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WITHDRAWAL SHEET

Ronald Reagan Library

Collection Name EXECUTIVE SECRETARIAT, NSC: MEETING FILE

Withdrawer

CAS 12/13/2004

File Folder NSC 00020 8/17/81 [EAST-WEST TRADE, CENTRAL AMERICA, STRATEGIC FORCES]

FOIA

2000-002

Box Number 91282

SKINNER

9

ID	Doc Type	Document Description	No of Pages	Doc Date	Restrictions
942	REMARKS	OF EVR (ROWNY?) AT 8/17/81 NSC MEETING R 6/6/2006	5		B1
943	DRAFT	US ARMS CONTROL AND DISARMAMENT AGENCY (ACDA) POSITION ON START (WITH ANNOTATIONS) (INCLUDES P. 4A) R 6/6/2006	9	8/18/1981	B1
944	CHART	RE US AND USSR WEAPONS	2	ND	B1
945	MEMO	ALLEN TO THE PRESIDEN RE NSC MEETING 8/17/81 R 12/29/2010 F2000-002/1	3	8/14/1981	B1
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947	PAPER	RE SECURITY CONTROLS ON EXPORTS TO THE USSR R 6/6/2006	2	ND	B1
948	MEMO	ALEXANDER HAIG ET AL TO THE PRESIDENT RE SECURITY CONTROLS ON EXPORTS TO THE USSR	2	7/18/1981	B1
949	MEMO	HAIG TO THE PRESIDENT RE EL SALVADOR PAR 6/6/2006	4	8/11/1981	B1 B3
950	PAPER	RE GUATEMALA R 6/6/2006	3	ND	B1

Freedom of Information Act - [5 U.S.C. 552(b)]

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ID	Doc Type	Document Description	No of Pages	Doc Date	Restrictions
951	PAPER	RE HONDURAS R 6/6/2006	2	ND	B1
952	PAPER	RE COSTA RICA R 6/6/2006	3	ND	B1
953	PAPER	RE SIBERIAN PIPELINE R 6/6/2006	2	ND	B1
954	PAPER	RE SIBERIAN PIPELINE POLICY (SAME TEXT AS 946) R 12/29/2010 F2000-002/1	2	ND	B1
955	PAPER	RE CENTRAL AMERICA UPDATE R 6/6/2006	1	ND	B1
2513	MEMO	ROGER FONTAINE TOADMIRAL NANCE RE STATE PAPERS FOR 8/17/ NSC MEETING R 2/22/2008 F00-002	1	8/14/1981	B1
956	MEMO	ROGER FONTAINE TO RICHARD ALLEN RE SECRETARY HAIG'S RECOMMENDATION ON EL SALVADOR R 2/22/2008 F00-002 DOCUMENT PENDING REVIEW IN ACCORDANCE WITH E.O. 13233	1	8/12/1981	B1
957	MEMO	ALLEN TO THE PRESIDENT RE SECRETARY HAIG'S RECOMMENDATION ON EL SALVADOR R 6/6/2006	1	ND	B1

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TO MEMO FOR RECORD FROM ROSTOW, E DOCDATE 17 AUG 81

DECLASSIFIED
White House Guidelines; August 28, 1997
By C/S NARA, Date 11/29/08

KEYWORDS: STRATEGIC FORCES

NSC

SUBJECT: ACDA DIRECTOR ROSTOW REMARKS AT 17 AUG NSC MTG

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COMMENTS

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UNITED STATES ARMS CONTROL AND DISARMAMENT AGENCY

Washington, D.C. 20451

OFFICE OF
THE DIRECTOR~~SECRET~~

Remarks of EVR At National Security Council Meeting
at Los Angeles, August 17, 1981, on Strategic Weapons
Systems, (somewhat edited),

First, let me say that like the previous speakers I agree with all of Cap's recommendations except for those with regard to the land based ICBM systems, and in my case, the number of B-1s being proposed. I think there should be more. The area of agreement is now wide, and the area of disagreement narrow and clearly defined. I commend Cap on his presentation. I also welcome Davy Jones' comment that these decisions be fully integrated with our arms control policy, and Al Haig's concurrence in that view. I strongly favor viewing arms control policy as an integral part of our foreign and defense policy as a whole.

I start with the problem of the window of opportunity, as Cap did. And I underscore his statement that that famous window is not a future problem but a present problem. We are suffering from its consequences now in the Caribbean, the Persian Gulf, and other parts of the world. In my judgment a perception of its importance is the root of the uneasiness in Europe and in this country as well. With regard to what Davy Jones said about the relative emphasis on conventional and strategic forces in our planning, I should say simply that the two problems are inseparable. Without a clear second strike capability, it is impossible for us to use our conventional forces with confidence anywhere in the world.

