



A production of H-Diplo with the journals *Security Studies*, *International Security*, *Journal of Strategic Studies*, and the International Studies Association's Security Studies Section (ISSF).

issforum.org

H-Diplo/ISSF Editors: **Seth Offenbach and Diane Labrosse**

H-Diplo/ISSF Web and Production Editor: **George Fujii**

Commissioned for H-Diplo/ISSF by **Seth Offenbach**

Walter C. Ladwig III. "Influencing Clients in Counterinsurgency: U.S. Involvement in El Salvador's Civil War, 1979-1992." *International Security* 41:1 (Summer 2016): 99-146. DOI: https://doi.org/10.1162/ISEC_a_00251

Review by **David H. Ucko**, National Defense University

Published by ISSF on 10 February 2017

tiny.cc/ISSF-AR69

<https://issforum.org/articlereviews/69-el-salvador>

<https://issforum.org/ISSF/PDF/ISSF-AR69.pdf>

El Salvador's civil war claimed 75,000 lives, lasted 12 years, and devastated the country in ways felt to this day. Even so, U.S. counterinsurgency scholars often point to El Salvador as a success story and source of lessons for wars to come. Through military and economic aid, and the deployment of 55 advisers to assist with the counterinsurgency effort, the United States helped the San Salvador regime survive the onslaught of the Farabundo Marti National Liberation Front (FMLN) in the early 1980s, undergo a process of democratization, reform, and military professionalization, and navigate eventual peace talks, leading to a resolution of the conflict in 1992. To many, the fact that FMLN's armed revolution failed, that the peace held, and that the regime survived, and better yet democratized, without the United States ever engaging directly in combat, provides a tantalizing illustration of what Washington could achieve, again with limited effort, in other insurgency-threatened parts of the world.

If American commentary on El Salvador's counterinsurgency often downplays the dislocation it caused—yearly homicide rates in the 1990s, and even today, exceed those during the war—it also tends to ignore the deep frustrations felt by the United States at the time. As Walter C. Ladwig III demonstrates in his article “Influencing Clients in Counterinsurgency: U.S. Involvement in El Salvador's Civil War, 1979-1992,” the United States struggled to persuade its proxy in San Salvador to follow its advice. Whereas American offers of aid and assistance were warmly welcomed, guidance on how to do things differently often fell on deaf ears.

Simply put, interests in San Salvador did not always match those in Washington DC and, more often than not, local preferences won out.

In this regard, El Salvador is far from unique. As America's experiences in Afghanistan and Iraq bear out, proxy governments tend to have a different set of priorities to their sponsor, and the consequences of such divergence can be devastating for counterinsurgency efforts. For this reason, and with El Salvador in mind, Ladwig's article investigates how a sponsor such as the United States can better achieve influence over its proxies, to produce more coherent and rational policy. Specifically, by coding U.S. inputs either as *inducements* (unconditional assistance offered to generate leverage through goodwill) or as *conditionality* (assistance offered in exchange for specific changes in behaviour), Ladwig seeks to derive conclusions about the relative effectiveness of either approach.

Along with secondary-source analysis of Salvadoran policy, much of Ladwig's evidence consists of declassified senior-level communications among U.S. officials, drawn from the Central Intelligence Agency's FOIA Electronic Reading Room and George Washington University's Digital National Security Archive. Thus equipped, Ladwig constructs sixteen discrete "patron-client influence episodes" (140) during the war, which when studied reveal conditionality as consistently more effective than inducements in getting San Salvador to accept U.S. demands. When the United States offered *cartes blanches* in the hope of turning goodwill into influence, it often found cooperation on more sensitive fronts to be limited or short-lived. Conversely, when Washington made military assistance conditional on San Salvador's prosecution of death-squad leaders, or enactment of land reform, or engagement in peace negotiations, it found that recalcitrant factions within the Salvadoran elite would accept compromise and accommodation on a *quid pro quo* basis. Importantly, Ladwig adds, for conditionality to work, the desired "policy outcomes should be as unambiguous as possible, with easily measurable metrics and clear deadlines for compliance" (145). Also important is that the proxy is persuaded of the sponsor's commitment to conditionality and does not call bluff.

