leonel Gomez. I am the owner of a 40 hectare coffee farm in El Salvador. During most of 1980, I was chief advisor to the President of the Institute of Agrarian Transformation (ISTA). I left El Salvador on January 14, 1981, ten days after Rodolfo Viera had been assassinated and a death squad came to get me.

I became involved in the 1960's with a literacy project sponsored by the Catholic Church in Santa Ana, El Salvador's second largest city. Through friendships established at work, I began acting as an informal advisor to the Union Comunal Salvadorena (UCS), an organization of agricultural workers.

While small in those days, the UCS acquired the early support of the American Institute of Free Labor Development, an affiliate of the AFL-CIO. It became the largest campensino organization claiming 200,000 members. In early 1980, Viera, the president of UCS, was asked to become President of ISTA. Because of our twelve year association, he asked me to become his advisor.

Rodolfo Viera was killed on January 4th. On January 14th, I was arrested at the Presidential Palace by a captain, acting under the direct orders of a Junta member. I was taken to the Treasury Police headquarters and was interrogated about my alledged presence in an army headquarters during a military insurrection. I was detained from 9:30 A.M. until 5:30 P.M. and was released after signing a document that I had been arrested and released unharmed. That night, two truck loads of soldiers, numbering around 60, arrived at my house and made a search. I was able to find sanctuary nearby and then after four days of hiding I left the country. I am now seeking political asylum in the United States.

If the United States Congress is going to deal effectively with the crisis in my country, you must first understand it. We must clear up many of the myths about my country that I have heard in the public debate over U.S. policy.

The first myth that you hear - from all sides - is that the oligarchy is still a major factor in Salvador. The left claims that the army, after some interest in reform, has returned to its old ways of supporting the economic interests of the oligarchy. The State Department claims that the majority of the officers of the armed forces at this time support reform, but that these efforts are blocked by the alliance between the oligarchy and more right-wing officers.

Both of these views are wrong. At one time the military did share power with the oligarchy. The army protected the economic interests of the oligarchs and the oligarchs helped the military officers to use government to line their own pockets. But, two converging trends have acted to end that alliance. The most obvious and well-known development has been increased revolutionary ferment in Central America which led to the Sandinista victory of July 1979. Sandinistas instead of Somoza in Managua scared the hell out of the army.

Second, the modernization of the Salvadorean economy, manifested by the greater need for technicians to run the country and the involvement of foreign private banks and international aid institutions, convinced the army officers that they could run the country without the oligarchy. As a result, the army decided it could discard the oligarchy and institute reforms.

That brings us to another myth that you hear on the left. The left's position is that the reforms have been a sham. That is not true. I was in the land reform program and I can tell you that Phase One has worked to this extent: the oligarchs are off those properties; fields were cultivated last year; the crop returns were good, especially food grains; and the peasants on those farms are benefitting. Land-to-Tiller is really just starting. It is a program supported by campesinos and one which will benefit most of them.

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The nationalization of the banks and export-import activity has also acted to reduce the power of the oligarchs and to channel more credit to those who need it.

The army has conducted these reforms because it knows that it must broaden its base of support. The oligarchs have largely accepted the reforms because without the army they have no choice and they have gotten so rich off my country they can now live an easy life in Miami anyway.

That brings us to the fundamental question: what is the nature of the Salvadorean army and by the army I mean the 500 or so officers who lead the Salvadorean army, the national guard, the national police and the treasury police? Your left says they are an instrument of the oligarchs. The State Department says they are people willing to learn, who want to do what is best for the country. Your right-wing says they are anti-communist and pro-American.

While you will find individual Salvadorean army officers who fit one or another of those descriptions, the Salvadorean army, in essence, is none of those things. Traditionally, and still today, men join the army in order to get rich.

Young men enter the officer corps to acquire the power and the spoils military service provides. Over 90 percent of the officers have attended the El Salvador military school; very few officers come up through the ranks. By law, graduates from this school may remain in the army for thirty years. Each officer comes from a graduating class, called a tanda, and each tanda has a president.

Loyalty to the tanda is generally greater and more commanding than loyalty to the institution in which they serve. During their thirty year careers, the officers of a tanda seek contacts, form alliances with other tandas and otherwise prepare for their goal of political power.

Every five years, in the past, elections were held. No matter which party had the most ballots, the army won. The winning President had been chosen by the previous President. Together they assembled a coalition of officers from one major tanda and several allied tandas which were to enjoy the spoils for the next five years.

Let me give you an example of what kind of corruption I am talking about. It was an attempt to expose this corruption and bring about a small measure of justice in El Salvador that caused the army to have Rodolfo Viera, the first campesino President of ISTA, killed, and to send 60 thugs to kill me.

When Viera and I took our offices in ISTA, we found that there was no bookkeeping system. We quickly discovered that ISTA had a building that did not exist. But more important, we began to look at the 106 properties already in ISTA's possession. Some were acquired in 1976-79 at the time when the government had a lot of money because of high coffee prices.

The first thing we discovered was that these properties were losing $20 per hectare. That is ridiculous when you realize how fertile the land in El Salvador is. But then we found one of the major reasons.

We discovered that these properties had been overpriced by at least $40 million. Some properties were already in the government's possession and had been sold to the government for a second time. Others were just grossly overvalued.

What happened to the excess? Some went to the sellers, but probably more came back to the government in kickbacks. ISTA at that time was run by a Colonel. I am not saying that he received $40 million. Rather he would have the kickbacks delivered to the office of President who would spread the graft among his and allied tandas.

Forty million dollars sounds like a minor matter, at least that is what the American State Department tells me. But it is not minor in El Salvador. It is particularly a matter of grave importance to the campesinos who now work these properties and have to pay the extra cost.

Viera and I went on national television in El Salvador in mid-year 1980 and exposed the $40 million overpayment. We also initiated charges against the Colonel who had been in charge of ISTA for a specific fraud of $40,000. The government in both cases did nothing. There was to be no justice for the campesinos, no punishment of army officers who had stolen from them.

On January 5, Viera had planned to resign. He was frustrated by the unwillingness of the government to confront corruption. He was

tired of all the killings of the campesinos by the army. He was disgusted by the continuing efforts by President Duarte to force him to join the Christian Democratic Party and bring the UCS with him. He would not have joined the guerillas or the Frentes. He would have continued to fight for land reform and against corruption. Instead, he was assassinated along with two American technicians.

In sum, this tells the story of another myth, a myth of your right-wing and your State Department. The Salvadorean army is not held together by an ideology of anti-communism. It is held together by a vast network of corruption.

Now the banks, 15 percent of the best lands, and all export-import activity have been nationalized by the government. Further, your government and others are pouring in vast amounts of economic aid. And, you do not think that the army doesn't see both of these developments as opportunities for further corruption?

I ask you this. If this government in El Salvador was serious about corruption, would Viera be dead and the former head of ISTA still be a free man? And the same goes for whether that government is serious about controlling violence against civilians. If it were, who would be under arrest - Colonel Majano, the progressive member of the junta, or Colonel Moran, head of the Treasury Police? After three government reorganizations, Majano is now in jail and Colonel Moran is still free and directing the Treasury Police, which your State Department describes as the Gestapo of El Salvador.

I have said that the army discarded the oligarchy when it no longer needed them. I have said that the army has supported the reforms because it needs to enlarge its base of support. However, the army is not willing to share power with any other elements of the society and most certainly not with the poor majority.

That takes me to another myth, one propogated by your State Department. They say there is a difference between the army, which is good, and the security forces, which are bad. This is a lot of bovine intestinal effluvia.

The primary institution of the armed forces is the officer corps: five hundred men, most all of whom attended the same military school. In many cases an officer will be rotated from one service to another.

The factors that bind officers together from different services, especially the tandas, are greater than those which separate them. In summary, there is an integrated officer corps. If its leadership truly wanted to eliminate substantilly the abuses now occuring it could. But remember it doesn't. The army is bent on a war to exterminate all possible challenges to its power.

In each military region, the army commander is responsible for the activities of the army. Through the chain of command and the informal ties, he knows which forces are doing what and which soldiers are a part of formal or informal death squads. I have no doubt that many people in the cities have been killed by death squads, who owe their allegiance to the oligarchs, now residing in Miami or Guatemala. But those kinds of killings are very few.

The vast majority of killings are made in sweeps in the countryside by the armed forces engaging in indiscriminate killings or by death squads that operate under the formal or informal direction of the regional or local army commanders. Let me be clear. I am talking about the majority of the army officers now in charge. There are some, especially younger officers, who are revolted and shocked by what is going on.

If these types of killings were to be brought under control, there would still be scores of death squad killings, ordered by the radical right in the oligarchy. But, there would not be over 5000 innocent deaths at the hands of the army, as there were last year in my country.

The fundamental problem in my country is the army, an army which presides over a military dictatorship. The problem is not the oligarchy; ten years of kidnappings and a year and a half of reform have fatally weakened it. Nor is the problem the so-called security forces or the death squads: both trace back to and are commanded by the army. The army officer corps is one institution which now holds the power and will use whatever means to keep that power.

How then does one explain the presence of the Christian Democrats, one of whom, Napolean Duarte, is President? That is the wrong question. The real question is what have they been able to do in power? The reforms? With exceptions, the army supports the reforms in any

case. Controlling violence? It has not happened. Secretary Bushnell points to the fact that unlike a year ago, Christian Democrat Mayors in towns in Salvador are no longer being killed. I agree that is true But, it is not because the army has changed. It is because the mayors have ceased to do anything but shuffle papers. A year ago they would receive complaints about violence and report them to the local military. Now they know better. Your Mr. Bushnell has taken a tragic situation and twisted it for progaganda purposes.

I have esteem for many of the Christian Democrats in government as people and I give them credit for their motives. But, they have accomplished nothing for the people of El Salvador. They have only given a facade to a military dictatorship. President Duarte is a 1981 version of Hindenburg.

A MEDIATION SOLUTION

At present, there is a military stand-off. The left clearly failed in its final offensive. But, it also showed the capability of mounting a coordinated country-wide offensive. The danger is that the government, encouraged by your military aid and advisors, will try to achieve a total military victory.

Let me tell you why it cannot. I agree with your State Department that neither the left nor the government enjoys popular support. A myth propagated by the left in my country and picked up in this country is that the left has broad popular support. That is not the case. I estimate that at best the left has 100,000 active supporters and 500,000 passive supporters. It has been badly divided in the past and has used tactics, including killings, which have alienated the people. It is also true that the most extreme part of the left is the military element. It is also the strongest.

But, it is also the case that the government enjoys even less popular support; it just has more guns and more trained soldiers. And, it has been very willing to use both. The killings by the army have traumatized the Salvadorean people. One is very cautious about rising up against the government when one has seen bodies of people sawed in half, bodies placed alive in battery acid or bodies with every bone broken.

I saw all those things last year. And I know who did it, and so do the Salvadorean people. So now we wait and just try to survive. But we will remember. That is why the army must eventually lose.

So now is the time to try for a mediated solution. We must create a framework in which politics, rather than violence, will be the means for achieving political power in El Salvador. Your country must join with others to convince both sides that neither can achieve a military victory. A negotiating process must be found that will end with a cease fire and the introduction of a peacekeeping force of at least 2,000 soldiers, preferably under the auspices of the United Nations. These soldiers are absolutely necessary in order to stop the army from wholesale killing.

Once such a mechanism is in place, then different political groupings could meaningfully compete in a democratic fashion for the support of the Salvadorean people. I am confident that in such an atmosphere, the Salvadorean people would reject both the repression and corruption of the army and the most harsh totalitarian visions of the extreme left.

U.S. MILITARY ESCALATION

Such a scenario, however, is not possible in the present circumstances when your Administration has substantially increased its military aid and direct military involvement through advisors.

What that tells the army is that it can kill at will. Your Administration has in effect said that it agrees that the army has the right to destroy all those organizations and people who want the army to share power. It signals that it does not matter that the army must kill the civilian supporters to get to the guerillas. It is a signal to the army that it doesn't matter that it killed thousands of innocent people last year (and unlike the State Department I do not believe that being a member of a Marxist teacher's union makes you a legitimate target of violence). It is a signal that the army can kill even more people this year.

In conclusion, I ask you: Is this the kind of government you want to support? I ask you to think about the corruption, the bloodshed, the killings that have been perpetuated by the Salvadorean army time after time. This is the same army that once tried to sell 10,000 machine guns to the American mafia. This is the same army that raped and killed four American missionaries. What more do you need to know? How long will you have to wait until the American people rise up and tell you what everyone already knows?

# # #

Mr. LEONEL GOMEZ. All hope for the peaceful resolution of the fighting in El Salvador rests upon the reform of an unjust system that has consigned the majority of El Salvador's people to desperate poverty.

One of the most critical problems has been the unjust system of land tenure—too few people have too much land. Since the coup of October 15, 1979, the Salvadoran Government has undertaken a land reform project of major proportions. I would like to present this committee with my perspective on land reform as one who contributed to its implementation.

Many people have attacked the Salvadoran land reform as a sham. The State Department has praised it as evidence of the junta's democratic nature. The reality is much more complex.

Judged on the basis of economic performance, the land reform has thus far been a success. Phase I of the program, which breaks up the country's largest estates, has yielded significant material benefits for participating campesinos in relation to what they had before.

The traditionally impoverished campesinos on these farms cultivated the fields last year and reaped good crop returns. Such high productivity is not easily maintained in the context of land reform, and certainly not in the context of a civil war.

More specifically, Phase I of the agrarian reform plan called for the expropriation of estates over 1,235 acres. Since March 6, 1980 approximately 700,000 acres out of the country's 1,600,000 acres of cropland, 44 percent of the total cropland, were expropriated. About 60,000 peasant families have been admitted as members of new agricultural cooperatives.

Another component of the reforms, the land-to-tiller program, has just begun. It has the potential to improve dramatically the lives of sharecroppers. Moreover, the nationalization of the banks and export-import activity has reduced the power of the oligarchs and channelled more credit to those who need it.

But, the economic performance of the reforms is less than half the story. High crop returns in and of themselves do not bring a more peaceful and just society. For the agrarian reform to fulfill its potential for social justice and to provide more than good crop returns, the campesinos must be freed from the tyranny of the military as well as the tyranny of the oligarchy.

Between March and December 1980, more than 240 campesinos were killed in the reform sector, the farms taken under Phase I. Eighty percent of these campesinos died at the hands of the Army and security forces. They were relatively conservative and had actively opposed neither the military nor the oligarchy. They had, however, protested the brutality and violence practiced by the Army, which had resulted in close to 8,000 deaths in 1980.

Rodolfo Viera, the first campesino president of the Salvador Institute of Agrarian Transformation, ISTA, and two American technicians were assassinated in January of this year.

Viera had, in mid-1980, exposed massive corruption in the administration of ISTA. These deaths, Viera's assassination, as well as the deaths of the campesinos, reflect the military's unwillingness to tolerate even the slightest sharing of power.

If the military is present and exercises its power to intimidate during every stage of the land reform, the power taken from the oligarchy is acquired by the military and not campesinos.

While the land reform was initiated by legitimate reformers who hoped to change Salvadoran society and to give status and dignity to the campesinos, the corruption and brutality of the military are now shattering this promise.

Agrarian reform must involve more than the transfer of land. It is a process and a relationship, more than a statute. It must reflect the spirit of change, of new priorities and a willingness to give power to the powerless.

That spirit existed at one point in El Salvador's land reform, but it exists no longer. The military has its own interests in the reforms—its desire for increased U.S. military and economic aid, increased power and increased ability to rule, to kill and to corrupt.

The land reform process is falling back into the military's control. A new oligarchy, a military oligarchy, is replacing the old.

Mr. LONG. Thank you, Mr. Gomez. We will have a chance to develop your ideas later in the questioning.

CAPT. ALEJANDRO FIALLOS

Mr. LONG. Captain Alejandro Fiallos.

Captain FIALLOS [by interpretor]. Mr. Chairman, my name is Ricardo Alejandro Fiallos. I am 32 years old and am a Captain in the Salvadoran Army.

In December 1980, when I fled my country and came to the United States seeking political asylum, I had been a member of the armed forces in El Salvador for 16 years.

My military career began in January 1965 when I enrolled in the Military School of Captain General Gerardo Barrios. In July 1968, while still a cadet, I attended a three-month military training course in the U.S. School of the Americas in Panama, and in December of the same year I graduated first in my class from the military school in El Salvador with the rank of Second Lieutenant.

In 1972 I was promoted to the rank of First Lieutenant with honors, and in 1974 I received a scholarship from the President of the Republic to study medicine in the National University of El Salvador. In 1975, I was promoted to Captain in the Army, a rank which I still hold. In May 1980, with one semester remaining to finish my medical education, the National University was closed due to civil unrest, and I was unable to continue my studies.

Finally, in December of the same year, I was forced to leave my country after having received anonymous death threats for criticizing the high military command and the directors of the security forces for their lack of professionalism and for their role in perpetrating atrocities against the civilian population.

Gentlemen, I speak to you this morning as an officer in exile of the Salvadoran Army. Despite the risks which this type of public testimony holds for members of my family who still remain in El Salvador, I feel it is critical that members of the Congress, as well as the people of the United States, understand the role played by the high military command, as well as the directors of the security

forces in El Salvador, and the nature of their involvement in the violence which continues to afflict my country.

Whom do I refer to when I say 'high military command'? First, and most important, is Colonel Jaime Abdul Gutierrez, who is vice president of the current junta and commander of the armed forces. Under him is Colonel Jose Guillermo Garcia, who is Minister of Defense, as well as Colonel Adolfo Castillo, his vice minister. Finally, there is Colonel Rafael Flores Lima, who was the former press secretary for General Carlos Humberto Romero, and who is now serving as chief of staff of the armed forces.

The directors of the security forces include the head of the National Police, Colonel Reynaldo Lopez Nuila; the head of the National Guard, Colonel Carlos Eugenio Vides Casanova; and the head of the Treasury Police, Colonel Francisco Moran.

