

SECRET

Approved For Release 2007/02/07 : CIA-RDP74B00415R000200070004-5
DEPARTMENT OF STATE TELEGRAM

MFG. 1-72

CABLE SECRETARIAT DISSEM BY 25

PER #

TOTAL COPIES: 27-3

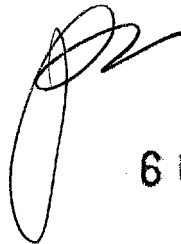
REPRO BY 

FILE #



25X1

NNNNVV EIC69ILAN633
 RR RUEAIIB
 ZNR UUUUU ZOC STATE ZZH
 ESA445RSA961
 RR RUEHC RUFHBS RUEHOT RUFNPS RUFHOM
 DE RUESRS #8759 3191740
 ZNR UUUUU ZZH
 R 141650Z NOV 72
 FM AMEMBASSY CARACAS
 TO RUEHC/SECSTATE WASHDC 7772
 INFO RUEAXBQ/AMEMBASSY BERN 026
 RUEBQ/AMEMBASSY BOGOTA 1633
 RUFHBS/AMEMBASSY BRUSSELS 040
 RUESBA/AMEMBASSY BUENOS AIRES 870
 RUESMDQ/AMEMBASSY MADRID 263
 RUEHOT/AMEMBASSY OTTAWA 082
 RUFNPS/AMEMBASSY PARIS 208
 RUFHOM/AMEMBASSY ROME 131
 RUESNA/AMEMBASSY SANTIAGO 608
 BT
 UNCLAS CARACAS 8759



66832

SUBJECT: ATLANTIC CONFERENCE ECONOMIC ISSUES

1. SECOND ATLANTIC CONFERENCE UNDER AUSPICES CHICAGO COUNCIL FOREIGN RELATIONS, WHICH TOOK PLACE NOVEMBER 9-12 AT MACUTO, VENEZUELA, AND COMMENCED WITH DINNER PRESIDED OVER BY PRESIDENT CALDERA, FOCUSED ON ECONOMIC RELATIONS EUROPE, LATIN AMERICA AND UNITED STATES. CONFERENCE LIMITED TO FIFTY DISTINGUISHED LEADERS AND THINKERS IN FIELDS OF ECONOMICS, POLITICS, PHILOSOPHY, EDUCATION AND BUSINESS.

2. U.S. PARTICIPANTS INCLUDED SENATORS CHURCH, MATHIAS (CO-CHAIRMEN), CHILES, STEVENSON, AND TAFT; CONGRESSMEN JOHN ANDERSON AND DONALD FRASER; ASSISTANT SECRETARY OF STATE MEYER; DEPUTY SPECIAL TRADE REPRESENTATIVE MALM-GREN; AND VARIOUS HEADS OF U.S. CORPORATIONS AND FOUNDATIONS. PARTICIPANTS FROM OTHER COUNTRIES INCLUDED: CANADA, IVAN HEAD, SPECIAL ASSISTANT TO THE PRIME MINISTER; ARGENTINA, OSCAR CAMILION, EDITOR IN

SECRET

State Dept. review completed

SECRET

Approved For Release 2007/02/07 : CIA-RDP74B00415R000200070004-5
DEPARTMENT OF STATE TELEGRAM

MFG. 1-72

CABLE SECRETARIAT DISSEM BY

PER #

TOTAL COPIES:

REPRO BY

FILE RF.

232

2/2

CHIEF, EL CLARIN; BRAZIL, MARCILIO MARQUES MOREIRA, VICE PRESIDENT, INIAO DE BANCOS BRASILEIROS; CHILE, PATRICIO ROJAS, CHAIRMAN, EXECUTIVE COMMITTEE OF INTER-AMERICAN, COUNCIL FOR EDUCATION, SCIENCE & CULTURE; COLOMBIA, RODRIGO BOTERO, EXECUTIVE DIRECTOR, FUNDACION PARA LA EDUCACION SUPERIOR Y EL DESARROLO; VENEZUELA, DR. ARISTIDES CALVANI, MINISTER OF FOREIGN AFFAIRS, CARMELO LAURIA LESSEUR, VICE PRESIDENT, BANCO CENTRALE DE VENEZUELA; ENRIQUE PEREZ OLIVARES, MINISTER OF EDUCATION; BELGIUM, DR. THOM KERSTIENS, EXECUTIVE SECRETARY, UNIAPAC; FRANCE, PAUL FABRA, LE MONDE, JOHN W. TUTHILL, PRESIDENT, ATLANTIC INSTITUTE; ITALY, DOTT. PIERO BASSETTI, PRESIDENT, LOMBARDY REGIONAL GOVERNMENT, MILAN; PROFESSOR GIAN PAOLO CASADIO, UNIVERSITY OF BOLOGNA; SPAIN, LAUREANO LOPEZ-RODO, MINISTER OF PLANNING AND DEPUTY PRIME MINISTER; JOAQUIN RUIZ-GIMINEZ, ATTORNEY AND PROFESSOR OF LAW, UNIVERSITY OF MADRID; SWITZERLAND, ERNST KELLER, PRESIDENT, ADELA INVESTMENT COMPANY.