Ladwig's analysis is compelling. He has dug deep into the sixteen episodes of the study, uncovered the behind-the-scenes thinking of key policymakers of the time, and demonstrates a deep understanding of the case itself. It is therefore doubly difficult to argue with his conclusion that conditionality is more effective than inducements at generating leverage—first because Ladwig has quite clearly done his homework, and, second, because the conclusion itself seems rather obvious, not least to any student of America's diplomatic failure in Iraq or Afghanistan, or even Israel. In all cases, the fear of alienating and/or weakening an ally by threatening to withdraw support has had the unwanted effect of eroding U.S. leverage over these countries' decision-making and policies. This is not in any way surprising: even between parents and children, or bosses and employees, it is easy to see that without some form of conditionality the ostensibly weaker party can quickly become the tail that wags the dog.

If the primary conclusion drawn from Ladwig's study is somewhat self-evident, the policy implications are far from clear. Indeed, the art of communicating via inducement and sanction, to signal through punishment and reward, remains as nebulous and complex as ever. Political scientists often seek to reduce policy options to a narrow set of possibilities that can then be coded and compared to generate neat findings. Reality, of course, is rarely so accommodating.

For starters, the principal-agent dilemma affecting the U.S. and El Salvador governments is compounded by El Salvador's own principal-agent problem, involving its government and its military. Much as Washington sought to achieve leverage over the El Salvador government, politicians in San Salvador struggled to control

the country's armed forces. Influence was more forthcoming during the presidency of Alfredo Cristiani, but during the junta, and also under the leadership of Napoleón Duarte, the military acted independently and often resisted or even subverted government preferences. Thus, what is at times presented as a binary relation involving two discrete policy choices really featured a multitude of more or less powerful actors. As Ladwig acknowledges, Duarte faced resistance even within the Salvadoran congress, resulting in more fissiparous and overall unpredictable policy-making. It therefore becomes quite difficult to discern causality between U.S. inputs, whether driven by conditionality or inducement, and ultimate expressions of policy in El Salvador, as the latter reflects a jostling of competing structures along with a host of unrelated factors.

The waters are further muddied by the divergence in interests and messaging just within the U.S. government, mainly between Congress and the executive. For many important moments during the El Salvadoran war, these bodies did not speak with one voice. Indeed, during the Ronald Reagan years, the White House would typically resist congressional attempts at conditionality, producing mixed messages for America's El Salvadoran interlocutors. For a large bureaucracy with separated powers and in-built checks and balances, producing a clear and credible signal, be it one of conditionality or inducement, quickly becomes a highly challenging proposition.

The ambiguity does not end here. As Ladwig illustrates in relation to some of the sixteen episodes of his study, American leaders often clashed on how to interpret or measure Salvadoran compliance. In El Salvador, opinions also differed as to how much was needed to satisfy US conditions, resulting in misunderstanding. Psychology, perception, and friction produce a fog, not of war perhaps, but of diplomacy, which can be equally debilitating to rational decision-making. Added distortion is introduced by the creation of precedents, as any past failure of the United States to follow through on conditionality would greatly undermine its ability to use the same method to build leverage down the line (a point Ladwig alludes to—see 125). In other words, it is doubtful whether the episodes identified by Ladwig can rightly be considered or analysed in isolation, as each is a product of a relationship built up over time, with scope and meaning shaped by past actions and reactions.

Given this emphasis on relationships, much also comes down to changes in leadership, both in El Salvador and the United States, as these resets will introduce new expectations, policy preferences, and levels of trust. Ladwig hints at this point when he remarks upon Reagan's scuppering of Carter's conditionality regime (119). Similarly, other studies, including my own, have found a marked discontinuity in U.S. policy toward El Salvador between the Reagan and George H. W. Bush administrations, with the latter being far more willing, mainly due to the Cold War's passing, to pressure its proxy toward a negotiated resolution of the conflict.¹ The point is that communication, even when expressed via policy, is framed by a relationship that gives it meaning, and that relationship is itself dynamic. This continuous shaping effect of the past on the present, and the future, makes it at best difficult to separate specific incidents for isolated analysis.

There is a further reason why U.S.-Salvadoran relations during the war cannot be neatly packaged into "two strategies for using aid to influence the local government: inducement and conditionality" (139). As Ladwig acknowledges, U.S. assistance was split between economic and military aid, and a separate set of concerns

¹ Mark Peceny and William D. Stanley. "Counterinsurgency in El Salvador," *Politics & Society* 38:1 (2010), 84. See also David H. Ucko, "Counterinsurgency in El Salvador: the lessons and limits of the indirect approach," *Small Wars & Insurgencies* 24:4 (2013), 669-695.

informed the trajectory of each. During the final years of the conflict, for example, military aid was conditioned on San Salvador's commitment to human rights and continued negotiations with FMLN, but economic aid continued apace to keep the government in business. In other words, the government used both inducement and conditionality all at once. The situation becomes more complex, as the United States added a mechanism that would restore military aid in case of FMLN transgressions. Thus, when FMLN downed a U.S. helicopter in 1991, American military aid was restored, which emboldened El Salvador's Armed Forces (ESAF) to crack down hard on the rebels – to the point of endangering the ongoing negotiations.² Through its aid levels, the United States was effectively communicating with the El Salvadoran government, its military, and FMLN all at once, making it very difficult to code overall U.S. policy as a binary choice between inducement and conditionality vis-à-vis one rational actor. Who, in this instance, was punished, who was rewarded, and to what effect?