It is important to understand that the base of power in El Salvador does not lie in the hands of the president of the junta, Jose Napoleon Duarte, nor with the other civilian members of the junta. Rather, it is the high command of the armed forces and, more specifically, Colonels Jose Guillermo Garcia and Jaime Abdul Gutierrez, along with the directors of the security forces, who wield the real power in El Salvador.

An example of this is evidenced by the fact that despite two official requests from President Duarte to the Minister of Defense, Colonel Garcia, to remove Colonel Francisco Moran as the head of the Treasury Police, due to the involvement of this branch of the security forces in the brutal assassination of various mayors, most of whom were Christian Democrats, Moran still retains his position.

It is a grievous error to believe that the forces of the extreme right, or the so-called 'Death Squads', operate independent of the security forces. The simple truth of the matter is that Los Escuandrones de la Muerte are made up of members of the security forces and acts of terrorism credited to these squads, such as political assassinations, kidnappings, and indiscriminate murder are, in fact, planned by high-ranking military officers and carried out by members of the security forces.

I do not make this statement lightly, but with full knowledge of the role which the high military command and the directors of the security forces have played in the murder of countless numbers of innocent people in my country.

During the period in which I worked as a doctor in the military hospital, I treated numerous members of the security forces. In inquiring as to the cause of their injuries, which is a normal medical procedure in the hospital, various individuals told me, as well as other doctors, that they had been injured in the act of 'eliminating' civilians.

For example, on one occasion a member of the Treasury Policy, in civilian dress, was brought to the hospital with a fractured tibia. I asked him how he had been injured and he told me that he and another member of his unit had received orders to eliminate a woman school teacher in the town of Aguas Calientes whom he had been told was a subversive.

In the act of pursuing the school teacher in her car, the motorcycle driven by this man and his associate struck the school teacher

in her car, the motorcycle driven by this man and his associate struck the rear of the automobile and overturned, causing his injury.

However, the other man was not hurt in the accident and murdered the school teacher before she could get out of her car. Afterwards, he brought his companion to the hospital for treatment.

Also, during the time which I worked in the military hospital, I personally treated various ex-members of the Nicaraguan National Guard who were working with the Salvadoran security forces. Furthermore, I viewed the medical records of at least 30 of these individuals who had been injured while collaborating with the security forces.

Let me make it clear that all of the armed forces in El Salvador are not implicated in the types of crimes which I have mentioned. The principal problem lies in the high military command and in the directors of the security forces, not in the ranks of the army, and it is these individuals who, without a doubt, constitute the gravest threat to the future of El Salvador.

It is the security forces, under the direction of the high military command, which, more than any other single element in the country, are responsible for the growing radicalization of the civilian population and widespread opposition to the government.

In short, it is the security forces which, as a result of their brutality and intolerable repression of the civilian population, are primarily responsible for the growing armed insurrection in the countryside.

Their lives threatened for the smallest protest or sign of opposition to the current government, many young people in El Salvador are literally being forced to join the guerrilla movement. It is the only political alternative they have, and that is a tragic situation.

Until the officials of the high military command are replaced and the security forces completely restructured and brought under strict control, there will be no end to the violence which is destroying my country, and no possibility of establishing a democratic government.

Finally, due to the fact that the center of power in El Salvador lies in the high military command and the directors of the security forces, any military assistance or training which the United States provides to the current government is perceived by the people of El Salvador as support for the forces of repression which are destroying the country. This type of aid not only represents a symbolic reaffirmation of the role of the security forces, but also allows them to continue brutalizing the Salvadoran people.

Moreover, it should be clearly understood that U.S. support for the current regime has produced enormous resentment towards the U.S. Government by a great many Salvadorans. This kind of sentiment will be very difficult to reverse in the future due to the amount of suffering which has occurred.

Yet, one can be certain that unless the United States Government ceases its support for the current regime and attempts to encourage an end to the state of siege and a political settlement which, by definition, must include the opposition forces which clearly have the support of the majority of the Salvadoran people, there will be no peace in my country, the number of dead will

continue to rise, and the United States will be etched permanently in the minds of my people as a symbol of cruelty and repression, rather than of democracy and freedom.

MILITARY CORRUPTION IN EL SALVADOR

Mr. LONG. Thank you very much.

We will now have questions for the members of the panel.

My understanding, probably very imperfect, is that there is a great deal of corruption in the Army—not all officers are corrupt—that there is a great deal of corruption in the Army. The Army is the real power in the country, and as a result not only has there been a great deal of corruption in the operation of the land reform—over-valuation of the land, and duplicate payments. It appears there is very great likelihood that much of the money we are making available to that country, our economic aid, is simply going to be stolen or misused.

I would like to ask the members of the panel to comment on that.

That is my understanding. Is that understanding reasonably correct?

Mr. PAREDES. Mr. Chairman, I would just make a modification of the statement.

I do know that there is high corruption, but I doubt that this corruption is with the money that the United States supplies.

Mr. LONG. I didn't quite hear that.

Mr. PAREDES. I do accept that there is corruption within the military forces and, therefore that there is corruption within the current government in El Salvador. But what I doubt is that the corruption that is made, is made with the money that the United States is giving us in support.

Why? Because almost all the money or all the economic aid that the United States is giving, for instance, in this $63.5 million is not cash to the government. It is to give a guarantee so that the industrial sector can import raw material. So, that is not cash to the government.

On the other hand, AID and another U.S.A. organizations, agencies of development, or agencies of financial assistance, or even multilateral agencies, they do have control of the programs.

Mr. LONG. Well, let me point this out. The sums of money that we are supposed to reprogram—$32 million—public sector employment project, $4.5 million; agrarian reform credit, $1.6 million; agrarian reform organization, $1 million; private sector support, $24.9 million.

Now that we have so far provided $20 million in hard currency to the Bank of El Salvador to be used by the private sector, the Administration is asking for another $25 million. Yet, as designed, this project seems open to possible misuse of funds.

Those are the monies I am talking about that could be misused because there are practially no controls on how they are spent, or no accounting for them. Is that correct?

Mr. PAREDES. Mr. Chairman, I will try to answer this question in Spanish, please, and have it translated. It will be easier for me to do that.

Mr. LONG. Sure, go ahead.

Mr. PAREDES [by interpreter]. In the final analysis, the economic assistance, even that which is programmed without the control of the donor—that is, for example, the money given through or to the central bank—is not subject to any different use because of the appropriations criteria which in fact are drawn up in terms of the financial system of the country, and in terms of the needs of the various productive sectors.

I would not risk my neck to hazard the statement that there is absolutely no possibility of any corruption. There could be. But it would not seem to me that it would be there where U.S. assistance would come in that this corruption would be found.

Where the corruption would be possible and does exist is in the money which is dispersed within the framework of the national budget, which is fully under the disposal of the government authorities.

I would say that the responsibility for the corruption in the government is not to be attributed to the civilians, to the Christian Democratic civilians, but rather to the military structure, which is actually controlling the government, and the few civilians working for that military structure.

Mr. LONG. Mr. Gomez, you commented in testimony elsewhere that there was a great deal of corruption in the land reform—overpayment of land, duplicate payments.

Would you comment on that?

Mr. LEONEL GOMEZ. It did not have to do with the present agrarian reform project. It had to do with the Institute that is in charge of the agrarian reform. This Institute has been in existence in El Salvador for quite some time.

Now, before 1980, the Institute of Agrarian Transformation was in charge of 106 properties. This institute in the past has always been directed by military men, the same people that the coup was supposed to be directed to.

Now, we took office in February 1980. As we took office, checking the sort of institute that was being handed over to us, we found out that ISTA, through the years, had 106 properties already under them.

All of these properties were losing money. There was no accounting system to speak of in ISTA. There was one whole building missing. But the worst part was that these properties that had been bought before 1980——

Mr. LONG. They had a building listed that nobody could find?

Mr. LEONEL GOMEZ. That is right. They had a building listed that nobody could find. But the worst part was this 106 properties had been bought, had been overpriced by over $40 million.

Now, we presented evidence of this to the Duarte government. You have to remember that Viera was Secretary General of the biggest campesino organization in the country, 200,000 people behind him, the famous base support that everybody talks about.

Now, we thought the Duarte government was going to do something about that because that money still has to be paid by the campesinos, plus 12 percent interest.

Now, nothing was done. After that, we went public, mid-year 1980, on television. We presented our case to the Salvadoran people. The response we got from the Duarte government was that

we were banned to appear in public after that, and that every time we tried to present our case on television—and remember, we were still government officials—they would pull the plug out of the station. That happened twice.

Now, I think this is the real reason why Viera was assassinated—also, the two Americans that were with him that night—because he dared to try to bring a military officer to justice, for the first time in the history of Salvador, an ex-government official that was also a Colonel.

We presented evidence to court to start the legal procedure. Nothing happened. I think this is the real reason why Rodolfo Viera was killed.

So that is the type of corruption I was talking about.

Mr. LONG. Now, I am interested in this land reform corruption. You say the land was overvalued by roughly $40 million?

Mr. LEONEL GOMEZ. This is before 1980, sir. This is something that is not included in the agrarian reform.

Mr. LONG. I was under the impression that they had not reimbursed the landowners for any of that land.

Mr. LEONEL GOMEZ. Yes, that is true. To my knowledge, the 25 percent cash money that the owner of the farm, that has been included in Phase I, has to be paid 25 percent in cash and 75 percent in bonds. Now, this has not been done.

Now, the way the agrarian reform is devised, so that there is no kickback, there is no, shall we say, strange interpretation of the value of the land, what we did was that the value of the land now is what the owner said it was worth in his tax form of 1976.

I don't know why these bonds and this money that the law has said has to be paid hasn't been done. It was an argument that we had with the central government. We ISTA officials keep insisting by not having this part of the law done, we were in contradiction with the same law that we were trying to implement.

Mr. LONG. Now, if the land is overvalued, but nobody has been paid, who has been injured? I don't quite understand.

Mr. LEONEL GOMEZ. Sir, I think the two have been injured—the recipients of the agrarian reform and the ex-owner. By making the reform something that hasn't completely acquired all the characteristics of legality, there is always a chance that this can be used as an excuse to reverse the process.

I see no reason why the Salvadoran Government hasn't paid these people with the bonds that the law says they have to receive. There is no technical reason for it.

Mr. LONG. But if they ever do pay them, they have to pay them much more because the land was overvalued.

Mr. LEONEL GOMEZ. No, sir. The land I was talking about that had been overvalued is another program. It is something that was done before 1980. But this is land that still has to be paid by the campesino. This is a previous debt. It is a previous program, previous to the agrarian reform.

Mr. LONG. Well, I would like, if you could tell us, a little more—whoever wants to answer this—what do you feel the possibilities are of our cash money, which is going to the Bank of El Salvador being involved in corruption. Let me read a little bit about this—

Yet, as designed, this project seems open to possible misuse of funds. According to the project document, the only requirement of the central bank, which administers the special foreign currency fund is a quarterly report which indicates the amount of imports attributed to the private sector, the name of the importer, person, business or institution, and the type of goods and services purchased.

There is no check on whether the stuff might have been converted to go overseas and that kind of thing.

Can you comment on that, or do you feel that you are not prepared to comment on that?

Mr. Paredes?

Mr. PAREDES. Thank you, Mr. Chairman.

I think in our country there is a high preference for liquidity right now.

Mr. LONG. Beg pardon?

Mr. PAREDES. In our country there is a high preference for liquidity. People do not want to invest because of political instability. A market economy is based on expectations. That is obvious. What I feel can happen with this money that is going through the private sector, using the intermediation of the central bank, is that a part of it is going to be sent to Miami as a capital flight.

Let me tell you that related with the small- and middle-class entrepreneur that stayed in El Salvador—I don't blame them right now because they don't know even if their lives are going to be protected the next day.

So that is the problem, this money perhaps is not going to be invested in a big percentage in the objective that the State Department of the U.S. Government has; that is, to recover the economy.

So, a political problem needs a political solution.

Mr. KEMP. Does that mean a military problem also deserves a military solution? You do not deny there is a military problem?

Mr. PAREDES. Yes, but what is the cause, the origin of the military problem?

The cause of the military problem, with much respect to the United States Government, is not an east-west confrontation. I think that Cuba and Russia could be involved and send in some weapons. I don't know. It is possible. They do it with any revolutionary movement in the world, but I think that that is not the problem.

If we have not internal conditions in our country, nobody is going to fight against the government. You can believe that.

So, I think that a political problem has been created by an unjust system.

Mr. KEMP. You are not suggesting that El Salvador is the only country in Central America that has problems, are you?

Mr. PAREDES. Obviously not.

Mr. KEMP. Why is El Salvador having the most guerrilla type activity?

Mr. PAREDES. That has a very easy answer. Our country has 8,000 square miles. It is just the size of Massachusetts, and it has 625 people per square mile.

Mr. KEMP. I understand the density of the population. I understand the problems. I understand the poverty. I understand all of your testimony. I even understand that political problems deserve political solutions.

I am only suggesting it seems to me it is a little naive and unrealistic to suggest there is not an outside military problem that is exacerbating the situation. It is very difficult to come up with an economic and political solution in the abstract, absent some effort by El Salvador and the United States or others who care about the future chances of democracy and freedom and free enterprise in El Salvador, to offset some of what is taking place under the name of the international revolutionary liberation movement, or whatever they call it in El Salvador.

Mr. PAREDES. I think I did not explain myself. I said that I do recognize it is possible that socialist countries have sent weapons to my country. I do not deny it.

Mr. KEMP. You discuss it as a possibility. You don't discuss it as a fact. Is it or is it not a fact?

Mr. PAREDES. I don't have proof.

Mr. KEMP. You think all this is happening spontaneously?

Mr. PAREDES. No. Excuse me. I talk with evidence, gentlemen. I don't talk with information that I haven't had in my hands. I just say it is possible. I don't know.

What I am saying is that the United States, whether to be worried about the Cuban or the Russian aid to the Salvadoran movement, must be aware in finding out what are the internal problems of that country.

Therefore, I think that if you analyze the opposition in El Salvador, you can see that they have these people. But there are a lot of middle class people.

Mr. LONG. None of you three considers himself a Marxist, am I correct?

Mr. PAREDES. No.

Mr. LEONEL GOMEZ. No.

Mr. Chairman, could I make a comment?

I believe that the evidence that the State Department presented in the white paper linking Cuban help to the guerrillas in El Salvador had to do with weapons.

The other day I bought a magazine here called 'Gung Ho.' I don't know what it means. It is June 1980. It talks about 'war in our streets,' here in the United States. I am quoting from the article.

It says that Pennsylvania State Police say that an M-16, which is still deadly, left over from Vietnam, will cost $1,200 in the street in Philadelphia, the state policeman said.

I don't think that just by saying that an M-16 can be traced to Vietnam that is enough evidence of Soviet intervention in Latin America. I think you have the same problem here on the streets of Philadelphia, sir, according to this article.

I don't know. I am just quoting from the article. I am making my conclusion.

Mr. LONG. We have heard reports through the press that some of the newly formed farmer cooperatives are paying protection money to local security forces.

Can you shed any light on this kind of corruption within the security forces?

Mr. LEONEL GOMEZ. Yes, sir, I think I could.

What has happened is that the security forces will hint to the coops and the reform sector that maybe there is leftist guerrilla

activity in that area and that they would like to have a couple of their men stationed on that farm, that is going to serve as protection for themselves.

Now, these campesinos in the co-ops are asked to pay, let's say, the Treasury Police or the National Guard, the salaries of those guards. If they refuse, there is always the chance that the man that offered this protection might think they are covering for the guerrillas.

So, it is a form of protection money that they have to pay. I really don't see any need for the co-op to pay the National Guard for something that should come out of the budget for the military.

Mr. LONG. Mr. McHugh?

Mr. MCHUGH. Thank you, Mr. Chairman.

Captain Fiallos has made some rather strong charges about not just indiscriminate violence, but indiscriminate violence which has been directed by the highest members of the El Salvadoran Government.

I guess my first question for the other gentlemen, if I may have your attention—you heard Captain Fiallos' testimony.

We have all had reports about indiscriminate violence taking literally thousands of lives in El Salvador, but we have not often heard direct testimony, at least, that much of that violence is planned and directed by people in the highest levels of government. The Captain was very specific in naming people.

I guess I would like first to ask if you gentlemen have any information which would be consistent with those claims, which are certainly critical in terms of our policy decision.

Mr. LEONEL GOMEZ. Yes, we do. My problem in this respect is that I could not name my sources. You have to understand the nature of Salvadoran society. It is a very small country. Almost everybody in certain circles is familiar.

For example, the chief of the National Guard is a first cousin of mine. The sub-Secretary for Foreign Relations is my brother. So, there is always, shall we say, knowledge about what is going on in certain circles.

I agree with what the Captain said in the respect that these killings are ordered by the higher ups in the military. I am sure of this.

Mr. PAREDES. I just want to say that I was in the government in a political position. I don't have the evidence, obviously, in my hands. But I was present in several meetings of the Christian Democratic Party committee, political committee.

I am not a member of the Christian Democratic Party, as an independent, but I was invited to be involved in those types of meetings. They knew, and they had a list of people that were in charge of that, and they knew that the Treasury Police was directly responsible for the murdering of almost 25 mayors of the Christian Democratic Party, that were murdered in the countryside.

Mr. LONG. Excuse me. Congressman Kemp wants to put his witness on now. If you gentlemen will retire, we can call on you a little later to finish your testimony.

Mr. KEMP. I appreciate the chairman's indulgence.

ENRIQUE ALTAMIRANO

Mr. KEMP. Enrique Altamirano.

Mr. LONG. I am going to ask Mr. Kemp to take charge of the committee.

Mr. KEMP. Mr. Altamirano is the publisher of the El Diario de Hoy, one of the two most widely circulated newspapers in Central America. It is one of El Salvador's four major daily newspapers.