3. CONFERENCE, WHICH WAS STRICTLY OFF RECORD, WAS CHARACTERIZED BY EXTREMELY FRNK EXCHANGE OF VIEWS. FOLLOWING PAPERS WHICH SET FRAMEWORK FOR WIDE RANGING DISCUSSION, FOLLOWED BY TEN MINUTE INTERVENTIONS OR REBUTTALS: "INTERNATIONAL ECONOMIC PEACE-KEEPING: A SPHERE OF INFLUENCE WORLD OR A MULTILATERAL WORLD?" PRESENTED BY HARALD B. MALMGREN; "MULTINATIONAL CORPORATION: PATHS, PITFALLS AND POLITICS AHEAD," PRESENTED BY JOHN DIEBOLD; "LATIN AMERICA AND THE NEW RELATIONSHIPS BETWEEN BIG POWERS," PRESENTED BY RODRIGO BOTERO; "WHAT IS THE POLITICAL AND ECONOMIC ROLE OF EUROPE IN THE WAKE OF THE NIXON ECONOMIC MEASURES OF 1971?" PRESENTED BY GIAN PAOLO CASADIO. DESPITE HIGHLY CONFIDENTIAL NATURE OF CONFERENCE, PAPERS NOT CONSIDERED CLASSIFIED AND BEING TRANSMITTED BY AIRGRAM.

4. WHILE REFERENCE FRAMEWORK CONFERENCE INCLUDED ENTIRE RANGE ECONOMIC ISSUES FACING EUROPE, LATIN AMERICA AND UNITED STATES, ACCORDING TO INFORMATION GLEANED BY PRESS, ROLE OF MULTINATIONAL CORPORATIONS GENRATED MOST INTEREST. INDICATION BY SENATOR CHURCH THAT HIS SUB-COMMITTEE WOULD INVESTIGATE MULTINATIONAL CORPORATIONS WITH RESPECT TO HOST COUNTRIES AS WELL AS U.S. ECONOMY REPORTED TO BE OF

SECRET

Approved For Release 2007/02/07 : CIA-RDP74B00415R000200070004-5

SECRET

Approved For Release 2007/02/07 : CIA-RDP74B00415R000200070004-5
DEPARTMENT OF STATE TELEGRAM

(When Filled In)

Handwritten notes and signatures:
W
M
C
R
REF. BY

CABLE SECRETARIAT DISSEM BY

PER #

TOTAL COPIES:

FILE REF.

P32

PARTICULAR CONCERN TO U.S. PARTICIPANTS INVOLVED IN INTERNATIONAL BUSINESS.

5. CHURCH IS REPORTED SAYING "WE WILL STUDY HOW THEY (MULTI-NATIONAL CORPORATIONS) ARE ENGINES FOR DEVELOPMENT AND WE WILL STUDY OBJECTIONS MADE TO THEM BY DEVELOPING COUNTRIES ...DEVELOPING NATIONS SHOULD SET GROUND RULES FOR OPERATIONS OF MULTINATIONALS...TO WHAT EXTENT THE INTERESTS OF THESE COMPANIES CONFORM WITH OUR NATIONAL INTEREST ABROAD AND TO WHAT EXTENT COMPANIES DIVERGE FROM BEST NATIONAL INTEREST?" CHURCH ALLEGELY SAID HIS COMMITTEE WOULD ASK IF "UNITED STATES POLICY HAS BECOME UNWITTING HANDMAIDEN" OF THESE INTERESTS AND "HOW MUCH THEY CONTRIBUTE TO DEVELOPMENT, TO TRANSFER OF CAPITAL AND TO TRANSFER OF TECHNOLOGY. AFTER CONSIDERING THESE QUESTIONS COMMITTEE WOULD CONSIDER LEGISLATION INVOLVING TAX POLICY AND OPIC," ACCORDING PRESS REPORTS.

6. AMBASSADOR MALMGREN'S CALL FOR INCREASED MULTINATIONAL RESPONSIBILITY AND COOPERATION WITHIN FRAMEWORK GATT AND C-20 REPORTEDLY WELL RECEIVED, PARTICULARLY BY PARTICIPANTS FROM LATIN AMERICA; HOWEVER, SOME NEGATIVE REACTION REPORTED ON PART OF EUROPEANS RE IMPLICATION COMMON MARKET COULD BE ESTABLISHING ECONOMIC HEGEMONY WITH EXCLUSION NON-ASSOCIATED LDC SUCH AS LATIN AMERICA.

7. MAIN BENEFITS CONFERENCE DERIVED FROM "NO HOLDS BARRED" EXCHANGE OF VIEWS WHICH PROVIDED ALL PARTICIPANTS WITH DEEPER IF NOT ALWAYS NEW OR CONVINCING INSIGHTS RE VARIOUS PERSPECTIVES OF OTHER COUNTRIES IN ATLANTIC COMMUNITY ON ECONOMIC ISSUES LIKELY TO DOMINATE ATLANTIC RELATIONS REMAINDER OF CENTURY. MCCLINTOCK

BT

#8759

SECRET