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#### BULLET PAPER ON CENTRAL AMERICA

- -- The centerpiece of US policy will be the Caribbean Basin Development Plan in cooperation with countries of the region and major donor countries.
- -- We will want to exchange views on developments in Central America, especially in El Salvador, Nicaragua, and Guatemala:
- -- Although the guerrilla war in El Salvador remains a serious threat, the Duarte Government has made gains in both the political and military arenas. The best hope for peace rests in a political solution involving elections as proposed by the Salvadoran Government.
- -- Pluralism is not dead in Nicaragua, although it is threatened by the rapid development of a Cuban-type security apparatus and expansion of what is already the largest military force in Central America.
- -- The US has left the door open to further assistance to Nicaragua should it halt arms trafficking and support for violence aimed at overthrowing neighboring governments. Unfortunately these activities continue. We hope that the Governments participating in the Ottawa Summit will emphasize to the Nicaraguans the importance of maintaining pluralism, of ending support of violence against its neighbors, and of reducing their ambitious plans to build an excessively large military force aided by the Cubans.
- -- We are attempting to build a constructive relationship with Guatemala with the intent of helping curb political violence and the guerrilla threat. We are encouraging the Guatemalans to hold free and fair elections as scheduled next March.

CONFIDENTIAL GDS 6/19/87

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#### TALKING POINTS FOR CENTRAL AMERICA



- -- THE ECONOMIC PROBLEMS FACED BY COUNTRIES OF CENTRAL

  AMERICA AND THE CARIBBEAN CONCERN US DEEPLY. SO DO COMMUNIST

  EFFORTS TO IMPOSE TOTALITARIAN REGIMES THROUGH FORCE OF ARMS.
  - -- OUR ANALYSIS OF THE ECONOMIC SITUATION IN THE REGION HAS LED US TO SOME PRELIMINARY CONCLUSIONS WE WANT TO SHARE WITH YOU. THEY ARE THAT:
    - -- THE AREA'S PRODUCTIVE CAPACITY MUST BE INCREASED.
    - -- INCENTIVES TO TRADE MUST ENHANCE COMPETITIVENESS.
    - -- MODERN EFFICIENT PRIVATE SECTOR GROWTH IS IMPERATIVE

      TO PROMOTE PRODUCTIVE EMPLOYMENT AND GENERATE FOREIGN

      EXCHANGE-EARNING EXPORTS.
  - -- DEVELOPMENT EFFORTS SHOULD BE COOPERATIVE IN APPROACH
    AND ALLOW DONOR COUNTRIES A CHOICE IN EMPHASIS AND SELECTION
    OF RECIPIENTS.
  - -- WE HOPE TO WORK CLOSELY WITH YOU ON DEVELOPING THE CONCEPT AND DETAILS OF A CARIBBEAN BASIN DEVELOPMENT PLAN.
  - -- IN EL SALVADOR, A POLITICAL THROUGH ELECTIONS SOLUTION

    MUST BE PURSUED. MILITARY EFFORTS ALONE WILL NOT BRING PEACE.

    BUT THE INSURGENTS, SUPPORTED BY CUBA AND OTHERS, STILL SEEK

    TO IMPOSE A MILITARY SOLUTION.
  - -- WE ARE ASSISTING THE DUARTE GOVERNMENT TO ENABLE IT

    TO PROCEED WITH ITS REFORM PROGRAM, STABILIZE THE ECONOMY, AND





TO ACHIEVE A POLITICAL SOLUTION THROUGH FREE ELECTIONS. WE HOPE THAT YOU WILL ALSO SUPPORT AN ELECTION PROCESS LEADING TO A GOVERNMENT CHOSEN BY THE PEOPLE RATHER THAN ONE IMPOSED THROUGH FORCE OF ARMS BY OUTSIDERS.

- -- IN NICARAGUA, WE ARE CONCERNED THAT PROSPECTS FOR PLURALISM ARE NARROWING. GOVERNMENT ACTIONS, SUCH AS THE CANCELLATION
  OF OPPOSITION RALLIES, AND CURBS ON MEDIA ARE FOREBODING. THE
  BUILDUP OF THE NICARAGUAN MILITARY IS ALARMING ITS NEIGHBORS,
  AND THE FLOW OF ARMS THROUGH NICARAGUA TO SALVADORAN GUERRILLAS
  CONTINUES.
- -- WE HAVE NOT CLOSED THE DOOR ON NICARAGUA AND HAVE ASKED

