

Pol 7 LA Summit

TELEGRAM

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INCOMING RIO DE JANEIRO

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INFO

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DCM FM AMEMBASSY SAN JOSE

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ECON INFO RUEBG/AMEMBASSY BOGOTA 08

POL/R RUESUA/AMEMBASSY BRASILIA 01

ADDP RUESBA/AMEMBASSY BUENOS AIRES 15

BRAS RUESGT/AMEMBASSY GUAEMALA 206

RDG RUESLM/AMEMBASSY LIMA 07

FILE RUESTO/AMEMBASSY MEXI

RUESVA/AMEMBASSY PANAMA 79

RUESQI/AMEMBASSY QUITO 09

RUESAL/AMEMBASSY SANSALVADOR 88

RUESNA/AMEMBASSY SANTIAGO 10

RUESSD/AMEMBASSY SANTODOMINGO 15

RUESTE/AMEMBASSY TEGUCIGALPA 79

RUESMG/AMEMBASSY MANAGUA 107

RUESDO/AMEMBASSY MONTEVIDEO 02

RUESPR/AMEMBASSY PORTOAUPRINCE 01

RUESUA/AMEMBASSY RIODEJANEIRO 05

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RUESRS/AMEMBASSY CARACAS 04

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AMERICAN EMBASSY
BRASILIA, BRAZIL

SUBJ: LINOWITZ CONVERSATIONS WITH CENTRAL AMERICAN
FOREIGN MINISTERS ON SUMMIT

1. LINOWITZ MET TWICE WITH CENTRAL AMERICAN FONMINS AND
PANAMANIAN FOREIGN MINISTER ELETA WHILE IN SAN JOSE, ONCE
WITH PRESIDENT TREJOS, ONCE WITH CENTRAL AMERICAN COMMON
MARKET OFFICIALS.

2. IN FIRST INFORMAL MEETING WITH FOREIGN MINISTERS, AFTER
DINNER NOV 22, ELETA ARGUED: (A) THAT U.S. WAS TREATING
LATIN AMERICA "PATERNALISTICALLY;" (B) THAT THERE SHOULD BE
GRADUATED INCOME TAX ON DEVELOPED COUNTRIES, PROCEEDS OF
WHICH WOULD BE DISTRIBUTED, IN CASE OF LATIN AMERICA, THROUGH
MULTI-LATERAL INSTITUTION SUCH AS IDB; (C) THAT THUS DIGNITY
OF RECIPIENT COUNTRIES WOULD BE PRESERVED AND THEY WOULD MORE
READILY UNDERTAKE SELF-HELP MEASURE; AND (D) THAT LATIN
AMERICAN COUNTRIES SHOULD GET TOGETHER AMONG THEMSELVES
WITHOUT THE UNITED STATES PRESENT TO DECIDE THEIR SUMMIT
POSITION.

3. LINOWITZ SAID U.S. NOT TREATING LATIN AMERICANS PATERNALIS-

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TICALLY, WE VERY MUCH CONCERNED THAT THERE BE MORE RAPID ECONOMIC AND SOCIAL PROGRESS IN ORDER INCREASE STRENGTH AND INDEPENDENCE OF LATIN AMERICAN COUNTRIES, WE WANTED MAXIMUM PARTICIPATION BY THE LATIN AMERICANS IN SUMMIT PREPARATIONS, AND IN THIS CONNECTION WE HAD SOUGHT AND WERE CONTINUING SEEK THEIR IDEAS. WE WANTED VERY MUCH KNOW WHAT THEY WANTED.

4. ELETA SAID THIS PUT VERY DIFFERENT LIGHT ON SUBJECT, AND REPEATED HIS THESIS THAT LATIN AMERICAN COUNTRIES SHOULD GET TOGETHER WITHOUT U.S. TO DECIDE THEIR POSITION.