He is a distinguished citizen of El Salvador and is extremely knowledgeable about these problems. I am very grateful that he has agreed to testify. I am sure the chairman would include his prepared remarks in the record.

Mr. LONG. Without objection.

Mr. KEMP. I want him to know I am going to submit his testimony for the Congressional Record so more of our colleagues can read his views.

I would like him, if he might, to summarize in his own words his perspective about this problem.

Mr. Altamirano?

Mr. ALTAMIRANO. Thank you, Mr. Chairman. Thank you, Mr. Kemp, for your very gracious introduction.

My name is Enrique Altamirano. I am a publisher of El Diario de Hoy. I have a written statement here which I will submit to the committee to be included.

Mr. LONG. Without objection, so ordered.

[The statement of Mr. Altamirano follows:]

STATEMENT OF

ENRIQUE ALTAMIRANO

BEFORE THE

HOUSE APPROPRIATIONS FOREIGN OPERATIONS SUBCOMMITTEE

WASHINGTON, D.C., APRIL 29, 1981

My name is Enrique Altamirano. As a citizen of El Salvador, I am most grateful to this honorable subcommittee for inviting me to submit my views on economic and military aid by the United States to El Salvador. I believe such aid to be imperative if our country is to be saved not only from falling into the Cuban-Soviet orbit, but also from an economic and institutional collapse which, in any event, would open the door to Marxism.

I am the Publisher of El Diario de Hoy, one of the two most widely circulated daily newspapers in Central America. El Diario de Hoy is one of El Salvador's four major daily newspapers.

In regard to the amount and nature of military aid desirable, I believe that professionals in military affairs of the two countries are in a much better position than I to advise; for this reason, I shall limit myself to concrete aspects of the economic problem.

Contrary to persistent reports, El Salvador was never -- absolutely never -- a country governed entirely for the convenience of a handful of families, at a cost of misery and suffering for the great majority of the population. The truth is that, since the beginning of the decade of the 1960's, it has suffered a population explosion which is responsible in large part for comparatively low living standards and for deficiencies

in all fields of development.

A nation which sorely needed to generate working and investment capital, to develop and train its labor force, to attract resources of all kinds from abroad and to shake off the cultural and productive lethargy afflicting some sectors of its population, has for twenty years had from successive governments just the opposite of the policies needful in each of these respects. For twenty years, El Salvador has had one of the highest personal and corporate tax scales in Latin America, and this has placed in the hands of government a higher proportion of the national wealth than in any other country of the Western Hemisphere except the United States and Venezuela.

It should be recalled that the country's central banking system was nationalized just about two decades ago, in a "Catch-Twenty Two" fashion that marked the beginning of our internal national woes. Meanwhile, rigid exchange controls have burdened us, price controls have been applied to almost innumerable products and services, exporting of basic products has been regulated, and the financial system has been subject to regulatory supervision even more diligent than that of the United States.

It is therefore not surprising that El Salvador's economic progress and its monetary stability have fallen far below their achievements of the 1950's.

These observations may surprise some people who were unaware that the root problems are of such long standing and so broad, not arising simply from business management's outrunning market levels. Essentially, our problems are the consequence of government policies that follow socialist blueprints.

Salvadorean private enterprise has paid, on the average, salaries and employee benefits totalling two-thirds of gross income, retaining less than seven percent as profit. This one fact demonstrates the fallacy of insisting that perhaps "a better distribution of the wealth" could raise the living standards of the Salvadorean people. The fact is that what is "distributed" are the disassembled parts of a most efficient set of production systems, thanks to these socialistic schemes, bringing more misery to the country's inhabitants.

Salvadorean free enterprise had made of its country one of the world's four leading coffee producers, using for this feat less than seven percent of the country's land area. This was done by achieving the highest yield per cultivated area in this crop of any country in the continent.

In cotton and sugar, we were always among the first three countries in yield per cultivated area. We also had the greatest beef production for area dedicated to cattle in America after Cuba and Guatemala. We were the country that used the most fertilizers for agricultural area in all of Spanish America.

And according to the FAO [United Nations Food and Agricultural Organization], El Salvador was the only nation in the Caribbean and Central America to have achieved self-sufficiency in the production of basic staple foods, despite our density of population.

The population density which El Salvador has had to feed to achieve this produces some startling statistics. If the United States had El Salvador's population density, your population would be two billion people. For our economy simply to keep up with the need-to-feed is evidence of significant achievement.

But at the same time that private enterprise was growing by dint of great effort, in the process creating the largest middle class numerically in Central America, the government was fueling inflation by pouring the enormous funds collected in taxes into hideously expensive public works, some yielding scant benefit, and others no benefit at all...For example, a sugar refinery built by the government cost nearly four times the price of another like it built by private enterprise.

Various experiments with agrarian reform had been undertaken in our country prior to 1979, among them one instituted by the assassinated ex-president of the FDR [Frente Democrático Revolucionario, political arm of the Salvadorean leftist guerrillas], Enrique Alvarez, when he was Minister of Agriculture. All of these experiments failed of their objectives, in the process destroying lands that had been very productive.

Unfortunately, none of this dissuaded the Carter administration from inflicting upon El Salvador, to our sorrow, a larger dose of what had made the patient ill to begin with.

In recent months, the Salvadorean government has requested economic aid of the United States to continue its reformist programs, and lately, also to cover serious shortages in its balance of payments. Lack of foreign exchange has kept the country from purchasing fertilizers, raw materials for industry, and various consumer goods and services. To make matters worse, the government has failed to collect a good part of the taxes [illegible] it had on overseas sales in the past, due to the drop-off of the harvests of cotton, sugar and, to a lesser extent, in coffee, caused by the decree of agrarian and financing reform.

Put briefly, we need assistance now to buy what previously we purchased on our own, with resources earned by our exports.

In part, the lack of funds our country suffers today is an indirect consequence of the reigning violence. But it is notable that Guatemala, also under leftist-terrorist assault, has not found itself obliged to ask for aid to buy essentials. Similarly, Peru a few years ago was driven to bankruptcy with no significant guerrilla violence, but due to a similar socialism. In our case, national bankruptcy is about eighty percent due to the reforms imposed by the Department of State under the past North American administration.

One year after the imposition of agrarian reform, and the statization of private banking and exports, all of El Salvador's economic indicators bear witness to the scheme's failure. Although for the present, the greater part of our farms remain in private hands, the constant threat of their eventual nationalization, the severe restrictions on credit and the continual harassment of the country's free enterprise, have brought work on these farms almost to a standstill. This is now making itself felt as unemployment, and will severely affect crop yields in the future.

But in coffee, perhaps the principal cause of the decline is that, upon the government's taking control of the internal buying price (since the producer cannot export but must sell to the government), price rises on the international market, which once made up for losses in bad years, also now are absorbed by the government, which alleges that this is for "social benefit".

This amounts to leaving the coffee-growers with all the risks while depriving them of compensating cushions of good-year benefits.

In cotton, two factors have brought about a reduction in planting, which is down from 120,000 manzanas in typical past years to 80,000 manzanas this year [from about 200,000 acres down to about 136,000 acres].

..... The first factor discouraging cotton planting is that smallholders do not want to rent their land to tenant farmers as they traditionally have done, fearing to lose the land under the provisions of Decree 207 [which may be applied to "give" farmlands to renters]. The second factor is restrictions on credit, which exclude renters, those whose properties are mortgaged, those who have not paid past obligations, and others.

In addition, the huge agricultural machines that were the key to high yield on agribusiness farms that are now the property of the state have nearly all fallen into disrepair, through lack of maintenance, stealing or stripping by thieves, or simple neglect. Meanwhile, various essentials such as fertilizers have not been supplied, and the time for planting some crops has been allowed to pass due to delays in obtaining credit.

In sugar, which has been a valuable export, El Salvador will scarcely cover domestic consumption this season. The present sugar crop is estimated at 3,500,000 quintals -- half the 7 million quintals of 1977. Plantings have been reduced by terrorist burnings, but the greatest factor is the decline of investment.

The other sectors of the economy have been hit by the undermining of confidence by prevalent hostility toward private initiative, which the government appears to share. When this is added to terrorism and governmental threats to go ahead with an economic program which, in Duarte's own words, "goes far beyond what the extreme left proposes," it is not surprising that there is a total paralysis of investment, a mass flight of entrepreneurs, professional men, technicians, skilled workers and ordinary citizens -- the human ingredients essential to development.

As of now, the construction industry is virtually stagnated. And for

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the first time in modern history, the consumption of electrical energy, up by twenty times the kilowattage of thirty years ago, this year has fallen below last year's level.

All forms of commercial advertising have dropped by 40 percent compared to the levels of 1979.

Aside from the descent to below zero reserves, the most striking demonstration of the failure of the reforms is that domestic retail prices have nearly doubled in the past fifteen months, including the price of corn, the population's basic food. Meanwhile, there is an enormous scarcity of many common consumer products -- from medicines and surgical gloves to cosmetics, from machine parts to automobiles, from sewing-machine bobbins to vaccines. The only thing that has increased is unemployment, which in the construction trades has idled more than one-half of the entire work force.

Because a great number of factories have shut down or are working part time, the prospects of a solution to unemployment are discouraging. The government, like governments elsewhere, has made efforts to "create jobs" through public works. But the probability is that, for every job thus created, two have disappeared in private industry and business.

It is unrealistic to say that there can be some magic formula which could at a stroke solve all the problems of my country. The first priority, beyond a doubt, is to put an end to terrorism, the cause of the terrible bloodletting and destruction taking place. To accomplish this, the United States should neutralize the Soviet adventurism which avails itself of its bases in Cuba and Nicaragua to keep Central America in turmoil.

The second priority is to restore the rule of law in El Salvador, a step that is imperative for the restoration of confidence and the beginning of

a reconstruction process. I must emphasize to this honorable subcommittee that, to institute the ill-named reforms it was necessary to set aside my country's constitution. Those "reforms" violated Salvadorean law, as they would the laws of the United States, as well as the United Nations Declaration of the Rights of Man -- and, one might add, the Ten Commandments.

For this reason, all of the associations of lawyers in my country opposed that step, imposed above all by the Department of State of the Carter administration, and by its "proconsular" representative in El Salvador.

In the economic sphere, two things are necessary; firstly, just compensation to the individuals and enterprises that were stripped by force of their possessions; and secondly, the re-establishment of a free-market economic system, this being the only system capable of furthering true development and effectively bettering the quality of life of the Salvadorean people.

Until this moment, the owners of properties taken by the agrarian reform not only have not been paid for their possessions, but the government has even moved to collect from them taxes on the properties taken from them, and taxes on interest earned by bonds supposedly in exchange for those properties -- which, aside from being the equivalent of "Confederate money", the property owners have not received.

It should be added that the present value of such bonds, even if they were received by the properties' rightful owners, is four cents on the dollar of the value of the lands. The effect that this is having on investments is not hard to imagine.

The true value of the confiscated farms is around 300 million dollars, including installations and equipment. As it happens, if the total retail price of basic foods consumed by Salvadoreans last year is subtracted from what the same volume of these foods costs this year, we find that food price rises in the ensuing year have cost the Salvadorean people a sum equal to the value of the expropriated lands.

Unquestionably, when private properties have been seized on such a scale, it is difficult to reverse the process equitably. But unless and until just compensation is paid to the former owners -- and remember that they paid salaries and fringe benefits to a legion of rural workers, as well as taxes -- the mistrust now seriously affecting production will persist.

One desirable step would be to give clear title of ownership to the members of the new cooperatives, leaving them free to sell or otherwise dispose of their shares as they may wish, once these have been paid for. Credit thus generated could be made available to dispossessed landowners, for their payment of taxes, for purchase of properties now in government hands, and the like. Also, the farm worker would thus become a proprietor, with a vested interest in his land and in the system.

Finally, it should be noted that when Phase I properties were statized, the government lost a sizable part of its tax base -- enough to require that 40 percent of this year's national budget be financed by loans from the Central Bank. At the same time, due to exorbitant operating costs, a great number of cooperatives will be unable to make payments this year on the credits they received.

The government has proven itself to be a very inefficient farmer, and a farmer sometimes corrupt. The United States could make no better use of its economic and political leverage than to encourage the re-establishment

of a free agricultural system in El Salvador, if only because it is the most efficient.

The nationalization of the export business has done the country serious economic harm while yielding no advantage — not even politically. The chief damages are the following:

1. Suppression of free-market sales of coffee wiped out brand names, some with generations of institutional prestige, also putting an end to their trading in futures;

2. In the ensuing period, the inexperience of government functionaries has cost the country 40 million dollars through failure to sell at the right time in anticipation of international prices. Clumsily, governmental traders have sought to sell the entire crop, speculating on prices with disastrous effects;

3. Coffee growers have lost the short-term credit for the year extended to them by processors and exporters, and so are obliged to contract mortgage credit with state banks. Due to government control of coffee prices — which it sets below world market prices — growers now find themselves in danger of losing their lands. In other words, the state continues to strip farm owners of their properties, in this case by manipulating credit and prices.

There is no economic, legal or ethical barrier to returning the export trade to the private sector.

Despite the many advantages which the law for years has given the government-run banks of El Salvador, Salvadoreans have preferred to deal with private banks. This became impossible with the confiscation of all private banks last year. Ill effects are now making themselves felt. A few of these are:

1. The granting of credit has been politicized;

2. Certain lines of credit have disappeared, for instance, one-year credit primarily on mortgage backing. This has left many businesses out in the cold;

3. With the incursion of government into all aspects of banking, the confidentiality of banking transactions and accounts has been invaded;

4. With all banking, as well as banking supervision, in the hands of the state, the fox has charge of supervising the chicken coop. One of several dangers this involves is that the savings of private citizens are subject to use for political purposes;

5. Instead of market forces channeling the uses of deposit funds, their use is determined by bureaucratic imperatives.

Salvadorean citizens have now had time to suffer the effects of these disadvantages of banking's nationalization individually and personally. Unquestionably, they would now support the return of banking to competent private hands. This could be accomplished by opening a line of credit for the former stockholders of the private banks in the amount of their confiscated shares. Meanwhile, new private banking institutions should be permitted the preferential rights and privileges previously accorded to the governmental banks (e.g., monopoly of government-agency accounts, more attractive interest rates, etc.).

The arguments in favor of calling a constitutional assembly are not persuasive. Justice does not need to be re-invented; the suspended Salvadorean constitution is a model of its kind. Moreover, the climate of violence and unrest we are living through rules out a genuine political campaign and the public debate to afford our people a realistic grasp of means of resolving their present tragedy. With huge numbers of civic, professional

and business leaders having fled the country in fear of their lives, with restrictions on the information media, and faced with the impossibility of safeguarding the lives of candidates for a constitutional assembly, elections these days would hardly represent the nation's unbiased thinking.

For many years now in El Salvador, fruitless efforts have been aimed at finding "political solutions". Political solutions for underdevelopment, political solutions for subversion and for terrorism, and for the various crippling scars our people have suffered.

It is high time to bring economic criteria to bear on economic problems, political criteria on the political ones, and military solutions upon the drive to impose an alien will upon our people by paramilitary force.

Mr. ALTAMIRANO. Yes.

I will first say that it isn't very realistic to believe there is some magic solution or formula that can solve the problems our country is currently suffering, and which arise from a variety of circumstances which have been happening during the years.

However, there are, in my opinion, three essential steps that must be taken if El Salvador is to be placed on the road to economic recovery. I will dwell on them.

The first one is the control of terrorism. Unless the present scale and intensity of terrorism is checked or controlled, all other solutions will prove meaningless and impossible to implement.

As a first priority, this will require the neutralization of the Soviet-Cuban adventurism and involvement in Central America, which is now using Nicaragua as a base for the shipment of arms, men and money into El Salvador.

There is a tremendous amount of evidence of this. It has been taking place already for two years more or less since the Sandinista revolution took over Nicaragua, although it was belatedly recognized by the Carter Administration in January of this year.

We have suffered from terrorism ever since 1971, with the complicity of some members of the armed forces which were subverted and which were against the investigation of those terrorist attacks.

However, it is only since the Nicaraguan Sandinistas came into power that this terrorism evolved into a full-fledged guerrilla warfare. Before they could not because they didn't have the armament or the means or the men to do it.

I reject the idea that some kind of political negotiation with the terrorists or their political front organizations would be a solution for El Salvador. In the first place, this FDR movement was involved in the first junta that took power in 1979, in October of 1979.

They were the ones that practically conquered the rest of the country by demanding the conditions and demanding reforms which were seen then as very detrimental to the country's economic and social welfare.

Mr. KEMP. Let me interrupt you for a moment. I apologize.

I have a time constraint that the chairman mentioned. I must give a speech across the street sometime around 12:30. So I will have to leave early, but I would like for you to be able to continue.

My colleagues on both the right and the left are going to be here. The chairman is coming back.

What struck me about your testimony, and what has struck me about this whole issue, is that people do not recognize that El Salvador once had a healthy economy. I am not saying it was perfect. I don't want to make a case that everything was all right or perfect or exactly what we would like to see, but there was progress, El Salvador, given the problem of its population, given the problems that were occurring on its border, given other problems that exist in LDC countries throughout the world, El Salvador had a healthy economy.

Could you for just a few moments address what you think has happened to the economy. We have had a lot of testimony on the political and the military situation. I think it would be of help and

enlightening for the subcommittee if you might address yourself to the question of the economy.

I apologize for interrupting you.

Mr. ALTAMIRANO. Thank you. I would describe the Salvadoran economy prior to 1979 as a highly regulated economy, a market economy, and later a terrorized market economy; that is, the progress that was made in the country on the economic field was not due to government regulations or government interference, but rather in spite of government regulations and government interference.

The fact is that in the decade of the fifties, the economy was progressing at a very rapid pace. It was in the sixties when many regulations were introduced in the economy, especially by the pressures through the Alliance for Progress, that the economy starting slogging, or slowing down its rate of growth.

I must add that, for example, the private enterprise in El Salvador was paying out the salaries and the benefits to the workers, around two-thirds of the gross income, and receiving only around 7 percent as profit.