  CONGRESS FOR ASSISTANCE FUNDS FOR FY 82. HOWEVER, THE SANDINISTA

  GOVERNMENT MAY BE CLOSING THE DOOR ON RELATIONS WITH US BY ITS

  UNWILLINGNESS TO ALLOW THE FULL PLAY OF DEMOCRACY, AND ITS EFFORTS

  TO BUILD AN OFFENSIVE MILITARY FORCE AND TO SUPPORT SUBVERSION

  IN NEIGHBORING COUNTRIES.
- -- WE URGE YOU TO HELP PERSUADE THE NICARAGUANS TO MAINTAIN

  A PLURALISTIC SYSTEM, DESIST FROM SUPPORTING GUERRILLA INSURGENCIES

  AGAINST NEIGHBORING GOVERNMENTS AND FROM BUILDING UP A LARGE,

  CUBAN-SUPPORTED MILITARY FORCE.
- -- WE ARE SEEKING A MORE CONSTRUCTIVE RELATIONSHIP WITH

  GUATEMALA. WE INTEND TO ASSIST THE GUATEMALANS IN CURBING POLITICAL

  VIOLENCE FROM ALL SOURCES AND TO REPEL THE GUERRILLA THREAT.

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#### Briefer on Central America

#### 1. Background

The Central American region is in turmoil due to existing socio-economic conditions, sharply deteriorating economies, and efforts by guerrillas armed and supplied by external Communist powers, particularly Cuba, to overthrow existing governments and replace them with leftist totalitarian dictatorships. We have been consulting with our allies during the past several months on Central America, keeping them fully informed of our views. They, in turn, have expressed interest and concern about the instability in the area.

We believe that one of the most important ways Western strategic interests can be served is through a comprehensive approach aimed at solving the broader underlying economic problems of the region. For this reason we are developing a Caribbean Basin economic initiative involving trade, investment and aid. We have had initial discussions concerning a possible Caribbean Basin plan with FRG, Mexican, Canadian, Venezuelan, and French leaders. Reactions have been generally supportive of the concept. European, Canadian and Mexican leaders, however, are concerned that the US may be striving for a military, rather than a negotiated settlement in El Salvador, is overly negative on Nicaragua, and inclined to embrace a hard-line military regime in Guatemala. Large sectors of public opinion in Europe and Canada are opposed to US policy toward El Salvador and are pressuring their governments to keep a distance from us.

# 2. U.S. Objectives

- -- To enlist our allies support for and eventual participation in the Caribbean Basin Development Plan.
- -- To encourage their acceptance of the electoral route to a political solution in El Salvador.
- -- To convey our concerns about trends in Nicaragua and obtain their agreement to weigh in with the Nicaraguans especially over their military build-up and growing Cuban/Soviet dependency.



Marie Waiver

#### 3. Discussion of Issues

A fundamental <u>issue facing us</u> in Central America <u>is how</u> to prevent local Communist groups, backed by large scale external assistance by Cuba and others, from succeeding in their efforts to impose by force Marxist totalitarian governments on countries of the area while these countries are attempting to make the transition from traditional elitist controlled societies to more broadly based democracies.

Our European and Canadian friends have tended to see the Communist threat as less menacing than we do, and they have not fully grasped, for example, the significance and sincerity of the Salvadoran government's efforts to implement reforms, control violence and carry out genuinely free and fair elections. We need to involve them more constructively in Central America, and if possible persuade them to support the Duarte Government's efforts to combat the extreme left and extreme right and to reach a political solution through democratic elections next year.

On Nicaragua, the issue is to engage our friends in applying pressure on the Sandinista government to halt the trend toward suppression of the democratically oriented moderate elements, build-up of a large potentially offensive military force, and support for subversion in neighboring countries. We will have to explain to them that although we suspended certain types of aid to Nicaragua because of its arms trafficking, we have left open the possibility for further assistance should Nicaraqua halt its involvement in efforts to overthrow neighboring governments. In addition, we have asked Congress for FY 82 assistance funds for Nicaragua, but the GRN may be closing the door on its relations with the U.S. by its unwillingness to allow the full play of democracy, its efforts to build a large offensive military force and its support for subversives in neighboring states.

Finally, although the Europeans and Canadians have been providing significant assistance to the Caribbean island states, they have not, except to Nicaragua, provided much assistance to Central America. They have been concerned over social injustice and human rights abuses in the area. (For this reason we must take some time to explain the purposes behind our recent efforts to reestablish a working relationship with the much criticized Guatemalan Government.) The interests of our friends and allies can be served along with ours through a joint coordinated effort to stimulate balanced economic growth and equitable distribution



of its benefits in the countries of Central America. To avoid having them back away from our Caribbean Basin initiative, our security assistance efforts will be kept separate from the collective development initiative. Our collective efforts will aim to reduce tensions in the region by attacking their root causes, i.e. inadequate economic development and social imbalances.

#### 4. Other Leaders' Objectives/Views

Public opinion in the United Kingdom, France, Canada, Italy, Japan and the Federal Republic of Germany has generally tended to romanticize the Sandinista revolution in Nicaragua, and play down the Cuban influence there. With the probable exception of the new French Government, which appears sympathetic to the left in El Salvador and to the Sandinistas in Nicaragua, these governments show more understanding of the US policy toward the countries of Central America than do their respective publics.

