UNCONFIRMED PRESS REPORTS INDICATE CONSIDERATION BEING GIVEN
TO SENDING HIGH RANKING US OFFICIAL ON A VISIT TO MEXICO AND
CENTRAL AMERICAN AREA. IN VIEW OF UNSETTLED CONDITION
THROUGHOUT ENTIRE AREA AND FOR SPECIFIC REASONS APPLICABLE
TO MEXICO LISTED BELOW, I HOPE DEPARTMENT WILL CONSIDER
ADVANTAGES OF POSTPONING SUCH A TRIP UNTIL A MORE PROPITIOUS
TIME.

AMONG THE CONSIDERATIONS APPLICABLE TO MEXICO ARE THE FOLLOWING:

FIRST, AS IS BEING REPORTED IN MORE DETAIL BY DESPATCH,
IN LAST FEW WEEKS GOM IS BEGINNING TO SHOW SIGNS OF MOVING
AWAY FROM PARTY LINE "IT CAN'T HAPPEN HERE" AND IS AT
LEAST CONSIDERING CURBING COMMUNIST ACTIVITIES IN MEXICO;
IN SPITE OF ITS STRONG ANTI-CLERICAL FEELING, GOVERNMENT
HAS PERMITTED LARGE ANTI-COMMunist RALLIES BASICALLY
ORGANIZED BY CATHOLIC CHURCH TO CONTINUE; EX-PRESIDENT
ABELARDO RODRIGUEZ HAS MADE PUBLIC APPEAL FOR ANTI-
COMMUNIST STAND; GOM HAS DECLINED INVITATION TO THE
NEUTRALIST CAIRO CONFERENCE; LOPEZ MATEOS ON JUNE 7 SPOKE
OUT AGAINST EXTREMISM AND HIS SECRETARY, HUMBERTO ROMERO,
HAS SUBSEQUENTLY TAKEN MORE ANTI-COMMUNIST LINE IN COMMENTS
TO AMERICAN CORRESPONDENTS. EVEN MORE SIGNIFICANT,
EMBASSY RELIABLY INFORMED LOPEZ MATEOS HAS INFORMALLY GIVEN
GREEN LIGHT TO THE FORMATION OF A PRO-GOVERNMENT LIBERAL AND
ANTI-COMMUNIST ORGANIZATION ALONG LINES SUGGESTED BY
ABELARDO RODRIGUEZ WHICH IS INTENDED SERVE AS COUNTER-
FORCE TO COMMUNIST ACTIVITIES INCLUDING ORGANIZED STREET MOBS.
SECRET

-2- 3626, JUNE 29, 6 PM, FROM MEXICO CITY

WHILE I DO NOT WISH TO IMPLY THAT ANY PERMANENT CHANGE HAS TAKEN PLACE IN BASIC POLICIES OF PRI PARTY IN SO FAR AS THEY RELATE TO COMMUNISM ALL OF THESE DEVELOPMENTS ARE FAVORABLE TO OUR SIDE AND THEY HAVE CHECKED, AT LEAST FOR THE TIME BEING, GROWING COMMUNIST INFLUENCE AND ACTIVITIES IN MEXICO. THAT THE COMMUNISTS ARE WORRIED AND ANGRY IS ILLUSTRATED BY UNUSUAL AND STRIDENT CRITICISM OF LOPEZ MATEOS IN RECENT ISSUE OF PRO-COMMUNIST MAGAZINE "POLITICA" FOR HIS JUNE 7 SPEECH. THERE EXISTS A POSSIBILITY, GIVEN MEXICAN SENSITIVITIES TO ALLEGED PRESSURES FROM US, THAT MEXICAN GOVERNMENT MIGHT HESITATE TAKE ADDITIONAL NECESSARY STEPS FOLLOWING A HIGH LEVEL OFFICIAL VISIT FOR FEAR THIS WOULD BE INTERPRETED AS KNUCKLING UNDER TO US INTERVENTION IN ITS INTERNAL AFFAIRS.

SECOND, IT HAS BEEN EVIDENT FOR SOME TIME REAL DESIRE OF MEXICAN GOVERNMENT IS FOR OFFICIAL VISIT OF PRESIDENT KENNEDY OR VICE PRESIDENT JOHNSON. NO OTHER VISIT HAS BEEN SOUGHT; THERE IS NO MEXICAN FEELING OF OMISSION OR DISCRIMINATION ON OUR PART IN THE TOUR OF AMBASSADOR STEVENSON IN SOUTH AMERICA AND NO INDICATION WHATSOEVER THAT MEXICAN RESPONSE TO HIGH-LEVEL VISIT HERE (EXCEPT FOR PRESIDENT OR VICE PRESIDENT) WOULD BE REGARDED AS ANYTHING MORE THAN UNSOLICITED, UNILATERAL US ENDEAVOR TO STIMULATE CHANGE IN MEXICAN ATTITUDES TOWARD US. SUCH CIRCUMSTANCES WOULD NOT BE FAVORABLE TO SUCCESS. ON OTHER HAND, I BELIEVE MEETING WITH PRESIDENT LOPEZ MATEOS BY PRESIDENT KENNEDY OR VICE PRESIDENT JOHNSON SHOULD TAKE PLACE, BUT SHOULD BE CAREFULLY TIMED TO SUCCEED RATHER THAN PRECEDE EFFECTIVE GOM MEASURES TO CONTROL COMMUNISM IN MEXICO AND PERHAPS BE RELATED TO A PROGRAM WORKED OUT IN ADVANCE FOR AID TO MEXICO IN SOLVING ITS UNEMPLOYMENT PROBLEM. A MEETING OF THIS KIND, CAREFULLY PLANNED IN ADVANCE, WOULD BE MUCH MORE PRODUCTIVE FROM OUR POINT OF VIEW AND WOULD AT THE SAME TIME BE MUCH MORE IN LINE WITH MEXICAN GOVERNMENT'S OWN WISHES.
SECRET

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THIRD, THERE IS NO WAY TO PREVENT COMMUNIST PARTY IN ITS CURRENT ANGRY MOOD FOR ORGANIZING STREET DEMONSTRATIONS IF THEY WISH TO DO SO. WHILE GOM HAS IN PAST PUT DOWN SUCH DEMONSTRATIONS QUICKLY AND EFFECTIVELY AND WOULD PRESUMABLY DO SO AGAIN, GIVEN PROPENSITY OF AMERICAN PRESS TO PUBLISH SCANDAL, END RESULT MIGHT BE ANOTHER BLOW TO US PRESTIGE. A DEMONSTRATION OF THIS KIND MIGHT FURTHER DAMAGE DOMESTIC AND FOREIGN INVESTOR CONFIDENCE AND SET BACK TOURIST TRADE AT A TIME WHEN CONFIDENCE IS BEING SLOWLY REGAINED FOLLOWING THE RECENT MORELIA INCIDENT. I BELIEVE THESE RISKS OUTWEIGH ANY POSSIBLE POLITICAL ADVANTAGE TO BE GAINED FROM HIGH LEVEL VISIT AT THIS TIME, PARTICULARLY IN VIEW OF PROBABILITY MEXICAN GOVERNMENT LINE WILL BE REQUEST FOR SEPARATE $400 MILLION PROGRAM FOR MEXICO.

NEVERTHELESS, IF IT IS DECIDED TO SEND OFFICIAL TO SEVEN OR EIGHT NORTHERN AMERICAN REPUBLICS, MEXICO SHOULD BE ON THE ITINERARY, PREFERABLY AS THE FIRST COUNTRY VISITED.

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