IT NOW APPEARS CERTAIN THAT THE PRI ORGANIZATION AND PRESIDENT LOPEZ MATEOS ARE COMMITTED TO THE CANDIDACY OF DIAZ ORDAZ.

WE ARE PROCEEDING HERE ON THE ASSUMPTION THAT DIAZ ORDAZ WILL BE THE PRI CANDIDATE FOR PRESIDENT AND IN ALL PROBABILITY WILL BE ELECTED.

IN ADDITION TO THE APPARENT SUPPORT OF LOMBARDO TOLEDOANO AND HIS PPS, IT NOW APPEARS THAT THE PARTIDO NACIONALISTA MEXICANO, A RIGHT-WING SPLITTER GROUP AND THE SINARQUISTAS, A FAR RIGHT-WING FALANGE-FASCIST TYPE ORGANIZATION, MAY ALSO DECIDE TO SUPPORT DIAZ ORDAZ.

IN ANY CASE THE PRINCIPAL OPPOSITION IN THE ELECTORAL CAMPAIGN WILL COME FROM THE PAN PARTY WHICH HAS NOT YET ANNOUNCED ITS PRESIDENTIAL CANDIDATE BUT WHICH IS REPORTED TO BE LEANING TOWARD JOSE GONZALEZ TORRES. GONZALEZ TORRES IS CLOSELY IDENTIFIED WITH THE CATHOLIC CHURCH AND IN THE PAST WAS HEAD OF PAX ROMANA.

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AND ACCION Catolica. The PAN has already announced that it will wage a vigorous campaign.

THE FEP PARTY, REPRESENTING THE PCM AND MLN, HAS ANNOUNCED THAT ITS CANDIDATE WILL BE RAMON DANZOS PALOMINO WHO IS A MEMBER OF THE PCM CONTROL COMMISSION. THIS CANDIDATE'S NAME WILL HOWEVER NOT BE ON THE BALLOT AND ANY SUPPORT FOR HIM WILL HAVE TO BE ON WRITE-IN BASIS.

THE PRINCIPAL QUESTION AT THE MOMENT IS WHAT REACTION CAN BE EXPECTED FROM THE PCM, MLN, FEP AND OTHER COMMUNIST-ORIENTED GROUPS. "POLITICA" MAGAZINE, WHICH IS THE PRINCIPAL COMMUNIST
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-2- 1078, NOVEMBER 5, 7:30 PM. FROM: MEXICO CITY.

THE PARTY ORGAN, HAS RECENTLY TWICE STATED CATEGORICALLY THAT DIAZ ORDAZ WILL NOT BE PRESIDENT OF MEXICO. THIS HAD BEEN INTERPRETED AS THREAT ASSASSINATION. AS LATE AS NOVEMBER 4, AFTER DIAZ ORDAZ' SELECTION WAS PUBLICLY KNOWN, THE LEADERS OF THE PCM MET TO DISCUSS HOW THE PARTY COULD GET THE PRI TO DROP DIAZ ORDAZ. A THREE PHASE CAMPAIGN WAS PROPOSED. FIRST, A WHISPERING CAMPAIGN THAT DIAZ ORDAZ WAS IMPOSED ON THE PRI PARTY AND ON MEXICO BY THE UNITED STATES GOVERNMENT. SECOND, A LEAFLET AND SIGN CAMPAIGN PICTURING DIAZ ORDAZ AS THE "GRINGO" CANDIDATE.

CONF 08 FEP PCM MLN FEP 4 "GRINGO"

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THIRD, POLITICAL ACTION OF THE TYPE BEING CARRIED ON BY THE FALN IN VENEZUELA INCLUDING SABOTAGE OF MEXICAN OIL PRODUCTION FACILITIES. THE MAJORITY OF THESE COMMUNIST ELEMENTS ARE STILL CONTROLLED BY THE SOVIET EMBASSY AND WE DOUBT THAT SOVIET UNION AT THIS TIME WOULD CONSIDER THAT ITS OWN INTERESTS WOULD BE SERVED BY AUTHORIZING AND ENCOURAGING VIOLENCE BY ITS PARTISANS. THERE IS HOWEVER A MINORITY GROUP WHICH LOOKS TOWARD COMMUNIST CHINA AND CASTRO CUBA FOR LEADERSHIP. WE CANNOT THEREFORE DISCOUNT THE POSSIBILITY OF VIOLENCE.