We also have to pay minimum wages by law. There were minimum wages on crop collection, et cetera. So it is very misleading to say it was a feudal society of a sort.

Mr. KEMP. Most of the coffee plantations were in the hands of a relatively few people. That is not unique. But this term 'oligarchy'—I am not defending again the mistakes, but why were so many problems manifest—the despair among the lower class of people, the despondency, disdain for the government, not the guerrilla uprising, but the more popular uprising of the people?

Why was all of this occurring at relatively the same time? There was discontent. There certainly was a lock on the economy by a relatively few people.

Make sure that you balance the good with the bad, because there were some problems, don't you agree?

Mr. ALTAMIRANO. Yes, I agree. But I must say that the people in the developing countries always have aspirations. They talk about the rising expectations in a country which is poor and developing.

These people certainly have not identified their goals or their aspirations with those of the FDR or the terrorist groups. The fact is that the terrorism has failed to conquer power in El Salvador because of lack of popular support.

It was seen during the general offensive of earlier this year when the population completely rejected the appeals for a general strike, and they kept on going to their work in spite that public transportation, buses, were being machine gunned in the streets, that factories were bombed, that people——

Mr. KEMP. Okay. Let me go back, because I have to leave.

Let me ask you about land reform. Discuss land reform, what aspect of it was right, what was wrong, how you view the possibility of getting more of the land in the hands of the people, not only in terms of their ability to till the land, but their ability to have a stake in the property and in the productive capacity of the land. What can this nation learn from the mistakes of the past, what can we do to influence a more positive response to land reform, because

there are two kinds of land reform, as there are two kinds of economics, good and bad.

Mr. ALTAMIRANO. We are dealing with the second kind, the bad one.

Mr. KEMP. Taiwan had land reform, and I would say the land reform program in Taiwan worked. Vietnam had land reform, and it didn't work.

Mr. ALTAMIRANO. First of all, the reform program of the present government is almost a copy of the program presented by the FDR before it left the first junta. The FDR demanded a reform program which was later adopted by the Christian Democrats, and that is the one that is being carried out. That is why it has failed.

The largest farms in El Salvador were never over 4,000 acres. Those were lands used usually for the planting of cotton, sugar, and cereals, which require capital investment and the employment of machinery.

Coffee was produced in about 6 percent of the land in medium-sized farms, which would be small farms in Kansas. It was a profitable crop, but it was a profitable crop one out of four or five years, because the rest of the time they barely just came above cost.

Now, the government at this moment is on the verge of carrying out the so-called second phase of land reform, using the financial mechanism. The banks are giving what was before crop credit, are giving the credits on a mortgage basis.

Since the government controls the price of coffee below the international world price, and they control salaries, they will probably have those lands fall into their hands, when the coffee farmers fail to pay their credits.

So I think this is a very dangerous thing because those farms are highly specialized farms.

Mr. KEMP. Well, are not the elections to be held——

Mr. LONG. Within a year, within 12 months, roughly.

Mr. KEMP. Let me ask you a rather naive question. If Phase II and Phase III of the land reform program were put off until after the elections, is there any assurance that that issue would be part of the democratic process? Would it be an issue in the elections? Is there any hope that there would be a form of referendum? Is that possible in El Salvador at this time?

Mr. ALTAMIRANO. Well, like I think you said earlier, it is very difficult to solve economic and military problems with political solutions.

Mr. KEMP. I understand that, but there is talk about advancing land reform and talk about putting it off. Should it be put off or accelerated? Would that be an issue in the election?

Mr. ALTAMIRANO. I think that if the second phase is carried out, the economic terrorism and the economic depression that it would create in the country will certainly be against a democratic solution because people will become desperate.

It was quoted here before that the national product has gone down around 20 percent in the last two years. I think that if this deterioration continues, we will see more and more of that.

Mr. KEMP. You think it should be put off?

Mr. ALTAMIRANO. Yes.

Mr. KEMP. If it were put off again, hypothetically, do you think the election would turn on that subject or would it be part of the debate? Would there be a vigorous democratic debate—I can recognize it is not perfect, but in the context of the election, (a) would land reform be part of the debate, and (b) what do you think the outcome would be. What do you think Mr. Duarte's chances would be of putting off the land reform until after the elections?

Mr. ALTAMIRANO. Well, I think his chances and the country's chances will be better if the land reform is put off.

Mr. KEMP. Will it be debated?

Mr. ALTAMIRANO. I hope it is debated, but right now we have a state of seige in the country. For that reason, public debate is difficult. Also, many people are being menaced by the left wing—I imagine also by some of the so-called right wing—and they are not participating in the debate.

That, of course, is detrimental to a democratic solution for the country.

Mr. KEMP. What do you think Phase II would be? Do you think it is popular among the people? Do they understand it?

Mr. ALTAMIRANO. I don't think it is popular. You see, the land has been turned over to the workers of those farms. Now, the workers on those farms and on the farms which are already in the hands of the state are a very, very small percentage of the total population. So, it is not really affecting them directly, but it is affecting them indirectly because of the depressing effect it has had on the economy.

Mr. KEMP. Thank you. I really have to leave now.

Mr. LONG. The tillers of the soil, roughly 125,000, that is a fairly substantial number in a population of five million, isn't it?

Mr. ALTAMIRANO. Well, it would be around 2 or 3 percent, right.

Mr. LONG. I think it would be more than that.

Mr. ALTAMIRANO. Well, the figures would come out to that.

Mr. LONG. It is 125,000 families, you see. If you assume each family is five people——

Mr. ALTAMIRANO. It would be 10 percent of the population.

Mr. LONG. It is more than 10 percent of the population. That makes a lot of difference.

Mr. ALTAMIRANO. Well, yes, it makes a lot of difference, but let me point out that the Phase III is supposed to give the land to the people who are tilling the land, which is owned by somebody else, and who claim a title to that land. However, so far as we know, only 200 people have claimed the land. The rest of the people who are tilling the land, those tenant farmers, have rejected the idea of taking possession of a land which is not theirs.

Mr. LONG. When I was there, I was told 200 provisional titles had been given out. We are now told at least 10,000 applications have been given out. So, obviously they want the land very much.

It is very popular, I am told, with the people. I would be very surprised if the peasantry didn't love to have free land. Whether they deserve it or not is another question. But the idea they would not want it I think is kind of a hard proposition to sell.

Mr. ALTAMIRANO. Well, I would question very much the 10,000 figure.

Mr. LONG. That may have been cooked up for my benefit. I have been wondering about that, how in a year they only came up with 200 provisional titles. Then within four weeks after I had been down there, they have come up with 10,000 people who have been given applications. That, to me, is a mystery. I am inclined to your view.

Mr. ALTAMIRANO. Well, it is a mystery to me, too.

Mr. LONG. Well, 30 percent of the land has been reformed in some kind of way; 70 percent has not been. Are you against taking anymore of the 70 percent or are you against even completing the land reform on the 30 percent that has been reformed in some kind of way?

Mr. ALTAMIRANO. I think that the results have been so deleterious that certainly any rational observer of what is happening in the country will be against the continuing of taking over the land.

Mr. LONG. Anymore of the 70 percent.

Mr. ALTAMIRANO. Yes.

Mr. LONG. But would you turn the clock back, in other words, on the 30 percent?

Mr. ALTAMIRANO. I think that the clock should be turned back on socialism, and socialism schemes, and collectives, making or setting up of collective farms, yes.

Mr. LONG. Wouldn't this give a powerful argument to the communists? You see, I was told when I was down there by the government that one of the main reasons why—this I get from the government, from Duarte, and from the Army, I met with all of them—they were able to stand off the communist guerrilla revolt in January, the so-called final solution, was that the land reform had simply won the people away from the communists. You disagree with that?

Mr. ALTAMIRANO. Well, I will say that the people rejected the left, the extreme left, mainly because of its terrorist activities and its extremist positions.

Mr. LONG. Because of what?

Mr. ALTAMIRANO. Because of the terrorism and its extremism. I think that the people of El Salvador, poor as they are, have a democratic mind, and they do not go along with that kind of violence.

Mr. LONG. When was their last election? What do you mean they have a democratic mind?

Mr. ALTAMIRANO. Well, they have had elections. Certainly, like you say, the presidents have not been elected in the most perfect and pure way. But I must also add that all the principal cities were in the hands of the opposing parties so that they did have a way of voicing their concerns and a way of voting against the government.

Mr. LONG. Well, that is a slightly tenuous definition of democracy, I would think.

Mr. Livingston, would you have some questions?

Mr. Lewis?

Mr. LEWIS. Yes, Mr. Chairman.

Mr. Altamirano, I was not present earlier. I gather you were in the room, but I was not present when Captain Fiallos was speaking and questioned. Were you present?

Mr. ALTAMIRANO. Yes.

Mr. LEWIS. As Mr. Kemp introduced you, you are a publisher and a newsman——

Mr. ALTAMIRANO. Yes, sir.

Mr. LEWIS. Of one of the largest newspaper circulations in El Salvador.

Mr. ALTAMIRANO. Yes, sir.

Mr. LEWIS. I wonder if you would help me evaluate, then, some of that which I have been reading of Captain Fiallos' testimony, in which he said:

> It is important to understand that the base of power in El Salvador does not lie in the hands of the president, nor with the other civilian members of the junta. Rather, it is the high command of the armed forces and, more specifically . . .

And he gives a series of names. Well, that portion of the testimony seems to summarize the point that the security forces are dominating the government, are in a key position of control, and have been carrying forth systematic assassination of many civilians.

Can you comment on that?

Mr. ALTAMIRANO. Well, I will say that in fact the major portion of power, of decisionmaking power, is in the hands of the Army. But do not forget that the country is under attack by outside forces. So it is natural under those circumstances that the Army would control a great amount of power.

As to the killing of so-called civilians, I think that many of the people who have been killed are subversives, which are in fact armed people but wearing civilian clothes. So, I certainly am against that type of violence.

But that violence, the violence in El Salvador, erupted after Nicaragua fell into the hands of the Sandinistas. In the year previous to the taking over of the junta and the Sandinistas, I doubt that there were 200 people killed through involvement in some sort of political—either violent or peaceful—action.

Mr. LEWIS. It would be my personal objective that American assistanee play a role to help neither the terrorists of the left, nor the fringes of the right who would use terrorist tactics. If we are going to provide X million dollars to El Salvador, to the junta, given that you seem to be indicating that at least a portion of this testimony is accurate, what kind of assurance should I look for that the Salvadorian government will, being largely controlled by the security forces or perhaps the military from the right, will use these monies for ends that involve stimulating the economy and giving hope and opportunity for the people in the middle; the people of El Salvador?

Mr. ALTAMIRANO. Your best assurance will be to stop the flow of arms and men from Nicaragua and from Cuba.

Mr. LEWIS. We have made a serious attempt to do that, as you know.

Mr. ALTAMIRANO. But it has not stopped. I think that as long as the terrorists have safe havens in Central America, there will be continued violence in El Salvador. I think that the Salvadoran problem in the first place should not be seen as an internal problem, but should be seen as a problem arising from political situations in the Caribbean.

Mr. LONG. Will the gentleman yield?

Mr. LEWIS. Certainly.

Mr. LONG. Many people have said—and I don't know that it has been seriously denied up to now—that the majority of the violence has come from the security forces, from the right. What would be your comment on that?

Mr. ALTAMIRANO. This is a gross exaggeration.

Mr. LONG. You don't think that is true?

Mr. ALTAMIRANO. It is absolutely false.

Mr. LONG. You think most of the violence has come from the left, you feel?

Mr. ALTAMIRANO. Yes, that is the case, and that has been the case for many, many years. El Salvador has been suffering from terrorism, extreme left terrorism, since 1971. I do not know, for example, a single instance before 1979 in which a nonpolitician of the left or a nonfigure of the left was ever murdered, kidnapped or suffered any attempt on his life.

However, many, many businessmen or government officials or people at large suffer from extreme left terrorism.

Mr. LONG. But nobody seems to deny the fact that the murder of the four nuns, a priest, Romero, was done by the security forces. In fact, the government, Duarte, the generals, all of them seem to agree this was done by the security forces.

The detectives that I talked to who investigated it were assuming there were security forces. What is your comment on that?

Mr. ALTAMIRANO. Sir, probably, as I understand, the nuns ran through a roadblock. Not only the nuns, but many, many people have been killed because they have run through roadblocks.

Mr. LONG. How much do you know about that? I talked to the detectives who were investigating. They pointed out that the nuns, far from being killed in the way you suggest, were each executed with a single bullet through the head, execution style.

Mr. ALTAMIRANO. I understand—in the first place, I am a newspaperman, not a police investigator.

Mr. LONG. But you seem to be able to comment quite authoritatively on this question, how the nuns were killed. I wonder how you know.

Mr. ALTAMIRANO. Well, I have read the accounts. I have——

Mr. LONG. Whose accounts? The detectives are not saying that. I talked to the detectives. The detectives themselves said there was no evidence that the women tried to run a roadblock. They were killed by one bullet in each head. That is kind of hard to carry out when people are running away.

There was no glass involved, no bullets in the windows or anything like that. How can you make a statement like that?

Mr. ALTAMIRANO. Well, sir, in the first place I am not a member of the armed forces. I am a newspaperman. I have to rely on what I see in the newspapers. I read, for example, in the Miami Herald——

Mr. LONG. Maybe your newspapers are more reliable than ours. If I made a statement that I relied on what I read——

Mr. ALTAMIRANO. I am going to quote something that was published in the Miami Herald, that when two of the killed women—I don't know which ones—were brought to the United States and an autopsy was made on them, they found small pieces of glass.

Mr. LONG. No evidence of that at all.

Mr. ALTAMIRANO. That was published in the Miami Herald. That is why you see that if the Miami Herald has that confusion, I also——

Mr. LONG. I talked to the investigators, my staff member and I. We talked to them for a long time. We raised those questions with them. Absolutely untrue. Absolutely untrue.

They struck me as being very objective, very professional people, government investigators.

Mr. ALTAMIRANO. Well, you have better access to them than I do.

Mr. LONG. Yes, but you see——

Mr. LEWIS. Mr. Chairman, if I could reclaim my time. I am also concerned about the guns. I agree with you that perhaps you and I are reading the newspapers and may be confused about precisely what took place there.

But beyond that, I continue to be very concerned with the large numbers of people, which appear to be civilians, being executed, assassination style, with hands tied behind them, and bullets through the foreheads.

I recognize that a government in a state of war must sometimes deal with violence forcefully, but the extremes of these fringes in these circumstances are very disconcerting to me.

I have asked our government to give me evidence that they are doing all that is possible to make certain that the junta is moving in the direction of a political solution in an attempt to control some violence on the part of the right, as well as the left. So far I have heard nothing from them.

You responded to my question by saying the way to solve the violence problem is to stop the flow of arms from the outside. But you did not respond to my questions regarding what appears to be a significant level of violence by the military of the right.

Mr. ALTAMIRANO. I am as concerned as anyone on the levels of violence in El Salvador. Certainly I prefer the situation that we have until this subversive activity started taking place in El Salvador. It was a very peaceful and very friendly country.

I certainly think that the problem of terrorism is that you cannot pin down soldiers as you do with other wars, each one does not wear a uniform and so you cannot detect who is on one side and who is on the other side.

The problem that we are going through in El Salvador is that the terrorists, they attack the armed forces, they attack the people, they are bombing. Two days ago they bombed a children's playground. Now, how can you make logic out of such an insane situation or insane position?

Now, I think that, like I say, the major cause of terrorism certainly seems to be coming from the left. I doubt that any military commander can control his troops when they find the bodies of their comrades or other members of the same battalion murdered, which is very unusual in El Salvador. They know more or less where to find the murderers.

But I am as aghast of what is happening in my country as you are.

Mr. LONG. Were the nuns suspected of being the murderers of their comrades?

Mr. ALTAMIRANO. Sir, I do not want to defend the killings of the nuns. It was a shocking incident. It was a horrible incident. But I wonder who profited most from that killing. It certainly was not the armed forces of the government.

Mr. LONG. I heard from Duarte, the generals and the detectives all of them are assumed to be members of the security forces.

Mr. ALTAMIRANO. Well, I think that until the time comes when the full evidence is there, I cannot make any accusations.

Mr. LEWIS. I have no further questions.

Mr. LONG. All right.

Thank you very much.

Mr. ALTAMIRANO. Thank you, sir.

AMERICAN ASSISTANCE IN EL SALVADOR

Mr. LONG. If the other witnesses we interrupted will come forward, we can have some more questions.

In a sense, we have been debating who struck John, or who struck John first. When you get a revolutionary situation, and a counterrevolution especially has always been more bloody than the original revolution, I think it almost becomes irrelevant who began it. What you want to do is find out what you can do to end it.

What I want to discover—and perhaps if Mr. Altamirano would come forward and sit at the table, too, and we will have questions that all of you can answer—is whether we can hope that our aid program is going to be helpful and effective in getting El Salvador back on its feet, or whether we are just going to be pouring money into a bottomless pit.

I think we all want to know that, whether we are on the Democratic side of the aisle or the Republican side of the aisle.

Can you comment on that? Are we going to be pouring vast sums of money into a bottomless pit or is there a real chance that the money we put into El Salvador will put the economy back on its feet in some way?

Captain?

Captain FIALLOS [through interpretor]. Mr. Chairman, I am not an economist, but I understood your question very, very well.

Mr. LONG. Since you are not an economist, we will respect what you have to say. As a former economist, I can say that, with all humility. Go ahead.

Captain FIALLOS. If I were an investor, I would have to see who I were giving the money to, under what conditions I am giving the money, and what the results of giving that money would be.

Logically, with the situation of anarchy which exists in El Salvador, the law which is now prevailing is the law of bullets. We have been living under a state of seige for more than a year. I don't know for how many months El Salvador has been under a State of martial law, where it is only possible to circulate from 6 in the morning to 9 at night.

