

DEVELOPMENTS IN LATIN AMERICA, 1971

A Discussion of the Major Issues  
and a Chronology

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## DEVELOPMENTS IN LATIN AMERICA, 1971

### Highlights

Several of the most significant events in Latin America in 1971 occurred in Chile: nationalization of copper, expropriation of other foreign-owned enterprises; President Allende's controversial plans to institute governmental reforms. Manifestations of economic nationalism through nationalization, expropriation, and other measures affecting the status of foreign ownership of important industries and resources also were evidenced in other countries, including Peru, Ecuador, and Venezuela.

Some Latin American nations expressed a desire to change OAS policy toward Cuba but most still agreed with the United States that conditions did not warrant a change. Cuba figured in some of the most prominent items of interest through controversy surrounding the use of Cuban facilities by Soviet nuclear submarines, the seizure of seamen by both the United States and Cuba, and finally Cuban attacks on and seizure of two Miami-based freighters.

Ecuadorean seizures of U.S. tuna vessels for violation of that nation's 200-mile limit reached the highest level since the Latin American fishing seizures began, with over 50 ships taken into port and fined by the authorities in 1971. Negotiations for a new treaty on the Panama Canal generated congressional concern regarding the issue of U.S. sovereignty in the Canal Zone and continued as a nationalistic issue in Panamanian politics.

The Latin American nations reacted vociferously to the imposition of the ten percent surcharge on imports by the United States although they were exempted from the ten percent cut in foreign aid. Finally, the Latin American leaders expressed their concern over the U.S. Senate's defeat of the foreign aid authorization bill.

### I. Chile

Chile's President Salvador Allende on July 15 fulfilled a campaign pledge and with the approval of both houses of Congress signed into law a constitutional amendment nationalizing Chile's copper mining industry. The United States firms most affected by the law were the Anaconda, Kennecott, and Cerro corporations. Earlier in the year, a subsidiary of the Bethlehem Steel Company contracted to sell its holdings to the Chilean government; this was the first instance of a settlement with a major U.S. investor in accordance with the government's nationalization program. Prior to the passage of the copper nationalization law, the Chilean government seized control of the El Teniente Mining Company, partly owned by Kennecott. In August, two subsidiaries of the Anaconda Company were seized by the government for alleged failure to pay \$8 million which they had owed Chile since 1958.

President Allende's announcement at the end of September that \$774 million in "excess profits" would be deducted from compensation to be paid to the Kennecott and Anaconda copper mines, and the announcement by the Chilean Comptroller General that the companies should receive no

compensation since the amount owed was more than the book value of the holdings, brought angry protests from the United States. Secretary of State William Rogers called the Chilean plan "a serious departure from accepted standards of international law." Chilean Foreign Minister Clodomiro Almeyda stated that if the U.S. applied economic pressure Chile might not pay off \$700 million in debts contracted by the companies that owned the mines. On the other hand, Secretary Rogers, before a group of executives of U.S. businesses operating in Chile, said that the United States might invoke the Hickenlooper Amendment to cut off aid to Chile if that nation continued to refuse compensation. Roger's statement stimulated widespread support for the Chilean government among the Chilean populace. Chile's bishops endorsed the government's nationalization program and protested the U.S. threats in a declaration to the Synod of Bishops at the Vatican. During this period, Representative Dante Fascell's Inter-American Affairs Subcommittee of the House Foreign Affairs Committee held a one day hearing (October 15) on developments in Chile affecting U.S. private enterprise and U.S. relations. Testimony was given by Under Secretary of State for Inter-American Affairs Charles Meyer along with spokesmen from the Overseas Private Investment Corporation and the Export-Import Bank.

The Export-Import Bank became involved in the Chile-U.S. controversy when it denied a Chilean request for financing the purchase of three Boeing passenger jets for the national LAN-Chile airline because of the copper compensation issue. In September it was reported that a LAN-Chile

official was going to Moscow to complete arrangements for the purchase of eight Soviet commercial jets.

Chile's policies toward investment went beyond the copper industry and affected other U.S. operations. In September it was reported that General Motors notified the Chilean government that it would cease the assembly of commercial vehicles by the end of the year because of restrictions placed on the company by the government's new automotive industry program. Also in September, the government took over operation of the Chilean Telephone Company, which it was in the process of expropriating from ITT. In November, the Allende government informed the Chilean Congress that it wanted to nationalize many private companies although it indicated that the communications media would not be affected.

The nationalization and expropriation issue plus the political nature of the Allende government set the tempo for U.S.-Chilean relations. Early in the year, the U.S. government turned down an invitation, previously accepted by U.S. Chief of Naval Operations Admiral Elmo Zumwalt, for the aircraft carrier Enterprise to pay a courtesy call at the port of Valparaiso. The following month, however, a delegation of four high-ranking Air Force officers attended the celebration of the anniversary of the Chilean Air Force.

In the first part of the year, President Allende stated that Chile desired to maintain "very good" relations with the United States and reiterated that the government's policy was indemnification of nationalized enterprises. Regarding U.S. relations with Chile, President Nixon

in his State of the World Message in February 1971 stated, "We are prepared to have the kind of relationship with the Chilean government that it is prepared to have with us." In June the United States granted Chile \$5 million in credits for the purchase of one C-130 transport plane and paratroop equipment, and in September the Chilean and U.S. navies cooperated in Unitas XII, joint naval exercises with other Latin American navies off the coast of Chile.

The replacement of Ambassador Korrry with Ambassador Nathaniel Davis in October was interpreted as a move on the part of the Nixon administration to keep the lines of communication with the Chilean government open. However, toward the end of the year, several incidents served to exacerbate relations between the two governments. At the end of November, after returning from a two-week tour of six Latin American nations with the mission led by Robert Finch, Herbert Klein, White House Director of Communications, said he and Finch gained the "feeling" that the present Chilean government "won't last long." The Chilean Foreign Ministry issued a protest to the U.S. Ambassador, stating that the remark "implies a grave foreign intervention" in Chilean affairs. At a farewell party for Cuban Premier Fidel Castro, who was completing a 25-day visit of Chile, President Allende referred to the coincidence between Klein's remark and demonstrations against his government. President Allende's Socialist Party accused the United States of activity designed to undermine the Chilean government and stated that Chile had the right to refuse to pay debts of more than \$2 billion to the United States.

Fidel Castro, whose country was recognized by the Chilean government in November 1970, praised the Chilean system. President Allende said that the political importance of Castro's visit was the recognition by the Cuban leader that "Chile is living a revolutionary process under a revolutionary government, although with tactics different from those used in Cuba." The tactics of the Chilean government were criticized by some members of the U.S. Congress. A move to pull the Peace Corps out of Chile, however, was defeated.

President Allende's political program ran into expected opposition from the Christian Democrats, the largest of the opposition parties. Because of strong congressional opposition, President Allende withdrew (in March) a bill which would have established citizen's neighborhood courts as part of the government's overhaul of the judicial system. Allende's much publicized constitutional reform which would abolish the present bicameral Congress and create a unicameral "People's Assembly" was rejected by the constitutional committee of the Chamber of Deputies. The leader of the Christian Democratic Party said the measure reflected "the well-known Marxist tactics of seeking total power at any cost." The measure will probably be taken before the people in a national referendum.

As evidenced by the reaction to the "People's Assembly," political opposition to the Allende government increased toward the end of the year. In September the Christian Democrats ended their cooperation with the government after a series of attacks on former President Frei.

by the Communist and Socialist press. Anti-government sentiment emerged at the University of Chile over plans to reorganize the university in ways which the opposition feared would bring government control of university life. At times conflict between pro- and anti-government factions paralyzed the university. In early December President Allende was forced to declare a state of emergency to establish public order after it had been disrupted by street clashes between pro- and anti-government factions. The confrontations spread to the Congress and the university. It was believed that some of the anti-government activity was directed toward Fidel Castro. Also in early December, the Christian Democratic party threatened to bring impeachment proceedings against one of Allende's closest associates, Minister of Interior Jose Toha, on charges that he failed to maintain public order during the disturbances and for his failure to move against armed extremists who promoted land invasions by peasants.

In connection with the disturbances, the government temporarily suspended broadcasting by Radio Balmaceda, voice of the Christian Democratic Party. Early in the year, the government came under criticism for its harassment of the daily El Mercurio and other news media.

## II. Cuba

Developments concerning Cuba revolved around its relations with the United States, the Soviet Union, and the Latin American nations. A quiet move to reintegrate Cuba into the Inter-American system was supported

by Peru, Chile, and Jamaica, among others. By year's end, however, at the conclusion of informal closed OAS meetings, the Peruvians announced that discussions on the subject would not continue. This seemed to confirm the belief that the U.S. position of maintaining the OAS isolation of Cuba was still prevalent among the Latin nations. In hearings before the Senate Foreign Relations Committee on September 16, Deputy Assistant Secretary of State for Inter-American Affairs Robert A. Hurwitch reiterated that "there has been no significant change in the basic conditions upon which U.S.-Cuban policy has been based in the years since 1962 that would warrant a change in U.S. policy." Hurwitch was responding to three Senate resolutions calling for changes in U.S. policy toward Cuba. Although Cuban relations with the Latin American states were becoming increasingly friendlier, several times during the year Fidel Castro, as well as other Cuban government spokesmen, rejected renewing membership in the OAS. With regard to relations with the United States, the Cuban government seemed to take an equivocal stance. In his April Bay of Pigs anniversary speech Castro rejected the possibility of normal relations with the United States, but in November Cuban government spokesmen said that a dialogue with the United States remained possible.

Giving substance to U.S. government arguments against changing the present policy toward Cuba, Fidel Castro reaffirmed his support of revolutionary governments and movements in Latin America, although during his Chilean visit he stated that each nation had to choose its own course.

Cuban relations with the Soviet Union remained close and active during 1971. Early in the year the presence of Soviet nuclear submarines in Cuban ports prompted President Nixon to make known an "understanding" reached with Moscow in October 1970 which prohibited the servicing of Soviet nuclear submarines "either in or from Cuba." As interpreted by various sources, the United States in return would not seek the overthrow of the Castro government. The Inter-American Affairs Subcommittee of the House Foreign Affairs Committee held hearings on "Soviet Naval Activities in Cuba" in September.

In February, the Soviet Union and Cuba signed a new annual trade and payment agreement which provided for additional Soviet assistance but contained provisions for increased Soviet control over Cuba's use of the aid. In October Soviet Premier Alexei Kosygin spent four days in Cuba, emphasizing the close ties existing between the two countries. In this period, U.S. Defense Department officials said that the Soviets had made their first deliveries of new MIG-21 jet fighters to Cuba in more than four years. At year's end, Cuban President Osvaldo Dorticos spent a week in Moscow in discussions with Soviet leaders.

Several incidents occurred during the year involving Cuba and the United States, highlighted by the mutual seizure of seamen for violation of territorial waters. Arrangements were made for the release of those held by both governments. In early November the United States government forced 22 Cubans to return to their country after their surprise arrival and a week's stay in the United States in an attempt to attend a sugar

technology conference in New Orleans. Their plane's arrival prompted a hearing by the Investigating Subcommittee of the House Committee on Armed Services, which concluded that the southern perimeter of the United States is poorly defended.