AGAINST THIS BACKGROUND I WISH TO EMPHASIZE THE ABSOLUTE IMPORTANCE OF ALL UNITED STATES OFFICIALS REFRAINING FROM SPECULATION FOR PUBLICATION ABOUT FUTURE ATTITUDES AND POLICIES OF DIAZ ORDAZ. IF THE DEPARTMENT HAS A NEED TO PROVIDE GUIDANCE TO PRESS ON A "NO ATTRACTION" BASIS SUGGEST FOLLOWING LINES:

1. MEXICAN PRESIDENTS HAVE HISTORICALLY AND NOTORIALLY BEEN PRO-MEXICAN RATHER THAN PRO OR ANTI UNITED STATES. WHERE THEY CONSIDER THAT MEXICAN INTERESTS COINCIDE WITH OURS WE HAVE HAD LITTLE TROUBLE. CONVERSELY, WHENEVER THEY CONSIDER MEXICAN INTERESTS DIVERGE FROM THOSE OF THE UNITED STATES THINGS HAVE HISTORICALLY NOT GONE SO SMOOTHLY. WE EXPECT THIS SAME PATTERN IN FUTURE.

2. DIAZ ORDAZ DOES NOT ATTEND MASS REGULARLY AND IS NOT EXPECTED TO FOLLOW CHURCH LINE. THE PAN-PARTY IS MUCH CLOSER TO THE CHURCH THAN DIAZ ORDAZ AND THE PRI.

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-3- 1078, NOVEMBER 5, 7:30 PM. FROM: MEXICO CITY.

3. DIAZ ORDAZ' ECONOMIC POLICY, I.E., HIS ATTITUDE TOWARDS FOREIGN PRIVATE INVESTMENT, MEXICANIZATION AND FORCED INDUSTRIALIZATION, AND OTHER EXISTING MEXICAN GOVERNMENT PROGRAMS, IS NOT KNOWN. WE HAVE HOWEVER NO REASON TO BELIEVE AT THIS TIME THAT THERE WILL BE ANY RADICAL DEVIATION IN THE ECONOMIC POLICIES WHICH HAVE BEEN FOLLOWED BY ALL REVOLUTIONARY PRESIDENTS.

4. WHILE NO PRECISE PREDICTIONS CAN BE MADE NOW, IT WOULD BE PREMATURE TO PREDICT ANY BASIC CHANGES IN MEXICAN POLITICAL, SOCIAL OR FOREIGN POLICIES. DIAZ ORDAZ, IF ELECTED, WILL FACE ESSENTIALLY THE SAME PROBLEMS THAT LOPEZ MATEOS HAS HAD TO FACE IN TERMS OF KEEPING THE PRI PARTY UNITED. WE SHOULD NOT BE SURPRISED IF THERE SHOULD CONTINUE TO BE ZIGS AND ZAGS WITH AN EMPHASIS ON POLITICAL AND ECONOMIC NATIONALISM AND AN OCCASIONAL STATEMENT ABOUT IMPERIALISM, ECONOMIC INDEPENDENCE AND OTHER PHRASES WHICH HAVE BECOME PART OF THE MEXICAN RHETORIC.

5. THE PORTRAYAL OF DIAZ ORDAZ AS "PRO-UNITED STATES", "PRO-CATHOLIC", ETC., COULD OBLIGE HIM FOR DOMESTIC POLITICAL REASONS TO DEMONSTRATE HIS REVOLUTIONARY MEXICAN PATRIOTISM BY TAKING ATTITUDES CONTRARY TO UNITED STATES INTERESTS.

CPN 2. PAPAN 3. 4. 5.

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THERE IS A CERTAIN AMOUNT OF EUPHORIA IN MEXICO CITY TODAY ESPECIALLY AMONG AMERICANS. I THINK THIS IS PRINCIPALLY A SIGN OF THEIR RELIEF THAT A PRO-COMMUNIST CANDIDATE WAS NOT SELECTED BY THE PRI. WE IN THE EMBASSY SHARE THIS FEELING OF RELIEF. BUT WE ARE UNDER NO ILLUSIONS THAT DIAZ ORDAZ' SELECTION NECESSARILY SIGNIFIES ANY CHANGE IN BASIC MEXICAN POLICY.

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