For that reason, I feel any help that the United States gives, economic help and particularly military assistance, will only bring with it a bad investment and will bring with it unpopularity to the United States. The people will feel that the United States will be helping a government which has earned the hatred of all of the

people, people who have had nothing to do with the guerrillas, but the people that I would call the run-of-the-mill middle-class.

Mr. LONG. Do any of the others want to make a comment at this time?

Mr. PAREDES [through interpretor]. Thank you, Mr. Chairman.

I would like to insist once again that the small- and medium-sized entrepreneur who has had the courage to stay in our country certainly deserves help.

I would also like to say that my people, which have been sacrificed to a dictatorship for more than 50 years, and have also been sacrificed to an unjust social and economic system deserve help.

I would only like to make one small comment.

In the midst of a civil war a great deal is said about deaths which are the result of the political situation.

It is very easy to blame outsiders, like Cuba, Nicaragua, Russia, for the problems inside of our country.

Allow me, distinguished members of the committee, to point out to you one simple statistic which has nothing to do with the triumph of the Nicaraguan revolution.

Of every 100 children born in my country, ten of them die before the age of one year, owing to problems of malnutrition.

At the present time our population is five million people, with the demographic growth rate, a population growth rate. at 3.5 percent. That means that 155,000 new Salvadorans are born every year.

So, if we do the multiplication, we can realize that there are 17,500 children who die, not because of the political situation, but because of the socioeconomic conditions which prevail.

To conclude, I would like to stress that El Salvador has not had a capitalistic model of development, but rather a deformation of a model which calls itself capitalistic, in which 2 percent of the population own 60 percent of the land and 8 percent of the population has divided up among itself 58 percent of the income.

Lastly, Mr. Chairman, and members of the committee, I would like, as a Salvadoran, to beg of you to look towards the future. I would like to beg you to believe that the lack of a long-term political ambition on the part of the United States is responsible for our situation in El Salvador.

The question that Representative Porter asked the representative of the State Department I think is most pertinent. In other words, what is the policy of the United States going to be in Latin America, in general, and in Central America specifically, over the next year? Where will the next problem come? Where will the next fire be that will have to be put out?

I believe that the United States must be flexible with movements which are seeking social and economic justice within the democratic mold. Otherwise there will be radicalization on the part of the intelligencia, the middle class, and on the part of the church, which is already supporting radical movements in Latin America in general and in Central America.

Mr. LONG. That, of course, leads me to my question; that is, how much of our aid is directed, as you see it, towards dealing with those problems of social and economic justice, helping the small businessman get going?

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As I see it, the biggest single part, private sector support, is $25 million, which will go to the banks, would go for imports and balance of payments. That is not going to be money that is made available to the ordinary businessman.

We are putting out a vast sum, $154 million, when you count everything. If you put that for a country the size of the United States, that would be the equivalent of $7.5 billion.

This is not a small program. It is a huge program. Yet, I don't see any of the money here that would be directed towards basically small business people, the ordinary person; a little bit here, a little bit there, but nothing that is going to deal with that problem on that scale.

So, I just don't see how on earth we can expect that we are going to solve the problems of social and economic justice in that country, let alone deal with an overall aggregate problem.

Mr. Gomez, you have been very quiet. Would you like to comment?

Mr. LEONEL GOMEZ. Yes.

The other problem is the accountability, when the government is so in control of the Army. In the past, anybody who has asked the Army to be accountable for something that was under them—and you have to remember that the sub-secretary of agriculture right now is a Lieutenant Colonel. You are always met with threats or with violence.

The law of agrarian reform says that there is a certain aspect of agrarian reform that calls for the past owner to retain a percentage of land. The law says that judges, special judges, were going to be named for this.

The other thing was—and the law also covers this point—that if a mistake had been made in taking over an estate that had not the requisites to be expropriated by Phase I, that this judge was going to make the decision, too.

After the reform got started, the state, instead of naming the judges like the law said they should, they named a Lieutenant Colonel to oversee this; in other words, one man replaces about 400 judges.

I remember one case——

Mr. LONG. Even a Lieutenant Colonel would have trouble doing that.

Mr. LEONEL GOMEZ. Yes, even a Lieutenant Colonel would have had trouble doing that. Here we have a case in which the Army again is above the law.

Now, there was one case of one farm just outside of San Salvador. It was given back by this man to the previous owner. This farm is worth about $7 million. He didn't have to consult anybody on this.

After it was returned, and we at ISTA found out about this, we went directly to the government and for about three months we presented the case that this land met every criteria to be included in Phase I.

I left the country in January. After three months, something like this could not be decided because a Lieutenant Colonel had been part of the decision.

So, this is the sort of problem that you are going to keep on finding.

I think the military will have a more active role in the government, and the custom in El Salvador is if you are a member of the Army, and you are in government, you are above the law.

Mr. LONG. Mr. Altamirano, we would welcome your comments on this.

Mr. ALTAMIRANO. On economic aid, sir?

Mr. LONG. On the questions that I asked.

Mr. ALTAMIRANO. Let me say that——

Mr. LONG. I am trying to get to the question of how we can direct our economic aid so that it helps the economy, and helps to deal with the problems of social and economic unrest that are causing so much of this violence.

We don't want, for example, a reputation that American money is making people rich. We already know here in this country that foreign aid is a device for taking money from poor people in rich countries and giving it to rich people in poor countries. We don't need another example of that.

So, I would ask you what we can do to see that this money is spent wisely, to help the overall economy, and also to help a better distribution in the economy.

Mr. ALTAMIRANO. Well, I think this thing about foreign help is like the story about giving a fish or teaching someone to fish. The fact is, for example, during the Carter Administration people were taught to steal fish.

I mentioned that because I think no amount of foreign aid can substitute a healthy economy. A healthy economy in a developing country can only be reached through a market system.

You have seen the case of Cuba, which needs more and more economic aid from Russia because it is not able to come out of the doldrums in which Mr. Castro has pushed it.

So, I think that what we want is a way to be able to produce ourselves. The fact is that most of the aid that is being requested at this point is to purchase things from the world market which we used to purchase with our own money and which were our own products.

So, I think it is in a way hopeless, just to be giving money or aiding a country which, if it has, or if it goes to a market system, would be able to produce what it needs.

Mr. LONG. So you are inclined to feel that we are going to be putting money into a bottomless pit unless we are very careful?

Mr. ALTAMIRANO. Unless you help the country go towards the free enterprise system, yes.

Mr. LONG. I certainly would agree with you.

Mr. McHugh, would you have some questions?

One question before we go to Mr. McHugh.

Is this going to result in a great unpopularity for the United States, more stuff about gunboat diplomacy, Yankee imperialism, dollar imperialism? Is the United States going to be ending up the enemy, that instead of hating each other El Salvadorans are going to start hating the United States more than they did in the past, as they did in Vietnam?

That is what I would like all of you to comment on.

Mr. LEONEL GOMEZ. The Duarte government has announced presidential elections in the very near future. Right now Duarte technically is the president of the junta. However, he is not in command of the Army.

Let's say that we have an election a year and a half from now. Since most of the political opposition is outside of the country, I can't think how any of us will be able to participate in an election, or the political process, because the Army published an official list of enemies of the state, with 138 names, mine included.

Let's say we have a democratic process under this condition. President Duarte will be the only candidate, and he will be elected. Then he is going to be the president. According to our laws, he is going to be responsible for that Army.

Now, that Army hasn't changed its nature all through the years. What is the State Department or the U.S. Government going to do when they are faced with this man that they have been backing all this time, who is a decent person, but then he is going to be responsible for this Army?

I don't think he is going to be able to control that Army then, as he has not been able to control that Army now.

What is the explanation going to be? If what we say is true, the main reason for the problem in El Salvador, is not Cuba or the Soviet Union, but our inability to create participation in a democratic system——

Mr. LEWIS. Mr. Chairman, if I might interject on that point.

You indicated earlier in your testimony, Mr. Gomez, that generally people in El Salvador know what is going on. They know who is in charge of what, and where things are coming from.

Mr. LEONEL GOMEZ. Yes, sir. But I wasn't talking about the campesinos.

Mr. LEWIS. I understand that. Presuming you have that kind of knowledge, some other things would also be part of the similar flow of information and knowledge.

Mr. LEONEL GOMEZ. Yes, sir.

Mr. LEWIS. The American Government has received substantial evidence on the flow of arms from the Soviet Union, from Cuba, through Nicaragua, into El Salvador.

They have documented that to the point where I am satisfied that there is important evidence, and efforts to turn over that flow are critical to some eventual political solution.

Mr. LEONEL GOMEZ. I agree.

Mr. LEWIS. Further, the American Government is telling us at this moment that the economic circumstance is a result of a combination of all those things we have been discussing today, and the situation is so critical that the government will collapse and thereby you will have perfect chaos, without economic assistance at this moment.

Does your source of knowledge and understanding of the people and the small country of El Salvador justify our government's position?

Mr. LEONEL GOMEZ. It is not a yes and no answer, I think. It is my personal position that we have to seek for a mediated solution. So that all of us Salvadorans that have a say-so in the sort of

government we want. I think that is the most important aspect of this.

It is our country, it is our problem.

Now, if a small percentage of the population wants to paint all houses red, I think they ought to be able to be given a chance, in an election, to voice that, and for someone to count the votes of those people that agree on that.

Now, this has never happened in the history of El Salvador.

Now, all of this snowballs into a situation like we have now. This is not a spontaneous revolt. In 1932, we had a similar problem to what we have now.

25,000 people were killed then. I don't know what is going to happen in the future—if we don't understand that in order to stop the fighting we have to devise a system that is going to allow all Salvadorans to have a say-so in their own community.

And I think this is much more important than whoever sends us 200 weapons to El Salvador. 200 weapons to El Salvador are going to provide the guerilla forces their supplies to fight for a week. And this fight has been going on for a long time.

Mr. LONG. We have to be out of here at 1:30.

Mr. McHugh has not had a chance. I am going to turn the rest of the time over to Mr. McHugh.

REMOVAL OF COLONEL MORAN

Mr. MCHUGH. Mr. Chairman, thank you.

All of these areas are very important. It is frustrating for us, and I am sure for you, that we don't have the opportunity to explore them fully.

That is no one's fault. It is the limitations of time.

Captain Fiallos has come here a long way and apparently at some risk, as perhaps all of you have, to your families and to yourselves.

I want to be sure that we have given him every opportunity to give us the details. There was one particular episode which he described in his testimony which I would like to ask about, and that relates specifically to his report that although President Duarte had called for the removal of Colonel Moran, the head of his Treasury Police, on at least two occasions, he was unable to secure the removal of the head of the Treasury Police.

And if this is true, it is rather a serious reflection upon the power or lack of it which the President has. And, of course, we are imposing a great deal of confidence in President Duarte, and in his ability to effect change in the country.

I would simply like to give the Captain an opportunity to give us any other details or background on that particular incident, because I think it is so important if, indeed, there are other details to report, and if the other gentlemen have any information on that, we would be grateful to hear it.

Captain FIALLOS [through interpreter]. I left El Salvador December 12 of last year. In mid-1980, around June or July, at that point, I was at the military hospital, both serving as captain and as a military doctor—we realized there was a certain lack of control among the security forces. I am referring specifically to the Treas-

ury Police. They were engaged in the elimination of a number of mayors of the Christian Democratic Party.

The regulars of the Party proceeded to acquire evidence and proof of this, and they were able to get automobile license plates, and names of certain people.

There was a meeting of the Christian Democratic Party in which proof and evidence were presented, and where the Party leaders asked President Duarte to remove the director of the Treasury Police.

The upshot of the meeting was that it was decided that the possibility would be discussed, and the Ministry of Defense would study the problem.

After all of this, the Director of the Treasury Police is still in place. I heard yesterday from a friend of mine from El Salvador, Carlos, whom I haven't seen since I left El Salvador, that international pressure was brought to bear, not just by the democratic forces within the country, but from democratic forces from Latin America, in general, on President Duarte to ask for the removal of the Director of the Treasury Police.

This was in December. And as far as I am aware, the Director of the Treasury Police is still in his position.

Mr. McHUGH. But one of the key questions here is whether President Duarte actually asked for the removal of the head of the Treasury Police. If he asked for the removal as President and the removal was not accomplished, that indicates something significant about the absence of influence and power of the President in whom we are reposing so much confidence.

Captain FIALLOS. I would like to beg the members of this committee to understand that the fact that I dared to come to this room to testify today, to testify to what I know to be true, because I have lived through it, involved a considerable risk.

These 16 years that I have been in the Armed Forces have taught me a great deal. But as a human being, also, I have learned a great deal, and have come to the conclusion that there has to be a time when one says, "Enough, enough to all of this violence, to all of this sacrifice, senseless sacrifice and bloodshed."

Since January, 20,000 have died, and this has been under one and the same government. Is it logical to expect a solution from that same government at this point?

In connection with the question that the Chairman raised, about whether we were putting money into a bottomless pit, I think that if the structure does not change, the money that the United States gives will certainly be badly used.

Mr. LEWIS. Mr. Chairman, I would hate to have the record stop at that point, before we close.

I would certainly like to have at least Mr. Altamirano, as a newspaperman, respond to that same question, a very good question, after the meeting, if not now.

Mr. McHUGH. Mr. Chairman, in that connection, I know Mr. Paredes has a comment as well.

It is an important question to me and apparently Mr. Lewis. If we can just take another minute or two to get a response, it would be helpful.

Go ahead, Mr. Paredes.

Mr. PAREDES. Thank you.

I just want to give two examples on this situation to demonstrate the incapacity of the civilian members to control the Army.

After the killings of the nuns, there was an international pressure—it was incredible—led by the United States Government. The United States immediately suspended military and economic aid to El Salvador.

In Europe, Social Democrats made a really hard thing to the government of El Salvador. And, also, the Christian Democratic International Organization did communicate with the Christian Democratic Party in El Salvador, and pressed them.

And they said literally this. "We cannot continue giving the support if you cannot control the government, if you cannot control the military people. We are having internal problems, the Social Democrats, in our countries."

So this was a very hard situation. And then the Christian Democratic Party desired to put another ultimatum to the Army. And they said, "Okay, here is a list."

The list was composed of almost all the members of the security forces, the directors of the security forces. And not only them, but other people with a low rank in the military structure.

And they said, "These people must be fired out, because they are responsible directly for violence."

And I lived this, gentlemen, as a member of the government.

In that moment, the Army said that they do agree, and that they will do that, in December, with the international pressure—because the Christian Democratic Party didn't have the support of the people, but had the support of the State Department.

And the Christian Democratic Party was pressing the Army, because the State Department had said to the Christian Democratic Party that the economic aid will be renewable again only if the military people change these guys.

So there was a support from the U.S. Administration to reach this point.

But what happened? A month later, in January, with the whole real structure of the government in which they gave the impression to the people and to the international arena that they were going to change, not only the military people responsible for violence, but also, they were going to change the government.

What happened? The only change they made was the under Secretary of Defense, and he now is in another position of an institution. The other people of the security forces are just in the same position, and the marvelous restructuring of the government was to fire out Colonel Majano, so you see, they don't have not a bit of control of the situation.

Mr. LONG. I think we ought to hear now from Senor Altamirano.

Mr. ALTAMIRANO. Sir, there are conflicting views about whether Mr. Duarte has asked or not asked the removal of certain officers.

I must point out that the Army is the only organized institution in El Salvador that stands between a communist takeover from the extreme left and the preservation of the country, more or less, in the western world, so to say.

It has been in Nicaragua when the National Guard collapsed, the country immediately fell into the hands of the Cuban Sandanistas. I believe that the Army has many, many problems of organization.

The way it is structured in El Salvador is that each Army body is fairly independent from the rest. So, you are not dealing with the Army as a whole, but you are dealing with several bodies within that Army.

I think that the advantages of producing some changes which may be needed—and I cannot be certain, because I do not have evidence in favor or against—are more than offset by the disadvantages brought about by a demoralization of the corps and the debilitation, the weakening of the Armed Forces as an institution.

In the state of war which we are suffering, I think that the preservation of the Army is of utmost importance, not only to our country, but to the United States.

Mr. LONG. Thank you very much.

Captain FIALLOS [through interpreter]. Excuse me, sir. It is very important.

It is very important to clarify this point, with all due respect to Mr. Altamirano.

I have been in the Army, and I know that this division of power that he referred to does not exist. All orders, both to security forces and to the Army, come directly from the Defense Ministry.

Mr. LONG. Mr. Paredes.

Mr. PAREDES. Yes, please. I want to mention I do agree with Mr. Altamirano, in the sense, just in the sense that the Army, as an institution, must not disappear from our country.

We are not fighting against that.

Mr. LONG. You are all agreed on that.

Mr. PAREDES. We are fighting against the security forces of the Army. And we are fighting right now against the High Command of the military forces of El Salvador.

Mr. LONG. Thank you.

Mr. GOMEZ.

Mr. LEONEL GOMEZ. I think that is a very good point. We just want the Army under the law, like the rest of us. That's all we want.

I would only like to add that our views here, this is the reason we got out of the country. These are the things that we cannot even say in El Salvador without running the risk of appearing in one of those lists.

The other thing that I would like to say is, the other reason why we are here, we have a great deal of respect for this country. Just that we are here, and we have the ability to talk to people like you.

Mr. LONG. We are grateful to you for coming.

Captain FIALLOS. I think it is of great encouragement. Because I don't think if we were from Afghanistan or Poland, we would have a similar situation in Moscow.

And I want this to be part of the record. I really feel that.

FREE PRESS AND ELECTIONS

Mr. LONG. Thank you.

Let me ask one more final question. Everybody proposes elections within the next 12 months. They are all agreed on that. But I don't believe you can have free elections without a free press.

Could you tell me whether you feel that you have a free press at the present time, and whether it is going to be possible to get a free press, if you don't have one, between now and the time they propose to have an election?

We have two newspapermen here, so we ought to get a pretty good answer to that question.

