

**International
Communication
Agency**

United States of America

Washington, D. C. 20547

Director

JAC

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<i>82-4625</i>



March 8, 1982

MEMORANDUM FOR:

The Honorable
 William J. Casey *22 MAR 1982 WK*
 Director
 Central Intelligence Agency

FROM:

Charles Z. Wick *zw*

For your information, I am enclosing a copy of my memorandum to the President on USICA's support of his February 24 speech on the Caribbean Basin Initiative.

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United States of America
Washington, D.C. 20547

Office of the Director

March 8, 1982

MEMORANDUM FOR: The President
The White House

FROM: Charles Z. Wick *CZW*
Director

SUBJECT: Caribbean Basin Initiative

Attached are a usage report on satellite transmission of your February 24 speech on the Caribbean Basin, as well as a special report on foreign media reactions to this historic initiative.

The highlights are:

1. USICA's satellite transmission reached an audience estimated at 127.1 million viewers. Sixteen Caribbean and Latin American countries taped the speech in its entirety from the satellite. The European Broadcasting Union (EBU) took the ICA feed for its clients. Excerpts were carried in at least 15 countries.
2. Worldwide, this speech received prompt and sustained print attention. Initial comment was favorable. Where there was doubt, it had to do with the commentator's perception of whether the initiative is large enough.

Attachments

SATELLITE TRANSMISSION OF PRESIDENT REAGAN'S CBI SPEECH

Sixteen of the 26 countries where ICA has posts in the Caribbean and Latin American area taped the speech in its entirety from the satellite. Among the remaining ten posts, only Argentina, Bolivia, Cuba, Guyana and Suriname did not receive the entire speech or excerpts of it by ICA satellite feed.

The ICA feed was transmitted in English, Spanish, French and Portuguese.

An estimated 127.1 million people saw all or part of the President's speech, (33.2 million in Latin America and 93.9 million in Europe).

The following countries broadcast the speech in its entirety directly from the feed: Costa Rica, El Salvador, Guatemala, Honduras and Mexico.

Countries which broadcast excerpts of the speech in Latin America: Bahamas, Chile, Colombia, Costa Rica, Ecuador, Guatemala, Mexico, Nicaragua, Peru, Suriname, Uruguay and Venezuela.

Two Panamanian stations shared a video feed with the U.S. Armed Forces TV station in Panama, which carried the speech live, and used the VOA's Spanish audio with it. Canadian stations received the President's speech through U.S. commercial network sources, while stations in Chile, Argentina, Ecuador and Uruguay received excerpts during regular commercial satellite feeds.

The European Broadcasting Union (EBU) took the ICA feed for its clients. Excerpts were carried by Austria, Belgium, Denmark, Federal Republic of Germany, Finland, Great Britain, Iceland, Ireland, Italy, the Netherlands, Norway, Portugal, Spain, Sweden, and Switzerland.

Some reactions: El Salvador's Foreign Minister called the speech "brilliant" and had the national radio and TV stations rebroadcast it in prime time February 24. Prime Minister Seaga of Jamaica, who reportedly received the speech through his private satellite dish, called the speech a "bold, historic and far reaching concept...(a) serious attempts by Washington to address the real economic problems of the region."

SPECIAL REPORT

Foreign Media Reaction

March 2, 1982

REAGAN SPEECH ON CARIBBEAN BASIN INITIATIVE

Summary

Media around the world gave prompt and sustained attention to President Reagan's February 24th speech before the Organization of American States in which he outlined a long-awaited plan for U.S. assistance to Caribbean and Central American development.

Initial comment, particularly in the area most directly affected, tentatively greeted the U.S. initiative as well-intended, imaginative and responsive to the needs of an area suffering from deep-seated development problems.

However, doubts expressed from the outset in some representative media outlets centered on whether the amount of contemplated aid was sufficient to attack long-standing economic inequities and whether its benefits were sure to reach the people as well as established commercial interests. In this regard, President Kennedy's Alliance for Progress was evoked as an example of good intentions inadequately based in the realities of a troubled region.

The attachment of military assistance to the plan was seen by most observers as inevitable in view of current U.S. concern about the threat of Communization of the area. The specter of a new Vietnam arose in much discussion based on the preponderance of proposed aid to El Salvador.

Speculation about the real prospects for implementation of the President's plan was often viewed against the backdrop of U.S. political and social considerations, particularly the question of whether Congress would support a foreign initiative in a time of absorbing domestic economic ills.

Specific concerns were voiced by media in countries which feared that favored treatment of Caribbean and Central American exports would bring direct economic disadvantage to themselves.

Following are illustrations of these themes.