They will have some concern that:

- -- We are closing the door on Nicaragua, thus driving the Nicaraguans into further dependency on the Cubans.
- -- Our military assistance to El Salvador reinforces the Salvadoran security forces which have an image of being repressive.
- -- We are not encouraging a negotiated political solution in El Salvador.
- -- We may attempt to mix security assistance into the Caribbean Basin Development Plan.

They will favor efforts to resolve the region's problems through economic development and social reform. However, they will probably remain hesitant to make significant commitments to assistance or trade concessions.



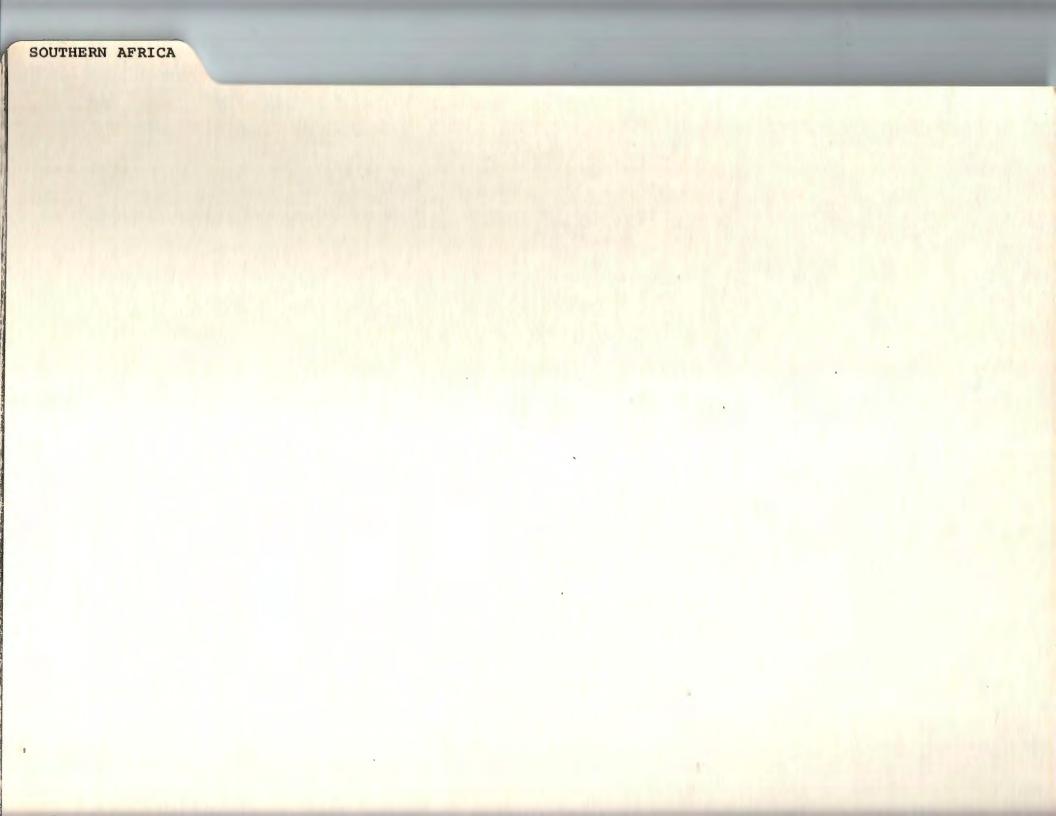
## Briefer on Central America

ARA/CEN: JDBlacken/RBrown/mab Drafted by:

6/19/81

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S/P: JGlassman K Cleared by:





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#### BULLET PAPER ON SOUTHERN AFRICA

- -- Our primary concern in the southern African region is to achieve an internationally acceptable settlement in Namibia. We are currently engaged in a process through which we hope to obtain the cooperation of the South African Government in obtaining such a settlement.
- -- We have told the South African Government that we are willing to open a new chapter in our relationship based upon strategic reality and the continued explicit commitment of P.W. Botha's government to domestic change.
- -- The U.S. will continue to differ with South Africa on apartheid, and we cannot condone a system of institutionalized racial differentiation. We can however cooperate with a society undergoing constructive change away from apartheid.
- -- We wish to promote peace and stability and thereby limit Soviet inroads throughout southern Africa, a region which is an irreplaceable source of critical minerals. We believe that we can help realize this goal by supporting the efforts of the black-ruled states at regional economic cooperation and by encouraging Western trade with and investment in Zimbabwe, the key black-ruled state of the region.