There is a final dimension to this business of principal-agent relations, namely the thinly veiled presumption that the principal knows best. The problem at hand tends to be how to get the agent, or the proxy, to do what the sponsor, in its wisdom and strength, knows to be right. This underlying assumption, seldom articulated but colouring the debate, requires closer scrutiny. Though the U.S. aims of checking the death squads, professionalizing the El Salvadoran military, or engaging in land reform all seem undeniably appropriate, the question left unanswered is whether America's political interlocutors in El Salvador had, at any given time, the power and position to undergo these measures, even with the right conditionality in place, and what their strategic and possibly destabilizing effects might have been. When principal and agent interests do not align, it is sometimes because the local actors are more intimately familiar with local balances of power and what the political market will bear. The question that should accompany any study of principal-agent relations is therefore not just how the former can achieve influence over the latter, but what such influence will achieve in strategic and political terms.

An example from El Salvador demonstrates the point. Ladwig details how in 1984, the United States Agency for International Development (USAID), in an effort to develop the El Salvadoran economy, pushed the government in San Salvador to adopt various austerity measures. As a result of 'successful' U.S. conditionality, "despite these measures' significant unpopularity, the Salvadoran government had little choice but to comply" (132). Yet while this moment may register as an effective use of conditionality, it imposed measures ill-suited to the fragile nature of the Salvadoran economy at the time—measures that brought thousands of citizens out on the street in protest against the regime. Economic conditions worsened, and the economy grew by just "1 percent between 1984 and 1989" (133).

Toward the end of the conflict, the Bretton Woods institutions once more put the country's economy through the electroshock therapy of structural adjustment, which, rather than creating opportunities through trickle-down economics, instead widened the cleavages in a country already marked by dramatic economic and social polarization. Thus, while El Salvador's GDP increased threefold between 1986 and 1994, regionally the country trailed the UN's Human Development Index and poverty levels actually rose from

² Terry L. Karl, "El Salvador's Negotiated Revolution," *Foreign Affairs* 71:2 (Spring 1992), 157.

47% to 51% in 1989–2004.³ The point here, as elsewhere, is that the principal does not always know best, something that should give pause as we explore new methods for principals to get their way.

Ladwig's work provides invaluable and original analysis of the respective effects of inducement versus conditionality in achieving American leverage over the El Salvadoran government. The biggest strengths of the article are its archival work and its investigation of intra-case discontinuities. The analysis benefits from a sound structure, clear writing, and the author's sensitivity to the political and military dynamics of the war. One may regret that out of sixteen supposedly independent 'episodes,' only three are examples of inducement—does this skewed selection allow for a fair comparison with conditionality? Still, even a broader sample space would likely have produced the same finding, namely that conditionality is the more effective method for generating leverage. Indeed, it is a finding that is largely uncontroversial, though it does raise important questions about how the United States, or other sponsors, might position themselves better vis-à-vis their proxies in the wars of today and tomorrow.

David H. Ucko, Ph.D., is an associate professor at the College of International Security Affairs at the National Defense University in Washington DC. He is the author of *Counterinsurgency in Crisis* (Columbia University Press, 2013), *The New Counterinsurgency Era* (Georgetown University Press, 2009), and co-editor of *Reintegrating Armed Groups after Conflict* (Routledge, 2009).

Copyright ©2017 The Authors.

This work is licensed under a [Creative Commons Attribution-NonCommercial-NoDerivs 3.0 United States License](https://creativecommons.org/licenses/by-nc-nd/3.0/)

³ Charles T Call. "Assessing El Salvador's Transition from Civil War to Peace," in Stephen John Stedman, Donald Rothchild, and Elizabeth Cousens, eds. *Ending Civil Wars: the Implementation of Peace Agreements* (Boulder: Lynne Rienner, 2002), 411; Clare Ribando Seelke, *El Salvador: Political, Economic, and Social Conditions and U.S. Relations*, CRS Report for Congress, RS21655 (Washington, DC: Congressional Research Service, 18 November 2008), 3.