In December, the Cuban Navy's attack on and seizure of two Miami-based freighters under Panamanian registry caused a strong protest by the United States. The Cuban government contended that the ships, owned by exiled Cubans, were involved in anti-Cuban activities, and that the captain of one of the ships was working for CIA. All crewmen were released after the intervention of a Panamanian delegation to Havana, but the captain was held for possible trial. In this period Cuban naval and air units were placed on alert, as were U.S. forces in the area.

In a significant development, Premier Fidel Castro said that the airlift of Cubans to the United States would soon end because almost all of those on the lists had either already departed, changed their minds or died.

### III. Economic Nationalism

The year 1971 witnessed a growing trend among the Latin American nations to assume more independent foreign policies and to gain greater control over their economic resources--a trend manifested in various forms of economic nationalism. On different occasions, the Latin American nations spoke as one on vital economic issues. In November, for example, at the "Group of 77" meeting in Lima, the 22 Latin American nations

approved the "Agreement of Lima," which was designed to signal Washington that Latin America intended to work out its economic and social development problems on its own terms.

A. Nationalization and Expropriation

Various nations took measures against foreign-owned enterprises in their quest for control over domestic economic resources. Ecuador expropriated oil deposits and tanks of American- and British-owned firms, Bolivia nationalized the largest United States mining investment in the country, Mexico announced the nationalization of the country's copper industry, and the Venezuelan government took measures which would seriously affect the future of U.S.-owned oil companies. The Colombian Congress passed a law restricting foreign investment in public services to comply with the decree passed in 1970 by the Andean Pact regarding the investment of foreign capital in Andean countries. Measures taken by the Andean Pact brought a warning from the Council of the Americas, an organization made up of 210 major U.S. corporations representing 85 percent of the total U.S. private investment in Latin America. The Council let it be known to the five member nations of the Andean Pact that the new foreign investment code would probably discourage foreign firms from investing in their countries. Peru, under its General Communications Law, expropriated 51 percent of the shares of all TV companies and 25 percent of the shares of some radio stations.

However, two measures counter to the nationalization trend were announced by Argentina and Mexico. President Lanusse's military

government in Argentina reversed his country's policy of economic nationalism and opened the nation to foreign investors. Mexico was reported to be opening Baja California to private development by foreign investors.

B. Territorial Waters Dispute

The territorial waters issue as it related to the problem of fishing rights flared anew in 1971. In January, the nine Latin American nations which claim 200 miles as their territorial limit (Argentina, Brazil, Chile, Ecuador, El Salvador, Panama, Peru, Nicaragua, and Uruguay) met in the First International Conference on the issue to coordinate policy. During the year there were incidents involving interference with U.S. fishing boats by Peru and Brazil, but the main controversy centered around Ecuador.

Ecuador's seizure of U.S. fishing vessels for violation of its territorial waters caused a severe strain in relations with the United States, and the issue was brought before the OAS. In January, soon after the initial seizures, the U.S. Department of State announced that the United States had suspended all military sales, credits, and guarantees to the Government of Ecuador for one year and said that other legal provisions affecting the U.S. economic assistance program in Ecuador were under review. Ecuador, in turn, called for a Meeting of Consultation of the OAS, charging that the U.S. suspension of military assistance constituted "aggression" and "coercion" in violation of the OAS Charter.

Ecuador also demanded the withdrawal from its territory of the U.S. military mission. The 14th Meeting of Consultation of Ministers of Foreign Affairs approved a compromise resolution which urged Ecuador and the United States to resume negotiations on the tuna boat controversy and called upon all member states to observe the OAS Charter and abstain from any measures affecting the sovereignty of states.

The dispute with Ecuador flared up again toward the end of the year, when many ships were seized. By year's end, Ecuador had apprehended over 50 ships. The U.S. House of Representatives responded to the renewed action by Ecuador by including an amendment to the Foreign Assistance Appropriations bill prohibiting funds for Ecuador. As passed the bill allows the President to approve aid for Ecuador if he decides it is in the national interest.\* A delegation led by Assistant Secretary of State for Inter-American Affairs Charles A. Meyer went to Ecuador to continue discussion on the issue begun by Presidential advisor Robert Finch while on his goodwill mission to Latin America. Later in the month, after visits to Ecuador and Peru, the Meyer delegation announced that those nations plus Chile had agreed to new talks with the United States over the territorial waters issue. The issue with Brazil showed signs of easing as it was announced during the December visit to Washington of President Medici that the United States would reach some agreement with Brazil permitting U.S. fishing fleets to operate off the Brazilian coast within the claimed 200-mile limit.

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\* On March 9, 1972, the date of the signing of the foreign aid measure, Secretary of State Rogers, acting under authority delegated to him by the President in an executive order, ruled that continuation of aid to Ecuador would be in the national interest. [Thus the effect of the amendment was voided.]

### C. Relations with Communist Nations

Several countries established or sought to establish ties with Communist states. Chile and Peru joined Cuba in recognizing the People's Republic of China and Mexico and Guyana gave strong indications that they would do the same. China granted Peru a \$42 million loan in technical aid and agreed to buy copper and other minerals. Chile signed an important trade agreement with the Chinese, and Guyana indicated that it too would sign one. Chile sent a high-level economic team on a mission to the Soviet Union and seven Eastern European countries to explore trade and aid opportunities. The Chilean Ambassador to the United States denied that the Soviet Union had offered Chile \$50 million in arms credit.

The Costa Rican government sent a mission to Moscow to discuss a Soviet offer of \$200 million in credit; domestic considerations forestalled a move to enter into formal diplomatic relations with the Soviet Union, but such a move is expected early in 1972. A Guatemalan trade mission visited Eastern Europe seeking markets for Guatemalan exports. The Peruvian government announced that the Soviet Union would finance a new \$30 million fishing port to be constructed 700 miles north of Lima.

### IV. U.S.-Latin American Economic Relations

Economic relations between the United States and Latin America reached a low point during 1971. President Nixon's imposition of the 10 percent surcharge on imports as part of the Administration's new

economic policy caused reverberations throughout Latin America. In early September, after a hastily called three-day emergency meeting of the Special Latin American Coordinating Commission (CECLA), 19 Latin American nations requested President Nixon to lift the surcharge on imports. In an address before the U.S. Governor's Conference in Puerto Rico, OAS Secretary General Galo Plaza said that the surcharge was counter to the U.S. commitment to help Latin America expand and diversify its exports. The Seventh Meeting of the Inter-American Economic and Social Council held in Panama in mid-September shelved the original agenda topic of a reappraisal of the Alliance for Progress and instead held full-scale discussions on the effect of the surcharge on Latin America. The announcement by Under Secretary of State for Economic Affairs Nathaniel Samuels that Latin American would be exempt from the ten percent cut in foreign aid did little to placate the Latin Americans. The final outcome of the meeting was a demand for the "immediate suppression" of the surcharge. The United States abstained on all of the recommendations of the meeting, which included a demand for a generalized system of tariff preferences and "previous consultation" with Latin America on future matters affecting the area's commercial situation.

In a speech before the Inter-American Press Association in October, Assistant Secretary of State for Inter-American Affairs Charles A. Meyer reaffirmed the U.S. commitment to assist the development of Latin America. Concerning the long-awaited system of generalized tariff preferences for Latin America, Meyer stated that the deteriorating U.S. trade and balance

of payments situation had prevented the Administration from submitting such legislation to Congress. Meyer said, "Our commitments remain firm, but the timing of their implementation is not necessarily determined unilaterally."

Many Latin Americans, including the three highest officials of the OAS, expressed serious concern over the Senate's defeat of the foreign aid authorization bill. In a letter to President Nixon the officials stated that the Senate's decision gave the impression that the United States was abandoning its special relationship with Latin America.

Economic relations seemed to be the dominant theme of the two-week goodwill mission led by Presidential advisor Robert Finch in November. The mission visited Peru, Ecuador, Argentina, Brazil, Honduras, and Mexico. During the trip, Finch signed the document ceding the Swan Islands to Honduras.

United States military aid programs in Guatemala and the Dominican Republic came under criticism through a staff memorandum of the Subcommittee on Western Hemisphere Affairs of the Senate Committee on Foreign Relations in December. The report "Guatemala and the Dominican Republic" was prepared at the request of Senator Church. Earlier in the year, a report issued by the Subcommittee on National Security Policy of the House Foreign Affairs Committee stated that the U.S. military assistance program in Latin America was not responsible for the prevalence of military coups against democratic, constitutional governments. In May, the State Department announced that President Nixon had

exercised his option to lift the \$75 million annual ceiling on military aid to Latin America imposed by Congress and requested legislation to raise the ceiling to \$150 million annually beginning in Fiscal 1972.

#### V. The Panama Canal Issue

The issue of the Panama Canal reappeared as treaty negotiations between the United States and Panama resumed in June after a four-year lapse. Panamanian leader Torrijos used the treaty issue, as had his predecessors, to stir up popular support for his government. In October, Torrijos called for a reduction in the size of the "exaggerated presence of U.S. troops in Panama." He especially objected to the presence of U.S. Army and Air Force training schools "which have nothing to do with defending the canal."

Two committees of Congress held hearings on the Panama Canal issue and heard testimony from Members of Congress as well as from officials of the Department of State. In September, the Subcommittee on Inter-American Affairs of the House Foreign Affairs Committee met to consider 42 House resolutions submitted by 88 Members expressing the sense of the House of Representatives that the U.S. maintain its sovereignty and jurisdiction over the Panama Canal Zone. In November and December the Subcommittee on the Panama Canal of the House Merchant Marine and Fisheries Committee held hearings on the current negotiations. These hearings focused on the issue of House involvement in a treaty which deals with the disposal of U.S. property.

Before the Panama Canal Subcommittee, U.S. negotiator John C. Mundt testified that U.S. control and defense of the canal was not at stake in the current negotiations. He said that the U.S. was seeking an arrangement with Panama which would "ensure the continuation of the U.S. presence in tranquility." Also in testimony before the Subcommittee, Deputy Under-Secretary of the Army David H. Ward stated that the retention of U.S. bases in the Canal Zone was one of the non-negotiable U.S. terms. He conceded that the negotiations would result in some land concessions on the part of the United States. Later in the month, Ward was named to succeed Mundt as chief "working-level" negotiator of the U.S. team.

In May the U.S. Peace Corps program in Panama was terminated, implementing a decision announced by the Foreign Minister in February. The Panamanian government said that Panamanian and international volunteers could do the same things as the Peace Corps. Panama became the first Latin American nation to terminate its agreement with the Peace Corps. Later in the year Peace Corps agreements with Guyana and Bolivia were terminated.

In October General Torrijos announced before a massive rally that the Government would take steps toward representative government in Panama. Elections would be held in August 1972 for a national assembly which would "decide what path the country will follow."

## VI. Changes of Government

The year 1971 was relatively quiet as far as changes of government were concerned. The changes which came about in Honduras and Uruguay were the result of free and democratic elections; in Haiti, Jean Claude Duvalier assumed office upon the death of his father "Papa Doc." The only changes involving confrontation were in Argentina and Bolivia.

In March, Ramon Ernesto Cruz, candidate of the Honduran National Party won the presidential election by defeating the Liberal Party candidate. Cruz pledged that he would work for a peaceful solution to the border problem with El Salvador. The November election in Uruguay was most significant for the defeat of the leftist coalition, the Broad Front (Frente Amplio). Led by General Liber Seregni, composed of the Marxist, Socialist, and Christian Democratic parties, and supported by the Tupamaros urban guerrilla organization, the Broad Front, polled about 20 percent of the vote. Juan Bordaberry of the Colorado Party, the hand-picked candidate of President Pacheco, won a narrow and contested victory over General Wilson Ferreira Aldunate of the opposition National (Blanco) Party.

