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THE WHITE HOUSE

WASHINGTON

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MEMORANDUM OF CONVERSATION

SUBJECT: Meeting with Mexican Foreign Secretary
Fernando Solana

PARTICIPANTS: The President
Secretary of State James A. Baker, III
Brent Scowcroft, Assistant to the President
for National Security Affairs
Jack St. John, Director of Mexican Affairs,
Department of State
Robert S. Pastorino, NSC (Notetaker)

Fernando Solana,
Mexican Secretary of Foreign Affairs
Gustavo Petricioli,
Mexican Ambassador to the United States

DATE, TIME March 20, 1989, 2:32 - 2:50 p.m.
AND PLACE: Oval Office

The President began the meeting by telling Solana that the U.S. wanted President Salinas to learn that he was welcome to pay a State Visit to Washington at any time. He noted that it would be appropriate to have Salinas as the first visitor. But he said it was up to Salinas to pick the most convenient time; he said the U.S. is sensitive to Salinas' needs and schedule.

Foreign Secretary Solana noted that President Salinas very much wants to visit Washington but a visit a little later in the year would be more convenient -- perhaps in September or October. Solana noted Salinas' desire for the best possible U.S. - Mexican relations. He added that a bilateral commission might take place before the State Visit.

The President repeated that the visit would be whenever Salinas desired it. He then noted he had been impressed with the activity of President Salinas, especially his tough decisions on corruption. He said the decisions were courageous and stated he hoped they would work to Salinas' benefit.

Solana noted it was an important decision, the action was successful, and the problem is now resolved.

The President, again alluding to a possible visit, said that the date was up to Salinas; he added if there was any need to talk, the telephone was always available. He added that Secretary Baker would stay in touch to work on problems.

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Solana said that the Mexican Government had received very well the Brady speech on debt; he noted it generated a new momentum and that he hoped it would work. He pointed out Mexico's sense of urgency on the debt problem.

The President asked whether rising oil prices had helped the Mexican financial situation.

Amb Petricioli noted that the price of Mexican crude had not yet reached \$20 per barrel.

Solana commended the U. S. for the new Central American policy saying that there was a coincidence of views with Mexico on part of the issue.

The President said he remains sensitive to the history of Mexico's relations with Cuba, and that he wants to be understanding. He noted that our position (on monitoring of human rights in Cuba) did not prevail in Geneva and that he would like to see more progress on respect for human rights in Cuba. He noted there should be some way to pressure Castro on the issue although we noted Castro won't ever adopt perestroika. He noted we may have differences with Mexico on this issue.

The President then noted that he is often asked about possible policy changes toward Cuba but said we haven't seen any changes on the part of Castro. He asked Solana to inform us if he thinks there is anything the U. S. can do to encourage change in Cuba. The President noted his belief that if democratization were to take place in Cuba, the Cuban people would be friendly to the U.S.

Solana said he thought change would come sooner in Nicaragua; it will be slower in Cuba. He said he thought something could be done in Central America first.

The President stated he was pessimistic. There is an East-West angle and a U. S. security component involved in Central America. The U.S. has to accept its responsibility in the area. The Soviets have not reduced their \$1 billion in assistance to Nicaragua.

Solana stated he has visited all five Central American Presidents and he believes Ortega understands that circumstances are changing, that he will become isolated. He said that in Nicaragua the leaders are starting to feel change and the need to accept Esquipulas.

The President said he wants to work closely with Mexico on the drug problem.

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The President ended the meeting by noting that he had read about the controversy in the Mexican press about the appointment of John Negroponete, U. S. Ambassador. He stated Negroponete is an outstanding man, a friend, a person he respects, and a very able Foreign Service Officer who supports U. S. Government policies. He noted Negroponete has great affection for Latin America and is very simpatico. He asked Solana to inform President Salinas that he is receiving a good man as U.S. Ambassador; he will be in Mexico to strengthen the relationship.

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