The original documents are located in Box 123, folder "Mexico" of the Ron Nessen Papers at the Gerald R. Ford Presidential Library.

Copyright Notice

The copyright law of the United States (Title 17, United States Code) governs the making of photocopies or other reproductions of copyrighted material. Ron Nessen donated to the United States of America his copyrights in all of his unpublished writings in National Archives collections. Works prepared by U.S. Government employees as part of their official duties are in the public domain. The copyrights to materials written by other individuals or organizations are presumed to remain with them. If you think any of the information displayed in the PDF is subject to a valid copyright claim, please contact the Gerald R. Ford Presidential Library.

MEETING WITH PRESIDENT ECHEVERRIA

- Q: Will you be discussing the illegal immigrant problem and does the U. S. plan to accede to Mexican requests for a program to allow Mexican workers to legally enter the U.S. and find work here?
- A: The Mexicans have indicated that this problem is one they wish to discuss. I therefore expect that it may be raised during the meeting. The U.S. has no plans at this time to implement any large-scale program along the lines you mention.

- Q: The Immigration Service estimates that over a million jobs in the U.S. are now filled by illegal aliens. What action are you planning to take to remedy this situation, given the high unemployment rates in the U.S.? Shouldn't we focus on this one before creating public service jobs to provide employment?
- A: This is a very complex issue as I am sure you are all aware.

 It is, of course, receiving concerted attention within this

 Administration. I assure you that any decisions taken will be made only after consideration of all the factors involved.

- Q. Will the Presidents discuss the illegal immigrant question?
- As I said, the two Presidents will discuss whatever subjects are of interest or concern to them. The Mexicans have expressed an interest in discussing the illegal immigrant problem and I, therefore, would expect that this may be among the subjects discussed at the meeting.
 - Q. What about Mexican petroleum and Mexican oil policy? Is it true the meeting was called to discuss U.S. interest in this subject?
 - A. I might note that the meeting between the two Presidents was first announced after the President met with Mexican Foreign Secretary Emilio Rabasa in September. The meeting has therefore been in the planning stages for some time and was not called in response to a desire to discuss any one subject, but rather because of President Ford's desire to meet the Mexican President and review with him a whole range of subjects relating to U.S.-Mexican relations and international affairs. Within this range the oil question may well be discussed in the context of the world energy and economic situation.
 - Q. What is at Tubac?
 - A. There is an old mission nearby and a small town. The lunch and meeting itself will be held at a commercial recreational site which includes a restaurant, transient quarters, a private home and golf course and tennis facilities.

US RELATIONS WITH MEXICO

- Q: Mexican President Echeverria is seeking a role for Mexico as a Third World leader. Would this adversely affect US relations with Mexico?
- A: We have friendly and cooperative relations with Mexico and I feel certain that those relations will continue to be warm and cordial in the years ahead.

When two countries share a border of 1800 miles, it is a matter of common interest and high priority to each to maintain cooperative relations. The United States and Mexico cooperate on a vast number of practical matters -- particularly here in the border areas. We have established a good record of success in resolving problems through consultation and mutual accommodation.

I believe Mexico can also play a constructive role internationally, and there is no reason such a role should adversely affect US-Mexican relations. 4:00

At 220 p.m. today, the President will meet with the Attorney General of Mexico, Pedro Ojeda-Paullada, Attorney General Levi and other officials to discuss the growing problem of drug abuse in America and the highly successful poppy eradication campaign in Mexico. This meeting characterizes the continued close cooperation of our two nations on a matter of great concern to all Americans and will permit the President to re-emphasize to Attorney General Ojeda-Paullada our continuing and firm resolve to work with his government in combating drug abuse.

June 9, 1976

SUBJECT:

FLOW OF HEROIN FROM MEXICO

The <u>Post</u> this morning carried a story that, despite the Mexican Government Department of Justice announcement yesterday that almost all of the Mexican opium poppy fields have been eradicated, official Mexican sources were saying that they were disturbed by the "insolent and inept" behavior of DEA agents in Mexico. One example cited was that the agents are apparently carrying guns around even when not on official business, an activity forbidden by the agreement.

Is the White House disturbed by reports that DEA agents are offending the Mexican authorities?

