

**Conversation No. 735-001**

**Date: June 15, 1972**

**Time: 10:31 a.m. - 12:10 p.m.**

**Location: Oval Office**

**Participants: Nixon, Luis Echeverria Alvarez, Haig, Donald F. Barnes and Kissinger**

*An essential aspect of Nixon's strategy in combating the ideological threat posed by left-wing radicals such as Allende and Castro in Latin America was cultivating moderate figures such as Mexican President Luis Echeverria.<sup>1</sup>*

*Echeverria's own views regarding the economic development of Latin America complemented those of Nixon. He contended that the lack of capital, technology, and research in Latin America could only be surmounted if Latin Americans "produce a system of balanced investments, with shared responsibilities, within a framework of increased and strengthened freedoms," and rejected "a policy of nationalization of the basic resources of the country," which Allende had adopted.*

*Throughout the conversation, Nixon referred to threat posed by Chile and Cuba using the analogy of a disease or poison. He urged Echeverria "to emphasize...in his talk with the business leaders, that they cannot look at Latin America as simply a divisible entity...and if poison afflicts one part of the body, it eventually is gonna affect the other. And, if the poison of Communist dictatorship spreads through Latin America, or the poison of unrest and violent revolution spreads through Latin America, it inevitably will infect the United States." Nixon returned the theme later in the conversation, specifically alluding to Allende, when he declared "it would be very detrimental to all of us to have the Chilean experiment spread through the rest of the continent," and become "the wave of the future."*

*Nixon also admonished Latin Americans to abandon policies that discouraged foreign investment, and to face up their "responsibility to provide stability in government and some guarantee for the protection of the right kind of private enterprise...just as is the case in his country." Although Nixon claimed not to "judge" Allende or to "know what his plans for Chile may be in the future," he noted that a major consequence of Allende's policies had been the flight*

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<sup>1</sup> President of Mexico, 1970-1976. Echeverria spoke with Nixon in the Oval Office in the midst of a state visit that included a speech before a Joint Session of Congress and speeches in New York, Chicago, San Antonio, and Los Angeles. Benjamin Welles, "Mexican Chief Asks for Change in Relations with U.S.," *New York Times* (June 16, 1972), 1.

*of foreign capital from the country. Nixon conceded that the Chileans were welcome to live with the consequences of their actions, but he warned that, “if the Chilean experiment is repeated in varying degrees in other Latin American countries,” major American business would be loath to invest in the region, since “this instability in government, the fear of revolution, of expropriation, now makes companies hold back.”*

*Nixon concluded his discussion by asking Echeverria put himself forward as a moderate alternative to the Communists and radicals: “Let the voice of Echeverria, rather than the voice of Castro, be the voice of Latin America.”<sup>2</sup>*

[Paragraph breaks denote pauses for translation. A portion of this conversation is printed in *FRUS*, v.E7, American Republics, 1969-1972.]

[...]

[735-001\\_Clip1](#) (6.5m; 6:45)

**Echeverria:** And so, we have this problem in Latin America: there’s insufficient capital, there’s insufficient technology, there’s insufficient scientific research, on the one hand, and an increase in the population there, on the other [hand].

And so, the line taken by Soviet and Chinese propoganda is that, in their respective countries, they do solve these problems, whereas the capitalist system—capitalist system, with all of its traditional freedoms, do not solve the problems.

**Nixon:** Hmm.

**Echeverria:** Which means that we must produce a system of balanced investments, with shared responsibilities, within a framework of increased and strengthened freedoms.

Well, I was talking to President Allende—who, as you know, is supported by the Communist Party, the Socialist Party, and three or four other parties—and I asked him, “What is the tack that you’re going to take to promote industrial and commercial investments in your country on a medium and a small degree, because, after all, there’s a great scarcity of, at least, articles and products in Chile?”

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<sup>2</sup> The tenor of the meeting clearly kept in line with the policy outlined in NSDM 93.

And, leaning to one side, a policy of—a nationalistic policy, a policy of nationalization of the basic resources of the country, they have not been able to find a way, or a path, to stimulate investment in industries and businesses, businesses which they need very much.

Because, only in a socialist dictatorship, can you rescind or do away with private enterprise, because all investments, at least, are attempted by the State, itself.

And so, we see that, as far as the economic problems, the dilemma faced by the countries of Latin America in the next 5, 10, or 15 years, is, on the one hand, you have the Castro solution of dictatorship, with its accompanying surrender to a Soviet—a socialist power, and serving as an anti-American base, both from the ideological and military points of view.

And so, we must think not only about what we do next year, but what we do affecting the next 10 or 15 years, because we are faced with a propaganda barrage that the United States cannot solve our problems; the solution comes from Fidel Castro.

**Nixon:** Hmm.

**Echeverria:** And so, the Soviet Union is using the Castro—the Cuban regime, and with a campaign of propaganda that completely hides the failures of—the great failures that they have had, but trying to stress and highlight the progress—some progress that has been made, whether it be real or alleged.