In Haiti, Jean Claude Duvalier was sworn in as the new "President-for-Life" in April when his ailing father, Francois Duvalier, died. U.S. officials confirmed that increased U.S. surveillance in the area was a precautionary measure in the event of an external threat to Haiti. With the change in leadership, relations between Haiti and the United States improved. In August, it was reported that the United States

might ease its policy toward Haiti by sending technical advisers and by allowing Haiti to purchase light weapons. In November, the British publication Latin America reported that after eight years the United States had ended the embargo on military aid to Haiti through a private firm, Aerotrade of Miami. Aerotrade was training the new anti-subversion force, "the Leopards," as well as supplying weapons to the 5,000-man army.

The commander-in-chief of the Argentine Armed Forces, General Alejandro Lanusse, led a three-man junta in a bloodless coup d'etat in March against the short-lived government of General Roberto Levingston. Anti-government riots in Cordoba and major differences with Lanusse and the armed forces led to the ouster. Lanusse, who was sworn in as President a few days later, began to prepare Argentina for a return to civilian rule. He later promised elections would be held on March 25, 1973.

In Bolivia, in August, anti-Communist military and civilian forces led by General Hugo Banzer Suarez crushed supporters of leftist military President Juan Jose Torres in heavy fighting in La Paz and took control of the government. Upon assuming office, President Banzer said that Bolivia would not seek the restoration of relations with Cuba as advocated by the previous government. A U.S. State Department spokesman denied charges that the United States played a part in aiding the victorious right-wing forces. At the end of August the United States recognized the new government.

VII. Insurgency

Under control in most countries during the year, insurgency showed signs of increasing in Colombia and Argentina. In October Colombian President Pastrana announced a series of emergency security measures designed to cope with the resurgence of guerrilla activity which supposedly had been virtually eliminated two years ago. A British source reported rumors that the three major guerrilla groups, the pro-Soviet Colombian Revolutionary Armed Forces (FARC), the pro-Castro Army of National Liberation (ELN), and the pro-Chinese Popular Army of Liberation (EPL), had united in common effort. Increased guerrilla activity in Argentina led President Levingston to declare that Argentina had been chosen as the center for international operations of subversion efforts. In August it was estimated that active membership in the armed subversive movement in Argentina had reached a figure of 6,000.

The insurgent movement in Brazil was dealt a severe blow in September when Carlos Lamarca, one of the last of the important guerrilla chiefs, died fighting in the northeastern state of Bahia. Earlier in the year the Brazilian government had released 70 political prisoners and put them on a plane to Chile in exchange for the release of Swiss Ambassador Giovanni Bucher.

Uruguay's Tupamaro guerrillas in March finally released Dr. Claude Fly, a U.S. agricultural specialist who had been held since August 1970. In September the Tupamaros released British Ambassador Geoffrey Jackson

after holding him for eight months. All during the year, the Tupamaros played havoc with the Uruguayan security apparatus, striking almost at will and with much success. In September the government's frustration reached its height when 111 Tupamaros, including their leader and founder Raul Sendic, escaped from a maximum security prison.

The Organization of American States earlier in the year (January-February) considered the problem of terrorism and kidnapping in the hemisphere. By a bare one-vote margin, the Third Special Session of the General Assembly approved an Inter-American convention providing for the arrest, extradition, and trial of persons abducting, or terrorizing foreign diplomats and officials. The vote reflected deep division over the issue. The hard-line nations (Argentina, Brazil, Ecuador, Guatemala, Haiti, and Paraguay) demanded that all acts of terrorism be covered. The soft-line countries, principally Peru, Chile, Bolivia, and Mexico, argued that the traditional Inter-American principle of political asylum would be invalidated. The U.S. State Department praised the convention as making a major contribution to international law. The decision represented the first time that an international agreement has specified that the murder or kidnapping of diplomats were not to be considered as political offenses. The Convention was submitted by the President for the advice and consent of the Senate and was referred to the Senate Committee on Foreign Relations.

The Soviet Union was implicated in activities of an anti-government guerrilla group known as the Movement of Revolutionary Action (MAR) in

Mexico. In March, the Mexican government ordered the expulsion of five high-ranking Soviet diplomats after the government announced the arrest of 19 members of the group. It was reported that the group was financed by the Soviet Union, attended school in Moscow, and received guerrilla training in North Korea.

In June, the mayor and chief of police of Mexico City resigned in the aftermath of clashes in which at least nine students were killed and 160 were wounded by police-sanctioned rightwing extremists.

In Ecuador in July the government expelled two Soviet diplomats on charges that they were meddling in domestic labor problems.

Late in the year, the London Daily Telegraph reported that a senior Cuban intelligence agent had defected to the United States with information on a Cuban-backed Latin American liberation movement based in Santiago, Chile. The article alleged that leaders of an "anti-imperialist front" were meeting secretly in Santiago to prepare for a full congress in late 1972.

#### VIII. Brazil

As in the past several years the Brazilian government came under severe censure and criticism for its policies on political repression. Cases charging the torture of priests and political prisoners resulted in a document signed by 15 international organizations, including the World Council of Churches and the International Commission of Jurists, protesting the systematic violation of human rights in Brazil. Earlier

in the year, the National Conference of Brazilian Bishops drafted letters in support of their colleagues, who charged the government with torturing Catholic leaders.

The military government, increasingly sensitive to the charges as they took on an international character, opened an inquiry into a case involving the torture of a priest and his assistant. Similarly, the government took action against a policeman said to have been a member of the "Death Squad," a group of policemen who summarily executed criminal suspects outside the law. In September it was reported that President Medici had used his decree power to suspend the political rights of policemen accused of participating in the Death Squad. More than 180 deaths were attributed to the organization in less than three years.

In July, the U.S. Department of State announced that it was ending the 12-year-old public safety program in Brazil which provided training and other assistance to federal and state police forces in the country. The program in Brazil came under heavy criticism from Senator Church and Senator Proxmire during hearings held by Western Hemisphere Affairs Subcommittee of the Senate Foreign Relations Committee and the Senate Committee on Appropriations, respectively. One of the major issues debated was U.S. support of institutions used in the repression of political opposition in Brazil and other Latin American countries. The State Department said that the program in Brazil was being ended because the Brazilian government now had the capacity to train its police forces in modern techniques.

In the latter part of the year it was reported that President Medici had issued an edict empowering himself to enact secret decrees. Government spokesmen said that the secret acts would only deal with matters of national security, but the political opposition saw them as fortifying the government's authoritarianism.

In December President Medici met with President Nixon on an official three-day visit to Washington. Topics of concern between the two countries included Brazil's claim to a 200-mile territorial sea limit, trade relations and the U.S. ten-percent surcharge, U.S. participation in the International Coffee Agreement, and the impact of Marxist-dominated governments in Chile and Cuba on Latin America. An impromptu statement by President Nixon, "We know that as Brazil goes so will go the rest of the Latin American continent," evoked a storm of protest from countries such as Venezuela, Peru, and Argentina, which interpreted the remarks as United States acceptance of Brazilian hegemony in South America. Additional criticism was leveled at the United States because of the impression that the U.S. favored conservative military-dominated regimes over democratically elected governments in Latin America.

#### IX. Dominican Republic

The Dominican Republic was another nation where charges of repression were voiced. In November it was reported that many segments of Dominican society had expressed their discontent over the political violence which plagued the nation. As of November most of the 139 violent deaths which

had occurred were attributed to rightwing terrorists. In September President Balaguer, on national TV, admitted that an anti-Communist terror organization called "La Banda" was a "distorted" arm of the national police and ordered its immediate dissolution. Prior to this time it was reported that at least 50 leftists had been murdered and many more jailed since "La Banda" was formed in April. Later in the year, President Balaguer, under pressure, fired the chief of the national police and named popular army general Neit Nivar Seijas to the post. Meanwhile, former president Juan Bosch accused Balaguer, a former associate of Trujillo, of attempting to establish a dictatorship.

X. Organization of American States

The year 1971 was significant for the Inter-American system. The First Annual General Assembly of the Organization of American States, established in the revised OAS Charter, was held in San Jose, Costa Rica. One of the accomplishments of the meeting was the agreement between Honduras and El Salvador to submit proposals for a negotiated settlement of the 1969 "Soccer War."

XI. Chronology1971

- January 4: President Nixon said in a nationally televised interview that he would regard the servicing of Soviet submarines "either in or from Cuba" as a violation of an understanding reached with Moscow last October. The President added that he did not believe the Russians wanted another Cuban crisis and did not think one would occur.
- January 5: The Government of Ecuador expropriated oil depots and tanks of Anglo-Ecuadorian Oil Fields Ltd., and Gulf del Ecuador S.A., owned by two mainly British and American firms.
- January 5: Chile established diplomatic relations with Communist China, and in a joint communique recognized the Communist Chinese Government as "the sole legal government of China." (Chile joined Cuba as the second Latin American government to recognize Red China.) Chile has maintained diplomatic relations with the Chinese Nationalist Government in Taiwan which is now expected to break those ties.
- January 8: A Defense Department spokesman reported that four Soviet naval vessels which had been in the Cuban port of Cienfuegos since last September had left Cuba, apparently to return home. Among the vessels was a submarine tender believed equipped to service nuclear-powered missile-carrying submarines whose arrival in Cuba last fall alarmed official Washington. A Soviet tug and two barges believed to be associated with nuclear submarine operations remained at Cienfuegos.
- January 9: The Government of President Jorge Pacheco Areco of Uruguay announced that it would not negotiate with the Tupamaros guerrillas who kidnapped British Ambassador Geoffrey M.S. Jackson on January 8.
- January 11: An Ecuadorean patrol boat seized a U.S. tuna vessel fifty-five miles off the coast of Ecuador and escorted it to the port of Salinas, in the first seizure of U.S. fishing boats by a Latin American nation in 1971.

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- January 11: Bolivian forces loyal to the three-month-old leftist military regime of General Juan Jose Torres put down an army revolt the same day it occurred.
- January 13: President Nixon signed the bill extending United States participation in the International Coffee Agreement until June 30, 1971, an extension of nine months since United States participation expired the previous September 30. Congress rebuffed the Administration's request for a three-year extension because of a controversy with Brazil over Brazilian sales of instant coffee at prices which some Members of Congress regarded as discriminatory.
- January 13: Chile's respected daily El Mercurio in an editorial denounced the "virtual occupation" of its offices by inspectors from Chile's Internal Revenue Service which accused the publishers of possible violations of tax payments. The editorial charged that the "intervention" impeded publication, and was part of the Government's "systematic attacks and attempts at discrediting" the newspaper.
- January 14: The Haitian Congress revised Haiti's constitution to enable Jean Claude Duvalier, twenty-year-old son of Haitian dictator Francois Duvalier, to succeed to the Presidency. Amendments were unanimously approved lowering the age requirement for the Presidency from 40 to 20 years and giving the President the power to choose his successor.
- January 14: The Brazilian Government released 70 political prisoners and put them on a plane to Chile in exchange for the release of kidnapped Swiss Ambassador Giovanni Enrico Bucher. Bucher was subsequently released on January 16.
- January 15: The nine member countries of the Montevideo Treaty, who claim a 200-mile maritime jurisdiction (Argentina, Brazil, Chile, Ecuador, El Salvador, Nicaragua, Panama, Peru, Uruguay), ended their four-day First International Conference in Lima. Peruvian Foreign Minister Edgardo Mercado Jarrin told the delegates at the closing ceremony that "we have a clearly defined Latin American policy on maritime sovereignty."