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#### TALKING POINTS ON SOUTHERN AFRICA

- -- OUR PRIMARY CONCERN IN THE SOUTHERN AFRICAN REGION IS TO ACHIEVE AN INTERNATIONALLY ACCEPTABLE SETTLEMENT OF THE NAMIBIAN PROBLEM. WE RECOGNIZE THAT SUCH A SETTLEMENT IS IMPOSSIBLE WITHOUT THE COOPERATION OF THE SOUTH AFRICAN GOVERNMENT AND ARE CURRENTLY ENGAGED IN A PROCESS BY WHICH WE HOPE TO GAIN THAT COOPERATION.
- -- WHILE APARTHEID IS A HINDRANCE TO U.S.-SOUTH AFRICAN RELATIONS, WE CAN WORK WITH A SOUTH AFRICAN GOVERNMENT COMMITTED TO EVOLUTIONARY CHANGE AWAY FROM APARTHEID.
- -- OUR POLICY OF "CONSTRUCTIVE ENGAGEMENT" WITH SOUTH AFRICA WILL STRESS EVENHANDEDLY THE TWIN ISSUES OF SOCIAL JUSTICE AND REGIONAL SECURITY.
- -- WE FEEL THAT A MORE POSITIVE, UNDERSTANDING APPROACH TO SOUTH AFRICA'S INTERNAL PROBLEMS WILL PROVE MORE EFFECTIVE IN PROMOTING CHANGE THAN PREACHING AND PUBLIC POSTURING HAVE PROVED IN THE PAST.
- ONSTRATE ITS SUPPORT FOR PEACEFUL, EVOLUTIONARY CHANGE IN SOUTH AFRICA. POSSIBLE WAYS COULD INCLUDE SUPPORT FOR BLACK EDUCATION, COOPERATION WITH BLACK TRADE UNIONS, AND USE OF THE PRIVATE SECTOR AS A FORCE FOR RACIAL PROGRESS.
- -- WE BELIEVE THAT, IN VIEW OF THE STRATEGIC LOCATION OF SOUTHERN AFRICA AND ITS VAST MINERAL WEALTH, THE WEST SHOULD DO EVERYTHING IN ITS POWER TO ENCOURAGE PEACE AND STABILITY IN THE REGION AND THEREBY LIMIT SOVIET/CUBAN INROADS.



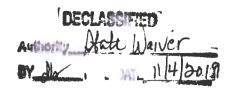


-- WE FEEL THAT WE CAN BEST ACHIEVE THIS GOAL OF REGIONAL STABILITY THROUGH WESTERN SUPPORT FOR THE ATTEMPTS AT ECONOMIC COOPERATION OF THE BLACK-RULED STATES OF THE REGION AND THROUGH WESTERN AID, TRADE, AND INVESTMENT FOR ZIMBABWE, THE KEY BLACK-RULED STATE OF THE REGION.





SOUTH AFRICA



The May 14-16 U.S. visit of South African Foreign Minister R. F. "Pik" Botha represented a first step in the implementation of the Administration's policy of "constructive engagement" with South Africa. We have told the South African Government that we are willing to open a new chapter in our relationship based on the strategic reality, South Africa's position in that reality, and P. W. Botha's Government's explicit commitment to domestic change.

We are basing this new relationship with South Africa on our shared hopes for the future prosperity, security and stability of southern Africa, constructive internal change within South Africa, and our shared perception of the role of the Soviet Union and its surrogates in thwarting those goals.

We have made clear to the South Africans that we see U.S.—South African cooperation in resolving the Namibia situation as the crucial first phase of our new relationship and that we are willing to work with them toward an internationally acceptable settlement which will safeguard their interests and reflect our mutual desire to foreclose Soviet gains in southern Africa. Another important issue is the supply of fuel to the South African nuclear reactors at Koeberg.

We are working with the <u>French</u> to obtain a solution to the knotty problem of fuel supply for South Africa's Koeberg <u>nuclear</u> reactors. This question involves complex legal and <u>non-proliferation issues</u>.

#### NAMIBIA

The Reagan administration inherited a protracted Namibia negotiation which began in 1978 with the joint effort of the Contact Group to arrange internationally acceptable independence for Namibia under U.N. auspices. These efforts which led to the development of the U.N. Plan (UNSCR 435) were ultimately unsuccessful when the South African Government at Geneva in January, 1981, declined to agree to an implementation date. The new administration after an extensive review decided to explore the development of a restructured Namibia settlement plan.

The U.S. Objective in Namibia is the attainment of internationally accepted independence for the territory in a context which does not jeopardize the strategic interests of the U.S.G. or others in the region. We believe the way to reach that goal





#### BRIEFER.

is a restructured settlement plan with 435 as the basis but with additional elements including agreement on constitutional issues which would provide confidence to all parties to move forward to a settlement.

A variety of issues remain to be considered. In the aftermath of the Deputy Secretary's trip to southern Africa on June 10-14, we are reviewing the various positions to determine whether enough common ground exists upon which we can develop settlement proposals.