As a matter of arms control policy narrowly considered, it is vital that the window be closed as quickly and firmly as possible. I am not satisfied to wait for a solution until the late 1980s or the early 1990s. Perhaps it is selfish of me, but it would not be much fun to get into the amphitheater with the lions unless that decisive step is taken, and taken soon. And if I do have to face the lions without strong

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armaments behind me, I wouldn't like to bet on the outcome. As Al Haig said, the Soviets don't give something for nothing. They are neither pacifists nor philanthropists, as they often boast. Unless the window of opportunity is closed, we cannot hope to bargain with the Soviet Union about strategic arms at all. Nor, equally, can we expect to keep our allies or our own public behind us, either.

Mind you, I am not suggesting that we wait to negotiate until we are rearmed. That is a rational position. Mitterand has recently spoken favorably of it. But we can't go so far, and the President has decided otherwise. As we have been forced to realize, the mystic faith in arms control agreements as guaranties of peace is simply too strong among our people and the people of Europe to be ignored. But I do want firm commitments to rearm before we sit down at the table next November and March -- Presidential decisions, votes, appropriations; just as soon as possible on the whole of our rearmament program for the next five or six years, and especially on a plausible program for protecting the present and prospective vulnerability of our land-based ICBMs and thus being able to continue deterring the Soviet ICBMs.

Much more is at stake than my comfort in the START negotiations.

There simply is no substitute for our land-based ICBMs at the present time as a check on theirs. It is doubtful whether the bombers we have now and are likely to have for some years can reach and thus deter the Soviet ICBM force, given Soviet air defenses, even with a great many ALCMs. And submarine based missiles are not yet accurate enough for the mission.

Mind you, I am for all three legs of the TRIAD, not because three is a magic number, but on grounds

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of prudence before the dynamics of science, as Dr. Townes pointed out. The bombers have all sorts of uses. In the nuclear equation, they have the advantage of giving the President time by allowing a deployment which would involve neither pushing a button or doing nothing. And submarines, thus far, are hard to find.

But, unless we have an invulnerable second strike capability with which to deter the Soviet ICBM force, and have it as soon as possible, our alliances will melt away. They are showing signs of melting now. Who is going to believe in our nuclear guarantee if we cannot credibly deter the huge and menacing Soviet ICBM force or their SS-20s? If we capitulate before the arithmetic of the nuclear equation -- if, that is, we give up the land-based leg of the TRIAD because it will cost us too much to close the gap Carter created, our action will be perceived as a posture of public surrender to Soviet nuclear blackmail -- exactly the result the Soviets have sought and expect from their intimidating ICBM build up. The effects of such a perception of American retreat are incalculable -- and all bad. It has been said that all land-based ICBMs are now obsolete because they are too vulnerable. If we follow the course Cap recommends, that will be true of ours but not of theirs.

There has been irritation with the Allies over some of the TNF issues and about our MX decision as well. We must understand that if we give up on land-based ICBMs it will be enormously difficult, perhaps impossible, to carry through with theatre nuclear modernization in Europe. Rightly or wrongly, our enemies in Europe and their fellow travellers will focus on what Senators Laxalt and Garn and the Mormon Church have said about MX, and say, "Why should we have land-based missiles if the Americans are phasing out?" At the same time, only an American presence on land in Europe fortifies the alliance against the nightmare fear of decoupling -- that in a crunch the United States would not protect Europe with nuclear power. If we go for a common missile, we should be extremely conscious of that point. No fear can encourage European neutralism more than that one.

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The care and feeding of alliance relations requires the leader to understand, sympathize, and emphathize with the concerns of his allies, and to find solutions for them. At the same time, we should never give others a veto over the vital decisions. Otherwise the alliances may disintegrate. That is how we must treat these problems. We don't have alliances for reasons of sentiment or philanthropy, after all. We have security treaties with the NATO allies, Japan, and a number of other nations, and security understandings with others, because we must at all costs keep them out of Soviet hands. If Europe were lost, Japan and China would draw the necessary conclusions, and we should be isolated, impotent, and alone in a hostile world.

For the time being then -- until submarine based missiles are more accurate and more numerous -- I see no escape from the proposition that we should continue with land-based missiles, very much as we should continue with B-1 until Stealth is ready.

One further point about the policy Cap has proposed: by neglecting our existing ICBM force and therefore making it more and more vulnerable, the pressures of the nuclear equation would make doctrines of launch-on-warning more plausible and more popular. Such a development would be most destabilizing, especially as the Soviets reach the point of unmistakable first-strike capacity.

I have said nothing so far about basing modes for our land-based ICBMs. I am against choosing a mode only because it might be compatible with the provisions of SALT II. I expect the influence of the Treaty provisions to diminish slowly after January 1, 1982. And I have no choice from an arms control point of view among the various modes being discussed, although I have always preferred the simple vertical shelters to the elaborate grids and racetracks which became popular later.