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- January 16: The Castro Government appointed its first ambassador to Chile since that government broke diplomatic relations with Cuba in 1964 in compliance with OAS sanctions. The Government of Chilean President Salvador Allende reestablished relations with Cuba on November 12, 1970.
- January 18: The State Department announced that the United States had suspended all military sales, credits and guarantees to the Government of Ecuador for one year under Section 3(b) of the Foreign Military Sales Act, and that further financial sanctions under other legal provisions were "under review," following the seizures of U.S. fishing boats off the Ecuadorian coast. Meanwhile, Ecuadorean patrol boats seized four additional American tuna boats bringing to nine the number seized since January 11, and marking the strongest concentration of U.S. boat seizures in the eleven year history of the "tuna war" with Ecuador, Chile and Peru.
- January 18: Chile's largest publishing enterprise, Zig Zag, announced that it was requesting the intervention of President Allende to find a solution to its economic difficulties resulting from the decision of a Chilean Government arbitration board appointed to settle a month-long wage strike. Zig Zag's director claimed that the Board's order of a 67.3 percent wage increase exceeded the capacity of the firm to pay and would force it out of business, constituting "a clear attack on freedom of the press."
- January 20: The State Department disclosed that the Ecuadorean Government had collected a total of \$484,600 from nine United States tuna boats seized since January 11 for allegedly having violated Ecuador's 200-mile maritime limit.
- January 23: Bolivian Ambassador Carlow Casap, on assuming the Chairmanship of the Permanent Council of the Organization of American States, exhorted the inter-American system to work for the readmission of Cuba. "Without the elimination of ideological barriers," the Ambassador declared, "it will be impossible to achieve a peaceful atmosphere and to end the political tension which benefits no one and which on the contrary, impedes dialogue and negotiation."

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- January 25: The Foreign Ministers of the countries of the Organization of American States opened a nine-day session (Third Special Session of the General Assembly) in Washington to deal with proposed joint measures to combat terrorism and kidnapping in the hemisphere.
- January 27: The OAS Permanent Council, by a vote of 22 to 0 with one abstention (United States), agreed to convene an emergency session of the OAS Foreign Ministers on January 20 to consider Ecuador's charges that U.S. suspension of military assistance in the dispute over tuna boat seizures constituted "aggression" and "coercion" in violation of Article 19 of the OAS Charter.
- January 28: Chilean President Salvador Allende emphatically denied charges made by Manoel do Nascimento Brito, President of the Inter-American Press Association, that the Chilean press was being harassed under his administration. Speaking before the Socialist Party Congress, Dr. Allende said the charge was malicious and formed part of a growing international campaign against his leftist government.
- January 29: Red China's official publication New China praised the independent attitudes of Panama, Peru, Chile, Bolivia, Ecuador, and Venezuela toward the United States and averred that the Latin American countries were making common cause with the countries of Asia and Africa to resist "the blackmail and imperialist extortion of the United States" with respect to copper, petroleum and coffee. Western observers in Hong Kong saw the article as a sign of Peking's growing interest in Latin America, first signaled by the establishment of relations with Chile in early January--Red China's first embassy in South America.
- January 30: In a statement before the 14th Meeting of Consultation of Ministers of Foreign Affairs convened to consider Ecuador's charges of United States "coercive measures" for its suspension of military sales arising out of the tunaboat controversy, Under Secretary of State John Irwin denied "most emphatically" any such charge declaring: "In no way can assistance of any kind be

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considered as obligatory, timeless and changeless, nor the flow of that assistance a constant. Economic, legal and administrative factors present in both donor and recipient nations have affected planning for and implementation of assistance and always will. So, to a degree, will politics have an effect as politics are a vital part of every national existence, and are inextricably intermingled with economic, legal and administrative factors in both donor and recipient nations. In short, assistance within nations and between nations depends on a high degree of mutuality. The extension of assistance, or its acceptance, cannot be automatic and irrevocable."

January 31:

The Government of Ecuador demanded the withdrawal from its territory of the 25-member U.S. military mission in response to what Ecuadorean Foreign Minister Jose Maria Ponce Yepes termed "coercive measures" taken by the United States in its suspension of military sales to Ecuador.

January 31:

By a vote of 19 to 0 with 4 abstentions (Chile, Peru, Bolivia, Barbados), the Organization of American States approved a compromise resolution urging the United States and Ecuador to resume negotiations to resolve the tunaboat controversy and to avoid aggravating the issue, and calling upon all member states to observe the OAS charter and to abstain from any measures affecting the sovereignty of states and the tranquility of the hemisphere.

February 1:

The Haitian people voted in a plebiscite to ratify President Francois Duvalier's selection of his son, Jean Claude, as his successor, according to a Washington Post report. There was no indication as to when Duvalier, who is the constitutional president for life, would resign from office.

February 2:

By a one-vote margin the OAS Foreign Ministers attending the Third Special Session of the General Assembly approved an inter-American convention providing for the arrest, extradition, and trial of persons who abduct or terrorize foreign diplomats and officials. Six so-called "hard line" nations (Argentina, Brazil, Ecuador, Guatemala, Haiti, Paraguay),

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which had demanded a convention covering all acts of terrorism, boycotted the final vote. The U.S. State Department, in a press statement on February 3 said: "This convention makes a major contribution to international law. It is the first time that any international agreement has specified that the murder or kidnapping of representatives of states are not to be considered as political offenses whose perpetrators are sheltered by asylum."

- February 3: The New York Times reported that United States diplomats had officially cautioned Chilean officials that the government's plan to nationalize American copper interests could seriously damage relations between the two countries.
- February 5: The Defense Department reported that three Soviet naval vessels, including a submarine tender, a guided-missile cruiser and a merchant tanker, were en route to Cuba.
- February 7: The New York Times News Service reported that Chilean peasants organized "under radical political leadership" had seized hundreds of private farms in recent weeks and were receiving financial aid and political direction from the Chilean Government.

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February 10:

It was reported that the United States was quietly withdrawing from Costa Rica its Central Intelligence Agency station chief, Earl J. Williamson, following accusations in the Costa Rican press that the CIA was involved in "rumors of an attempt to overthrow" Costa Rican President Jose Figueres Ferrer. The State Department on February 9 had denied reports that the United States had been engaged in a clandestine effort to discredit or overthrow the Costa Rican Government. State Department spokesman Robert J. McCloskey said the allegations "were especially puzzling because of the close and friendly relations between the two countries, particularly since President Jose Figueres' tenure in office."

February 11:

The Most Reverend Paulo Evaristo Arns, Archbishop of Sao Paulo, largest diocese of Brazil, accused government officials in Sao Paulo of torturing an Italian-born priest, Reverend Giulio Vicini, and his social worker assistant, Miss Yara Spadini, both assigned to the working-class suburbs of Sao Paulo, after their arrest on charges of having made a stencil containing alleged subversive propaganda. The prelate demanded that authorities investigate the case and "apply energetic corrective measures" which should be made public in order to restore the "climate of confidence necessary for easy coexistence" of the church and the Brazilian Government.

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- February 12: Chilean President Salvador Allende announced that the Chilean Government had purchased the largest publisher of magazines in Chile, the Zig Zag Publishing Enterprise, which was on the verge of bankruptcy, and established a state publishing concern with the plant and equipment. President Allende stated that Zig Zag would continue to publish under its own editorial control, using the state plant facilities.
- February 13: The Pentagon announced that a Soviet guided-missile cruiser, accompanied by an oil-supply ship, had recently arrived in Havana harbor, and that a 9,000 ton tender used to service nuclear submarines was about 100 miles south of Cienfuegos on Cuba's southern coast, but declined to discuss reports that the tender was accompanied by a Soviet nuclear submarine travelling submerged and presumably detected on United States undersea-detection devices. According to one U.S. official, "They seem to be testing us," in what was widely being interpreted as another challenge by the Soviet Union of the U.S.S.R.-Nixon Administration's "understanding," i.e., the U.S. would not seek to overthrow the Castro Government in Cuba in return for a Soviet pledge that nuclear-armed vessels would not be serviced "in or from" Cuban ports.
- February 13: The Chilean Minister of Interior, Jose Toha, announced that the Government would seek special legislation to punish the instigators of illegal seizures of Chilean farmland, and would act vigorously against any armed groups operating in rural areas. Previously, the Chilean press reported the existence of such armed groups, led by extremists of the Revolutionary Left Movement.

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- February 17: The National Conference of Brazilian Bishops meeting in Belo Horizonte, Brazil, closed with the drafting of letters supporting two fellow Catholic bishops, Bishop Waldyr Calheiros and Archbishop Paulo Evaristo Arns, both of whom have charged the Brazilian Government with torturing Catholic leaders.
- February 17: The Pentagon confirmed that a Soviet nuclear-powered attack submarine had surfaced in the waters off Cuba. At an impromptu news conference at the White House, President Nixon replied to a query as to how concerned he was about the submarine's presence that "we are watching it very closely." Referring to his statement of January 4, he declared: "You may recall I said that if a nuclear submarine was serviced from Cuba or in Cuba that this would be a violation of our understanding with regard to the Soviet Union's activities in putting offensive weapons or a base in Cuba. As far as I am concerned, the question is a rather technical one--whether it is there for a port call or whether it is there for servicing...."
- February 19: Authoritative sources at the U.S. Naval Base in Guantanamo Bay, Cuba, said that Soviet ships had begun electronic surveillance of U.S. naval vessels engaged in fleet training in the Caribbean. The source mentioned operations of a Soviet ship equipped with radar and sonar devices south of Cuba, two Soviet hydrographic survey vessels off Trinidad, and a guided-missile cruiser in the Gulf of Mexico, which were in addition to the Soviet naval force which recently arrived at Cienfuegos.
- February 22: Cuba and the Soviet Union signed a new annual trade and payment agreement which provided for increased Soviet economic aid to the Castro Government. The Soviet press agency, Tass, quoted First Deputy Minister of Foreign Trade, Mikhail Kuzmin, at the signing ceremonies as saying that "in 1971 we must send Cuba a broad and varied range of Soviet goods worth 100 million rubles /\$110 million/ more than last year."

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February 23:

A three-man mission of the International Committee of the Red Cross issued a 72-page report concerning Brazil's Indian population in which they stated that quick action was needed to save the native Indian population of the region from extinction, but stressing that "nowhere did it see any evidence of massacres or any sign of physical ill-treatment of Indian tribes or individuals." The mission was sent to survey the living and health conditions of the 36 Brazilian Amazon Indian tribes, in response to widespread international criticism and charges against the Brazilian Government of genocide.

February 24:

A Chilean economic team representing the new Socialist government of President Salvador Allende presented its nation's bid for continued public and private foreign investment during the annual country economic review before the Inter-American Committee of the Alliance for Progress. Concerning foreign private investment, according to a New York Times report, Pedro Vuskovic Bravo, Chilean Economic Minister and head of the delegation, stated that Chile would welcome foreign investment provided it carried no conditions and operated within planning guidelines set by the Allende Government, and that Chile would compensate foreign property owners whose holdings were nationalized as a result of the economic plans of the Allende administration.

February 24:

The Russian Embassy in Mexico announced that the Soviet Union was building 165 industrial plants in Cuba and was aiding Cuba in prospecting for petroleum in the Caribbean, and that Soviet specialists were constructing a platform for the first exploratory perforations in Cuban waters.