Our colleagues in the Contact Group (France, FRG, Canada, and UK) are anxious to solve the Namibia problem because it complicates relations between the West and black Africa. However, they are dubious about South Africa's good faith and are not interested in becoming involved in another protracted negotiation with little hope of success. They look to us to take the lead in bringing Pretoria along in the initial stages of the negotiation.

#### SOUTHERN AFRICA

In addition to the questions of Namibia and our bilateral relationship with South Africa, two issues preoccupy our interest in southern Africa: the attempts at economic cooperation among the black-ruled states of the region and the evolution of post-independence Zimbabwe, including our attempts to encourage Western trade and investment there. All of these issues have a direct impact on our attempts to promote peace and stability in this often troubled area of the world. A further erosion of stability here would give the Soviets/Cubans an ideal opportunity to make additional inroads in an area which is crucial to the West both as an irreplaceable source of strategic minerals and as a cross-roads for tankers carrying much of the world's oil production.

Regional economic cooperation will play an important role in the attempts by the black-ruled states to shake off the economic stagnation which has afflicted many of them. Such cooperation will be vital in the areas of transportation, communications, and food security. We pledged \$25 million at a conference in Maputo last November to assist the nine black-ruled states of the region with various regional projects. Zimbabwe, which achieved independence last year after a bloody seven-year guerrilla war, has assumed the role of the most important black-ruled state of the region. Its leader, Prime Minister Mugabe has followed a pragmatic course, trying to bring the benefits of independence to his black supporters without scaring off the white businessmen and farmers and would-be investors. His success to date is





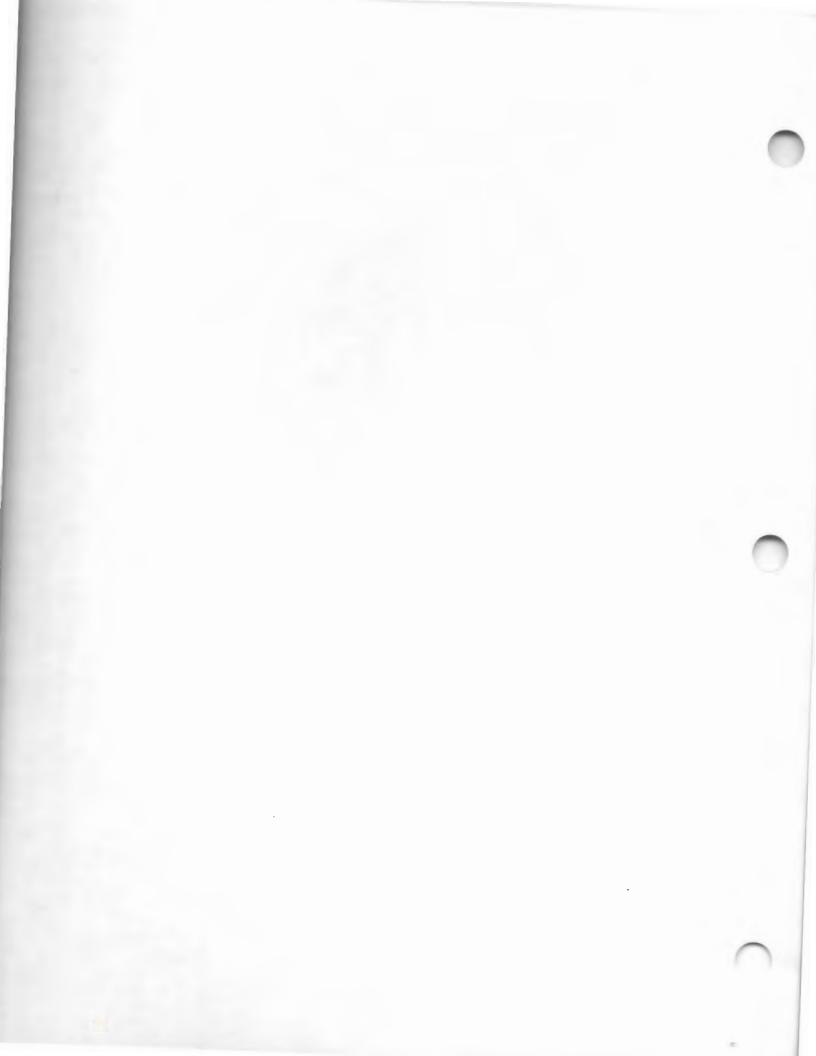
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witnessed by the boom which the Zimbabwean economy, arguably the most sophisticated in black-ruled Africa, is currently undergoing. If Zimbabwe continues to prosper as a multi-party democracy with a mixed economy it will serve as a tremendous stabilizing factor and an impediment to Soviet expansionism within the region. Accordingly, we have pledged to provide Zimbabwe with \$225 million worth of economic assistance over the next 3 years

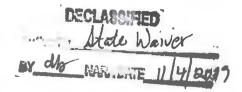
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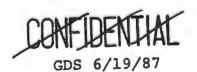






#### BULLET PAPER ON CHINA

- -- Secretary Haig's talks injected new momentum into our bilateral and strategic relationships.
- -- Our approaches on global strategic issues have never been closer.
- -- On U.S. dealings with Taiwan, Secretary Haig cleared up some misunderstandings and established a new modus vivendi.
- -- We expect a quickened pace of dialogue, with several cabinet-level visits in the offing.
- -- We will loosen dual-use technology export controls to reflect China's status as a friendly, non-allied country.
- -- We will remove China from munitions controls, and consider requests on a case-by-case basis in consultation with the Congress and our allies.
- -- Given Chinese economic constraints, we expect the U.S.-China military relationship to develop at a measured pace.



