AMEMBASSY TEGUCIGALPA

CLASSIFICATION العطامة أأزنها معاريا

CN: 4221

E.O. XXXXX TAGS: SUBJECT:

12065: GDS 5/20/88 (NEGROPONTE, John D.) OR-M PEPR, EAID, EFIN, OAS, HO CARBAUGH/PIEDRA MEETING WITH PRESIDENT SUAZO

ACTION:

SECSTATE WASHDC

CONFIDENTIAL TEGUCIGALPA 4221

COMPRESSED ENTIRE TEXT

Accompanied by Ambassador and PAO, Carbaugh and Piedra called on President Suazo for thirty minutes afternoon May 19. A wide range of topics was discussed including situation in Salvador, Guatemala and prospects for Caribbean Basin initiative in Congress. Mr. Carbaugh made special point of reassuring Dr. Suazo of the many friendships Honduras and Suazo personally enjoy in Washington. He also expressed hope that Suazo might have opportunity to present Honduras' case in Washington personally at some time in the near future.

Suazo confined most of his remarks to difficult Honduran economic situation. He stressed urgench of KMM need for foreign economic aid in order to deny communists

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CLEARANCES:

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CML AID

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OPTIONAL FORM 153 (Formerly FS-413) January 1975 Dept. of State

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Dept of State, RPS/IPS, Margaret P. Grafeld, Dir. (VRelease () Excise () Deny (V) Declassify Exemption

any opportunity to exploit situation. He also pointed out that democratic example of Honduras is "headache for international Communism" and therefore Marxists will do everything they can to provoke failure of democracy here. Suazo urged Mr. Carbaugh to take back to Washington the message of Honduras' urgent requirement for foreign aid, lest it arrive too late. He also mentioned need for adequate military assistance.

- 4. Minister of Presidency, Carlos Flores, was also present and made additional points with regard to Honduran concern over sugar quota and the course of current discussions with IMF. On sugar quotas, Flores appealed to Senator Helms through Carbaugh to take another look at situation in his dual capacity as Chairman of the Agriculture Committee and a member of the Foreign Relations Committee. Concerning IMF, Flores asked that we intercede with the Fund to urge flexibility in reaching agreement with Honduras in current negotiations.
- 5. This report prepared after departure Carbaugh and Piedra from TEgucigalpa.

NEGROPONTE



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