Mr. ALTAMIRANO. Sir, in El Salvador, there is no censorship as such. The problem of the press is not that it receives pressures to publish or not to publish, but rather, that public opinion, because of the violence prevailing in the country, has been intimidated. You find less and less people willing to express or to take positions.

And that is why I say that no elections can take place, like you mentioned, without a free press, and there can be really no real public debate, no constructive debate on political or economic issues, until violence has been erradicated from El Salvador.

Mr. LONG. Which is another way of saying we are not going to be able to get an election until you have been able to stop the violence?

Mr. ALTAMIRANO. Exactly, sir.

Mr. LONG. I am wondering, I felt all along there is a grave question whether we are going to be able to get a free election within the next 12 months—as Duarte and the High Command have indicated.

What's your feeling? Do you feel a free election will be possible within the next 12 months?

Mr. ALTAMIRANO. Unless the violence is not stopped, I don't think that a meaningful election can take place.

Mr. LONG. You would all agree on that?

Mr. PAREDES. Absolutely.

AMERICAN ECONOMIC ASSISTANCE TO EL SALVADOR

Mr. MCHUGH. Mr. Chairman. Having listened all day, and this has been very interesting, I would like to just be clear in my own mind whether these gentlemen, given their own perspectives and strongly held views, would support the economic assistance which is being proposed.

I recognize that this economic aid is not going to deal with the substantial problems in that society. But, yet, there may otherwise be some solid reasons for providing some help.

We obviously want to keep the private sector afloat if we can. We want to provide humanitarian assistance, food, if we can.

Granting it is not going to solve the problem—where do you all come down in the end in terms of this economic package that we have to vote on?

Mr. LONG. Mr. Paredes?

Mr. PAREDES. Yes. As I said before, I do support the economic aid. I do recognize, also, and that is my main point, that is not going to solve the problem.

So, I think that you should send the economic aid—but you should control that there will not be a capital flight from the

industrial sector, because of the liquidity and unwillingness to invest because of violence.

I think the best step that the United States must take immediately after sending this economic aid is to give real signs to the Central American region and to the Salvadoran people that you want to achieve a political solution.

And the argument of the State Department, but we are looking for a political solution, because we have given three times economic aid and military aid.

But in this context of violence, that is not the problem.

Mr. LONG. Mr. Altamirano, do you feel we should give economic aid to your country?

Mr. ALTAMIRANO. Yes, I do feel. I think it is tremendously needed. And I think we in a way deserve to be given that aid, taking into account that many of the problems we are going through were caused by the policies pressured by the previous Administration.

Mr. LONG. Mr. Gomez?

Mr. LEONEL GOMEZ. It is a very hard question.

First, economic aid that has been given by this country to El Salvador displaces money there so they can get additional military equipment.

Nevertheless, some of this economic aid—and this is the conflict I have—some of this economic aid will also help somebody in El Salvador. So I would say, yes, I would be for economic aid. But it is quite a conflict inside of me.

Because by giving economic aid, you also send a signal of support to that killer government.

Mr. LONG. Since you feel there should be some economic aid, do you have reservations on the size of the economic aid, or the way in which it is being given?

Mr. LEONEL GOMEZ. The way it is being given, sir, the signal that it sends. I would only comment on that part.

The rest I don't know. But I would support the fact that this aid is being sent, because it will help somebody there.

Mr. LONG. Captain Fiallos?

Captain FIALLOS [through interpreter]. If honestly I knew that this assistance would reach the people and improve the country's problems, I would agree with it. But I think it would be better to use this money instead to pressure the government to purify these corrupt security forces—corrupt forces, especially the security forces.

In other words, I do not agree with sending the money.

Mr. LONG. In other words, I gather now you are for the aid, Mr. Altamirano, Mr. Paredes is for the aid, Mr. Gomez has grave reservations, and you, Captain Fiallos, are strongly against the aid.

Is that right?

Well, I think this has been very helpful. I want to thank you all for coming. I know this has been a considerable sacrifice to you, a considerable danger.

I thank you for coming before us. And I also want to thank Congressman Lewis and Congressman McHugh for staying here for such a long session.

Thank you very much.

O

MCH

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UNITED STATES DEPARTMENT OF JUSTICE
EXECUTIVE OFFICE FOR IMIGRATION REVIEW
IMMIGRATION COURT
MIAMI, FLORIDA

In the Matter of:	**File No.:** (b) (6)
Jose Guillermo GARCIA-MERINO	
In removal proceedings	

Immigration Judge Michael C. Horn **Next hearing: Not scheduled**

DEPARTMENT OF HOMELAND SECURITY'S THIRD NOTICE OF FILING

EXHIBIT # 6
Marked For Identification ☐
Admitted 12/10/2018

MCH

The United States Department of Homeland Security, Immigration and Customs Enforcement ("DHS"), hereby files the following exhibits in the above-styled cause of action before the Honorable Michael C. Horn:

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who have been captured by government forces have alleged that they were tortured during interrogation."

Excerpts from page 427:

"Security forces personnel have also engaged in a number of widely publicized killings, including one in March 1981 in a suburban neighborhood of San Salvador that left 24 bodies in the streets...

Security personnel forces have at times been associated with – or overlooked – the actions of right-wing extremists...

Disappearances in El Salvador are frequent and are attested by frequent petitions for information in the local press. Paramilitary or security forces personnel probably bear responsibility in a number of these cases. In the frequent habeas corpus proceedings that arise from these disappearances, however, government forces invariably deny a connection with these disappearances."

EEE. Committees on Foreign Affairs and Foreign Relations, 98th Cong., 1st Sess.,.....**32**
Country Reports on Human Rights Practices for 1982 El Salvador (Joint Comm. Print 1983).

Excerpt from page 490:

"Civil strife has led to human rights violations by all parties involved in the conflict, the guerrillas of the left, terrorist groups on the right, and the forces employed by the government."

Excerpts from page 494:

The report states that Defense Minister General Garcia issued orders in March that those accused of human rights violations would be punished. General Garcia spoke to over 200 local commanders of civil defense forces on October 6, 1982. In that well-publicized meeting, he warned commanders that human rights violations were betrayals of public and armed forces trust and would be punished.

Excerpts from page 495-496:

However, the State Department reported that some elements of the security forces continued to use torture that was prolonged and extreme... The embassy has specific reports of eight cases of torture in 1982 by elements of the security forces. These range from psychological abuse such as threats of death to deprivation of food and sleep, and the infliction of electric shock and severe beatings. Evidence of torture on the bodies of

the dead is widespread. It is believed that torture primarily occurs during the initial stages of detention, particular [sic] at clandestine detention cells.

Excerpt from pages 496-497:

According to the report, there may be an unknown number of clandestine detention centers, and reports of clandestine detention were frequent.

Excerpts from page 502:

The State Department notes Amnesty International's 1982 report of arbitrary arrests, abductions and subsequent disappearances, torture, and extralegal executions as it concerns El Salvador. In addition, the State Department reported that the Inter-American Human Rights Commission expressed concern about violations of human rights against members of local human rights organizations in El Salvador.

FFF. Committees on Foreign Affairs and Foreign Relations, 98th Cong., 2nd Sess., *Country Reports on Human Rights Practices for 1983 El Salvador* (Joint Comm. Print 1984). **51**

Excerpt from page 550:

"Elements within the government security forces are still believed to use torture as arbitrary punishment or to extract information from suspected leftists."

Excerpt from page 552:

"Some units and individuals of the armed forces (which include the army, the security forces, and the civil defense) have committed violent abuses. On February 22, at least 18 farmers at the Las Hojas Farm Cooperative were killed, apparently by elements of a Salvadoran army unit."

Excerpt from page 556:

"During 1983, elements within the security forces used psychological and physical torture as arbitrary punishment or to extract information from those suspected of assisting the armed guerrilla movement. It is believed that torture almost exclusively occurred during the initial stages of detention. Electric shock, severe beatings, and deprivation of food, water and sleep are the most frequently mentioned types of coercion. There is evidence that the use of torture often has been prolonged and extreme."

Text: Ambassador White told Garcia that the arrest of the FDR leaders on Nov. 27 was a very serious situation. White said "it was one thing to arrest and hold for trial leaders of the FDR; it was quite another to have a variety of independent witnesses stating that the security forces had participated in the arrest of the FDR leaders and to have them subsequently disappear." White impressed on Garcia the pressing need to locate the missing FDR members and assure the world of their safety.

Subject: Murder of Six FDR Leaders in November 1980

Text: "On 27 November 1980 at 11:30 A.M., six leaders of the Democratic Revolutionary Front (FDR) were abducted from a meeting at a Catholic High School in San Salvador. The bullet-ridden corpses of the leaders were later found showing signs of torture, dismemberment and strangulation. Security service personnel, possibly in collaboration with civilian right-wing extremists, likely were responsible... no individuals were ever arrested for the murders of the leaders."

Excerpt from Chapter 2, Challenges to Power, 1960-1980 from pages 73-79

In 1979, Archbishop Romero advised the coup plotters to exclude Colonel Gutierrez and Colonel Garcia from the new government. Garcia was at the time commander of a small garrison in San Vicente, sixty-four kilometers east of San Salvador.

"Hours after General Romero departed the country, Gutierrez, without consultation with or authorization from his colleagues, called Colonel Garcia in San Vicente and offered him the post of minister of defense. Third, Garcia invited Colonel Carranza, who was on the CIA payroll at $90,000 a year, to be vice-minister of defense. In short, before the coup was twenty-four hours old, the most reactionary remnants of the officer corps had reasserted control over the Armed Forces. These were men who, whatever their commitment to the reforms pledged in the Proclama, believed that it was necessary to deal first with the "subversion" and later address the socioeconomic problems of the country."

"The coup of October appeared to alter radically the roles that each of the major actors on the Salvadorean political stage had been playing...Within three months, however, it was clear that the more things changed, the more they stayed the same. Each of these actors began following its own two-track policy. The most right-wing sector of the oligarchy began to develop its own

political-military organization that was at first exclusively clandestine but that would eventually lead to creation of a political party. The army's two-track policy was reform with repression."

DHS herby advises the Immigration Court that it may supplement the record of proceeding with additional evidence depending on the outcome of discussions with respondent's counsel regarding stipulations to evidence and the Department's review of the respondent's evidentiary submissions. Any amendments to this list will be submitted in accordance with the local EOIR filing guidelines.

Respectfully submitted,

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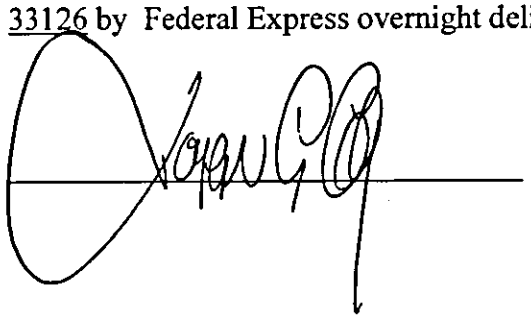
5-24-10
Date

Jose Guillermo GARCIA-MERINO

(b) (6)

PROOF OF SERVICE

On May 24, 2010, I, Loren G. Coy, Senior Attorney, sent a copy of this Notice of Filing of Department of Homeland Security and any attached pages to Alina Cruz, Esquire, attorney for the respondent at the following address: 6303 Blue Lagoon Drive, Suite 400 Miami, Florida, 33126 by Federal Express overnight delivery.



5-24-10
Date

BBB

EL SALVADOR

Since the brief and ill-fated peasant uprising in 1932, political life in El Salvador has until recently been dominated by the military, backed by the wealthy elite. The country has long been plagued by the problems of inequitable distribution of wealth and income, a high rate of population density, high unemployment and unsatisfactory social-economic development.

In the years following the apparently fraudulent 1972 Presidential election, political violence and polarization grew, and had reached a peak in early 1979. The leftist "popular" organizations became bolder. Confrontations between these groups and the Government resulted in the May mass shootings at the National Cathedral and the Venezuelan Embassy in which excessive and indiscriminate force was used by security forces. Because of the increase of violence and demonstrations accompanying these incidents, the Government imposed a state of siege on May 24 that lasted 60 days.

In 1979 political violence hit a peak in the countryside; there were numerous reports of "disappearances" of persons and frequent appearances of corpses, sometimes in groups and often showing signs of torture. Human rights groups and opposition parties attributed responsibility for a large portion of these victims to security forces. Leftist terrorist groups claimed responsibility for political assassinations, kidnappings and other violent acts. Rightist terrorist groups authored similar acts against the left. Under the government of Carlos Humberto Romero (1977-1979) a government-sponsored para-military organization, ORDEN, committed human rights violations, including beatings and torture, on a widespread basis.

Because of the continuing inability of the Romero regime to deal with accelerating political disintegration, its record of human rights abuses and widespread skepticism about its efforts to democratize the political process, a coup by moderate elements within the military deposed that government on October 15. The successor government, a five man military/civilian Junta, immediately announced moderate and democratic goals including the observance of human rights. Elements of the democratic opposition to Romero either supported the new Government or participated in it. The extreme left initially reacted to the change with a violent challenge.

The new Junta announced an amnesty for political prisoners and exiles, disbanded ORDEN and moved to significantly raise wages for agricultural workers. Despite efforts to make a clean break with the pattern of human rights abuses of previous governments, there were some incidents of excessive violence by the security forces.

1. Respect for the Integrity of the Person, Including Freedom from:

a. Torture

There were numerous credible allegations of torture by security forces during the Romero Government. Accusations against the National Guard and other security forces included denial of food and water, electric shock and sexual violation.

b. Cruel, Inhuman or Degrading Treatment or Punishment

During the Romero period, there is no doubt that the security forces subjected prisoners to degrading treatment and punishment at stages of the judicial process from arrest to prison sentence. There were numerous accounts of persons being beaten at the time of arrest. The March 4 death due to burns of Apolinario Baires, after being detained by the National Guard, was considered by many as a particularly notorious instance of treatment meted out by security forces. It generated unfavorable publicity for the Government because of the relative prominence of his family.

Detention facilities are overcrowded and inadequate but appear to reflect El Salvador's low standard of living rather than a deliberate policy on the part of the Government to keep them that way. Ordinary prisoners are allowed visits from family members and their attorneys. Persons sentenced under the former Law of Defense and Guarantee of Public Order (derogated 2/27/79) were sent to the same detention facilities as common criminals.

During the Romero Government the security forces' use of excessive force resulted in needless deaths and injuries. The shooting of demonstrators in front of the National Cathedral on May 8 left twenty-three dead, and fourteen demonstrators were killed near the Venezuelan Embassy on May 22.

There were numerous reports of people being found dead after heing arrested by the security forces under the Romero Government. Right-wing terrorist groups such as the White Warriors' Union (UGB) reappeared in May and claimed responsibility for assassinations of teachers, union members, and persons thought to be members of opposition groups. In 1979 extreme leftist terrorist organizations engaged in a campaign of assassination of government and ORDEN officials while also continuing kidnappings of business executives.

The new Junta quickly moved to dissolve ORDEN, the Government-sponsored para-military organization that had been responsible for many human rights violations.

c. Arbitrary Arrest or Imprisonment

On February 27, the Legislative Assembly repealed the Law of Defense and Guarantee of Public Order, which was enacted in November 1977 and was the focus of much domestic and international criticism. Except for persons arrested under that law for homicide and kidnapping, the repeal discontinued legal actions and provided amnesty for those already sentenced.

The Archdiocese of San Salvador, Amnesty International and other groups maintain lists of political prisoners and disappeared persons. The actual number of persons in these categories is unknown, but most estimates range between one hundred and two hundred. The new government claimed that it found no political prisoners. Some persons arrested in incidents after the October 15 coup were released with an admonishment. A special committee formed by the new government to investigate the prisoner question filed only one preliminary, partial report prior to resigning in a government crisis at the end of 1979. It is not known if any further committee report will be made public.

Persons can be arrested and legally held without charge up to seventy-two hours. However, during the Romero Government, there were numerous reports of considerably longer lapses of time between arrest and arraignment.

Habeus corpus is recognized in Article 164 of the Salvadoran Constitution, but it was often not honored in practice by the security forces during the Romero Government.

d. Denial of Fair Public Trial

While the right to a fair public trial is provided by the Salvadoran Constitution, the judiciary is slow and overburdened. After arraignment, long delays usually occur. Civilians are not tried by military courts and since the derogation of the Law of Defense and Guarantee of Public Order, there have been no courts with specific jurisdiction over security and political offenses. Trials have been public and courts appear to have operated fairly and independently, even in some cases involving security suspects where the Government's prestige has been at stake.

In some cases involving those suspected of having ties to terrorist groups, both judges and witnesses may have been hampered from exercising independent judgment by threats of terrorist retaliation.

Defendants are entitled to counsel but groups such as the Salvadoran Commission on Human Rights and the Archdiocese-affiliated Socorro Juridico that can offer legal aid to indigent defendants are very few in number. Counsel appear to have free access to defendants, but privacy of consultations is often inhibited. There have been no reported incidents of harassment by the Government of attorneys handling cases with political significance.

e. Invasion of the Home

There are credible allegations that persons were illegally taken from their homes by members of the security forces or ORDEN without a warrant or specific charge during the Romero Government. Members of the security forces often reportedly did not wear uniforms or otherwise identify themselves when they made arrests. There have also been reports that, despite a constitutional provision protecting the inviolability of correspondence, letters and other documents sent through the mail were subject to search and seizure during previous governments.

2. Government Policies Relating to the Fulfillment of Such Vital Needs as Food, Shelter, Health Care and Education:

El Salvador's economic orientation is strongly capitalistic. Wealth is concentrated primarily in a conservative landed elite, and to a lesser but growing degree in an industrial and commercial elite. The economy is still basically rural with 60 percent of the population living in rural areas. The poorest 40 percent of the population receives 2 percent of the personal income, while the wealthiest 5 percent receives 21 percent of the personal income. Land ownership is concentrated, with 10 percent of all farms accounting for 78 percent of private lands. However, concentration in ownership of land of all sizes has been decreasing slowly. The tax system is relatively progressive. Income taxes and the coffee export tax fall on upper income groups and account for 45 percent to 55 percent of all taxes. Corruption, although a problem, has not appeared to be a significant factor in public administration.

