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INCOMING

RIO DE JANEIRO

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FILE

INFO

AMB

ACTION: pol-2

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TO RUESBA/AMEMBASSY BUENOS AIRES 994 INFO RUESBG/AMEMBASSY BOGOTA 1341 RUESRS/AMEMBASSY CARACAS 912 RUESLM/AMEMBASSY LIMA 1207 RUESQI/AMEMBASSY QUITO 974

RUESUA/AMEMBASSY RIO DE JANEIRO 2657 RULPAL/USCINCSO RUEHDT/USUN NEW YORK 1781

STATE GRNC

CONFIDENTIAL STATE 98277

USCINCSO FOR POLAD

SUBJECT: ARMS LIMITATION AND MEETING OF PRESIDENTS

REF: A. RIO DE JANEIRO 6046 (NOTAL) B. BUENOS AIRES 2135 (NOTAL)

Q. REF A REPORTS FORMIN JURACY, HAVING DISCUSSED ARMS LIMITATION GENERAL TERMS WITH COLOMBIANS, ECUADORANS AND PERUVIANS, SEEMED FEEL GOB HAD BROKEN ICE AND US SHOULD NOW PURSUE SUBJECT THROUGH EMBASSIES. REF B REPORTS CONVERSATION WITH FORMIN COSTA MENDEZ IN WHICH LATTER CONVEYED GOA DECISION "ADOPT" NON-RECEIPT PROPOSAL. NOT CLEAR, HOWEVER, WHETHER GOA PREPARED ASSUME LEADERSHIP THIS SUBJECT CONNECTION PRESIDENTS MEETING.

2. YOU SHOULD INFORM COSTA MENDEZ WE PLEASED AT GOA DECISION AND HOPE GOA PREPARED TAKE INITIATIVE TOWARD ACHIEVING NON-RECEIPT DECLARATION CONNECTION PRESIDENTS MEETING. ASST SECY GORDON WILL WISH DISCUSS NON-RECEIPT CONCEPT WITH GOA AND. ASSUMING LATTER PREPARED TAKE INITIATIVE, WILL WISH OFFER HIS AND AMB LINOWITZ ASSISTANCE IN DISCUSSING WITH OTHER GOVTS DURING THEIR COMING TRIP IF GOA WOULD FIND SUCH ASSISTANCE HELPFUL.

3. FOR LIMA: PARA 4 LIMA 2521 INDICATES BELAUNDE CONCERNED AT POSSIBLE ANTI-MILITARY IMPLICATIONS AND DESIRES MORE BROADLY WORDED ITEM IF MATTER IS TO BE DISCUSSED. WE LOOK AT MILITARY EXPENDITURES IN CONTEXT ELLOCATION OF RESOURCES. WE HAVE. TH

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THEREFORE, THOUGHT THAT ARMS EXPENDITURES MIGHT BEST BE RAISED IN CONTEXT OF AGENDA ITEM ON ALLIANCE FOR PROGRESS. WE SERIOUSLY DOUBT THAT IT WOULD BE PRODUCTIVE TO ENGAGE IN BROAD GENERAL DISCUSSION OF MILITARY AT SUMMIT, WITH THIS IN MIND WE HAVE BEEN TAKING SOUNDINGS ON NON-RECEIPT AGREEMENT WHICH WOULD BE LIMITED BUT HIGHLY USEFUL STEP FORWARD ON ARMS LIMITATION. WE DO NOT AGREE THAT PROPOSAL ANTI-MILITARY IN CHARACTER. RATHER ONE OF OUR OBJECTIVES IS TO CLEAR AWAY CONSIDERABLE UNDERBRUSH WITH THIS PROPOSAL. PRINCIPAL POPULAR ARGUEMENT AGAINST MILITARY ASSISTANCE IS THAT LATIN AMERICANS WASTE RESOURCES IN PROCUREMENT OF PRESTIGE EQUIPMENT. YOU WILL NOTE THAT ITEMS ON NON-RECEIPT LIST ARE ALL SO-CALLED "PRESTIGE" ITEMS. JXCEPTANCE BY LATIN AMERICANS OF NON-RECEIPT AGREEMENT WOULD HAVE EFFECT OF SWEEPING AWAY BASIS FOR THIS POPULAR ARGUMENT AND IN EFFECT ENHANCE THE STATUS OF MILITARY ESTABLISHMENTS IN LATIN AMERICA. WE BELIEVE WE CAN WORK OUT LANGUAGE BOTH IN ANY REFERENCE TO MATTER ON AGENDA AND IN TEXT OF DECLARATION WHICH WOULD OBVIATE MILITARY RESENTMENT.

GP-3. KATZENBACH