

October 29, 1971

Unknown time between 10:45 – 11:34 am

Conversation No. 13-36

Cassette No. 1180

White House Telephone 13-36

[The President and Nelson A. Rockefeller, Governor of New York state and author of an influential 1969 report on Latin America requested by Nixon, discuss lifting for selected countries a ten percent import surcharge imposed by the administration in August 1971]

Rockefeller: [. . .] After the report that I worked out for you before, you then came out with this concept that we would give preferential treatment to underdeveloped nations.

Nixon: Right.

Rockefeller: Do it for Latin America and –

Nixon: And that we haven't done a damn thing about it, I know.

Rockefeller: And I was wondering whether, now that things are moving and you're in the second phase of this whole economic program, whether there might be any chance an opportunity before he goes to say that you were going to either give consideration or actually lift the ten percent surcharge, import charge, for the underdeveloped nations or the developing nations –

Nixon: Let me say this, that you're – we're right on the same track. Here's –

Rockefeller: Marvelous.

Nixon: And this is in confidence at this point, for obvious reasons. We are now examining a plan, Nelson, where we can do it for the Canadians and for Latin America.

Rockefeller: Oh, marvelous!

Nixon: Now, the Canadian thing is holding it up a bit because we want to try to get something from them on – a commitment on their oil, you know, ah, it's a complicated matter that I won't go into, but – you know the problem, probably. They buy cheap oil from Venezuela and sell expensive oil to us. We don't mind that, but we want to be sure that if our oil supply gets cut off they'll continue to sell the oil to us and not hold us up, you see.

Rockefeller: Yeah.

Nixon: And they ought to make that commitment to us. I think. Anyway, we think that if we can do that, then we could lift it for the whole bunch. Now, the second point though,

and I'm sure you'll appreciate this – and Connelly and I talked a little about this – when we do do it, we thought we might move maybe a day early on places like Mexico that were good enough to vote with us in that UN vote . . .

Rockefeller: Right.

Nixon: . . . and a day later on, uh – do you understand what I mean?

Rockefeller: Yeah.

Nixon: Just let them have a little bit of a – a little advance on the thing. But our plan – the whole surcharge, the move toward removing for Latin America is good. Now when you go – I am inclined to think, frankly, that I'd rather do it there. Because Connally will be talking to the Indonesians, the Thais, the Filipinos, and of course the Japanese. The Japanese are a special problem, but that's coming along nicely.

Rockefeller: Yeah, great.

Nixon: The problem we have, though, is that I, frankly, don't really want to remove it for all those damn African countries, you know.

Rockefeller: I think that the hemisphere is –

Nixon: You get my point? How do you feel about that? You know, here's the thing, Nelson. We have got to start having more of a program of reward and punishment – not openly but just quietly.

Rockefeller: I understand what you're saying.

Nixon: Countries that are for us, like...it was hard for the Mexicans to vote with us on this, but Echeverría did it, you know, and now he deserves a little credit in my view.

Rockefeller: Totally. I think this is great! And I don't see why – I mean the Europeans have got their economic picture, I don't see why can't have a Western Hemisphere one.

Nixon: Right. And then we'll negotiate with the Europeans at a later time – that is our present thinking. The Europeans – they're playing their own games, and we understand that but we've got to play our games, too.

[Conversation continues, unrelated to Mexico.]