* * * * *

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1. The assistance plan is well-intended and appears to be responsive to the area's problems and imaginative in scope.

El Salvador: "What Many Have Long Awaited"

In San Salvador conservative La Prensa Grafica on February 26 said the speech was "what many countries have long awaited...Reagan's speech at the OAS not only surpasses all economic schemes of a powerful nation for the countries of the area, but it is also a serious and vigorous warning about the dangers of subversion now besieging Latin America..."

Costa Rica: "Mr. Reagan Hit the Mark"

In San Jose, La Prensa Libre on February 25 called the President's proposal "well aimed" and declared, "Mr. Reagan hit the mark in defining the true dimensions of what confronts the Caribbean zone: an economic crisis provoked by external and internal causes, ably taken advantage of by Russia and Cuba, with the objective of undermining our democracies..."

Dominican Republic: "Undoubtedly Shows Sincere Concern"

Independent moderate El Caribe on February 26 wrote that the President's speech "undoubtedly...shows his sincere concern for reducing the grave economic crisis oppressing the countries of the region."

Costa Rica: "Responds to Challenges of the Times"

La Nacion of San Jose on February 27 stated that the President's message "is unprecedented in terms of the proposals announced and the conception of aid offered....It can be said that the plan hits the mark by responding to the challenges of the times and to the threat in all the countries involved of violence and especially of the presence of Marxist-Leninist guerrillas driven by the strategy of Cuban-Soviet neo-colonialism and penetration."

Guatemala: "A Well-Defined Line of Political Action"

In Guatemala City, conservative nationalistic La Hora on February 26 applauded the President's speech and held that "Reagan's message not only applies to the new commercial and economic consideration for the countries in the Caribbean, but it also espouses a well-defined line of political action that will reach much further than can be seen at this moment..."

Argentina: "Aid Plus Practical Philosophy"

Independent moderate La Nacion of Buenos Aires on February 25 wrote: "Economic aid appears auspiciously supplemented by practical philosophy concerning the removal of conditions of stagnation and recession prevailing in Central America..."

Honduras: "A Clarion Call of Hope"

In Tegucigalpa, conservative El Heraldo on February 27 called the President's address "a clarion call of hope for the Western Hemisphere." It described the speech as "lucid and brilliant..."

"A Plan of Extraordinary Magnitude"

Liberal El Tiempo, also of Tegucigalpa, on February 27 held that "the policies of President Reagan and his plan for Central America deserve a thorough analysis. It is certain that the governments and people will do this because the magnitude of the planned cooperation is--as always with the United States--extraordinary and of a fundamental, historic scope..."

Peru: "The Most Encouraging and Far-Reaching Program Yet"

Pro-Government El Comercio of Lima wrote on February 26 that "it is clear that this is the most encouraging and far-reaching program the United States has outlined for Latin America. It expresses not only President Reagan's decision to fight Communism without falling into the simplistic (approach) of direct military intervention, but also a new understanding of the economic roots of the problems of guerrilla uprisings and political instability faced by Hemispheric nations..."

Britain: "Contains Some Imaginative Projects"

The Financial Times on February 26 said, "The package (the President) proposed as a palliative to the region's woes contains some imaginative projects, notably the freeing from U.S. tariffs of all imports from the area (with the exception of textiles and clothing), technical assistance for the region's businessmen and \$350 million worth of new economic aid which will be concentrated in the private sector."

"Realistic Attempt to Relieve Economic Distress"

The conservative Sunday Telegraph on March 1 ran Washington correspondent Frank Taylor's observation that "the majority of Washington's Latin American neighbors can be expected to welcome it (the Caribbean aid program) as a realistic attempt to relieve the economic distress of the 40 million people who live in the (Caribbean) basin, thereby helping to remove the kind of soil in which the seeds of left-wing revolutions take root."

2. The aid plan may not reach the common people and may be inadequate to the desperate needs of an impoverished area, as was the Alliance for Progress.

West Berlin: "Benefits Only to an Elite?"

Independent Tagesspiegel on February 27 declared that "the President himself has said that the improvement of local conditions must begin with the economy. But it remains to be seen whether the offer of economic remedies will help this underdeveloped area to recover or again will ultimately benefit only a small elite which forcibly resists any social progress. Other American aid programs have also stumbled at this barrier..."

Dominican Republic: "A Way to Exploit Cheap Labor"

Leftist Nuevo Diario of Santo Domingo on February 26 argued that "the increase in incentives for U.S. investments in the region will not be any magic wand for these countries' economic crisis, but rather a way of exploiting cheap manual labor, with starvation wages, like those already established in this country's free zone."