And in spite of the great prosperity of the United States, and in spite of the fact that American students are living in a society that permits them to be very well fed and to study under optimum conditions, for the last 8 or 10 years many of them have been going to Cuba.

And so, sir, therefore, is an urgent need for a whole new shaping, or recasting, of American policy vis-à-vis Latin America.

Because, as I've said, what happens in Latin America inevitably has repercussions in the United States.

We're an indivisible unit.

**Nixon:** Um-hmm. Yes, I think you can say, and I think the President should emphasize this in his talk with the business leaders, that they cannot look at Latin America as simply a divisible entity, but they must look at the whole hemisphere, and if poison afflicts one part of the body, it eventually is gonna affect the other. And, if the poison of Communist dictatorship spreads

through Latin America, or the poison of unrest and violent revolution spreads through Latin America, it inevitably will infect the United States. We cannot—You cannot separate one part of the body from the rest.

[...]

[735-001\\_Clip2](#) (9.4m; 9:47)

**Nixon:** I think one thing that would be very helpful for the President to emphasize in his statements in other—in Latin America would be the fact that there is a responsibility to provide stability in government and some guarantee for the protection of the right kind of private enterprise, such—just as is the case in his country. Now this is a very delicate matter. I do know this: nobody in the United States can say that because then it looks as if we are interfering in Latin America and trying to tell them what kind of government they should have. On the other hand, I think if the President of Mexico speaks out on this subject, without, of course, trying to say that the Mexican system is the one that, well, they ought to have in Peru, but if he could simply say that, emphasize that, after he returns from his trip, that he believes this to be the case, that he finds a readiness and a willingness, too, of American private enterprise to come in on a partnership basis to Latin America. But there must be on the other side responsibility in governments in the Latin American countries to provide stability for that kind of investment.

For example, the President has been to Santiago. I do not know President Allende, and I do not judge him. I don't know what his plans for Chile may be in the future. But, on the other hand, as the President well knows, at the present time, all foreign capital is fleeing from Chile, trying to get out, and no new capital is coming in. Now, that's their choice, but if the Chilean experiment is repeated in varying degrees in other Latin American countries, there's no chance that, on it—and the big corporations that the President will be speaking—is speaking to in Governor Rockefeller's residence will go, will put their money there, because there are other parts of the world.<sup>3</sup> For example, countries like Indonesia, Thailand in Asia, and countries in Africa, even where they think there's a better chance for their investment to survive. What I'm saying to the President is not directed to his country; I'm using his country as the example. If the —If more countries in Latin America could follow the example of Mexico, I think the—you'd

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<sup>3</sup> Nelson Rockefeller, Governor of New York, 1959-1973.

see a tremendous boon in investment from the United States, and from Europe, and Japan. But I think the problem is that this instability in government, the fear of revolution, of expropriation, now makes companies hold back.

And I want to tell the President that on my part he can count on me, and he can tell the industrialists in New York that I believe this. That he can tell them, he can urge the American business community to invest in Latin America. I believe this. I think it's vitally important for the United States that we not allow the Cuban tragedy to infect the rest of the Caribbean, and eventually the rest of Latin America. And frankly, to be quite candid, I think it would be very detrimental to all of us to have the Chilean experiment spread through the rest of the continent. It'll be a very unhealthy hemisphere if that will be developed as the wave of the future.

I would also like to say one other thing to the President: That I, without trotting on any of Mexico's traditional attitude toward maintaining an independent policy, I think it's very helpful that Mexico take a greater leadership role in the OAS in matters like this. I'm not speaking now that Mexico should take this role as any agent of the United States, but I think that Mexico is an ideal position to do so, and, otherwise, the leadership role may be taken by other leaders in the continent who cannot speak as effectively as him, the President of Mexico.

**Echeverria:** I agree with that approach.

**Nixon:** In other words, let the voice of Echeverria, rather than the voice of Castro, be the voice of Latin America.

[...]

[735-001\\_Clip3](#) (2.8m; 2:52)

**Echeverria:** We are kept up to date in Mexico, Mr. President, of the progress made in U.S. relations with China and the U.S.S.R.

But, there's another fact, Mr. President: We feel very deeply that whatever China and the Soviet Union can do in Chile, in Argentina, in Mexico, or anywhere else, one way or another is going to be pointed against the United States.

**Nixon:** That's right.

**Echeverria:** And, as you know, Mr. President, any problems that they can create in Latin America vis-à-vis the United States, and that may affect American relations with Latin America, would be considered a success on their part.

If they could set up another Cuba somewhere else in Latin America, they'd be very happy.

And wherever they see military dictatorships in Latin America, they're very happy also. Because they're able to foster a great many problems underground.

And wherever there are no dictatorships, they subsidize youth groups, for example, and magazines that are clearly pro-Soviet in their line.

So, it's easier to counteract whatever they are trying to do when you have a political system that provides the social and economic solutions to economic-social problems.

We are told in certain avenues, by certain Latin American leaders, "Well, we used to have a lot of problems with our members of Congress and our Senate, so we got rid of 'em." [Laughter]

"And now, we're working better."

But, underground, they can do a lot, still.

[...]