February 25:

Max Nolff, chairman of the Chilean Copper Corporation, regulatory agency for Chile's copper mining industry, announced that Chile would sell copper directly to Communist China. (Chile had been using the London Metals Market to clear the bulk of its copper sales for more than six years.) The Chilean Government also announced that the contract of Anaconda Sales, a subsidiary of Anaconda which has marketed that company's output abroad, would not be renewed after its April 1 expiration date, and that the Government planned to set up its own sales network.

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- February 26: Colombian President Misael Pastrana Borrero declared a state of siege in Colombia following riots in Cali, Colombia's third largest city, which reportedly killed eight persons and injured 50. The Cali riots followed a week of restlessness throughout much of the nation, including invasions of farms by peasants, a teachers' strike, and preparations for a 24-hour general strike called for March, and grew out of differences between students and administration at the University of Valle which resulted in demonstrations in which one student was killed.
- February 27: The U.S. Government declined an invitation extended by Chilean President Salvador Allende to the U.S. aircraft carrier Enterprise to pay a two-day "courtesy call" visit to Valparaiso. The Defense Department's announcement stated that "the operating schedule does not permit the ship to make this port of call and still make her scheduled commitments." President Allende had declared that he had invited the Enterprise in order to show the U.S. crewmen that "authentic democracy" still prevails in Chile, and had announced in a nationwide television speech on February 25 that Admiral Elmo Zumwalt, Chief of U.S. Naval Operations, had accepted his invitation while on a visit to Chile the week before.
- March 2: The Coast Guard announced that it was sending another cutter to the Key West area of Florida following a Havana Radio broadcast which implied that a fleet of Cuban fishing boats intended to violate the U.S. 12-mile fishing limit in the same area where four other Cuban fishing vessels were seized on February 24. According to the Coast Guard announcement: "all fishing vessels which violate the U.S. 12-mile limit ...will continue to be seized and their masters prosecuted in federal court."
- March 2: Uruguay's Tupamaro guerrillas released Dr. Claude L. Fly, a United States agricultural specialist who had been held hostage since August 1970.

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- March 2: The military government in Brazil opened an inquiry into charges by a Roman Catholic Priest, Reverend Giulio de Vicini, and a social welfare worker, Yara Spadini, that they had been tortured and submitted to indignities while being held in prison on charges of subversive activity.
- March 4: Cuba announced the appointment of an ambassador to Communist China, bringing relations between the two countries to the ambassadorial level for the first time since 1967.
- March 4: The Government of Chilean President Salvador Allende withdrew a bill that would have established citizens' neighborhood courts as part of a government planned overhaul of Chile's judiciary system. The withdrawal came after the proposal faced strong opposition in the Chilean Congress from the Christian Democrats and some sectors of Dr. Allende's own Popular Unity coalition.
- March 15: Colombian President Misrael Pastrana Borrero announced that his nation was ready to reconsider its arms plans, including possible review of the purchase of 18 French Mirage supersonic jet fighter planes, already contracted, as part of a proposed Latin American regional arms limitation agreement. The Colombian proposal for immediate action on armament limits in Latin America, to answer, according to Pastrana, "the common worry that a new arms race could occur among the countries," was formally presented to the OAS on March 10 and intended for discussion at the meeting of OAS Foreign Ministers scheduled for April 14 in Costa Rica.
- March 17: The State Department and the Pentagon confirmed today that the United States was sending a delegation of four high-ranking U.S. Air Force officers to Chile to attend the 41st anniversary celebration of the Chilean Air Force, which begins on March 21st. The plan was regarded in Washington as an effort to assuage the Chilean's ruffled feelings arising out of U.S. cancellation of the scheduled visit of the aircraft carrier Enterprise at the invitation of Chilean President Salvador Allende.

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March 18:

The Mexican Government ordered the expulsion from its territory of five high-ranking Soviet diplomats, including the Charge d'Affaires, top-ranking official of the Soviet embassy in Mexico City in the absence of the ambassador. The events followed a March 16 announcement by Mexico of the arrest of 19 members of an anti-government guerrilla group who, it was reported, had previously attended a Moscow university and received guerrilla training in North Korea. Although the Mexican Foreign Ministry gave no reason for the expulsion, it was believed to be a warning to the Soviet Union that Mexico will not tolerate Russian involvement in domestic leftist agitation.

March 20:

A Guatemalan Foreign Ministry report issued recently stated that members of a Guatemalan trade mission currently in Europe will visit Czechoslovakia, Poland, Hungary and Rumania to seek markets for Guatemalan exports. According to the report, a growing protectionist mood in the United States, Guatemala's major trading partner, and the El Salvador-Honduras dispute which was threatening the functioning of the Central American Common Market, made it essential that Guatemala probe potential new export outlets.

March 22:

The Council of the Americas, whose membership comprises 210 major United States corporations representing 85 percent of the total U.S. private investment in Latin America, reported that it had warned the five Latin American nations of the Andean Group /Bolivia, Chile, Colombia, Ecuador and Peru/ that the Group's new foreign investment code would probably discourage foreign firms from investing in the five nations, and asked that they "carefully reconsider" the code.

March 23:

In an interview with New York Times correspondent C.L. Sulzberger, Chilean President Salvador Allende declared that Chile "will never provide a military base that might be used against the United States. Chile will never permit her territory to be used for a military base by a foreign power--by anybody."

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- March 23: In a bloodless coup d'etat, Argentine President Roberto M. Levingston was ousted by a 3-man military junta led by the Commander-in-Chief of the armed forces, Army General Alejandro Lanusse. The event arose out of continuing anti-government riots in the industrial city of Cordoba, and differences between President Levingston and General Lanusse and the armed forces (who reportedly favored an early return to constitutional government) which culminated in the President's firing General Lanusse. Lanusse was subsequently sworn in as President on March 25.
- March 26: According to reliable sources, the American-owned Bethlehem Iron Mines Company of Chile, a subsidiary of Bethlehem Steel, contracted to sell its holdings to the Chilean Government. This was the first such settlement with a major U.S. investor growing out of the Chilean Government policy of nationalizing basic mining resources, banks and industries.
- March 29: Ramon Ernesto Cruz, 68-year-old candidate of the Honduran National Party, was declared President-elect of Honduras for a 6-year term, following national elections held on March 28. Mr. Cruz defeated opposition Liberal Party candidate Jorge Bueso Arias.
- March 30: At a political rally in Santiago, Chilean President Salvador Allende stated that Chile's "interest and desire" was to maintain "very good" relations with the United States. Commenting on his administration's nationalization plans, Dr. Allende said, "the only thing we ask is respect for our right to adopt laws and take measures that will recover our basic resources from the hands of foreign capital. That does not mean taking what is not ours, or not paying indemnification."
- March 31: The Ecuadorean Government of President Jose Maria Velasco Ibarra put an end to a one-day military rebellion led by General Luis Jacome Chavez, head of the Ecuadorean military academy, academy officers and their supporters. The revolt grew out of a political feud involving elements of the military and two of President Velasco's cabinet officers which

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resulted in the firing on March 26 of General Jacome as head of the war college. Jacome refused to accept the decision and together with supporters demanded the resignation of Defense Minister Jorge Acosta Velasco, nephew of the President, and Army Chief of Staff General Julio Sacota Montero. General Jacome surrendered without any shots being fired.

April 1: The United States tuna boat Puritan, which was captured by Peruvian patrol boats 24 miles off the coast of Peru on March 29, was released by that government after paying more than \$12,000 in fines. The Puritan was the first U.S. fishing vessel seized by Peru in 1971.

April 1: In a television announcement, Argentina's new Minister of Interior, Arturo Mor Roig, informed the nation that the new Argentine administration had lifted the ban on political party activity and would restore legal rights, property and other possessions which past military governments had denied political parties. This marked the first time that Argentine political party activity had been legalized since the military coup in 1966.

April 3: The Bolivian Government arrested an unknown number of persons in several Bolivian cities after the military government announced discovery of a plot against it, according to a Washington Post report. Several hours earlier, an opposition movement led by former Bolivian President Victor Paz Estenssoro, who had been in exile in Peru since he was overthrown in 1964, had issued a communique stating that the government of General Juan Jose Torres was on the brink of collapse.

April 5: Chilean President Salvador Allende claimed the outcome of the April 4 municipal elections as a victory for his administration's programs of structural change for Chile. Candidates of the five parties which back Allende's Popular Unity coalition won 49.73 percent of the vote, against 48.05 percent for candidates of the four opposition parties. Within the coalition, Dr. Allende's own Socialist Party received 22.38 percent

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of the vote against 12 percent in the last comparable election in 1969; and the Christian Democratic Party of former President Eduardo Frei received 25.62 percent of the vote, remaining the largest single party in Chile.

- April 5: The two-week-old military government of Argentine President Alejandro Lanusse ordered its political experts to prepare Argentina for a return to freely elected civilian rule in "approximately three years."
- April 6: Ecuador's President Jose Velasco Ibarra threatened to resign in the aftermath of a brief revolt of military academy officers which took place on March 31, if the leader of the revolt, General Luis Jacome Chavez, was not punished. Earlier in the day, President Velasco bowed to the demands of dissident army officers and accepted the resignations of his nephew, Defense Minister Jorge Acosta Velasco, and army chief General Julio Sacoto. The President reportedly delivered his ultimatum upon learning that the new Defense Minister had restored General Jacome to his post as director of the Ecuadorean military academy.
- April 6: It was reported that the U.S. Ambassador to Chile, Edward M. Korry, would be replaced in the next few weeks by Nathaniel Davis, currently Ambassador to Guatemala, in a move interpreted as an attempt to improve the Nixon Administration's lines of communication with the regime of Chilean President Salvador Allende. Ambassador Davis subsequently assumed his position on October 13.
- April 7: According to a Washington Star report, Haitian President-for-life Francois Duvalier was reported by reliable sources to be extremely ill after suffering his second stroke since November 1970.
- April 8: The Chilean Chamber of Deputies approved and returned to the Senate constitutional amendments which would permit the government to nationalize U.S. and other foreign-owned copper mines.

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- April 8: Ecuador's President Jose Velasco Ibarra appeared to have won his latest round with the military who had put him out of office in three of his five terms, according to a Washington Post report. The armed forces agreed after talks that General Luis Jacome, former director of the military academy and leader of the military revolt in March, should stand trial in military court for his role in the uprising. [See Latin America chronology entries of 4/6/71 and 3/31/71.]
- April 15: In a speech before the First Annual General Assembly of the Organization of American States, which opened yesterday, Secretary of State William P. Rogers said that the Nixon Administration would work with Congress to develop "an open market in the United States" for Latin American exports through generalized tariff preferences for developing countries. He committed the Administration to maintaining U.S. development aid to Latin America at the Alliance for Progress level of above \$1 billion annually. Mr. Rogers' statement followed protests by Latin American delegates that protectionist sentiment in the United States was threatening the region's prospects for earning enough through trade to finance needed economic and social development.
- April 17: In a document citing the grave concern expressed in the last two years over allegations of the systematic violation of human rights in Brazil, 15 international organizations, including the World Council of Churches and the International Commission of Jurists, requested that the Brazilian Government permit an international team to investigate reports of torture in Brazilian prisons.
- April 19: Cuban Premier Fidel Castro, in a speech marking the 10th anniversary of the Bay of Pigs invasion, rejected any possibility of normal relations with the United States and reaffirmed his support of revolutionary governments and movements in Latin America.

