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TAGS PREL, OAS, KSUM, KPIN, CACM, CDB, XM, XR, XS, XL, MX

SUBJECT: Mexico's Latin American Unity Summit -- Back to the Future?

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DERIVED FROM: DSCG 05-1 B, D

¶1. (C) Summary: Mexico's ambitious plan to use its final Rio Group Presidency Summit (Cancun 22-23 February) to create a new more operational forum for regional cooperation failed dramatically. The two-day event was dominated by press accounts of ALBA country theatrics and their usual proclivity towards third world, anti-imperialist rhetoric. Nothing practical was achieved on the two pressing regional priorities - Haiti (President Preval did attend but the discussion was an obscured footnote) and Honduras (Pres. Lobo was not even invited in deference to Venezuela/ALBA) - and Brazil and the ALBA countries outmaneuvered the Mexicans, leaving the details of the new organization in the hands of a Latin American and Caribbean Summit (CALC) structure that will be managed by Brazil and Venezuela in 2011. End Summary

¶2. (C) Notwithstanding President Calderon's best intentions to create a more practical regional forum for regionally dealing with Latin American priorities (ref A), Mexico's Latin American Unity summit in the tourist resort of Cancun (22-23 February) was poorly conceived, inadequately managed, and badly executed. The Cancun Declaration presents a long laundry list of issues without specifying any details on how they will be operationally translated into effective international action. The meeting did not agree on a name for the new organization (see below), on a date for when it will be launched, or on any practical details (secretariat, funding, etc.) that would indicate how the new organization would develop. Worse yet was the press play and unofficial commentary from informed sources, that were downright derisive of the meeting and the contradictory message it sent about Mexico's interests and foreign policy.

¶3. (C) Already at the ceremonial opening on Monday (22 February) it was clear that things were not going well. Negotiations on the declaration had ground down on the operational details of the communique and Brazil and the ALBA countries were firmly resisting Mexico's proposal that the new forum be constituted immediately with agreement on institutional details. Brazilian President Lula did not want to see the CALC be subsumed before the end of his Presidency and Venezuelan President Chavez wanted to leave his CALC Summit (Venezuela assumes the CALC Presidency from Brazil in 2011) on schedule, and available for a grand launching of the new forum that, as he said to the press, would commemorate the realization of the Bolivarian themes of Latin American solidarity in the birthplace of the "Great Liberator." Chavez was his usual, over the top self in proclaiming the death of the Organization of American States (OAS), in lending a hand to Argentine President Kirchner's protest against British drilling for oil in the Malvinas, and in almost coming to blows with Colombian President Uribe over the latter's protest of Venezuela's economic embargo against Colombia. Bolivian President Morales played the supporting role as Chavez' factotum, parroting Chavez' speeches and lavishing praise and compliments on Raul Castro's Cuba. Ecuadorian President Correa used the meeting to try and divert money laundering allegations leveled against Ecuador, by suggesting the need for a new "more balanced" regional mechanism to address the issue.

¶4. (C) Even Calderon's own PAN party officials were privately dismissive of the event. PAN international affairs coordinator Rodrigo Cortez characterized the meeting as a "sad spectacle that does nothing to project our party's views on international priorities and the importance of the relationship between

Mexico and the United States." He decried the public images of Calderon "hugging and cavorting" with Chavez, Morales and Castro and was pessimistic from the start that anything practical would come from the meeting. "We did not even invite Honduras, leaving them out of the meeting in order to ensure ALBA participation - a decision that turned the meeting upside down with regard to our concrete security and other interests."