First of all, the President met with the Attorney General and Mexican Attorney General Pedro Ojeda-Paullada and this topic was never raised. Both governments expressed satisfaction with the effectiveness of the program thus far. The Mexican Attorney General expressed appreciation for the cooperation shown by U.S. authorities, and the President reciprocated that expression of appreciation. The discussion was conducted in a constructive, pleasant atmosphere, and the importance of continuing the program was emphasized by both governments. As I said, no criticisms of the program were raised in that meeting.

Furthermore, Peter Bensinger, DEA administrator, was in Mexico the end of May, and he came away from that trip feeling that the program was going very well. There apparently were some minor criticisms expressed at that time, but Bensinger feels any problems have since been resolved.

MEXICAN PRISONER EXCHANGE

- Q: During Secretary Kissinger's just concluded trip to Mexico, he and President Echeverria discussed a possible prisoner exchange program. Can you give us any details on this proposal?
- A: During the course of Secretary Kissinger's visit to Mexico the

 Mexican Side presented some proposals regarding American

 prisoners in Mexican jails and Mexican prisoners in American

 jails. We are considering these proposals, and it would be

 inappropriate for me to discuss with the specifics of the proposals.

R. NEESEN FYI

******* NCLASSIFIE D****** COPY

D. IMMED /ROUTINE ESA177MOA127 DE RUESMO #1379 2488845 O R 848826Z SEP 75 FM AMEMBASSY MEXICO

TO SECSTATE WASHDC IMMEDIATE 7198

INFO USIA WASHDC 5846

UNCLAS MEXICO 11379

STATE FOR ARA USIA FOR ILA ED 11652 NA TAGS: CASC MX SUBJECT: PRESS GUIDANCE- US PRISONERS! HUNGER STRIKE IF DEPT CONCURS, EMB IS PREPARED TO GIVE FOLLOWING RESPONSE TO ANY PRESS QUERIES REGARDING PROPOSED HUNGER STRIKE WHICH AMERICAN PRISONERS INTEND TO PUT INTO EFFECT ON SEPT. 71 QUOTE: AMERICAN CONSULAR OFFICERS ARE IN REGULAR TOUCH H MOST OF THE AMERICAN PRESIDNERS. THEY HAVE ASSURED THEM THAT THE PRISONER EXCHANGE PROPOSAL HAS BEEN CAREFULLY STIDIED BY BOTH GOVERNMENTS. TALKS BETHEEN THE THO ERNMENTS ON THIS SPECIFIC ISSUE HAVE BEEN UNDERWAY SINCE THE PROPOSAL WAS MADE LAST JUNE DURING SECRETARY OF STATE HENRY KISSNER'S VISIT TO MEXICO. THE EMBASSY IS HOPEFUL THAT IT MAY PROVE POSSIBLE TO CONCLUDE AN AGREEMENT FOR SUCH AN EXCHANGE. WE HAVE BEEN INFORMED THE PRISONERSTHAT NEGOTIATIONS OF THIS TYPE, REQUIRING RECONCILIATION OF DIFFICULTIES WHICH ARE PESENTE BY THE DIFFERING LEGAL SYSTEMS OF THE THO COUNTRIES, ALWAYS TAKE CONSIDERABLE TIME, DURING OUR TALKS WITH THE PRISONERS HE HAVE REITERATED OUR CONCERN FOR THEIR HELFFARE AND OUT DESIRE FOR SUCCESSFUL NEGOTIATION OF THE TRANSFER OF SANCTIONS PROPOSAL. WHILE IT IS DIFFICULT FOR US TO PREDICT THE OUTCOME OF NEGOTIATIONS, HE HAVE ASSURED THE PRISONERS THAT THE US GOVERNMENT IS PRESSING FORWARD AS RAPIOLY AS POSSIBLE WITH THE NEGOTIATIONS. JOVA BT

J-NKA

V1838443 PAGE 81 OF 81 TOR1246/88144Z OTG1848826Z SEP 76

EXCHANGE OF PRISONERS WITH MEXICO

Guidance:

A joint statement was released yeaterday concerning the results State Department legal advisor Monroe Leigh in Mexico I refer you to that statement and suggest you take your detailed questions to State.

ANNOUNCEMENT OF LOPEZ PORTILLO VISIT

President Ford has invited Mexican President-elect
Jose Lopez Portillo to meet with him in Washington on
September 24, and he has accepted. The President will
have informal talks with the Mexican President-elect and
will host a dinner in his honor. Mrs. Lopez Portillo will
accompany the President-elect to Washington.