Major economic and social structural problems persist which include: high rates of unemployment and underemployment, highly skewed income distribution patterns, concentration of land in the hands of a small minority, low generation of economic opportunities for a rapidly expanding population, and a limited, and in some respects diminishing, material resource base.

Some policies and pronouncements of the Romero Government indicated a growing awareness of these problems. However, direct government interventions to change the nation's basic socio-economic structure were limited by the strong conservative orientation of the state, its relations to the economic elite, and a relatively small government budget. Even so, government policies have been increasingly oriented to meeting basic human needs. Succeeding governments' expenditures as a percent of GNP have increased from 10 percent to 13 percent in the 1960's to 19 percent at present. Education and health account for 35 percent of government expenditures.

The Junta announced reformist economic, social and taxation goals, but has not yet had significant time for implementation. The government traditionally sets the wages of harvest workers year by year. Wage increases have not kept up with inflation. However, the new Junta on November 18 announced dramatic increases (between 23 percent and 64 percent) that provided significant jumps in real income. The new government also acted quickly to impose price controls on basic commodities.

Health facilities have been constantly but slowly expanded. Since 1976 the government has strengthened rural health services by training new personnel for assignment to rural clinics. Consultations in Government health facilities rose 29 percent between 1976 and 1978, a measure of substantial expansion in health care. The population program, based on an integrated population policy, is progressive. Impact in the rural areas, however, has been disappointing to date. A revised and expanded program, based on a careful evaluation, is scheduled for the next two years. In education, enrollment in grades one through nine increased by 86 percent

between 1965 and 1978, while the comparable school age population only increased 53 percent. Two-thirds of all children are now enrolled in school.

Policies aimed at stabilizing the price and flow of basic grains have contributed to providing good market outlets for small producers and keeping prices of staples down, especially important for lower income families. The Government is currently expanding its storage facilities by 40 percent so that it will have buying capacity equal to 20 percent of basic grain production. The Government has developed moderately successful programs to provide low interest credit and subsidized fertilizer to small farmers.

3. Respect for Civil and Political Liberties, Including:

a. Freedom of Speech, Press, Religion, and Assembly

These freedoms, while guaranteed by law, had been restricted under previous regimes by custom and practice. An effective self-censorship was practiced by most of the media prior to the October 15 coup. Since that date there has been an increasing relaxation of voluntary self-censorship to the point that at year's end it was possible for leftist extremist organizations to air their programs in paid press insertions and radio and TV broadcast time, as well as frequently having their views presented as news items.

The opposition newspaper, La Cronica, destroyed by unidentified arsonists on July 14, following the right-wing threats against the life of its editor, had recovered as a daily by year's end. The radical leftist-oriented Independiente began to offer competition to La Cronica at the end of the year. Other radio stations joined the Archdiocese's station in offering access for opposition views. Unorthodox political messages also had begun to be permitted on commercial TV.

Most protests of infringements of freedom of religion have come from the activist wing of the Catholic Church. There are frequent allegations of open or disguised government harassment and persecution of lay leaders, nuns and priests. Three priests were killed in 1979, one in front of the altar of his church, presumably by right-wing terrorists. Several foreign-born nuns and priests were expelled during the year by the Romero Government. Smaller religions and sects have apparently not been the target of similar treatment.

During the state of siege (May 24 to July 23) the right to assembly was legally restricted. In practice, however, the restiction was largely unenforced. Public demonstratons, legal or otherwise, took place throughout the year. With a few notably violent and bloody exceptions, they were generally permitted to proceed despite disturbances of public order and damage to private property.

The only legal restrictions on freedom of association are proscriptions of international political organizations except under specific qualifications. In practice this

has applied to the Communist Party. A distinction must be made between those organizations that are legally recognized, such as registered political parties and industrial labor unions, and entities that although not legally recognized are not proscribed organizations, such as rural worker unions and the "popular organizations," e.g., the Popular Revolutionary Bloc (BPR). The Romero Government imposed restraints on the organization of these extra-legal bodies, but they were still able to function.

In practice, freedom of association has been somewhat inhibited by excessively technical or otherwise inadequate legislation. The activist wing of the Catholic Church made frequent allegations of open or disguised government harassment. The new government pledged freedom of organization for labor and political parties across the spectrum.

b. Freedom of Movement within the Country, Foreign Travel and Emigration.

These freedoms are based in law and are generally observed. These are large numbers of road blocks and road checks in domestic travel in response to terrorism, that have given rise to numerous charges of harassment, arbitrary arrests, and disappearances. Foreign travel is only inhibited by bureaucratic delays in obtaining passports and by financial controls. Of political exiles, only a relatively small number have had their right to return restricted. President Romero had ordered that political exiles be allowed to return, and the new government has given exiles an amnesty. The most prominent returnees during 1979 were Christian Democrat leaders Jose Antonio Morales Ehrlich, under the Romero Government, and Napoleon Duarte under the Junta.

c. Freedom to Participate in the Political Process

Authoritarian military governments allied with a wealthy elite have been the trademarks of Salvadoran politics. A democratic facade has been maintained over the years through regularly scheduled elections resulting in the periodic changing of Presidents, Legislative Assembly members, and municipal administrations. Since the early 1970s, the results of the elections inevitably have been challenged as fraudulent, and although personnel have changed, the character of the governing coalition and its modus operandi have not. As a result, the Government party controlled all but four of the fifty-four Legislative Assembly seats and all two hundred sixty-one mayoralties at the time of the October 15 coup.

Legally, participation in the political system is open to all citizens. However, the functioning of the opposition political parties allegedly had been inhibited through repression, harassment, and collusion that have prevented effective recruitment, organization, and campaigning, including denial of aocess to the media. The new government has pledged to open the political process.

Women have legal equality with men, but social restraints often limit their practical possibilities. They do hold some important positions in the professions, political parties, and in the Government. In general, however, they tend to remain in the more traditional roles.

Urban labor unions are authorized by law, but only about ten percent of El Salvador's non-agricultural workers are unionized. Those labor federations and organizations with a political ideology opposed to that of the government were harassed under the Romero regime, while those concentrating on economic issues (wages, fringe benefits) were able to operate more freely. While collective bargaining is recognized under the labor code, the right to strike is so encumbered by legal and administrative requirements as to be virtually nonexistent. The right of workers to organize, while legally recognized, is similarly circumscribed. The Junta stated its intention to liberalize organizing and the legal grounds for strikes.

Rural workers' organizations are extra-legal, but not proscribed. The only large peasant organization recognized and given a measure of support by the Government is the Union Comunal Salvadorena (UCS). The Government during the latter part of 1979 permitted the re-entry into El Salvador of the American Institute for Free Labor Development (AIFLD) to render assistance to the UCS.

Labor discontent has facilitated penetration of the labor movement by leftist popular organizations (Popular Revolutionary Bloc and United Popular Action Front), which since last January have engaged in a series of factory takeovers and holding of hostages. Some of these takeovers have subsequently resulted in companies closing down their operations, with a loss of jobs for workers. Thirteen people were killed in labor related disturbances during the first six months of 1979, seven of them in a single incident.

4. Government Attitude and Record Regarding International and non-Governmental Investigation of Alleged Violations of Human Rights:

There were no major international investigations of alleged violations of human rights in El Salvador during 1979. However, early in the year a report by three British parliamentarians based on their December, 1978, visit was highly critical. To a limited extent the Romero Government cooperated with individual and media visitors interested in the subject, but its efforts were almost exclusively directed toward denying the existence of any violations. Reports of violations appearing in the international press were characterized by government officials as an international socialist or communist conspiracy to defame El Salvador and weaken its institutions.

Several domestic, non-governmental groups have been active in the human rights field. The best known is the Salvadoran Commission on Human Rights which has investigated numerous cases, extensively publicized its findings, provided legal counsel, and in some cases even acted as an intermediary with the Government for human rights complaints. Socorro Juridico, affiliated with the Archdiocese, has also investigated many cases and offered free legal assistance to alleged victims and their families. It has compiled statistics on violations. The opposition political parties, labor unions, and various affiliates of the popular organizations, particularly the teachers' union, ANDES 21 de Junio, and the Committee of Mothers and Relatives of Political Prisoners and Disappeared Persons, have also been active.

The OAS endorsed the critical Inter-American Human Rights Commission (IAHRC) report (resulting from its 1977 visit) at the October 1979 OAS General Assembly in La Paz. The Salvadoran Foreign Minister, appointed by the Junta immediately after the change of government, accepted the OAS decision and invited the IAHRC to make another visit to see the changes effected by the new government. The Junta cooperated with domestic human rights organizations.

The Government of El Salvador ratified the American Convention on Human Rights in June 1978.

U.S.OVERSEAS -LOANS AND GRANTS- OBLIGATIONS AND LOAN AUTHORIZATIONS
(U.S.FISCAL YEARS - MILLIONS OF DOLLARS)

COUNTRY: EL SALVADOR

	1977	1978	1979
I.ECON. ASSIST.-TOTAL...	6.8	10.9	10.6
LOANS.....	0.0	5.7	4.2
GRANTS.....	6.8	5.2	6.4
A.AID	2.7	8.0	6.9
LOANS.....	0.0	5.7	4.2
GRANTS.....	2.7	2.3	2.7
(SEC.SUPP.ASSIST.)...	0.0	0.0	0.0
B.FOOD FOR PEACE.....	2.7	1.7	2.9
LOANS.....	0.0	0.0	0.0
GRANTS.....	2.7	1.7	2.9
TITLE I-TOTAL.....	0.0	0.0	0.0
REPAY. IN $-LOANS.....	0.0	0.0	0.0
PAY. IN FOR. CURR.....	0.0	0.0	0.0
TITLE II-TOTAL.....	2.7	1.7	2.9
E.RELIEF.EC.DEV & WFP.	1.3	0.6	1.3
VOL.RELIEF AGENCY.....	1.4	1.1	1.6
C.OTHER ECON. ASSIST...	1.4	1.2	0.8
LOANS.....	0.0	0.0	0.0
GRANTS.....	1.4	1.2	0.8
CONTR. TO IFI....	0.0	0.0	0.0
PEACE CORPS.....	1.4	1.2	0.8
OTHER.....	0.0	0.0	0.0
II.MIL. ASSIST.-TOTAL...	0.5	0.0	0.0
LOANS.....	0.0	0.0	0.0
GRANTS.....	0.5	0.0	0.0
A.MAP GRANTS.....	0.0	0.0	0.0
B.CREDIT SALES-FMS....	0.0	0.0	0.0
C.INTL MIL.ED.TRNG....	0.5	0.0	0.0
D.TRAN-EXCESS STOCK...	0.0	0.0	0.0
E.OTHER GRANTS.....	0.0	0.0	0.0
III.TOTAL ECON. & MIL...	7.3	10.9	10.6
LOANS.....	0.0	5.7	4.2
GRANTS.....	7.3	5.2	6.4
OTHER US LOANS.....	1.5	0.0	6.4
EX-IM BANK LOANS.....	0.0	0.0	6.4
ALL OTHER.....	1.5	0.0	0.0

ASSISTANCE FROM INTERNATIONAL AGENCIES-COMMITMENTS

	1977	1978	1979	1946-79
TOTAL.....	23.6	101.9	60.0	541.0
IBRD	6.7	32.2	23.5	215.6
IFC	0.0	0.0	0.0	0.9
IDA	6.0	0.0	0.0	25.6
IDB	10.1	69.6	29.5	272.4
ADB	0.0	0.0	0.0	0.0
AFDB	0.0	0.0	0.0	0.0
UNDP	0.8	0.1	5.6	20.5
OTHER-UN	0.0	0.0	1.4	6.0
EEC	0.0	0.0	0.0	0.0

CCC

EL SALVADOR

El Salvador has long been dominated by powerful elites who ruled through the security forces. The elites' power rested in large landholdings and in the control of banking and the export of staple crops for their benefit. Faced with increasing demands for social change in the 1970s, traditional ruling groups continued their dominance by employing electoral fraud and repression. In the 1970's some political forces which were previously moderate, joined the radical left. The late 70's witnessed the emergence of an armed radical left. On October 15, 1979, a group of progressive military officers overthrew the regime of General Humberto Romero and created a civilian-military governing coalition called the Revolutionary Governing Junta (JRG). That Junta faced a highly polarized society in which the political process was discredited and a sizeable minority on both left and right employed violence to achieve their political ends. On the right, the Broad Nationalist Front (FAN) became the main force, and its supporters soon spawned death squads, most notably the Maximilliano Hernandez Martinez Brigade. The major leftist armed groups were wedded into first the United Revolutionary Directorate (DRU), and then the Farabundo Marti National Liberation Front (FMLN), while their political front groups together with some more democratically oriented organizations, formed the Democratic Revolutionary Front (FDR). The Marxist-oriented FMLN/DRU, however, controls the FDR.

Unable to act effectively and frustruated by their own inability to agree on promised reforms and to control the security forces, the civilian members of the first post-October 15 government resigned after ten weeks. The military members of the Junta then reached an agreement with the Christian Democratic Party to form a new government. In spite of coup attempts from the extreme right, guerrilla warfare from the radical left, and terrorism from all sides, this second Junta undertook a far-reaching socio-economic reform program in March. Those reforms nationalized large estates, the export of staple crops, and the financial institutions.

Alarmed by reforms which attack the very basis of their domination, the armed extreme right has declared its intention to bring down the Government and re-establish the old order through violence perpetrated by its supporters, some of whom are members of the security forces only nominally under the control of the Junta. The armed left has rejected the reforms and also declared its intention to bring down the revolutionary government through violence in order to establish a Marxist state in El Salvador.

The result of these contending forces has been a vicious cycle of provocation, outrage, and revenge which leaves a daily toll of murdered and often mutilated bodies on El Salvador's streets and highways. The Church has condemned the violence of left, right, and the security forces, affirming that the nation has reached the point where respect for human life no longer exists. Church institutions have been attacked and several clergy murdered, including the Archbishop of El Salvador, Oscar Romero, who many suspect to be a victim of the extreme right. An offer to mediate made by the Salvadoran Bishop's Council has been accepted by the Junta in principle, but refused by the FDR and FMLN.

About 9000 persons have been killed in 1980. Killings and terrorist acts are the work of both leftist "Democratic Front" forces who often claims responsibility for them, and of rightist elements with whom some members of the official security organizations are associated. Sometimes the extreme right claim responsibility as was the case in the murders of the five leaders of the FDR. Both right and left wing violence is reported to have increased in the last months of the year, during which time four American Churchwomen were brutally murdered. Many persons are also murdered by non-political groups or individuals. Death squads and other rightist terrorist groups which include present or retired members of the military or police have claimed that they have murdered suspected delinquents and leftist subversives. The government has been unable to end such abuses. About 1400 enlisted men reportedly have been cashiered from the military for various abuses over the past year, but there are indications that some of these men have been recruited subsequently into rightist terrorist squads. Government forces have broken up few right-wing groups, mostly because the right does not attack the security forces. Terrorist activity and army sweeps into areas of guerrilla concentrations have produced roughly 62,000 internal refugees.

The government's efforts to control violence have included the invocation in March of a constitutional provision suspending the rights of free entry and exit from El Salvador, the right to inviolability of communications and the right freely to express and circulate opinions. The latter restriction has been limited to prohibiting political advertising by extremist groups to perpotrate kidnapping or ransom demands. Following a politically-inspired strike which blacked out much of the country for twenty-four hours in August 1980, the government declared a state of emergency which placed the workers of four semi-public companies (the electrical, water, and telephone companies and the port authority) under military control. These provisions remain in effect.

1. Respect for the Integrity of the Person, Including Freedom from:

a. Torture

Article 165, paragraph 2 of the 1952 Constitution prohibits "all kinds of torture." However, terrorists of both the right and left have used torture to gain information and to intimidate their opponents. Bodies bearing burns or numerous wounds frequently appear along the highways. Despite governmental policy against using torture, the history of the security forces suggests the involvement of some of its members in unsolved crimes of murder with torture. Some members of leftist groups who have been captured by government forces have alleged after their release that they were beaten, scarred with acid, or subjected to electric shock during interrogations.

b. Cruel, Inhuman or Degrading Treatment or Punishment

Complaints of physical punishments or brutal treatment in prisons are not commonly made against the government. Detention facilities are overcrowded and inadequate, reflecting El Salvador's low standard of living. Prisoners are allowed visits from family members and their attorneys. Delegates from the International Committee of the Red Cross (ICRC) visit detainees held in security detention

centers, military facilities or civilian jails. The ICRC also provides assistance to displaced persons.

Summary executions are common. Confrontations between the military/security forces and guerrilla bands rarely result in the taking of prisoners by either side. There are reports of military/security forces arriving in villages with lists of suspected terrorists and guerrillas and shooting those named on the spot. The radical left regularly publishes communiques claiming credit for similar executions of suspected enemies. The far left claimed that government forces were responsible for the massacres of hundreds of peasants at Rio Sumpul near the Honduran border. This allegation has been refuted by impartial observers.

Armed leftists are responsible for a large number of kidnappings for ransom and murders of government officials, diplomats, land-owners, members of a now proscribed rightist para-military group and suspected informers. The guerrilla bands' tactics of join-us-or-die have caused tens of thousands of persons to flee their homes in rural areas, as have the armed rightists' efforts to disrupt the agrarian reform program or exact vengeance on leftists. Security forces have at times supported such rightist actions. Members of the clergy, students, teachers, businessmen, and political leaders have been victims of extreme right violence.