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- April 22: The Haitian Government radio announced the death of President Francois Duvalier, Haitian dictator for more than 13 years. His son Jean Claude, was sworn in as the new "President-for-Life," and the Haitian capital, Port-au-Prince, remained calm. Meanwhile, United States officials reported "some increased surveillance" in the vicinity of Haiti by U.S. naval forces operating in the Caribbean and confirmed that the move could be construed as a precautionary measure should there be an external threat to Haiti.
- April 22: The Governments of El Salvador and Honduras agreed to submit proposals on May 20th for a negotiated settlement of their differences arising out of the 1969 "soccer war," including resumption of diplomatic relations and reopening of the Pan American Highway. The agreement was worked out with the assistance of Galo Plaza, Secretary General of the Organization of American States during the First OAS General Assembly meeting at San Jose, Costa Rica.
- April 23: The Governments of Chile and Communist China have signed a trade agreement to form a joint commission for the exchange of exports, according to an Associated Press report.
- April 24: It was reported that the 8-year-old United States Peace Corps program in Panama, numbering 120 volunteers, would be terminated in May. By this action Panama was the first Latin American nation to terminate its agreement with the U.S. Peace Corps. Peace Corps agreements with Guyana and Bolivia also officially ended during 1971, on July 15 and August 31, respectively.
- April 25: In a statement to reporters, U.S. Ambassador to Haiti Clinton E. Knox predicted "continued improvement" in United States-Haitian relations under the new regime of President Jean Claude Duvalier, and suggested expanded U.S. assistance to Haiti, beginning with a \$750,000 program for rural development.

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- April 30: The largest United States mining investment in Bolivia, the Mina Matilda Corporation, a lead-zinc mine leased jointly by U.S. Steel and Engelhard Minerals and Chemicals, was nationalized by the Bolivian Government when troops occupied the firm's offices and a 20-year concession contract signed in 1967 was cancelled. President Juan Jose Torres stated in his decree that his government would appoint a commission to determine compensation for the mining property.
- May 18: The State Department announced that President Nixon had exercised his legal option to lift the \$75 million annual ceiling on military aid to Latin America imposed by Congress, and had requested legislation to raise the ceiling to \$150 million annually beginning in FY 1972.
- May 21: The Bolivian Government announced that it was terminating its 1962 agreement with the United States providing for U.S. Peace Corps volunteers and requested that the 100 U.S. Peace Corps personnel currently in Bolivia leave the country. Recent charges against the Peace Corps by some leftist political groups in Bolivia, denied by the U.S., included accusations of spying for the CIA, conducting birth control and sterilization programs, and spreading drug addiction among Bolivian teenagers.
- May 23: The Chilean Government seized managerial and financial control of El Teniente Mining Company, a copper enterprise in which the U.S. firm Kennecott owns 50 percent interest, in what was termed by the mine's Executive Vice President, Robert Haldeman, a violation of a 1967 agreement between Kennecott and the Chilean Government.
- May 26: The U.S. Coast Guard seized four Cuban fishing boats for allegedly fishing within the 12-mile territorial waters zone reserved for exclusive U.S. fishing. The Cuban Government denounced the action as a "provocative, illegal, and unjustified act," and claimed that the boats had been operating in international waters.

- May 28: Chile's Foreign Minister, Clodomiro Almeyda, visiting Moscow, announced that his government intended to develop contacts with the Soviet bloc's economic alliance COMECON, and disclosed that Chile and the Soviet Union had signed agreements calling for an expansion of trade and an increase in Soviet technical assistance for Chilean industrial projects. Almeyda headed a Chilean trade mission which left for the Soviet Union and seven Eastern European countries (Poland, Czechoslovakia, Bulgaria, East Germany, Rumania, Hungary, Yugoslavia) on May 15 to explore increased trade and aid between Chile and Eastern Europe.
- May 30: The Argentine military government of President Alejandro A. Lanusse will reverse its policies of economic nationalism and open the door wider to foreign investors in a revised foreign investment code which is expected to be published this week, according to a special report in the New York Times.
- June 1: The Cuban Government announced that it would release a hijacked Pan American World Airways jetliner detained in Cuba since May 29. Meanwhile, in Washington, the White House stated that it could give no explanation of why the Castro Government had held the airliner for four days, but there were indications that the delay was caused by the arrest last week by the U.S. Coast Guard of the crews of four Cuban fishing vessels for allegedly violating U.S. territorial waters.
- June 1: Brazil officially asserted its claim to a 200-mile territorial sea by positioning a navy task force charged with enforcing the new Brazilian regulations concerning foreign fishing activities which entered into force today.
- June 8: In Chile, assassins murdered a prominent anti-leftist politician, Edmund Perez Zukovic, former Interior Minister in the Frei Administration. President Salvador Allende charged that the killing was a deliberate action designed to create "an atmosphere of chaos" in the country, and imposed a state of emergency, alerting military units.

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- June 10: The Cuban Government announced that it had taken into custody three private American vessels and their 13 crewmen and would try at least five on charges of violating Cuba's jurisdictional waters and arriving illegally on its coast. The Cuban Government's action was believed to be related to the sentencing by a U.S. district court on June 9 of four Cuban fishermen who received six-month jail terms and \$10,000 fines for illegally fishing in U.S. waters.
- June 11: The Mexican Government denied any involvement in yesterday's attack by armed right-wing extremists on anti-government student demonstrators in Mexico City in which at least nine students were reported killed and 160 wounded. A Government spokesman declined to respond to charges that the Mexican police did not intervene to stop the attack, and President Luis Echeverria promised a full government investigation. According to press reports, the student demonstration had been planned to protest against government educational policies and to demand the release of alleged political prisoners arrested in connection with the student riots in Mexico City which occurred before the 1968 Olympic Games.
- June 15: The mayor and police chief of Mexico City resigned in the aftermath of a June 10 incident in which demonstrating students in the Mexican capital were attacked.
- June 16: A House of Representatives vote extending U.S. participation in the International Coffee Agreement was indefinitely delayed following unconfirmed reports of an attack by Brazilian gunboats on U.S. shrimp vessels operating within the 200-mile maritime jurisdiction claimed by Brazil but not recognized by the United States. The Brazilian Government denied the shooting reports, and, in response to a temporary postponement of House action on the Agreement last week due to alleged harassment of U.S. shrimp boats, charged the United States with an act of "intolerable economic pressure on a subject touching the sovereignty of Brazil."

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- June 29: The United States and Panamanian Governments resumed negotiations, after a four-year lapse, for a new treaty governing the Panama Canal.
- June 29: Chile was granted \$5 million in credits by the United States for the purchase of U.S. military equipment, specifically, one C-130 transport plane and paratrooper equipment, according to Administration officials.
- July 6: The Government of Ecuador expelled two Soviet diplomats on charges that they were meddling in domestic labor problems and influencing union leaders to carry out a nation-wide strike which had been scheduled for later in the week.
- July 6: Four Cuban fishermen arrested May 26 for violating U.S. territorial waters were released from a U.S. Federal prison in Miami after payment of reduced fines and suspension of their six-month jail sentences. On the same day, the Cuban Government released 13 U.S. citizens being held in Cuba after payment of services and costs they had incurred as a result of Cuban Government charges that they had violated Cuban waters.
- July 15: The State Department announced that it was ending the 12-year-old program of public safety assistance to Brazil because the Brazilian Government now had the capacity to train its federal and state police in modern techniques. The U.S. public safety program in Brazil received criticism earlier in the week during hearings by the Senate Subcommittee on Foreign Operations because of recurring reports that off-duty Brazilian policemen had formed vigilante-style "death squads" that meted out private justice to criminals who evade conviction.
- July 15: Chilean President Salvador Allende signed into law a constitutional amendment permitting nationalization of Chile's copper mining industry.
- July 19: The Venezuelan Senate passed an oil revenue bill which reportedly would place all foreign oil companies under effective Government control until their concessions expired in 1983, after which time the companies would revert to the State without compensation. The legislation, which had already passed the Chamber of Deputies, was expected to be signed by the President. The action would affect almost all major United States and European oil producers.

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- July 23: The Uruguayan House of Deputies voted to impeach President Jorge Pacheco Areco because of the Government's restoration of security measures Congress had annulled. Measures were imposed two years ago in an effort to curb terrorism and labor unrest.
- August 14: Reports from Washington indicated that the U.S. would ease its policy of ostracism toward Haiti by sending technical advisers to help reorganize the Haitian customs and postal services and possibly by allowing Haiti to purchase light arms.
- August 14: Chilean President Salvador Allende assailed the August 11 decision of the Export-Import Bank to deny his Government's request for financing to purchase three Boeing passenger jets for the national LAN-Chile airline. /Subsequently, on September 11, it was reported that an official of LAN-Chile was going to Moscow to complete arrangements for the purchase of eight Soviet commercial jets./
- August 15: A study by the OAS declared that the United States must accept the movement toward socialism in some Latin American countries.
- August 22: A group of anti-Communist military and civilian leaders took control of the Bolivian Government after the last resistance from supporters of leftist President General Juan Jose Torres was crushed in heavy fighting. General Torres and his chief supporters fled into hiding or asylum after the battle for La Paz in which more than 70 persons died. Col. Hugo Banzer Suarez assumed office as the new president on August 24.
- August 24: Havana radio said that Cuba formally offered "firm and decided moral and material support" to Bolivian revolutionaries in their "liberation struggle" against Bolivia's new military government.
- August 27: Mexico announced the nationalization of the country's copper industry. Foreign-based companies affected included the U.S. firms of Anaconda-Pirelli and Philips-Dodge.

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- August 27: The Peruvian Government announced that the Soviet Union would finance a new \$30 million fishing port to be built at Bayovar, 700 miles north of Lima.
- August 29: A State Department spokesman said that the United States played no part in the Bolivian coup which ousted the leftist regime of General Juan Jose Torres. Charges had been made that a U.S. Air Force major aided the victorious right-wing forces.
- August 31: Costa Rican Foreign Minister Gonzalo Facio said that the Soviet Union was willing to let Costa Rica have \$200 million credit to establish trade relations between the two countries. A trade mission will fly to Moscow to negotiate an agreement.
- August 31: Two subsidiaries of the Anaconda Company were seized by the Chilean Government for alleged failure to pay \$8 million they had owed Chile since 1958.
- August 31: The United States recognized Bolivia's new military government.
- August 31: The State Department announced that Cuba had advised the United States of its desire to terminate the Cuban refugee airlift.
- September 5: At the close of a three-day emergency meeting of CECLA (the Latin American Coordinating Commission), representatives of 19 Latin American nations agreed to send a telegram to President Nixon asking for immediate lifting of the ten percent surcharge on imports.
- September 6: The Tupamaro guerrilla organization freed 111 Tupamaros from a maximum security prison. All important Tupamaro leaders including its founder Raul Sendic were included.
- September 9: Uruguay's Tupamaros released British Ambassador Geoffrey Jackson who had been held as hostage for eight months.

