NATIONAL SECURITY COUNCIL

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February 2, 1982

MEMORANDUM FOR ROGER FONTAINE CHRIS SHOEMAKER HENRY NAU

->BOB KIMMITT

FROM:

DICK CHILDRESS

SUBJECT:

Guatemala

As we move ahead on our approach to Latin America, we need to consciously address the unique problems posed by Guatemala. Possessed of one of the worst human rights records in the region, combined with its regionally strategic geographic position as a land bridge state connecting Mexico and the remainder of Central America, it creates a policy dilemma for us.

The abysmal human rights record makes it, in its present form, unworthy of USG support. In addition, any linking of our current efforts to aid the other states of Central America carries the inherent danger of sinking the whole program as the Guatemala component would become a "lightning rod" to attract our most vocal opponents.

Their recent exclusion from the Central American Democratic Grouping has hit them hard, and if the Grant Aid supplemental of \$50 million for the regional states excludes Guatemala (as planned), it could be the impetus for a downward and irreversible collapse. Beset by a continuous insurgency for at least 15 years, the current leadership is completely committed to a ruthless and unyielding program of suppression. Hardly a soldier could be found that has not killed a "guerrilla." In addition they are faced with worsening economic problems, mounting criticism over official corruption, and growing uneasiness over the prospect of another in a string of military Presidents after the March 7 elections. Given this psychology, a perception of purposeful isolation by the USG and the more democratic regional states as we move forward can cause the flight of capital, then the leadership and finally a collapse. The vacuum created by such chaos would inevitably be filled by a long-suppressed and bitter radical movement -- pro-Cuban, pro-Soviet and anti-American. Would cut the Central American land bridge in half and provide a haven for the export of insurgent activity into Southern Mexico, Honduras and Guatemala.

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Do we have any options? We may have, but they are of a damage-limiting nature. To prevent a public undercutting of Guatemala with our supplemental submission, we could consider the following courses of action or variants thereof.

Submit Guatemala as a separate country submission. Such a tactic removes the danger that Guatemala would sink the whole regional package; implicitly signal to the Congress that we recognize Guatemala as a unique case; explicitly signal Guatemala that we made some gesture, but their record prevents us from including them with their neighbors. We would go into this knowing full well that it would be defeated.

Submit Honduras-El Salvador together, and submit Guatemala with the remainder of the countries. Such an approach prioritizes our effort towards the key states; attempts to submerge Guatemala into the less critical group thus limiting damage if Congress disapproves the Guatemala package.

Submit all states including Guatemala, but privately signal the Congress that we would not fight removal of Guatemala. Option signals Guatemala of a positive concern for security, but continued human rights record of past without reform makes it impossible for us to secure help from Congress.

Submit current plan, inform Guatemala that we must exclude them and lay down actions needed before we can go to the Congress. Option lessens Congressional opposition, applies forceful leverage, but would still result in a public isolation.

Obviously, there are other ways to proceed. Intent of this paper is to sensitize us. Our focus to get the larger effort through can create conditions that enhance the probability of the demise of Guatemala. Such a result needs to be considered and a conscious policy decision made vice one of bureaucratic expedience.

Appreciate your thoughts.

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