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THE WHITE HOUSE

WASHINGTON

MEMORANDUM OF TELEPHONE CONVERSATION

SUBJECT:

Telephone conversation with President

Chamorro of Nicaragua (U)

PARTICIPANTS:

The President

Violeta Chamorro, President of Nicaragua

Interpreter: Patricia Arizu

Notetaker: David A. Pacelli, NSC

DATE, TIME AND PLACE:

March 6, 1991, 1:31 - 1:40 p.m. EST The Oval Office - Presidential Office

The President returned a call that President Chamorro had made at 1:18 p.m., March 6. (U)

The President: OK, Violeta, please go ahead. (U)

<u>President Chamorro</u>: I am calling to congratulate you on the liberation of Kuwait. (\mathscr{D})

The President: [Without waiting for translation of the above into English] Muchas gracias. (U)

<u>President Chamorro</u>: Ah, you understood me! Very good. I would have called you earlier, but I just was not able to make the call. (\mathscr{L})

The President: There is no problem in that. I appreciate the sentiments you have expressed. And I am very pleased that the war is over. Now, Jim Baker, who sends his very best regards to you -- he was here just two minutes ago -- is leaving on a very important trip to try to bring peace to the Middle East. (2)

[At this point there was the sound of music on the telephone.]

President Chamorro: What is that music? (U)

The President: I am not sure where that music is coming from. I sure hope that it is not [White House] Signal. (2)

[The music stops.] (U)

Please go ahead, Violeta, I can hear you. (U)

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<u>President Chamorro</u>: I also wanted to tell you about the economic measures we adopted which were announced on March 4. These measures are intended to eliminate inflation and improve the economy. (2)

The President: Yes. (U)

<u>President Chamorro</u>: My first goal from the first day I took office, February 25, 1990, was to stop the war through dialogue. This I was able to do through an accord on national reconciliation. Now, I am turning to the economy. Improving the economy was the second priority I had when I took office. (U)

The President: Madam President, what is the reaction of the Sandinistas to your cooperative approach?

President Chamorro: Until today, it has been a success. I would say, very successful. I have been walking through the streets of Managua, and I have encountered many Sandinistas, and I have the support of most of them. Until now, I have had no problem.

The President: Wonderful. We congratulate you on the economic reform measures. Knowing of your call, I brought myself up to date with information about what they are.

<u>President Chamorro</u>: Oh, so you already knew about them from your own information? Perfect. There is another matter. I wish to have your help with regard to assistance from AID. (2)

The President: Yes? (U)

<u>President Chamorro</u>: I need very flexible terms. This has a major role in my economic plan. (2)

The President: Well, I don't have an answer for you on that. I can look into it and see. I thank you for letting me know about the importance of it. (2)

President Chamorro: Yes, of course. I will send you a short letter explaining about the plan so you will know about it. (2)

The President: I will be delighted to read it. I appreciate it very much. (U)

President Chamorro: This was the principal reason for my call. We could spend all day talking about this, Mr. President, but I will let you go. I salute you again. And I send special greetings to my good friend Barbara, and hope all goes well for her. And as for you, we will see each other in April. I thank you very much for taking this call. My best to you, and thank you for all you have done for Nicaragua. (2)

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The President: Thank you. I am also looking forward to seeing you on the State Visit. During the visit, I do want to talk about some important security issues, such as that the Sandinistas should not help the FMLN. Also, I noted your courageous efforts to get to the bottom of the Bermudez matter. That case seems to be having some important effects, both down there and up here. I do not really have time to discuss these issues now, but I just wanted to mention them. (2)

<u>President Chamorro</u>: Of course. We will talk about them next month when I see you there. I want to assure you now that I am firmly against all assassinations. I have also condemned Sandinista arms transfers to El Salvador. And in fact, President Cristiani thanked me for doing so. (2)

The President: Well, thank you again. I will check into the AID question, and I look forward to seeing you. (2)

President Chamorro: [In English] I send a big kiss to you, my
dear friend. (2)

The President: Thank you. God bless. Adios. (U)

President Chamorro: Good bye. (U)

- End of Conversation -