MEXICO 00000141 002 OF 003

¶5. (C) The low point of the meeting was the verbal exchange between Uribe and Chavez at the opening day official lunch. Uribe raised Venezuela's economic embargo on Colombia, terming it unhelpful and inconsistent with the region's economic interest and at odds with Venezuela's strong criticism of the U.S. Embargo on Cuba. Colombia's Ambassador in Mexico, Luis Camilo Osorio, told the polmincouns that, contrary to press accounts, Uribe raised the issue in a non-confrontational way. According to Osorio and press accounts, Chavez reacted emotionally accusing Colombia of having sent assassination squads to kill him and ended a verbal and physical tirade with "You can go to hell; I am leaving (the lunch)." Uribe responded, "Don't be a coward and leave just to insult me from a distance." Verbal and body language continued to escalate, until Raul Castro stepped in to urge civilized discussion. Outside of the dining room, Venezuelan security officials were scuffling with Mexican security guards in an attempt to assist their President.

¶6. (C) Osorio was very critical of the Summit, terming it the worst expression of Banana Republic discourse that blames all of the regions problems on others without any practical solutions of their own. Osorio said the Colombians had proposed working jointly on a concrete agenda during Calderon's recent visit to Colombia. The Mexicans, he said, were not interested, confident that they had everything under control. Osorio opined that "Calderon had simply put a bunch of the worst types together in a room, expecting to outsmart them. Instead, Brazil outplayed him completely, and Venezuela outplayed Brazil." There was no practical planning, there was no management of the agenda, and there was none of the legwork that would have been needed to yield a practical and useful outcome.

¶7. (C) Brazilian DCM Antonio Francisco Da Costa E Silva Neto conveyed his country's view that Brazil had done a better job of managing the summit than the Mexican hosts. Brazil was able to ensure that the new Rio Group would emerge, not from the Summit, but from ongoing discussions in the Rio Group and the CALC, where Brazil could exert its influence. The CALC survived and Brazil would be managing that process as part of the troika when it turned over the presidency to Venezuela.

¶8. (C) We heard similar themes from ex-Ambassador Jorge Montano, a PRI-connected, former respected senior Mexican diplomat. He echoed Cortez' criticism, channeling it into an elegant but critical op-ed in Mexico daily Universal (Feb 26). Montano's piece, entitled "With or Without the OAS," reviewed briefly the history of Latin American regional forums, also criticizing U.S. lack of attention to the region (e.g. Summit of Americas) but noting the practical achievements realized in the OAS. He called the Summit unnecessary and inconsistent with Mexico's interests and called for immediate

damage control. Montano told us that he received separate calls from Calderon and from Foreign Secretary Espinoza, irate over his criticism.

¶9. (C) The media coverage did not in any way suggest a practical forum and there was a good supply of criticism, in addition to Montano's piece, which was respectful in its choice of words. The most damning criticism was a political cartoon in the leading daily Reforma (Feb 24) which depicted a large Chavez gorilla, with a small Castro perched on his back playing an accordion labeled "CanCubaZuela Group" with a small image of Calderon dancing to the music and waving marimbas. Osorio told us at a same day Central Bank event with leading Mexican businessmen that there were abundant references to the cartoon and its apt characterization of the Summit's result.

Comment

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¶10. (C) In the end Mexico was limited to agreement on a new forum but without any specific commitments on institutional details. The Cancun declaration is a bulging rhetorical exercise

MEXICO 00000141 003 OF 003

that reflects the lack of agreement with its general and non-specific language. The press play leaned towards the critical side and even those who recognized Calderon's well-mentioned effort focused more attention on the paltry results. Even on the issues that Mexico argued to us before the summit were reasons for bolstering the Rio Group -- success on Colombia-Venezuela-Ecuador problem - the Summit result was directly contrary to hopes for a new more operational mechanism in the region.

¶11. (C) We have not had yet received the official GOM post-Summit read-out from our SRE and Presidency sources - they have been busy finishing the Declaration and doing follow up work with the Latin American Missions. We will be shortly following up with their analysis and comments on the way ahead, and their plans for deepening trade and investment through a new arrangement with Brazil, announced at the end of the Summit. Whatever their read out, this is not playing here as a "diplomatic success," except in some very general sense of raising the need for more effective regional action. Unfortunately, the Cancun Latin American Unity Summit was not an example of a new and bold step into the future but rather a reminder of Mexico's at times conflicting message on how it sees the future of the region and Mexico's role as one of its leaders. PASCUAL