Estimates of the number of political killings in El Salvador vary widely. In early October the Apostolic Administrator stated that 4,730 persons had died in incidents of political violence during the first nine months of 1980. This figure appeared to be accurate, but by year's end the more accepted figure was 9,000, along with claims that violence from the right and security forces was increasing in November and December.

c. Disappearances

The Apostolic Administrator also estimated that 269 persons had disappeared after last being seen in the custody of the security forces. No other figures on disappearances are available. The government has denied any connection with these disappearances.

d. Arbitrary Arrest and Imprisonment

El Salvador's judicial system does not function effectively when politically-motivated crimes are brought before it, and no serious attempts have been made to use the judiciary to control the political violence. No matter how strong the evidence against them, those of the right and left charged with crimes of violence, including leaders of terrorist groups, are regularly released by intimidated courts. The irrelevance of the judicial system has encouraged elements of the security forces to ignore it and to dispense their own brand of justice.

Under Salvadoran law, a person can be arrested and legally held without charge for up to seventy-two hours. There are now about fifty cases of persons who have been charged, but have spent months awaiting trial. Most are members of armed leftist groups arrested during raids or routine searches for arms or propaganda.

e. Denial of Fair Public Trial

The judiciary is slow and overburdened. After arraignment, long delays usually occur before trial. Trials are public

and courts are believed to operate fairly and independently in non-political cases.

F. Invasion of the Home

Forced entry is regularly practiced by terrorist groups of the right and left and by the security forces.

2. Government Policy Relating to Fulfillment of Such Vital Needs as Food, Shelter, Health Care, Employment and Education

El Salvador is a largely agricultural nation. It has a population of roughly 4.5 million living in an area 8,300 sq. miles. It faces the problems of a large semi-skilled workforce, a population density of nearly 330 persons per square kilometer of arable land, and a negative growth rate of its gross domestic product. That negative growth rate, which may reach from six to nine percent this year, spells economic hard times for a population which had a per capita GDP of only $565 in 1979 (in 1976 dollars), and is directly attributable to the political strife which has engulfed the nation since 1978. Balance of payments problems have seriously reduced the nation's international reserves. Unemployment and under-employment affect roughly 50 percent of the workforce. As the government has continued to repay old loans and found it difficult to obtain new ones, its foreign exchange position has also deteriorated -- in spite of its low level of public external debt (only 10.9 percent of GDP) and external debt service (only 3.8 percent of exports).

Historically, wealth has been concentrated in the hands of a few. Although 57 percent of El Salvador's labor force works in agriculture, until March 1980, 20 percent of the country's farmland was concentrated in 276 farms, and only 5 percent of the arable land was in the smallest 50 percent of farms. The same families which dominated agriculture also dominated banking, agricultural processing plants, insurance companies, and export concerns. The new revolutionary government attacked its economic problems and its political problems at once with a massive reform program which has undertaken to redistribute land and has nationalized the banking industry and the exporting of staple crops.

Income distribution in El Salvador has been significantly skewed toward the rich; the wealthiest 5 percent of the population accounts for 21.4 percent of national income, while the poorest half of the population receives 17.9 percent (1976 figures). Most Salvadorans live within ten kilometers of a health clinic and are relatively unthreatened by such diseases as measles, tuberculosis, and diptheria. However, health care remains a problem. Infant mortality in rural areas exceeds one in ten. Life expectancy in rural areas at birth is 54 years compared to 59 for the country as a whole. Nearly 20 percent of medically certified deaths are due to dysentary and respiratory illnesses. Approximately 25 percent of the rural populace has access to safe water, and only 17 percent has adequate means of waste disposal. Existing Ministry of Health services generally are overcrowded and poorly administered. About 67 percent of the adult population is literate, with about the same percentage of 9-15 year-olds attending schools. Current net growth rate of the population is probably around 2.6 percent (compared with a natural growth rate of 3.3 percent) due to violent deaths and increased emigration. Patterns

of migration inside the country have been dramatically altered by the violence -- with roughly 62,000 refugees displaced from their homes. The re-distribution of land by the agrarian reform might slow the movement from countryside to city slightly.

Traditionally, El Salvador has strongly supported property rights, and the agrarian reform recognizes those rights in its proposals to repay former owners and to provide titles to the beneficiaries of redistribution. Some of the larger farms are held cooperatively. The first phase of the agrarian reform has converted almost all farms of over 500 hectares into cooperatives made up of the families which worked them. Another phase grants ownership of up to 17 acres of land to each farmer who cultivated it as a tenant farmer or sharecropper. These two phases of agrarian reform are benefiting about 225,000 rural families. Due to bureaucratic delays, and the magnitude of the task, the Government has been slow to issue titles to the new owners. Lack of titles is causing problems as many families do not live on the land they farm. A third and controversial phase of the agrarian reform, dealing with the redistribution of 125 to 500 hectare farms, was to have been implemented in 1980. This phase involves the most difficult divisions of land, and is still under consideration. The reform program faces continuing problems of economic support as well as attacks from right and left. Compensation of former owners has also been slow, with the government only beginning to distribute the thirty-year bonds with which it will pay for the land.

The government entered the foreign commerce and banking sectors to lessen elitist control of the nation's credit institutions, provide sufficient local credit to fund the reforms, and to prevent massive capital flight. Although most management officials have retained their positions, the banking system is now administered by the Central Bank. Credit is rationed and concessionary credits are awarded to projects according to government objectives. Similarly, the foreign commerce sector was nationalized in order to limit imports, prevent massive manipulation of exports earnings by individuals, and control capital flows during this crucial period of reform.

The government has adopted some emergency measures to smooth the transition period and maintain employment levels. These include: public works projects, housing and construction projects, and assistance to marginal communities. Political and economic turbulence, plus an already skyrocketing government budget, has forced reductions in these program goals.

3. Respect for Civil and Political Freedoms, Including:

a. Freedom of Speech, Press, Religion and Assembly

The government invoked a constitutional provision in March which allows it to limit the free expression and circulation of opinions, but has applied the limitation specifically to prohibit ads placed by extremist groups that seek to inflame public opinion or issue terrorist demands. In practice, freedom of speech and the press are limited, not by governmental action, but by fear of retribution from rightist and leftist terrorists. The Catholic hierarchy's radio station "YSAX" has twice been destroyed by bombs. Two leftist newspapers have been bombed, and employees of each have been murdered by right wing terrorists. One was driven out of business,

but the other continues to publish in a reduced format. An editor of a rightist newspaper was badly wounded during an assassination attempt for which the left claimed credit. The activities and pronouncements of the leftist opposition groups are covered in the major newspapers as news stories.

Freedom of assembly is guaranteed by the constitution and limited only by fear of terrorism. Freedom of religion also is guaranteed and no complaints of its abridgement have been raised. Politically activist Catholic priests -- including Archbishop Oscar Romero -- and a number of protestant pastors have been assassinated by extremists. In December, four American Catholic women, three of them nuns, were murdered in El Salvador. A special Salvadoran commission is currently investigating these murders. A U.S. mission reported circumstantial evidence of possible security force involvement.

Although the government's expressed attitude toward labor unions is positive, trade unions have difficulty in operating in the midst of the violence. A number of trade union leaders were killed. Some of these were involved in leftist political activities; others were centrists or tried to remain politically neutral. Both rightists and radical leftists have been accused in these incidents. Some union leaders who have attempted to withdraw from leftist groups have been killed and others threatened, presumably by their erstwhile collaborators. A reform of the labor code which will facilitate strikes and strengthen workers' rights is under discussion. During 1980, workers concentrated more on preserving jobs in a declining economy than on expanding economic benefits. The union of workers in the state-owned electric power generation company was dissolved and its leaders arrested in August after they had blacked out most of the country for twenty-four hours in a politically motivated strike, and had staged an armed occupation of power plants.

B. Freedom of Movement Within the Country, Foreign Travel, Emigration and Repatriation

The constitutional provision which guarantees the rights freely to enter and leave El Salvador and to reside where one wishes, and prohibitions against expatriation, has been formally suspended, but with no discernible effects. In theory, freedom of movement within the country is not restricted; in practice, it is restricted by the fighting. Foreign travel and emigration are limited only by bureaucratic delays and the expense involved.

A number of opposition political leaders are currently residing outside El Salvador, but they appear to be doing so for fear of their lives, rather than the government's unwillingness to let them return. Fear of violence has also caused large numbers of Salvadorans to emigrate. There are no refugee groups from other countries currently in El Salvador. Those who have sought asylum in embassies within El Salvador-- often by force of arms-- have been allowed to depart the country freely.

c. Freedom to Participate in the Political Process

It is government policy to open the political process and to encourage the formation of political parties and groups willing to participate in it. On October 15, 1980, the government offered amnesty to its opponents and scheduled elections for a constituent assembly in 1982, and pledged to hand over power to a popularly elected government by no later than mid-1983. However, the government's

radical right and left opponents have to date refused to consider participation in a political process -- preferring to try to overwhelm the government by force.

Women have legal equality with men, but social restraints often limit their practical possibilities. They do hold some important positions in the professions, political parties, and in the government, as well as in more traditional jobs in factories, offices, schools, and homes.

4. Government Attitude and Record Regarding International and Non-governmental Investigation of Alleged Violations of Human Rights

The issue of human rights investigations in El Salvador is complicated by the participation of the local human rights organization in political activities. The Salvadoran Human Rights Commission (CDHES) has several members who represent extreme leftist groups. Its publications call for the overthrow of the present government. The political organization (FDR) which serves as public front for the leftist guerrilla groups holds press conferences at CDHES headquarters. A member of the Commission was kidnapped and assassinated by unidentified assailants in October.

The government has invited the Inter-American Commission on Human Rights to make a second visit to El Salvador. The visit is expected some time in February or March of 1981. Many representatives of human rights groups visited El Salvador during the past year and made extensive reports.

U.S.OVERSEAS -LOANS AND GRANTS- OBLIGATIONS AND LOAN AUTHORIZATIONS
(U.S.FISCAL YEARS - MILLIONS OF DOLLARS)

COUNTRY: EL SALVADOR

	1978	1979	1980
I.ECON. ASSIST.-TOTAL...	10.9	11.4	58.3
LOANS.....	5.7	4.2	40.4
GRANTS.....	5.2	7.2	17.9
A.AID	8.0	6.9	52.3
LOANS.....	5.7	4.2	37.4
GRANTS.....	2.3	2.7	14.9
(SEC.SUPP.ASSIST.)...	0.0	0.0	9.1
B.FOOD FOR PEACE.....	1.7	2.9	5.5
LOANS.....	0.0	0.0	3.0
GRANTS.....	1.7	2.9	2.5
TITLE I-TOTAL.....	0.0	0.0	3.0
REPAY. IN $-LOANS.....	0.0	0.0	3.0
PAY. IN FOR. CURR.....	0.0	0.0	0.0
TITLE II-TOTAL.....	1.7	2.9	2.5
E.RELIEF.EC.DEV & WFP.	0.6	1.3	0.5
VOL.RELIEF AGENCY.....	1.1	1.6	2.0
C.OTHER ECON. ASSIST...	1.2	1.6	0.5
LOANS.....	0.0	0.0	0.0
GRANTS.....	1.2	1.6	0.5
CONTR. TO IFI.....	0.0	0.0	0.0
PEACE CORPS.....	1.2	1.6	0.5
OTHER.....	0.0	0.0	0.0
II.MIL. ASSIST.-TOTAL...	0.0	0.0	5.9
LOANS.....	0.0	0.0	5.7
GRANTS.....	0.0	0.0	0.2
A.MAP GRANTS.....	0.0	0.0	0.0
B.CREDIT SALES-FMS....	0.0	0.0	5.7
C.INTL MIL.ED.TRNG....	0.0	0.0	0.2
D.TRAN-EXCESS STOCK...	0.0	0.0	0.0
E.OTHER GRANTS.....	0.0	0.0	0.0
III.TOTAL ECON. & MIL...	10.9	11.4	64.2
LOANS.....	5.7	4.2	46.1
GRANTS.....	5.2	7.2	18.1
OTHER US LOANS.....	0.0	0.1	0.0
EX-IM BANK LOANS.....	0.0	0.1	0.0
ALL OTHER.....	0.0	0.0	0.0

ASSISTANCE FROM INTERNATIONAL AGENCIES

	1978	1979	1980	1946-80
TOTAL.....	101.9	60.0	48.9	569.4
IBRD	32.2	23.5	0.0	214.2
IFC	0.0	0.0	0.0	1.0
IDA	0.0	0.0	0.0	25.6
IDB	69.6	29.5	48.5	301.7
AOB	0.0	0.0	0.0	0.0
AFDB	0.0	0.0	0.0	0.0
UNDP	0.1	5.6	0.4	20.9
OTHER-UN	0.0	1.4	0.0	6.0
EEC	0.0	0.0	0.0	0.0

DDD

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COUNTRY REPORTS ON HUMAN RIGHTS PRACTICES FOR 1981

REPORT

SUBMITTED TO THE

COMMITTEE ON FOREIGN AFFAIRS
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AND THE

COMMITTEE ON FOREIGN RELATIONS
U.S. SENATE

BY THE

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EL SALVADOR

Throughout 1981 the human rights situation in El Salvador remained troubled. The civil strife and endemic violence which has convulsed the country for years continued. Human rights violations were frequent, but there was a downward trend in political violence. Extreme leftist terrorists and guerrillas, right-wing death squads and some members of the government's internal security forces all had a hand in the violence. At the same time, significant strides were made by El Salvador's government in moving toward a democratic process for resolving conflicts and in implementing socio-economic reforms aimed at reducing the social causes of the present division and strife.

During the 1970's traditional authority structures in El Salvador, already eroded by social changes and development problems, came under increasing pressure from left and right-wing terrorism. On October 15, 1979, a group of military officers who sought to introduce economic and political reforms overthrew the regime of General Humberto Romero and created a civil-military coalition called the Revolutionary Governing Junta. The junta faced a fragmented society in which the political process was discredited and a considerable minority on both the right and left advocated achievement of their political goals through violence. Peaceful change suited neither those who believed that one more push would destroy the army nor those who opposed all reforms. The extreme left staged violent disturbances and continued its campaign of terrorism. At the opposite extreme, rightists conspired to mount a countercoup to prevent reforms. Opponents of change increasingly resorted to private death squads and vigilante bands. The junta gradually disintegrated. Its civilian members, unable to act effectively and frustrated by their inability to agree on promised reforms, resigned after ten weeks. The military members of the junta then reached an agreement with the Christian Democratic Party to form a new government. Despite several internal changes in its composition, this second junta has remained in power and has committed itself to a free electoral process. Constituent assembly elections are scheduled to be held in March 1982 and presidential elections in 1983.

In spite of coup threats from the extreme right, intensified guerrilla warfare from the radical left and terrorism from both sides, the second junta undertook a far-reaching socio-economic reform program in March 1980. Most significant is agrarian reform. Under Phase I of this reform, the Salvadoran Agrarian Reform Institute expropriated land holdings exceeding 500 hectares, organized those holdings into peasant cooperatives and began the process of transferring complete ownership to the cooperative members. Under decree 207 relating to the agrarian reform, tenants and sharecroppers can claim title to the lands they have traditionally rented. The other reforms include nationalization of the banking system and of the export of coffee and sugar, El Salvador's most important foreign exchange earners.

Alarmed by these reforms, the extreme right reasserted its intention to bring down the government and re-establish the old order through armed violence -- violence in which some security forces personnel participated in contravention of government and military regulations. The extreme left also rejected the reforms and declared its intention to seize power from the centrist junta through violence. Leftist

revolutionaries, supported by Cuba, created the Farabundo Marti Liberation Front (FMLN). The political front groups associated with the revolutionaries joined several non-Marxist-Leninist organizations to form the Democratic Revolutionary Front (FDR). The combined political-guerrilla movement, the FMLN-FDR, has employed a mix of terrorism, sabotage, political agitation and disinformation to demoralize and discredit the government. In contrast to the government's efforts to control violence, the FMLN-FDR openly espoused the use of violence to achieve political ends and in a radio broadcast claimed responsibility for 2,083 casualties and 378 acts of sabotage and explosions from June to December 1981.

By late 1981, the rightist threat to the government had abated but not disappeared. The extreme left, on the other hand, has intensified its efforts to undermine the government through guerrilla warfare supported by Cuba and Nicaragua. The left's actions have helped perpetuate the vicious cycle of provocation, outrage and revenge. Contending forces of the extreme right and left cause a daily toll of murders and assassinations throughout the country.

The Catholic Church has condemned the violence of leftist and rightist extremists and the excesses of security forces personnel. It has called for a dialogue among the contending parties to resolve the conflict. Church institutions have been attacked by both the right and the left. Threats against the clergy have forced a number of them, including the Maryknoll Community, to flee the country.

The government has taken steps to curb abuses by the security forces: The paramilitary organization "ORDEN" has been outlawed. A military code of conduct was adopted in October 1980 explicitly prohibiting any actions by military personnel injurious to human rights. The high command has repeatedly exhorted the officer corps to ensure that all soldiers adhere to the code of conduct. A number of officers sympathetic to the violent right have been removed from command positions. Six members of the National Guard suspected of murdering four American churchwomen in December 1980 are under detention pending the results of the investigation of this crime.

Statistics on numbers of people killed as a result of El Salvador's current political violence are difficult to obtain and are unreliable. Available figures are useful principally to set trend lines. Two Salvadoran institutions, the Legal Aid Office which identifies itself with the Archbishopric, and the staff of the Central American University (UCA), maintain statistics on the number of persons murdered. Both institutions are sympathetic to anti-government forces. Their statistics often have a monthly variance numbering in the hundreds. The United States Embassy in San Salvador maintains its own count of deaths attributable to political violence, gleaned primarily from press reports. According to the embassy's count, there were 6,116 violent deaths during the twelve-month period ending January 1, 1982. The embassy's figures also show a decline in average monthly totals from around 800 per month in late 1980 and in the beginning of 1981 to 200-400 per month at the end of the year. Some Church sources claim that perhaps twice as many non-combatants have been killed.

In only a small percentage of political murders is it possible to determine who or which group bears responsibility. In most cases, no organization has sufficient information about the sources of violence to support specific allocations