



Department of State
CONFIDENTIAL

INCOMING
TELEGRAM

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MANAGU 03096 110034Z

A NEW GN CHIEF DIRECTOR WOULD SHOW EVERYONE THAT SOMOZA WAS PLANNING TO LEAVE AND COULD CHANGE THE POLITICAL ATMOSPHERE.

4. WE ASSURED HIM THAT NEGOTIATED SETTLEMENT REMAINED A STRONG POSSIBILITY, AND THAT WE, AND OTHERS, WERE WORKING HARD TO ACHIEVE SUCH A PEACEFUL RESOLUTION. HE APPEARED SOOTHED BUT UNCONVINCED, STATING THAT "ONCE MANAGUA COMES UNDER ATTACK, THERE WILL BE NO GROUND LEFT TO NEGOTIATE."

5. CALERO'S ATTITUDE IS REPRESENTATIVE OF THE DOOMSDAY VIEW WE GET FROM MOST MODERATES IN THE CAPITAL.
PEZZULLO

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