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- September 10: On national TV, Dominican President Balaguer admitted that La Banda, an anti-Communist terror organization, was a "distorted" arm of the national police and ordered its immediate breakup.
- September 11: Chilean President Allende, who in the past opposed joint military maneuvers with the United States, approved Chile's participation in Operation Unitas XII, joint naval exercises which began off the Chilean port of Arica.
- September 13: Under Secretary of State for Economic Affairs, Nathaniel Samuels, speaking at the Seventh Meeting of the Inter-American Economic and Social Council in Panama, announced that Latin America would be exempt from the ten percent cut in foreign aid.
- September 17: President Lanusse announced that Argentina would be returned to civilian constitutional government on May 25, 1973, following elections on March 25.
- September 17: Carlos Lamarca, last of Brazil's well-known guerrilla chiefs, died fighting in the northeastern state of Bahia according to army spokesmen.
- September 19: The U.S. refused to sign the recommendation of the Seventh Inter-American Economic and Social Council meeting demanding the "immediate suppression" of the ten percent surcharge on imports. The U.S. abstained on the four other recommendations including a demand for a generalized system of tariff preferences and "previous consultation" with Latin America on future matters affecting the area's monetary and commercial position.
- September 23: It was reported that Secretary General of the OAS Galo Plaza, speaking in Panama where the 7th meeting of the Inter-American Economic and Social Council was taking place, said that the OAS policy of isolation of Cuba "has been neither constructive nor effective."
- September 23: The Cuban Government informed the United States that it would permit a "temporary resumption" of the refugee airlift between Cuba and Miami for a week beginning September 27, 1971.

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- September 25: It was reported that Brazilian President Medici had used his decree power to suspend the political rights of policemen accused of participating in the Sao Paulo "death squad." More than 180 deaths of petty criminals were attributed to the squad in less than three years.
- September 26: The Christian Democratic Party broke off its working compact with the Allende government after a series of personal attacks by the Communist and Socialist controlled press on former President Eduardo Frei.
- September 26: President Allende cancelled an earlier decision to close the U.S. news agency United Press International (UPI) but said the conduct of the agency's bureau chief was "unacceptable."
- September 28: President Allende announced that \$774 million in "excess profits" would be deducted from compensation to be paid to the Kennecott and Anaconda copper mines. On October 11, the Comptroller General announced that the American companies should receive no compensation since the amount owed was more than the book value of the foreign holdings.
- September 28: It was reported that General Motors advised the Chilean Government that it would cease the assembly of commercial vehicles in Chile by December 31. The company said it was forced to close the plant because of limitations placed on the company under the government's new automotive industry program.
- September 29: The Government of Chile took over operation of the Chilean Telephone Company which it is in the process of expropriating from the ITT.
- October 5: Panamanian Foreign Minister Juan Antonio Tack presented a memorandum to United Nations Secretary General U Thant detailing Panama's case in negotiations with the United States for a new canal treaty and stating that a new treaty must lead to the elimination of any U.S. "jurisdictional profile from Panamanian territory."
- October 12: Senator Edward M. Kennedy urged that the United States explore the reestablishment of relations with Cuba. Other Senators have expressed the same sentiment.
- October 13: Secretary of State Rogers called the Chilean decision to pay no compensation for nationalized copper mining investments a "serious departure from accepted standards

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- of international law." Meeting with executives of U.S. businesses operating in Chile on October 21, Rogers said that the United States might invoke the Hickenlooper Amendment to cut off aid to Chile if it continued to refuse compensation to expropriated U.S. copper companies.
- October 13: Chilean Foreign Minister Clodomiro Almeyda stated that if the U.S. applied economic pressure against Chile because it refused to pay for U.S. owned copper mines it had nationalized, Chile may not pay off \$700 million in debts contracted by the companies that owned the mines. One third of the total was owed to the U.S. or U.S. companies.
- October 19: Chile's Ambassador to the United States denied that the Soviet Union had offered his country a \$50 million arms credit or that such an offer was being negotiated.
- October 25: In a speech before a meeting of the Inter-American Press Association in Chicago, Assistant Secretary of State for Inter-American Affairs Charles A. Meyer reaffirmed the United States commitment to assist Latin American development even though U.S. economic problems had prevented implementing key aspects of that policy. Regarding the matter of generalized tariff preferences, described as "Latin America's highest priority objective in its economic relations with the United States," Meyer stated that the Nixon Administration had delayed submission of legislation because the rapid deterioration of the U.S. trade and balance of payments position had created "a strong protectionist sentiment in Congress." Meyer said, "Our commitments remain firm, but the timing of their implementation is not necessarily determined unilaterally."
- October 29: Defense Department officials said that the Soviet Union had made its first deliveries of new MIG-21 jet fighters to Cuba in more than four years. American authorities said this increased Cuba's force of first-line MIG-21 jet fighters to 67.
- October 30: Soviet Premier Alexei Kosygin ended a four-day visit to Cuba. The joint communique made public on November 1 expressed support for the leftist regimes in Chile and Peru as well as for other Latin American governments seeking "political and economic independence" from the U.S. Western diplomats indicated that Kosygin persuaded Castro to abandon his policy of exporting armed revolution in Latin America.

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October 31:

President Salvador Allende of Chile appeared in an interview via satellite with NBC's "Meet the Press." Commenting on the difficulties raised in U.S.-Chilean relations over his government's recent expropriation of U.S. private mining interests, Dr. Allende stated: "The process of nationalization does not imply confiscation. Nationalization or expropriation involves the idea of indemnities being paid...The nationalization has been done within the legal channels...The Congress, where the government does not have a majority ...approved the constitutional reform unanimously... I can believe that the interests of the two private enterprises cannot prevail over the interests of a people, and a government such as that of the United States would have to understand the imperative need for ...the Chilean people to use the surpluses that are produced by copper so that we can develop our economy and raise the standards of living of the mass of our citizens."

In response to a question concerning Allende's establishment of a "single authoritarian party" in Chile, he stated: "There is pluralism in this government and this is why the Chilean phenomenon is important, because.../Chile/ has demonstrated that it seeks its own road...We have reached power through voting, through suffrage, and we are carrying out these changes and transformations within the legal channels...nor are we going to transform these laws or revamp these laws; we may change them within the channels which the Constitution allows us."

November 1:

The Washington Post reported that church, professional groups, labor unions, and educators had expressed discontent over the political violence that plagued the Dominican Republic. Under pressure, President Balaguer fired the chief of the national police and named army general Neit Nivar Seijas to the post. Former President Juan Bosch charged that Balaguer, a former associate of Trujillo, was trying to establish a dictatorship.

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- November 1: In the "Grenada Declaration," made public today, the governments of the Republic of Guyana and five semi-autonomous former British colonies currently members of the West Indies Associated States--Grenada, St. Vincent, St. Lucia, Dominica, and St. Kitts-Nevis--pledged to incorporate in a new West Indian nation to be proclaimed on April 22, 1973. The new state, expected to remain a member of the British Commonwealth, represented the first effort to achieve a union of the former colonies since the West Indies Federation dissolved in 1962.
- November 2: Cuban government officials conveyed the impression that they were not interested in normalizing relations with the U.S. unless certain conditions were met. However, they said that a dialogue with the United States remained possible because "in international relations there are no permanent enemies."
- November 2: Peking radio announced that the Government of Peru and the People's Republic of China had established diplomatic relations in an agreement signed at Ottawa. The following day the Peruvian Foreign Minister said that Peru would soon establish diplomatic relations with Cuba.
- November 2: Federal immigration officials ruled that 19 Cuban sugar technicians who had landed in New Orleans on October 26 in an attempt to attend the meeting of the International Association of Cane Sugar Technologists would have to leave because they did not have visas. On September 24 the State Department had denied the Cubans' request for visas because the conference was not sponsored by an official international body.
- November 4: The Chilean Government informed its Congress that it wanted to nationalize 253 private companies but that newspapers, radio stations, publishing concerns, and other news media were not included in nationalization plans, according to a Reuters press report.
- November 4: It was reported that Cuba was admitted to the Group of 77, an organization of developing nations within UNCTAD, at a meeting in Lima. Cuba was admitted to membership on the proposal of the Latin American bloc.

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- November 5: The Colombian Congress passed a law restricting foreign investment in public services. The law was Colombia's implementation of Decree #24 of the Andean Pact passed in 1970 regarding the investment of foreign capital in Andean countries.
- November 5: The Organization of American States made public a letter to President Nixon from its three highest officials, Secretary General Galo Plaza, Carlos Sanz de Santamaria, Chairman of the Inter-America Committee of the Alliance for Progress (CIAP), and Patricio Rojas, Chairman of the Permanent Executive Committee of the Inter-American Council on Education, Science, and Culture, expressing their concern over the consequences of the U.S. Senate's rejection of the foreign aid authorization bill.
- November 9: Chilean President Salvador Allende announced that his Government would seek to "renegotiate the debt structure" owed its foreign creditors along softer payment terms, because Chile's current foreign debt repayments were contributing to mounting "serious balance-of-payments problems." Dr. Allende stated, however, that Chile would continue to make payments on her foreign debt on schedule. According to reports, Chile's foreign debt, which is estimated at between \$3-\$4 billion, is one of the world's largest per capita foreign debts and current repayment terms are equivalent to between 30-40 percent of Chile's total foreign exchange earnings.
- November 9: Chile's President Salvador Allende, commenting on tomorrow's arrival of Cuban Premier Fidel Castro, stated that the political importance of Castro's visit would be public recognition by the Cuban revolutionary leader that, "Chile is living a revolutionary process under a revolutionary government, although with tactics different from those used in Cuba."
- November 11: Chilean President Salvador Allende submitted to Congress his proposal for constitutional reforms that included the replacement of Chile's present bicameral legislature with a one-chamber "People's Assembly."

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- November 11: Cuban Premier Fidel Castro reiterated to newsmen that his Government would never rejoin the Organization of American States, even if all member nations so requested. In response to a question concerning whether Castro still believed that armed struggle was the only way to achieve power, Premier Castro stated, according to a New York Times news report of November 12, that Cuba had never excluded elections as a means of attaining that goal.
- November 11: It was reported that at a recent meeting of the Inter-American Press Association in Chicago, a committee chairman had stated that freedom of the press was secure only in Costa Rica and Venezuela. Most of the delegates felt that one of the greatest challenges to freedom of the press came from the Allende government in Chile, which recently nationalized the newsprint and paper industry.
- November 11-25: Presidential advisor Robert Finch led a 19-member goodwill mission to six Latin American nations (Argentina, Brazil, Ecuador, Honduras, Mexico, Peru). In a November 5 statement to the press, Finch said that relations between the United States and Latin America have been "at a pretty low ebb for some time and this is a step toward restoration of these relations."
- November 17: The Government of Mexico ended diplomatic relations with Taiwan, a move that was regarded as the first step toward establishing diplomatic relations with Peking.
- November 22: Cuban Premier Fidel Castro, visiting Chile, told a gathering of university students that Cuba would eventually recover the United States Navy-held Guantanamo base.
- November 22: Guatemala's state of siege, in effect since November 13, 1970, was lifted by President Carlos Arana Osorio.
- November 22: Chile's largest opposition party, the Christian Democrats, denounced the Allende Government's proposed constitutional reform, which would create a one-chamber legislature to replace the Senate and Chamber of Deputies.