Guyana: "Introduction of American Business on American Terms"

In Georgetown, Government-owned Guyana Chronicle on February 27 said, "A careful reading of the speech makes it clear that its real content is not so much with pumping money into Caribbean development as with providing that the introduction of American business on American terms is the way to a peaceful, happy and prosperous future in these parts."

Paraguay: "Must Make Sure His Dollars Reach the Right Goal"

Asuncion's leading ABC Color on February 28 ran a columnist's assertion that the President's economic measures for the region "could be important if they reach the most needy sectors. He ought to make sure his dollars reach the right goal...If these funds are not correctly channeled, they will generate new injustices and more resentment."

Saudi Arabia: "Expect Limited Effect"

Mecca's conservative al-Nadwa on February 27 said, "As usual, Washington has acted late on a matter which required early action....We are not saying that his initiative is futile, but we expect it to have a limited effect."

Mexico: "Funds Are Likely To Be Diverted"

Nationalistic Excelsior of Mexico City on February 25 said, "Funds are likely to be diverted, and only an exaggerated optimism could conclude that the United States presumes to solve by itself all the economic, social and political problems of the region."

Brazil: "Arrives Too Late, Insufficient to Reach Objectives"

Conservative O Estado de Sao Paulo on March 2 observed that "the creation of an accord of free trade for Caribbean products exported to the United States tends to be more efficient than the multiple benefits extended in the past. We fear, however, that it arrives too late and that it will be insufficient to reach the objectives of an economic and political cure at which it is aimed..."

Malaysia: "No Objection If Aid Reaches the People"

The New Straits Times of Kuala Lumpur on February 27 wrote that "there can be no objections to the offer of economic aid...if the funds and supplies do reach the people they are intended for, rather than being siphoned off to enrich a few fat cats, which will only generate more dissatisfaction."

Cuba: U.S. Aid Not Much for "Debt-Ridden and Impoverished Nations"

Granma on February 24 criticized the \$350 million amount of aid proposed by President Reagan with the statement that "in order for our readers to get an idea of what the debt-ridden and impoverished nations of the region can accomplish with such an amount, let's keep in mind that our own Carlos Marx cement plant in Cienfuegos cost \$167 million."

Yugoslavia: "U.S. Allies Fear Plan Does Not Meet Needs of Area"

A byliner in Politika of Belgrade on February 28 wrote, "Western Europe--and not only Western Europe--fears that the most recent economic program for that region...does not meet the real needs of the Caribbean and Central America. In reaching that conclusion we are, after all, led by the selection of the resources that the White House has proposed for the lion's share of the relatively modest sum...intended for friendly pro-American--regimes and their private companies."

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3. The attachment of military assistance to the plan seems inevitable, given the current U.S. concern about the threat of Communization of the area, but it increases the likelihood of direct U.S. military intervention and evokes memories of Vietnam.

West Germany: "Good Guys and Bad Guys"

West German TV One on February 28 carried an anchorman's questioning of a parallel between Vietnam and El Salvador. He observed that "Saigon became the incarnation of evil and the Viet Cong became a myth of the good. In El Salvador the situation seems to be similar. The Government is made up of bad guys and the guerrillas are the good guys. In Vietnam the truth was somewhere in between. In El Salvador, the truth could also be somewhere in the middle..."

Nicaragua: "Reveals Military Tendency of Imperialism"

Managua's pro-Sandinista Barricada remarked that "the speech...reveals and confirms two fundamental elements--the inexorable aggressive political and military tendency of imperialism, and the implicit confession that the capitalist path is not now capable of guaranteeing even the underdevelopment in which that system has sunk the people..."

Britain: "Cover for Increased Military Aid"

The conservative Daily Telegraph on February 26 said, "Already his American liberal critics are wailing that the program is little more than a cover for increased military aid for El Salvador. But the Administration has been saying for weeks that there will have to be new requests for hardware soon if the under-equipped Government forces are to win."

Brazil: "Reagan Is Thinking About Limited Intervention in El Salvador"

Independent Jornal de Brasilia on February 27 held, "The most worrisome part of President Reagan's speech at the OAS is, in our opinion, the reference to the Inter-American Treaty for Reciprocal AssistanceReagan is looking at the ITRA...as an alternative to be used in case the initiatives already under way prove not to be enough.... Reagan is thinking about a limited intervention (in El Salvador) in which some countries neighboring El Salvador might participate..."

Canada: "Reagan Administration Captive of Faulty Diagnosis"

Montreal's prestigious French-language Le Devoir held that "The State Department's analysis underlying the U.S. President's speech..is based

on certain axioms so simplistic they would be laughable if they did not announce the entry of the American Government into a war of which the 'decisive battle is going on now in El Salvador,' according to... (Assistant Secretary) Enders."

