SECRET TEGUCIGALPA 3874

EXDIS

DECEPTIONED

1. SECRET - ENTIRE TEXT

2. Doctor Suazo called me morning April 21 to say that he had just heard from Paz Barnica in Panama on progress during first day of meetings. Paz Barnica had characterized the proceedings as a "chavacanada", a colloquial expression whose closest English translation I can think of is "kids stuff" or a "circus".

3. According to Suazo, Paz was pressured from various quarters to hold bilateral with Nicaraguans. He declined
on predictable grounds. Suazo expressed satisfaction with solidarity shown by Costa Ricans, Guatemalans and Salvadorans. He also was pleased with Venezuelan performance, leaving by implication Mexico, Panama and Colombia as likely source of pressure for Honduras/Nicaragua bilateral.

4. Later during April 21 President and I talked several times about as yet unresolved dispute with United Fruit but he volunteered no new information on Panama meeting.