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- November 22: The Governments of Honduras and the United States signed a treaty providing for the cession of U.S. jurisdiction and recognition of Honduran sovereignty over the Swan Islands, located 98 miles off the Honduran coast.
- November 24: It was reported that Peru's new General Telecommunications Law provided for government expropriation of 51 percent of the shares of all TV companies and 25 percent of the shares of some radio stations.
- November 25: Cuban Premier Fidel Castro speaking in Chile, predicted an era of "true peace with true friendship" between the United States and Latin America, but not while President Nixon is in the White House. He added, "When the United States has a government that does not represent reaction and does not act as a gendarme, then there can be peace with Cuba."
- November 26: The London publication Latin America reported that after eight years, the United States had ended its embargo on military aid to Haiti. It reported that under a contract with Aerotrade, a Miami-based concern, army materiel and training for the Haitian air force and the "Leopards," a new counterinsurgency force, had been supplied.
- November 26: According to a report in the Baltimore Sun, Brazilian President Emilio Medici recently signed into law an edict empowering himself to issue decrees whose contents would remain secret--to be noted in the official government paper only by number and "a vague description." Although Brazilian government spokesmen have asserted that the secret acts would deal only with matters of national security, opponents of Brazil's military dominated government saw the measure as increasing the regime's legal armory against the opposition.
- November 27: According to a Washington Post report, Chilean President Salvador Allende's proposal to replace Chile's two houses of parliament with a single "popular assembly" was decisively rejected by a vote of 8-4 by the constitutional committee of the Chamber of Deputies. At the same time the committee moved to block any possible attempt by the President to dissolve parliament by introducing a bill that such dissolution could be approved only by a national referendum.

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- November 27: The New York Times reported recent events in one of the first significant political confrontations between opposing ideological factions of the Chilean Government. The issue involved conflicts between pro and anti-government students and administrators which had virtually paralyzed the University of Chile, the nation's largest university, since early November. Following disturbances in late September, the University's rector, Edgardo Boeninger, (described as an "independent anti-Marxist"), led opposition to a Chilean Government proposal, supported by a majority of the "pro-government Marxist controlled" University governing board, concerning a plan to reorganize the University along lines which, according to the opposition, would bring the institution under the political control of Chile's leftist government.
- November 28: Unofficial Uruguayan election returns indicate that Juan Bordaberry, candidate of the ruling Colorado Party, had narrowly defeated candidates of the opposition National (Blanco) Party, and the new "Broad Front" leftist coalition, composed of Uruguay's Marxist, Socialist, and Christian Democratic parties and supported by the Tupamaros urban guerrilla organization. The official count was scheduled to be completed in early 1972, with the new government taking office on March 1, 1972.
- November 29: The House Subcommittee on the Panama Canal (Merchant Marine & Fisheries Committee) began hearings on current negotiations between the United States and Panama on new treaties governing the Panama Canal. The hearings focused on whether the United States Government could legitimately dispose of property acquired with appropriated funds, without consent of the House of Representatives. Approximately 100 House members were on record as opposing any major concessions by the United States, especially any lessening of United States jurisdiction or control over the Canal and Canal Zone.
- November 30: According to a New York Times report of December 1, Herbert G. Klein, White House Director of Communications, told reporters that in conversations during the recent two-week visit to six Latin American countries, he and Robert H. Finch, head of the U.S. goodwill mission, had gained the "feeling" that Chilean President Salvador Allende's socialist government "won't last long."

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December 2:

According to reports, Herbert G. Klein's recent comments concerning Chile, quoted in the U.S. press, met with angry response in Chile and prompted a formal protest from the Government. The Miami Herald reported that the Chilean Foreign Ministry, in a note delivered to U.S. Ambassador Nathaniel Davis, said the remark "implies a grave foreign intervention" in Chilean affairs "which the Chilean government energetically rejects and condemns. From any point of view, it is unusual and contrary to international law and practices when high level officials of a government publicly discuss the possibility of the overthrow of a foreign government with which it has maintained correct relations."

On the same day, a White House spokesman stated that any connection made between Klein's remark and official U.S. opinion was a misrepresentation. State Department spokesman Charles Bray stated that "The comments in question were never communicated to President Nixon...nor do they form part of the report of the Finch mission that is now being prepared for submission to the President."

December 2:

In Santiago, Chilean President Salvador Allende decreed a state of emergency as rival political factions continued to engage in street clashes in which an estimated 150 persons were reported injured. The incidents were touched off yesterday when an estimated 5000-10,000 Chilean women marching to protest food shortages and government economic policies were confronted by leftist supporters of the Allende regime. The event precipitated confrontations between pro- and anti-government elements in the Congress, the university and among the private citizenry. President Allende subsequently lifted the state of emergency on December 10.

December 2:

In testimony before the House Subcommittee on the Panama Canal, Deputy Undersecretary of the Army David H. Ward stated that retention of U.S. military bases in the Panama Canal Zone was one of the non-negotiable U.S. terms in current Canal treaty talks with Panama. "Defense interests are of vital importance to us in these negotiations," Ward stated. "Although the negotiations will result in some land concessions to Panama, we fully intend that bases necessary for our vital defense interests be retained."

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- December 2: A Brazilian policeman said to have been a member of the "Death Squad," a group of policemen who summarily execute criminal suspects outside the law, was sentenced to prison in the first conviction of an alleged Death Squad member, prosecution of whose members has received official opposition.
- December 3: The leadership of Chile's Christian Democratic Party (largest opposition party in Congress) voted to initiate impeachment proceedings against Jose Gomales Toha, President Allende's Minister of Interior, on charges that he had failed to execute his responsibilities for maintaining public order during Santiago's current political disorders, and for failing to move against "armed groups" of the extreme left that have promoted rural land invasions by peasants, seizures of municipal offices controlled by opposition mayors, and violence in university conflicts.
- December 4: Cuban Premier Fidel Castro ended a 25-day visit to Chile with stopover plans in the capitals of Peru and Ecuador before returning to Cuba.
- December 4: According to a Christian Science Monitor wire report of December 6 the Ecuadorean Government seized two U.S. tunaboats for fishing within Ecuador's claimed 200-mile sea jurisdiction. Approximately 18 seizures were made by Ecuador during the month of November, and the December seizures brings the total 1971 seizures of U.S. boats by Ecuador to approximately 50.
- December 7: Brazilian President Emilio G. Medici met with President Nixon at the start of his three-day state visit to the United States.
- December 9: In its first annual report, the Overseas Private Investment Corporation, the new arm of government which insures and fosters U.S. private investment in the less developed countries, reported a sharp falling off in investments in several Latin American nations as a result of "economic nationalism and the confiscations by Chile" of U.S. privately-owned copper mines and other foreign businesses. According to the report, in the second quarter of 1971 only \$8 million of new investments in all of Latin America were insured, "against an average level of \$100 million for each quarter of the preceding four years."

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- December 9: At the conclusion of Brazilian President Emilio Medici's three-day visit, White House press secretary Ronald Ziegler stated that the United States would reach an "interim arrangement of some sort" with Brazil to permit U.S. fishing fleets to operate off the Brazilian coast within the 200 miles sea jurisdiction claimed by the Brazilian Government, and that the U.S. was hopeful of reaching an accord with Brazil on the issue which would "maintain the juridical positions of both sides," pending resolution of the problem at the scheduled 1973 Law of the Sea Conference in Geneva.
- December 9: Assistant Secretary of State for Inter-American Affairs Charles A. Meyer, together with John R. Stevenson, State Department Legal Adviser, and Ambassador Donald L. McKernan, Special Assistant to the Secretary for Fisheries and Wildlife, left for Ecuador to continue conversations on the U.S. fishing boat seizure problems which were begun by Counselor Robert Finch and Mr. Meyer during their Presidential Mission to Ecuador November 14-16.
- December 11: For the second time in December the Chilean Government temporarily suspended broadcasting by Radio Balmaceda, voice of Chile's opposition Christian Democratic party, for "serious offenses against the President and the armed forces." In the previous week, before President Allende declared a state of emergency in Santiago as a result of violent street disorders, the Government suspended broadcasting of Radio Balmaceda along with Radio Agricultura, a station linked with another opposition party, the Nationalists, on accusations of biased reporting of the political outbursts occurring in Chile.
- December 15: A Cuban gunboat attacked the Johnny Express, a Miami-based freighter, reportedly wounding the captain and some of the crewmen before taking the ship into custody. The ship was owned by the Babun brothers, Cuban exiles who had been accused by the Castro Government of conducting counter-revolutionary activities against Cuba. A sister ship, the Lyla Express, was seized by the Cuban Navy on December 5. On December 16, the United States Government protested the capture and demanded the immediate return of the ship's captain, a U.S. citizen.

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- December 16: According to a Washington Star news report, President Nixon was expected to announce that David H. Ward, Deputy Undersecretary of the Army for International Affairs, would replace John C. Mundt as chief "working level" negotiator of the U.S. team in the Canal treaty talks with Panama.
- December 17: According to reports, Under Secretary of State for Inter-American Affairs Charles Meyer said that Chile, Ecuador, and Peru had agreed to new talks with the United States concerning their claim to a 200-mile maritime jurisdiction.
- December 17: The United States Government warned Cuba that it would take "all measures under international law" to protect American and other ships in the Caribbean from any new attacks by the Cubans. The warning was contained in a denouncement of the Cuban attack on a Miami-based freighter on December 15 and a subsequent Cuban announcement that "the ships that perpetrate acts of piracy against our country will be treated without leniency, no matter the distance from our coasts or the flag or camouflage they use to perpetrate their crimes." The State Department described the Cuban actions as a "clear and present threat to the freedom of navigation and international commerce in the Caribbean and a threat to America citizens." Cuban naval and air units were placed on alert the following day.
- December 17: At the third and final session of the informal series of meetings called by Peru to discuss the question of changing OAS policy toward Cuba, the Peruvian Ambassador reportedly dropped further discussion of the issue at this time. More than one-third of the OAS membership is believed to favor the United States position of not changing present OAS policy toward Cuba.
- December 18: It was reported that Forbes Burnham, Prime Minister of Guyana, announced that a \$15 million trade agreement with the People's Republic of China would be combined with the establishment of diplomatic relations and several millions of dollars in technical and other assistance. He also said that next year Guyana would move toward normalizing relations with Cuba through trade pacts.

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- December 18: The London Daily Telegraph reported that a senior Cuban intelligence agent defected to the United States with details of a Cuban-backed Latin American liberation movement based in Santiago, Chile. The article stated that leaders of an "anti-imperialist front" were meeting secretly in Santiago to prepare for a full congress in late 1972.
- December 27: Twenty-six crewmen of the ships Lyla Express and Johnny Express captured earlier by the Cuban Navy were permitted to leave Cuba with a three-man Panamanian government delegation. It was reported earlier that the captain of the Johnny Express, a Cuban-born U.S. citizen, Jose Villa Diaz, might face trial in Cuba because of his confessed activities as an agent of the U.S. Central Intelligence Agency.
- December 28: Cuban President Osvaldo Dorticos left Moscow for Havana after a week of talks with Soviet leaders. Pravda reported that the talks produced agreement on "a number of questions of further development of bilateral Soviet-Cuban cooperation."
- December 29: Brazilian President Emilio G. Medici affirmed that Brazil was not seeking domination of her Latin neighbors, but rather that his nation's own progress be "won without harming other peoples, without any pretension to hegemony, without leadership or imperialism ....", according to a New York Times news report. President Medici's statement was in response to a storm of Latin American protest, particularly from the Presidents of Brazil's neighbors, Venezuela, Peru and Argentina, generated by President Nixon's impromptu remark of December 7 in which he reportedly said, "we know that as Brazil goes so will go the rest of the Latin American continent." In several of the larger Latin American countries, President Nixon's remark was interpreted, according to press accounts, as United States approval of Brazilian hegemony in Latin America and of Brazil's conservative military regime.

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