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MEETING OF PRESIDENTS JOHNSON AND LOPEZ MATEOS  
IN CALIFORNIA  
February 20-22, 1964

Index of Basic Background Papers

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By JC NARA, Date 11-15-02

MEETING OF PRESIDENTS JOHNSON AND LOPEZ MATEOS  
IN CALIFORNIA  
February 20-22, 1964

Background Paper

POLITICO-ECONOMIC SITUATION

As Mexico looks forward to a change in national administrations later this year, the prevailing mood is one of optimism. The dominant political party, the PRI, has chosen in Gustavo Diaz Ordaz a presidential candidate who has a reputation as a forceful personality and who was considered the most moderate of all the aspirants to the PRI nomination. This does not suggest, however, that he will make any significant change in Mexican policy. His selection has engendered confidence in the continued stability of Mexico's unique political system. The Mexican economy has recovered steadily since the recession of 1961. With business men reassured by the nomination of Diaz Ordaz, even the slump which is traditional during election years in Mexico may not materialize.

During his final year in office, President Lopez Mateos will try to avoid the emergence of any issues which might result in national or party disunity and thereby endanger the peaceful transfer of power to his successor. Major innovations in domestic policy are unlikely. In foreign affairs, the Mexican Government regards the issue of Cuba as the most serious threat to national unity. Mexican leaders feel themselves caught on the horns of a dilemma. On the one hand, there are the nationalistic and historic pressures to resist any semblance of U.S. intervention in Latin America, and on the other, the reality of Mexico's overwhelming economic dependence on this country. Thus Mexico's Cuban policy is aimed at avoiding any confrontation in the CAS which would force it to take a public stand on further action against Castro. Farther afield, Mexican public opinion is not easily aroused by events outside the Western Hemisphere, and President Lopez Mateos can be expected to pursue actively his goal of building an image as a world statesman, following an "independent" foreign policy.

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He will receive President de Gaulle in Mexico City in March, and is reported to be planning to visit Great Britain, Belgium, Italy, and, possibly, the Soviet Union in the spring. Lopez Mateos recently permitted the establishment of trade and cultural contacts with Communist China. But he has assured us he will not establish diplomatic relations with Red China.

When Gustavo Diaz Ordaz begins his six-year term on December 1 the most difficult problem he will inherit will be the extreme poverty of the millions of inhabitants of rural Mexico. In his campaign speeches, Diaz Ordaz has vowed to attack the agrarian problem and has shown a good grasp of the measures needed to make progress in that area. A major task of the new President will be to move the divided and graft-ridden Mexican bureaucracy to bring to bear on the agrarian problem a number of essential technical, financial, and other institutional reforms.

In attempting to bring to Mexico's peasantry the benefits of a developing society, Diaz Ordaz will have a number of factors in his favor. Due to its good record of price and exchange stability, Mexico's credit standing abroad is excellent; it should be able to continue to borrow several hundred million dollars a year for its development needs. Mexico has an experienced and enterprising private business elite, who, with proper encouragement from the Government, go a considerable distance in providing the several hundred thousand new jobs in industry which are needed every year to drain off the surplus rural population.

Mexican - United States relations are very good, and should continue to be, provided we demonstrate to Mexico that we will respect its vital interests. In the present context, this means solving the Colorado River salinity problem and softening the effect of the termination of the bracero program.

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MEETING OF PRESIDENTS JOHNSON AND LOPEZ MATEOS  
IN CALIFORNIA

February 20-22, 1964

Background Paper

COMMUNISM IN MEXICO

Summary

Mexican officials discount the Communist problem in Mexico on the ground that the number of known Communist Party members is relatively small, and that the Mexican Revolution offers an adequate alternative to satisfy the aspirations of the Mexican masses for social and economic improvement. While the Communists are not numerically strong, they wield a disproportionate influence in the country by their presence in schools and universities, in the Government itself, and in some labor unions and farm associations. The administration of President Lopez Mateos has jailed some of the most active Communists when they have directly attacked the Government.

Background

Mexico has a Communist problem but, in its desire to be liberal and tolerant of minority opinion, it frequently fails to take effective action to protect itself from internal Communist influence. There is also a widespread belief among intellectuals and officials, apparently including the President of the Republic, that some ill-defined type of socialism is now the wave of the future. The Mexican Revolution's

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postulates, now largely embodied in the Constitution of 1917, are also believed by many Mexicans to be so advanced as to give their country a certain degree of immunity from the social and economic appeals of communism.

The Communist effort in Mexico is two-pronged. On the one hand, there are the Mexican Communist parties and front organizations working to spread Communist influence through national institutions. On the other, there is the presence of Soviet bloc diplomatic missions (including Cuba) directing their efforts against the United States and giving direction to the national Communist elements of Mexico and Central America. Communist China is also intent on establishing a presence in Mexico and recently has made some headway by staging a trade fair and by buying Mexican wheat and cotton. Mexico, however, does not have diplomatic relations with Communist China and has in the past supported continuing the representation of the Nationalist Chinese in the United Nations.

The Communist movement in Mexico consists of a multitude of parties and front groups, reflecting both Moscow's willingness to use a variety of approaches to increase Communist power in Mexico as well as the inability of native Communists to agree.

An orthodox Communist party, the Partido Comunista Mexicano (PCM) has at most 5000 members. A pseudo-nationalist Communist party, the Partido Popular Socialista (PPS) has about 50,000 members and is registered to take part in national elections.

The most serious effort which the Mexican Communists have made in recent years to obtain mass support was the

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formation in 1961 of a pro-Castro front group, the National Liberation Movement (MLN). The MLN was founded at the height of pro-Castro sentiment in Latin America and had as its unofficial head the still popular ex-President of Mexico, Lazaro Cardenas. Beginning with the early defection of the PPS, the largest Communist party, and coinciding with the decline of Castro's popularity over the past two years, the MLN has failed to materialize as a serious threat to the PRI's domination of the political arena. A similar organization sponsored by the leaders of the MLN to organize the peasantry also has met with little success. The latest political efforts of the Communists have taken the form of a front party, the Frente Electoral del Pueblo (FEP) which failed to meet registration requirements, but will conduct a write-in campaign for its candidate.

#### Government Action to Check Communism

Whenever the Communists have directly threatened public order, the Mexican Government has acted decisively against them. The Government has broken illegal strikes led by Communists, prevented or disbanded demonstrations which threatened to get out of hand, and arrested and sentenced to long jail terms the Communist leaders of such disturbances. The PRI presidential nominee, Gustavo DIAZ ORDAZ, as head of the Government department which has had the job of preserving internal security, issued the orders for these crackdowns on Communist agitation, and has generally adopted a hard line toward the Communists.

Although the Communists do not represent an electoral threat to the PRI and have not been allowed to get away with civil disorder, they have been successful in infiltrating the teaching profession and to a lesser extent,

government

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government departments, trade unions, and peasant associations. It is in this area of infiltration and indoctrination that the Mexican Government has been the most negligent and where the Communist threat is greatest in Mexico. } \*

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