For Your Information, Lopez Portillo was elected on July 4, 1976 and will be inaugurated on December 1, 1976.

LOPEZ PORTILLO VISIT

Q: What is the purpose of this meeting?

A: The President invited President-elect Lopez Portillo to come to Washington for an informal meeting. This meeting will provide an opportunity for the two men to become acquainted and to have an informal discussion of US-Mexican and hemispheric affairs in general.

As you know, previous Presidents have met with the Presidentselect of Mexico in the period between their election and their
inauguration. This is a reflection of the importance we place on
maintaining friendly and cooperative relations between the US and
Mexico. In 1970 President Nixon met with President-elect Echeverria
in Washington and President Johnson met in Texas in 1964 with
Diaz Ordaz when he was President-elect.

Q: Is there any significance to the fact that the President is meeting with President-elect Lopez Portillo but did not meet with President Echeverria earlier this month when Echeverria was in the US?

As I said, previous Presidents have met with the Presidentselect of Mexico in the period between their election and their
inauguration. The President's scheduled commitments made it
impossible for him to be in Texas at the time President Echeverria
was there.

Q: What will they discuss? Will they discuss the prisoner exchange proposal? Treatment of prisoners? Trade problems? Oil? Narcotics cooperation? Illegal immigrants? The fisheries agreement?

A: There is no set agenda for the talks. This will be an informal meeting primarily to provide an opportunity for the two men to become acquainted, and I would expect their discussions to be general ones relating to the overall US-Mexican relationship.

They may well touch upon some of these subjects in the course of that conversation.

Q: Is Mrs. Lopez Portillo accompanying him?

A: Mrs. Lopez Portillo will accompany the President-elect to

Washington. I believe he may also be bringing with him his three

children.

Q: Is this an official Visit?

A: President-elect Lopez Portillo is coming to Washington at the invitation of President Ford for an informal private meeting with him.

Q: During his stay in Washington with what other US officials will Lopez Portillo be meeting?

A: I suggest you direct this question to the Mexican Embassy, which has primary responsibility for arranging his schedule, or to the Department of State which is facilitating arrangements for such meetings with US officials.

PRESS RELEASE UPON CONCLUSION OF PRESIDENT'S MEETING WITH PRESIDENT-ELECT LOPEZ PORTILLO

| The President met with President-elect Lopez Portillo from |
|--|
| to in the Oval Office. Deputy Secretary of State Charles Robinson, |
| Mexican Ambassador Jose Juan de Olloqui (day Oh-YOH-kee), |
| US Ambassador to Mexico Joseph John Jova (HOE-vah) and Brent Scowcroft |
| sat in on the meeting. |

This is the first time the two men have met. The meeting continues a now established tradition of meetings between the US President and the Mexican President-elect.

From the report I received, the meeting could be characterized as a very warm and cordial one. The President and the President-elect agreed that there are special ties between the United States and Mexico and that the efforts of the two governments will be devoted to maintaining and enhancing the friendly and cooperative relations between the two countries.

The discussion focused on the US-Mexican relationship in general. They touched upon some bilateral questions -- (narcotics cooperation, the ongoing discussions of a possible agreement allowing prisoners to serve out their sentences in their country of origin, _____.)

Confine

They also exchanged views on matters relating to hemispheric and international affairs.

The President and Mrs. Ford will host a small informal dinner for President-elect and Mrs. Lopez Portillo this evening. The Lopez Portillo's three children, who accompanied them to Washington, will be present as will Secretary and Mrs. Kissinger.

- Q: Is it unusual for a Mexican President-elect to be received by the US President before taking office?
- A: No. This is a private visit -- providing an opportunity for the two men to meet informally and have a general discussion of US-Mexican and hemispheric affairs. President Echeverria met with President Nixon in 1970 shortly before his inauguration as President of Mexico. President Johnson also met privately in Texas with then President-elect Diaz Ordaz in 1964.
- Q: Did they discuss specific problems in US-Mexican relations?

 For example, treatment of US prisoners in Mexican jails?
- A: As I have indicated, the discussion focused upon the US-Mexican relationship in general. I believe in connection with the prisoner issue, President Ford expressed satisfaction that talks exploring the possibility of a treaty of Transfer of Sanctions (to enable prisoners to serve out their sentences in their country of origin) are progressing.
- Q: Did President-elect Lopez Portillo say anything about steps to improve relations between the US and Mexico?
- A: Both President-elect Lopez Portillo and President Ford expressed agreement that the efforts of both governments will be devoted to maintaining and enhancing the friendly and cooperative relationship between the two countries.