#### BULLET PAPER FOR CHINA

Drafted: EA/C: NSilver

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# TALKING POINTS FOR CHINA

- -- SECRETARY HAIG LAST MONTH CONCLUDED VERY USEFUL TALKS
  WITH THE CHINESE LEADERS WHICH HAVE INJECTED NEW MOMENTUM INTO
  OUR BILATERAL AND STRATEGIC RELATIONSHIPS.
- -- WE FOUND A REMARKABLE CONVERGENCE OF STRATEGIC INTERESTS

  AND WE LOOK FORWARD TO A QUICKENED PACE OF DIALOGUE WITH THE

  CHINESE ON A WIDE RANGE OF ISSUES.
- -- I AM CONVINCED THAT A <u>CLOSE</u>, <u>HEALTHY RELATIONSHIP</u> WITH CHINA IS A <u>GLOBAL STRATEGIC IMPERATIVE</u> AND A KEY TO STABILITY AND PROGRESS IN EAST ASIA.
- -- IN THIS CONTEXT WE CONSIDER CHINA AS A FRIENDLY, NON-ALLIED COUNTRY. IT IS IN OUR STRATEGIC INTEREST TO ASSIST CHINA'S MODERNIZATION, INCLUDING ITS DEFENSE.
- -- WE HAVE LOOSENED OUR CONTROLS ON THE EXPORT OF DUAL-USE TECHNOLOGY TO REFLECT OUR STRATEGIC RELATIONSHIP WITH CHINA.
- -- WE WILL ALSO BE CONSIDERING ON A <u>CASE-BY-CASE BASIS</u> ANY CHINESE REQUESTS FOR <u>DEFENSIVE WEAPONS SYSTEMS</u>, ALTHOUGH WE EXPECT THAT THE U.S.-CHINA MILITARY RELATIONSHIP WILL DEVELOP <u>AT A MEASURED PACE</u>. WE WILL <u>CONTINUE TO TAKE INTO ACCOUNT THE CONCERNS OF OUR ALLIES AND TRADITIONAL FRIENDS REGARDING PROSPECTIVE SALES IN THIS AREA.</u>





- -- REGARDING TAIWAN, SECRETARY HAIG REAFFIRMED THAT OUR CONTACTS WOULD CONTINUE TO BE "UNOFFICIAL" AS AGREED IN THE JOINT COMMUNIQUE ON NORMALIZATION, BUT THAT WE WOULD ALSO UPHOLD THE TAIWAN RELATIONS ACT IN A MANNER CONSISTENT WITH THE JOINT COMMUNIQUE. WE ARE AWARE OF CHINA'S SENSITIVITIES, AND WE HOPE THEY UNDERSTAND OURS.
- -- ON ARMS SALES TO TAIWAN, WE WILL CONTINUE TO MAKE
  REPLACEMENT ITEMS AVAILABLE ON A PRUDENT BASIS AS WARRANTED BY
  ACTUAL DEFENSE NEEDS.



#### TALKING POINTS FOR CHINA

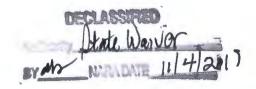
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Cleared: EA/C: DNJohnson EA/C: SHallford EA: MArmacost

P: DWeisz S/P: MMinton

# DEPARTMENT OF STATE BRIEFING PAPER

CHINA



Secretary Haig had unusually successful discussions with the Chinese leaders which have injected new momentum into our bilateral and strategic relationships. U.S. and Chinese positions on global strategic issues have never been closer. The talks helped to coordinate our approaches to a range of regional issues, particularly in Southeast and Southwest Asia. We discussed fully and frankly differences of perception on the Southern Africa and Arab/Israeli questions. bilateral matters, including U.S. dealings with Taiwan, we believe that the Secretary was able to clear up some misunderstandings and establish a modus vivendi. We now look forward to a quickened pace of dialogue, with several cabinet members traveling to China in coming months, and Premier Zhao Ziyang visiting Washington in early 1982.

