

~~Secret~~

BRIEF

DOOLSER

#160

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1-E-61

~~Secret~~

~~SECRET~~

2. LATIN AMERICA: LATIN AMERICAN AND CARIBBEAN MINISTERS ARE MEETING IN PANAMA ON OCTOBER 15 TO ESTABLISH A NEW ORGANIZATION TO BE CALLED THE LATIN AMERICAN ECONOMIC SYSTEM.4

THE ORGANIZATION, WHICH WILL BE OPEN TO ALL THE DEVELOPING COUNTRIES OF THE AREA BUT NOT TO THE US, WILL SEEK TO PROMOTE ECONOMIC DEVELOPMENT AND TO SERVE AS A FORUM IN WHICH TO FORMULATE COMMON POSITIONS TO BE PRESENTED TO THE US, TO OTHER DEVELOPED COUNTRIES, AND TO INTERNATIONAL FORUMS.4

~~SECRET~~ 

SOME KEY QUESTIONS ABOUT THE NEW ORGANIZATION ARE YET TO BE SETTLED. SOME GOVERNMENTS, PARTICULARLY BRAZIL, ARE BOTHERED BY THE "SUPRANATIONAL" FLAVOR OF THE NEW ORGANIZATION. BRAZIL WANTS ALL DECISIONS TO BE UNANIMOUS, AND THE MINISTERS WILL PROBABLY AGREE THAT MAJORITY DECISIONS WILL BE OPERATIVE BUT NOT BINDING ON GOVERNMENTS THAT ABSTAIN OR OPPOSE THEM.4

ANOTHER PROBLEM FOR BRAZIL AND OTHERS SEEMS TO BE DIMINISHING AS COUNTRIES SUPPORTING THE NEW ORGANIZATION MAKE IT CLEAR THEY DO NOT SEE THE NEW GROUP IN AN ADVERSARY RELATIONSHIP WITH THE US. THE LOW-KEY, NON-CONTENTIOUS BEHAVIOR OF THE CUBANS IN THE WORKING SESSIONS HAS HELPED.4

THE ESTABLISHMENT OF THE ECONOMIC SYSTEM IS ANOTHER EXAMPLE OF THE IMPACT ONE ORGANIZATION OF PETROLEUM EXPORTING COUNTRIES HAS HAD ON LESS DEVELOPED NATIONS, WHO SEE OPEC UNITY AS A KEY TO EXERTING PRESSURE SUCCESSFULLY ON THE DEVELOPED WORLD.

E-2 IMPDET.4

~~SBO~~OCTOBER 15, 1975