- Q: Did Lopez Portillo raise the question of possible US support for the candidacy of President Echeverria as UN Secretary General?
- A: Not that I am aware of.
- Q: What is the US attitude on the Secretary Generalship?
- A: It is too early for the US to have a position -- at this point we do not even know who the candidates may be.
- Q: Did President Ford raise narcotics and reports that there are increasing amounts of Mexican heroin entering the US?
- A: I believe that they did mention the narcotics question briefly.

 President Ford noted the active campaign underway in Mexico
 to control heroin production and trafficking and emphasized
 the importance the US places on controlling our narcotics
 problem. President-elect Lopez Portillo indicated he will
 continue to place high priority on the Mexican program when
 he becomes President, and both agreed on the importance of
 continuing cooperation in this area.
- Q: What are the names and ages of the Lopez Portillo children?
- A: Jose Ramon and Carmen, both of whom are in their early 20's, and Paulina, who is in her teens.

DEVALUATION OF THE MEXICAN PESO

- Q. The drop in the value of the Mexican peso is seriously damaging our export business in Mexico. What are you going to do about this situation?
- A. The key to the expansion of our trade with Mexico is a stable and prosperous Mexico. We are doing everything we can to help the Mexicans achieve that objective. About two months ago the Mexican authorities concluded that, in order to reduce inflation and sustain economic growth, they should let the exchange rate reflect market forces more fully. They have now worked out a program with the International Monetary Fund under which the IMF will provide the credit to help them do this. We fully support this effort and are helping by providing short-term credit ourselves.

Background

Mexico's balance-of-payments position has deteriorated seriously, largely because of an excessively expansionary domestic policy. The situation has been exacerbated by heavy capital outflows in recent weeks and months. Mexico floated the peso beginning on September 1, and then, after an attempt in mid-September to hold the rate at about 19.70 pesos per dollar, has again allowed it to float. The present level is about 26 pesos per dollar, about 50% lower than the level of 12.5 pesos per dollar prevailing prior to September 1.

On October 27, Mexico reached agreement on a major stabilization program with the IMF that aims at medium-term balance-of-payments equilibrium through the implementation of specific policy measures in the three years 1977-79. These measures include (1) increased taxes, tariffs, and prices for goods produced by state enterprises, (2) limits on public-sector employment, (3) appropriate wage and foreign exchange policies, and (4) limits on official external borrowing on maturities of less than four years.

In support of this program, IMF credit of SDR 319 million (about \$367 million) will be provided immediately. Mexico will also be authorized to borrow an additional SDR 518 million (about \$596 million) over the next three years, depending on Mexico's adherence to the agreed upon program.

The US supports this program and is prepared to provide Mexico with up to \$600 million in short-term credit to counter disorderly exchange market conditions during a transitional period pending Mexico's receipt of medium-term crdit from the IMF.

Widman (Treasury) 10/28/76/AB

MEXICO -- MILLARD CASE

Can you tell us anything about the status of the request of Phillip Millard, a U.S. prisoner in Mexico, to be permitted to visit his dying mother in California?

Both the U.S. Government and the Governor of California have pursued the possibility of a short (24 hour) pass for Millard to make such a visit with the Government of Mexico. Thus far, the Mexican Government has been unwilling to grant such permission. As a result, Governor Brown has discussed the problem with the President who indicated he would look into the matter.

When did the United States raise the matter and how?

Our Embassy raised it early last week. Governor Brown then sent a personal appeal to the Government of Mexico. Subsequently, our Embassy raised it again with appropriate officials in Mexico City a few days ago.

MILLARD CASE

- Q Did the President ever do anything on behalf of Phillip Millard's plea to be permitted by Mexican authorities to visit his dying mother?
- A The President did review the matter and directed an additional contact

 be made to the Government of Mexico in his behalf. Subsequently, however,

 the matter has been overtaken by the death of Millard's mother.
- Q Will the U.S. Government seek to have Millard permitted to attend his mother's funeral?
- A Not that I am aware of.
- Who did the President direct to contact the Mexican Government and who did he contact?
- A. I do not know.

[FYI: Brent di scussed the matter with the Mexican Ambassador but does to not want this released to the press]