5. COSTA RICAN FOREIGN MINISTER LARA THEN TOLD ELETA HE DID NOT THINK U.S. POSITION HAS CHANGED AT ALL. RATHER HE THOUGHT IT HAD ALWAYS BEEN AS LINOWITZ HAD STATED IT. MOREOVER HE THOUGHT ALL MEMBERS OF ALLIANCE, INCLUDING U.S. SHOULD MEET TOGETHER TO DECIDE ON SUMMIT AGENDA. AFTER SOME FURTHER DISCUSSION, ELETA MODIFIED HIS POSITION TO SAY LATIN AMERICAN COUNTRIES SHOULD MEET ALONE FIRST AND THEN WITH U.S.

6. SECOND MEETING WITH FOREIGN MINISTERS, ON MORNING OF 23RD, MUCH MORE POSITIVE AND CONSTRUCTIVE. FOREIGN MINISTERS SHOWED THEY HAD DONE MORE USEFUL THINKING ABOUT SUMMIT THAN THEY HAD PREVIOUSLY INDICATED OR WE EXPECTED. THEY OBVIOUSLY HAD STUDIED U.S. POSITION CAREFULLY AND DISCUSSED IT AMONG THEMSELVES. THEY MADE NUMBER OF MEANINGFUL SUGGESTIONS.

7. LINOWITZ OPENED MEETING BY EMPHASIZING IMPORTANCE OF SUCCESSFUL SUMMIT (SAYING WOULD BE BETTER NOT TO HAVE IT THAN TO HAVE UNSUCCESSFUL MEETING), STRESSING WE WANTED WORK CLOSELY AND COOPERATIVELY WITH LATIN AMERICANS TO DECIDE ON ACTIONS MOST LIKELY MAKE SUMMIT SUCCESSFUL, BRIEFLY REVIEWING U.S. IDEAS, AND ASKING FOREIGN MINISTERS GIVE HIM THEIR FULL AND FRANK THOUGHTS.

8. COSTA RICAN FOREIGN MINISTER RESPONDED THAT AFTER HEARING LINOWITZ PRESENTATION HE WAS SURE SUMMIT WOULD BE SUCCESSFUL AND WOULD YIELD POSITIVE RESULTS UNDER BOTH INTEGRATION AND ALLIANCE ITEMS. HE LATER PROVIDED COPY OF LIST OF SUMMIT ITEMS COSTA RICA HAD DRAFTED ON FURTHER DISCUSSION WITH THE FOREIGN MINISTERS THAT AFTERNOON IN THE HOPE THAT COMBINED PRESENTATION COULD BE MADE TO PREPCO.

9. GUATEMALAN SAID FUNDAMENTAL PROBLEM WAS THAT ALLIANCE DID NOT GET TO PEOPLE ENOUGH AND WAS THOUGHT OF TOO MUCH IN LATIN AMERICA AS PURELY U.S. EFFORT. HE PROPOSED BROADENED AND STRENGTHENED NATIONAL ALLIANCE ALLIANCE FOR PROGRESS COMMISSIONS WHICH MIGHT HAVE SOME OPERATIONAL RESPONSIBILITIES, AND WOULD HAVE REPRESENTATION FROM LOWER CLASSES, AND WOULD THUS BRING ALLIANCE MORE TO PEOPLE AND MAKE THE PEOPLE UNDERSTAND IT AS A MULTILATERAL EFFORT. U.S. REPRESENTATIVES RELATED THIS IDEA TO TITLE IX FOREIGN ASSISTANCE ACT AND EXPERIENCE IN COMMUNITY DEVELOPMENT IN SOME COUNTRIES. COSTA RICAN CITED HIS COUNTRY'S EXPERIENCE AND SAID PRESIDENT TREJOS WAS PLANNING ESTABLISH MINISTRY OF COMMUNITY DEVELOPMENT.

