Following the signing of the bipartisan accord, Secretary of State James Baker declared that the military approach in Nicaragua had failed and announced that the US would pursue a political settlement through a policy of carrots and sticks. The promised carrots and sticks never appeared. The administration infuriated avid Contra supporters when it failed to prevent or even denounce an August 1989 agreement among the five Central American presidents that called for the dismantling of the Contras by early December. The administration subsequently declined to veto a UN Security Council decision to establish a mission to oversee the Contra demobilization.

At the same time, however, Washington passed over several opportunities to disentangle itself from the Contra policy. The Sandinistas, for example, committed themselves in December 1989 to provide conditions for the Contras to return home. The US never sought to test that commitment by encouraging the Contra forces to attempt to repatriate. Instead, US aid flowed unabated to the Contras in Honduras givin them every incentive to remain where they were.

Washington was holding its breath, waiting to see whether the Sandinistas would keep their pledge to hold fair presidential elections. The hope was that the opposition, headed by Violeta Barrios de Chamorro, would come out on top - providing an instant solution to the United States' Nicaraguan problem. The opposition did win. But, at the time, it was not the only, or even the most probable, scenario. Prior to the elections, the US was silent on whether it would respect a fair electoral victory by the Sandinistas and whether it would lift economic sanctions and help demobilize the Contras following such an outcome. Now those questions are all moot.

Only after the Sandinistas were clearly moving to turn over power did the US administration turn significant attention to Central America's most brutal conflict – the civil war in El Salvador. In late March, Secretary Baker began efforts to develop a bipartisan accord with Congress on future US policy in El Salvador. The timing was propitious – a few weeks before UN Secretary-General Pérez de Cuellar announced that the warring parties – the government of El Salvador and the Farabundo Marti National Liberation Front (FMLN) guerrillas – had agreed to UN-mediated peace negotiations.

THE BUSH ADMINISTRATION HAD INHERITED A POLICY IN EL SALVADOR that was more nuanced than that for Nicaragua. The Reagan White House, after some prodding from Congress, also addressed the political dimensions of the struggle. The US sought to build a political centre in El Salvador; to encourage economic and social reforms; and to bring an end to widespread political killings and other abuses of human rights.

By the end of Reagan's term these aims were largely frustrated – and the situation further deteriorated through 1989. The US-backed centrist government of José Napoleon Duarte was swept out of office by the right-wing Arena party in presidential elections; human rights violations escalated; and the war with the guerrillas became even more violent.

The extent of the deterioration was starkly revealed by the massive offensive launched by the guerrillas in October. With simultaneous attacks in all of El Salvador's major cities the FMLN demonstrated a military capacity that exceeded even the best-informed estimates. Salvador's armed forces could no longer credibly claim that the guerrilla army was close to defeat. Whatever illusions the Salvadoran government had that it could control the military were shattered, first, by the army's brutal response to the FMLN offensive – which was carried out without real consultation with the elected authorities – and then by the cold-blooded murder of six Jesuit priests by members of a US-trained battalion.

What became clear was that US policy had been based on a patently false assumption – that steady, albeit slow, progress was being made. The war was stalemated; Salvadoran politics were not becoming more democratic or more decent. After ten years of deep involvement and an investment of more than \$4 billion, US policy had been stymied.

FROM THE START, THE BUSH ADMINISTRATION SEEMED LESS INTENT THAN its predecessor on defeating the FMLN guerrillas militarily and more open to the alternative of a negotiated settlement. But the administration never really decided which of these objectives it was pursuing, nor defined a strategy which could have achieved either one. The White House never tried to use its leverage – \$400 million a year in aid – to induce the Salvadoran government and army to work toward a settlement.

Since the guerrilla offensive and the slaying of the Jesuits, the administration and Congress have squabbled over aid to El Salvador. James Baker's efforts to seek an accord with Congress may have coincided

with de Cuellar's initiative to get the parties to the negotiating table, but it was mainly a response to growing Congressional resistance to sustaining past Salvadoran aid levels. It may finally have become clear that the US cannot indefinitely provide large-scale assistance to a Salvadoran government and army that can neither defeat the guerrillas nor control systematic human rights abuses by its partisans.

The evolution of US policy since Bush took office has, in part, reflected the declining significance of Central America in Washington's calculations. With the warming of East-West relations and the crumbling of communist regimes, the

struggle against revolutionary Marxism and Soviet bloc influence in the Americas has lost most of its relevance.

Not wishing to confront the political risks of an activist policy in a region of secondary importance, the Bush administration sought to lower the profile of Central America in US politics, and, in the process, also lowered the US profile in Central America. As Washington diminished its engagement in the region, aside from Panama, the space widened for other actors: the Central American presidents, other Latin American leaders, the UN, and the OAS. All have played critical roles in Nicaragua and they are now weighing in in El Salvador. The crucial lesson may be that US foreign policy interests can, at least in some circumstances, be best advanced by reducing the intensity of the United States' direct involvement and by relying more on multilateral approaches.

Central America's problems are, of course, still a long way from resolution. The current negotiations in El Salvador may prove as fruitless as previous rounds of talks. The new US-backed governments of Nicaragua and Panama face immense problems: neither country has any tradition of democratic rule; their governing institutions are weak; and authority in the two countries is wielded by fragile coalitions bound together mainly by their opposition to the regimes they replaced. Moreover, both their economies are moribund and desperately poor. Two other countries in the region, Guatemala and Honduras, are in comparably difficult straits.

It is early – and unseemly – for the Bush administration to celebrate success in Central America. The countries and people of the region, after all, are still suffering the devastating effects of more than a decade of warfare in which the US was heavily involved. Even if, and when, the wars are halted, Central America's tragedy will not be over. Only if the US and the rest of the international community are willing to invest as much in economic reconstruction as they have in armed conflict does the region have a chance for a better future.