Italy: Communist Paper Sees "Commitment to Avoid Another Cuba"

Communist l'Unita of Rome on February 27 ran a correspondent's report that the President's speech "represents the commitment to extend political and military protection to the whole continent from one end to the other to avoid the birth of another Cuba."

Soviet Union: "Blackmail, Pressure and the Big Stick"

Pravda of Moscow on March 1 ran a byliner's comment that "the Caribbean initiative of the United States is the same old line of political blackmail, economic pressure and militaristic waving of the 'big stick.' Its ultimate goal is to bring together under the aegis of Washington the politico-military bloc of Caribbean and Central American states."

Britain: "Direct Involvement of American Forces?"

The independent Times of London on March 2 ran the view of Washington correspondent Nicholas Ashford that "the dilemma facing the President and his advisers is simple but stark. On the one hand, they want to prevent the insurgents from taking power on the grounds that the establishment of a left-wing regime in El Salvador, in addition to Nicaragua--supported by Cuba--would pose a threat to other countries in the area, notably Guatemala, Honduras and Costa Rica.

"On the other hand, the Administration wants to avoid being drawn into a situation in which it can only prevent this happening by the direct involvement of American forces..."

"Confirms Fears of U S. Military Involvement?"

Correspondents for the London Financial Times on March 1 wrote, "The Reagan Administration's attempts to raise the alarm about Marxist-Leninist insurgency in Central America are backfiring."

"The Catch-22 for President Reagan and his supporters on the issue is that every appeal for more assistance for the beleaguered Salvadoran leader only emphasizes the weakness of his position and seems to confirm fears either that direct U.S. military involvement will eventually be required or that the war there will simply become a bottomless pit for American money, armaments and prestige..."

4. Any plan of this magnitude may be defeated by U.S. political considerations in a time of domestic troubles.

Italy: "Reagan Gets Personally Involved"

In Rome, leftist La Repubblica on February 27 ran a report by New York correspondent Rodolfo Brancoli that "with the OAS speech, Reagan has chosen to get personally involved and to involve his own prestige to dramatize the problem in the hope of defeating Congressional opposition and the fears of the U.S. public..."

Singapore: "Reagan Will Need Persuasive Powers to Get Approval"

The Straits Times of Singapore on February 26 wrote, "Judging from initial reactions, President Reagan is going to need his much-vaunted persuasive powers to obtain approval for his Caribbean aid and trade package."

Venezuela: "Let Us Hope Reagan Gets Full Backing"

The English-language Daily Journal of Caracas on February 26 said, "The question now is to get things started. Let us hope the U.S. Congress doesn't start dawdling over this. Let us hope that people in the United States can perceive the necessity of such a plan. Let us hope Reagan gets the full backing of his countrymen on this plan. If he does, we are on our way toward reversing an historical injustice to an area."

5. On the face of it, the plan may bring direct economic disadvantages to some countries outside the area.

Colombia: "Surprise at Being Excluded"

Bogota's independent El Tiempo on February 26 contended that "in Colombia the Reagan plan was poorly received among exporters, who foresaw new and greater difficulties for the sale in the United States of products such as textiles, flowers and leather goods...The association of financial institutions lamented that Colombia has been excluded....Sources in the Foreign Ministry also expressed surprise."

Colombia's Contrapunto television network stated that sugar growers would be especially hard-hit, given "new found" advantages for the Dominican Republic.

Brazil: "Brazil Will Lose Exports"

Rio de Janeiro's independent Jornal do Brasil on February 25 ran Washington correspondent Armando Ourique's report that Brazil would lose an export market for sugar in the United States because the United States intends to "favor" Caribbean basin countries' sugar industry.

"Will Make Brazil Pay Part of U.S. Plan"

Rio de Janeiro's independent Jornal do Brasil on February 27 remarked that "the 12-year suspension of pending tariff charges on products from the Caribbean area will make other developing countries such as Brazil pay--although indirectly--a significant part of the cost of the American plan."

Australia: "Small Comfort for Sugar Producers"

Perth's Daily News on February 25 said, "Australian sugar producers may find small comfort in the speech in which Mr. Reagan said the United States would expand quotas on Caribbean sugar."

South Korea: A Blow to ROK Textiles?

Independent Donga Ilbo on February 26 ran a story by correspondent Mun Myong-ho on the probable results of Mr. Reagan's policy toward imports of textile goods from Central American and Caribbean nations, which, he said, would eventually deal a blow to the export of ROK-made textile goods to the United States.