10. PANAMANIAN AND GUATEMALAN SAID CENTRAL AMERICA AND PANAMA

WERE THINKING OF "UMBRELLA" TYPE APPROACH TO INTEGRATION UNDER WHICH THERE WOULD BE INTEGRATION RELATIONSHIPS OF TYPE YET TO BE WORKED OUT AMONG ALL LATIN AMERICAN COUNTRIES BUT INDIVIDUAL GROUPS SUCH AS CACM AND LITTLE SUMMIT INTERMEDIATE GROUPING COULD MOVE FASTER THAN OTHERS IF THEY WISHED. THEY SAID CASTILLO HAD AUTHORITY IN PRINCIPLE TO SPEAK FOR ALL FOREIGN MINISTERS ON THIS SUBJECT WHILE IN WASHINGTON. LATER, SIECA SECRETARY GENERAL CASTILLO SAID HE HAD AUTHORITY TO SPEAK FREELY ON LONG LINES. HE HAD DISCUSSED WITH FOREIGN MINISTERS BUT WAS NOT SURE HOW FIRM FOREIGN MINISTERS' BACKING WOULD BE IN LONG RUN.)

11. PANAMANIAN ALSO SAID FOREIGN MINISTERS WERE THINKING OF PROPOSING INVESTMENT CODE WHICH WOULD SET RULES OF GAME FOR FUTURE.

12. SALVADORAN PROPOSED NATURAL RESOURCES AS SUMMIT ITEM. DID NOT ELABORATE EXCEPT SAY BRIEFLY IS THINKING OF REGIONAL FISHING CONSORTIUM. LATER, BANK MANAGER GUERRERO ALSO MENTIONED REGIONAL REFORESTATION AND MINERALS DEVELOPMENT AND PRECESSINGJV

QEM GUATEMALAN TOOK OCCASION OF MEETING TO EXPRESS ESPECIAL GRATIFICATION OVER WORK OF ASSISTANT SECRETARY GORDON.

14. IN SEPARATE MEETING, PRESIDENT TREJOS SAID HE HAD STUDIED MEMORANDUM ON U.S. POSITION EMBASSY LEFT WITH FOREIGN MINISTRY, FOUND IT INTERESTING, AND WAS PARTICULARLY FAVORABLY IMPRESSED BY EMPHASIS ON EDUCATION, AGRICULTURE AND PRIVATE INVESTMENT. HE ALSO SAID CENTRAL AMERICA WAS IRREVOCABLY ON INTEGRATION ROAD, IT CAUSING SOME PROBLEMS, BUT BENEFITS WOULD BE REALIZED SOON.

15. FOREIGN MINISTERS HAVE OBVIOUSLY SPENT LOT OF TIME DISCUSSING ATTENDANCE AT LAFTA MEETING IN MONTEVIDEO. THEY STARTED OUT WITH CONCERN THAT ASSOCIATION WITH LAFTA MIGHT SLOW THEIR INTEGRATION MOVEMENT AND WITH NATURAL FEAR OF ECONOMIC STRENGTH OF BIGGER COUNTRIES. THEY ALSO HAD SOME FEELING LAFTA REPRESENTATIVES SHOULD VISIT THEM FIRST. LINOWITZ THOLD THEM AND PRESIDENT TREJOS HE FULLY UNDERSTOOD THEIR CONCERN, BUT THAT NO DECISIONS WERE EXPECTED IMMEDIATELY ON BROADER INTEGRATION, IT WAS IMPORTANT HAVE AS MUCH CONTACT AS POSSIBLE TO PREPARE FOR LATER DECISIONS, THEY HAD MUCH VALUABLE EXPERIENCE TO OFFER, AND MEETING IN MONTEVIDEO MIGHT LOGICALLY BE FOLLOWED BY VISIT LAFTA REPRESENTATIVES TO CACM. PANAMANIAN AND GUATEMALAN APPARENTLY ALSO FAVORED GOING TO MONTEVIDEO. FOREIGN MINISTERS APPARENTLY AGREED SEND REPRESENTATIVES AS TECHNICAL REPRESENTATIVES CASTILLO, GUERRERO AND ODECA SECRETARY GENERAL ROMAN Y VEGA BUT HAVE NOT YET DEFINITELY DECIDED ON WHETHER ANY OF THEM WILL GO. GP-3 TELLES