MEMORANDUM OF CONVERSATION

PARTICIPANTS: President Ford
    Colonel Abundio Maldonado, Ambassador of
    the Republic of Guatemala
    Brent Scowcroft, Assistant to the President for
    National Security Affairs
    Amb. Harry W. Schlaudeman, Assistant Secretary
    of State for Inter-American Affairs
    Amb. Henry Catto, Chief of Protocol

DATE AND TIME: Tuesday, June 22, 1976
    4:10 - 4:17 p.m.

PLACE: The Oval Office

SUBJECT: Presentation of Credentials

Maldonado: It is a great honor to be here. It is the honor of my life to
    meet with you. [The press comes in.] My President was to express his
    appreciation for your assistance during our recent time of troubles.

President: [Discussed earthquake and reconstruction.]

Maldonado: The road is now open again and your engineers have moved
    back to the Southern Command.

It is great to be here. I went to university here and three of my children
    are citizens. I know the United States well and I am a soldier of the
    American philosophy. The humanism of the founders of this country
    is an inspiration to all who seek freedom. I wish you the best of luck.
    Bless you, bless America. I hope next January I can work with you
    in the same position.
BRIEFING MEMORANDUM FOR THE PRESIDENT

Name of Ambassador: Colonel Abundio Maldonado

Appointed as Ambassador of the Republic of Guatemala

Addressed as "Mr. Ambassador"

Ambassador Maldonado is a 52-year old career Army officer. He has attended several U.S. universities and speaks fluent English. Intelligent, competent and very ambitious, Maldonado's overriding aim is to be President of Guatemala. He ran for that office in 1962-63 but a military coup overthrew the government and the election was cancelled. Because of his political ambitions, successive governments have kept him out of Guatemala in various diplomatic assignments almost continuously since 1963. He has been military attache in the United States twice and Ambassador to Mexico and El Salvador. He is a moderate and is a strong friend of the U.S. Four of Maldonado's children are U.S. citizens by birth.

Basic Facts about Guatemala

Guatemala is a Republic with an elected President (General Kjell Laugerud, pronounced LAO gurrude) and a unicameral legislature. It has approximately 6 million people, about half of them pure blood Mayan Indians. The basis of its economy is agriculture. Most of its foreign exchange earnings came from five principal commodities - sugar, coffee, cotton, bananas and meat. Guatemala is a strong country economically and has the possibility of becoming an oil producer in the next five to ten years. Last February a devastating series of earthquakes left more than 23,000 dead, 75,000 injured and more than 1,100,000 homeless. The U.S. responded with a massive flow of assistance, including a 100-bed U.S. Army field hospital, 17 large helicopters, an Army engineering battalion to reopen a critical road (completed in April), water purification equipment, food, medical supplies, and roofing materials for emergency shelter. Secretary Kissinger visited Guatemala on February 24. On April 21 you signed the Guatemala Relief and Rehabilitation Act which authorized $25 million in U.S. assistance. Almost all of the funds have now been obligated. The Guatemalan Government is extremely grateful for our help. President Laugerud sent you a formal letter of thanks to which you responded.
Bilateral Relations

We have no major bilateral problems with Guatemala. Our relations have been close and friendly for many years. There were some periods of strain recently over our reluctance to sell certain types of military equipment. We were concerned the equipment might be used in an attack on the neighboring British colony of Belize, which Guatemala has always claimed. However, negotiations have resumed between the British and the Guatemalans over the future of Belize and we have resumed our normal military supply relationship.

Significant Programs or Issues

Guatemala's main focus now is on reconstruction programs. The U.S., joined by the IBRD, the Inter-American Development Bank, and the Central American Bank for Economic Integration is providing assistance. We are concentrating our efforts in the rural areas in such programs as restoration and upgrading of municipal facilities, rural education and agricultural credit.

Talking Points

--- I am most pleased the United States was able to be of assistance to the people of Guatemala during the recent earthquake. It was a terrible tragedy but your people and your government responded with courage and fortitude.

--- The United States is actively assisting in the reconstruction effort.

--- The U.S. and Guatemala have had close and friendly relations for many years. I hope these bonds will continue and be strengthened in the future.

--- (if raised) The U.S. lauds efforts by the countries involved to negotiate a peaceful resolution of the Belize problem and hopes for their success.
M. It is a great honor to be here. It is the
honor of my life to meet with —

[Signature]

Mr. President, I want to express this appeal for
open lines during a short time of travel.

I (enclose a document) and confirm.

M. The word is now spoken again and upon my
voice, the theme of the Southern Good

It is good to be free. I want to spread the
truth of democracy and justice. I know we will
and I am spreading American philosophy.

I ask everyone for the freedom of the South
and for the people who seek freedom.

I wish you best of luck. Bless you, this
America. I hope that you, I can
work with you in a small part.