The Secretary conveyed our intention to treat China as a friendly non-allied nation with which we share increasingly strong strategic interests. In line with this determination, we will be seeking to amend antiquated legislation which lumps China with the Soviet bloc, and we will loosen our controls on the export of dual-use technology. We have also decided to remove China from the list of those countries subject to munitions controls. We will be considering on a case-by-case basis any Chinese requests for weapons or other military equipment, although we expect that the U.S.-China military relationship will develop at a measured pace, especially in view of China's economic constraints. We will consult with the Congress and our allies regarding prospective sales in this area.

We believe that the success of Secretary Haig's trip has strengthened the hand of Deng Xiaoping and his pragmatic followers within the Chinese leadership.



### CHINA

Drafted: EA/C: NSilver

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#### BULLET PAPER ON TERRORISM

- -- We have an opportunity in Ottawa to build upon the work of previous Summits.
- -- The Bonn Anti-Hijacking Declaration in 1978, its reaffirmation at Tokyo in 1979 and the 1980 Venice condemnation of hostage taking and embassy seizures with agreement on mutual assistance were very important steps.
- -- We must demonstrate our common commitment to combat terrorism and our willingness to cooperate and consult.
- -- We should therefore take the opportunity to announce the suspension of air service with Afghanistan for its failure to bring the PIA hijackers to justice.

State Warver 1/4/2015

CONFIDENTIAL 6/19/87 (Quainton, Anthony C.E.)

Draft:M/CT:IHLevy:rs/6/19/81 ext. 27796

Approve: M/CT - Amb. Quainton

Clearance:S/P - Mr. Thomas P - Mr. Clodfelter



#### TALKING POINTS FOR TERRORISM PAPER

- -- WE HAVE AN OPPORTUNITY IN THIS SUMMIT TO BUILD UPON THE EXCELLENT WORK OF PREVIOUS SUMMITS.
- -- THE BONN ANTI-HIJACKING <u>DECLARATION IN 1978</u>, AND ITS <u>REAFFIR-MATION AT TOKYO IN 1979</u> WERE IMPORTANT STEPS IN CONFRONTING AERIAL HIJACKINGS.
- -- AT <u>VENICE</u> LAST YEAR <u>HOSTAGE TAKING AND SEIZURES OF DIPLOMATS</u>

  AND EMBASSIES WERE <u>CONDEMNED</u> AND WE <u>AGREED TO PROVIDE MUTUAL ASSIS</u>

  TANCE IN SUCH SITUATIONS.
- -- THE TERRORIST THREAT HAS NOT DIMINISHED AND CITIZENS FROM EACH OF OUR COUNTRIES HAVE BEEN VICTIMS.
- -- IT IS IMPORTANT THAT WE CONCRETELY REAFFIRM OUR COMMITMENT

  TO COMBAT TERRORISM AND REINFORCE COOPERATION AND CONSULTATION RE
  GARDING TERRORIST INCIDENTS.
- -- IN THE PAST YEAR THERE HAVE BEEN <u>SEVERAL INTERNATIONAL</u>

  <u>HIJACKINGS</u>, IN WHICH <u>NATIONS HAVE NOT FULFILLED THEIR INTERNATIONAL</u>

  <u>OBLIGATIONS</u>.
- -- TO GIVE CREDIBILITY TO THE BONN DECLARATION WE SHOULD SUSPEND AIR SERVICES WITH AFGHANISTAN FOR ITS REFUSAL TO EXTRADITE OR PROSECUTE THE HIJACKERS OF A PAKISTANI AIRLINER IN MARCH 1981.
- -- THE EMPLOYMENT OF SANCTIONS UNDER THE BONN DECLARATION WOULD CLEARLY DEMONSTRATE OUR COMMITMENT TO IMPOSE PENALTIES ON STATES HARBORING HIJACKERS.

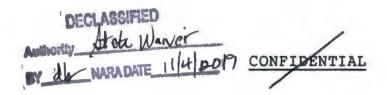
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Clearance:S/P - Mr. Thomas P - Mr. Clodfelter



#### Briefer on Terrorism

#### 1. Background

At each of the last three Economic Summits the Heads of State and Government have expressed their grave concern about terrorism and their desire to take effective action to combat it. At the 1978 Summit they issued the Bonn Declaration, providing for the suspension of air services to and from countries which fail to prosecute or extradite hijackers. In a series of subsequent meetings aviation and terrorism experts developed procedures and quidelines to implement that Declaration. In a press statement after the 1979 Tokyo Summit, Prime Minister Ohira reaffirmed the Seven's support for the Bonn Declaration. The 1980 Venice Summit issued a firm statement condemning hostage-taking and seizures of diplomatic missions and personnel. The Summit nations also undertook to provide mutual assistance in such situations. In January, 1981, a follow-on meeting in Washington to implement the Venice Declaration elaborated clear measures of mutual support. Terrorism and legal experts from the Seven have since met three times in Ottawa to explore appropriate actions against those states which have not fulfilled their international obligations in regard to several recent major hijackings.

At a meeting in Ottawa on June 15-17 further steps were explored and a declaration for the Ottawa Summit was drafted. Since unanimous agreement on the entire text of the declaration (attached) was not possible, the experts decided to refer the draft to the July Political Advisors meeting for resolution. The basic issue which remains unresolved is whether or not to announce the imminent imposition of aviation sanctions on Afghanistan under the Bonn Declaration.

## 2. U.S. Objectives

Our principal objective is a Summit declaration which clearly reaffirms the Seven's common commitment to combat terrorism and to reinforce cooperation and consultation in the handling of terrorist incidents. The Summit will also provide an excellent opportunity to announce concrete action under the Bonn Declaration by proposing aviation sanctions against Afghanistan for its failure to prosecute or extradite the hijackers of the PIA aircraft.

#### 3. Discussion of Issues

Given the continuing gravity of the terrorist threat to our common interests, the Seven should build upon the useful work begun at previous Summit meetings. Well-defined concrete measures on which the Seven can agree are needed. These measures should leave sufficient freedom of action and flexibility for the Seven governments to tailor their actions in a specific incident to those steps which would be most effective. Actions which the Summit governments could take include: (a) an undertaking to consult on an appropriate response when States violate their obligations to protect diplomatic personnel and premises; (b) exploration of joint initiatives in other fora, such as ICAO and the UN; (c) sharing of information and coordination of policies.

A significant act which would give credibility to the Bonn Declaration is the announcement of imminent sanctions against Afghanistan for its refusal to extradite or prosecute the hijackers of a Pakistani airliner on March 2, 1981. (Afghanistan's actions during the course of this hijacking were particularly reprehensible, since the Kabul authorities actually provided assistance to the hijackers while the plane was in Kabul). After several weeks in Syria, where the hijacking ended, the hijackers returned to Kabul. This first utilization of sanctions under the Bonn Declaration would clearly show that the Seven are serious about imposing penalties on States harboring hijackers. In this case sanctions can be imposed at little economic or political cost against a regime viewed with distaste in the West and in the Third World.

# 4. Other Leaders' Objectives/Views

The U.K. and Canada fully support a strong declaration on terrorism, including sanctions against Afghanistan. (In fact, the U.K. stated during the June experts meeting that a weak or meaningless declaration would be worse than no statement on terrorism at all). Germany leans toward our view, but was not prepared in the June meeting to endorse the sanctions section in the draft declaration. Japan and Italy can be expected to support the majority view (although the former expressed concern about The Seven attempting to serve as the world's policeman). France strongly opposes any reference to sanctions in the Declaration, preferring to defer such a step until the results of initiatives in ICAO and elsewhere are known. Its support for a strong statement is, in general, lukewarm at best.

ATTACHMENT

#### OTTAWA SUMMIT STATEMENT ON TERRORISM

The Heads of State and Government, seriously concerned with the continuation of acts of violence and terrorism, in particular aircraft hijacking, hostage-taking and attacks against diplomatic and consular personnel and premises, reaffirm their determination vigorously to combat such flagrant assaults on human dignity and life. Emphasizing that all countries are threatened by acts of terrorism in violation of the basic principles of international law and in disregard of fundamental human rights, they resolve to strengthen and broaden action within the international community to prevent and punish such acts.

The Heads of State and Government view with particular concern the recent hijacking incidents which threaten the safety of international civil aviation. They recall and reaffirm the principles set forth in the 1978 Bonn Declaration and note that there are several hijackings which have not been resolved by certain states in conformity with their obligations under international law. They call upon the governments concerned to discharge their obligations promptly and thereby contribute to the safety of international civil aviation.

The Heads of State and Government are convinced that, in the case of the hijacking of a Pakistan International Airlines aircraft in March, the conduct of Afghanistan, both during the incident and subsequently in giving refuge to the hijackers, was and is in flagrant breach of its international obligations under the Hague Convention to which Afghanistan is a party, and constitutes a serious threat to air safety. Consequently, the Heads of State and Government propose to suspend all flights to and from Afghanistan in implementation of the Bonn Declaration unless Afghanistan immediately takes steps to comply with its obligations. Furthermore, they call upon all states which share their concern for air safety to take appropriate action to persuade Afghanistan to honour its obligations.

Recalling the Venice Statement on the Taking of Diplomatic Hostages, the Heads of State and Government approve continued cooperation in the event of attacks on diplomatic and consular establishments or personnel of any of their governments. They undertake that in the event of such incidents, their governments will immediately consult on an appropriate response. Moreover, they resolve that any state which directly aids and abets the commission of terrorist acts condemned in the Venice Statement, should face a prompt international response. It was agreed to exchange information on terrorist threats and activities, and to explore cooperative measures for dealing with and countering acts of terrorism, for promoting more effective implementation of existing anti-terrorist conventions, and for securing wider adherence to them.



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