In 1978 and 1979, I was one of those who advocated a quick fix for the window of vulnerability -- to reopen the Minuteman III production line, modernize somewhat, and deploy enough of the missiles to deter the Soviets

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in a simple shell-game mode. Dr. Townes commented on Minuteman III modernization, and said it would be simple and cheap to do, but required a policy decision by others as to whether we wanted a first strike capability. But what he calls a "first strike" capability has always been part of our second strike capability doctrine with regard to extended deterrence -- that is, that we had to have the capacity to make such a strike against the Soviet Union in order to deter, control, or manage a Soviet attack in Europe, in Japan, or in certain vital areas of the Middle East, for example.

If we proceed now, rapidly, with Minuteman III, improving its deployment if its present deployment is wrong, using some sensible form of MPS, we could substitute MX for Minuteman III when MX is available, or enlarge the force if that should be necessary then.

Let me close with a comment on ABM. I plead with all of you not to talk about "abrogating" the ABM Treaty. Our signature to the ABM Treaty rested on the explicit premise that we should also have an effective strategic arms limitation treaty. Otherwise, we said, "the supreme interests" of the United States would be affected. Congress later joined the President in affirming that proposition. It would therefore be natural for us to ask for amendments that might allow us to protect our strategic weapons with ABMs. Such a policy would be altogether consistent with our basic strategic arms policy of deterrence, retaliation, and stability. If, under present circumstances, the Soviet Union should reject such a proposal, it would be time enough to talk about abrogating the treaty. Even then, and on that ground, it would not be easy to do. The Treaty has some of the mystical aura of "arms control" as a religion.

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8/18/81NLS FOO-002 #943BY HM NARA, DATE 6/6/06*Mr. Allen*DRAFT ACDA POSITION ON STARTObjectives

1. Enhance our second-strike capability, preferably at lower levels, by reducing Soviet threats to our forces and by permitting the US to take necessary unilateral steps to strengthen its deterrent forces.
2. Preserve flexible response capabilities.
3. Enhance crisis stability.
4. Verifiable agreement, using cooperative measures where necessary.
5. Enhance Allied security by strengthening US deterrent, establishing the necessary framework for TNF negotiations, and allowing strengthening of US TNF and US-Allied cooperation in modernization.

Lessons from the past

Verification. Higher standards should be set, with more cooperation and less of a cat-and-mouse game.

What should be limited. Limitations should be based on elements which will meaningfully constrain capability, not necessarily what is most readily verifiable. Where necessary, cooperative measures should be used to monitor provisions where verification would otherwise be difficult.

Focus of effort. Past arms control negotiations have been spread over a very broad front, with little or no progress in any of them. We should focus our attention (and Soviet and world attention) on a few key objectives.

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How ambitious? Past agreements on offensive arms have made an almost imperceptible impact on the growth of Soviet forces. The aim was to work out a long series of agreements which eventually would lead to reductions. SALT II in particular was vulnerable to criticism that it permitted a substantial buildup beyond current levels. A much more significant agreement, including substantial reductions, would command much broader public and Congressional support. Whether an agreement which included significant reductions in capability would be more difficult to negotiate than the more cosmetic predecessors remains to be seen; it is certainly worth trying. The cooperative measures we seek for verification may be more achievable in an agreement with substantial substance than in a cosmetic one.

Reductions

Unit of limitation. The START agreement should limit total destructive potential of strategic forces. The agreement should therefore limit the number and size of warheads on each side. (Other factors, such as accuracy and reliability, are also important but would be extremely difficult to control.) Conceptually, the most straightforward way to do this would be to establish two overall ceilings -- one on total strategic weapons and the other on total throwweight of strategic forces. Both ceilings would be reduced over a few years to well below current levels. Reductions in the weapon ceiling would initially affect the US more than the Soviets; reductions in the throwweight ceiling would initially affect the Soviets more than the US.

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Total weapons. The baseline for total warheads could be set initially at 10,000 on each side, roughly the current US level. This ceiling could be reduced by 1,000 per year over 3 years to 7,000 (a 30% reduction over 3 years). This ceiling would be defined using counting rules which would assign to each deployed missile the maximum number of RVs tested (including simulations) on that type of missile. For bombers, a weapon number would have to be negotiated for each aircraft type which would represent a typical loading. (Using maximum loadings would tend to exaggerate the contribution of bombers, whose typical load is much less than the maximum load.)

Total throwweight. A limit on overall destructive potential of strategic forces should include limits on warhead size as well as the total number of warheads. A good measure of missile potential is its throwweight, which is its useful payload, including warheads, penetration aids, and dispensing mechanism. Throwweight is defined in the SALT II Treaty, where it is used as the criterion to distinguish between light and heavy missiles.

There is no comparable concept for bombers, and we might wish to avoid limiting bomber payload altogether. However, bombers have destructive potential and this should be taken into account in some fashion. A bomber equivalent for throwweight can be computed by calculating the throwweight of the missile it would take to deliver the weapons carried by bombers. A ceiling on total throwweight could be set near the current Soviet total, and reduced by 30% over 3 years.

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Subceilings. Additional constraints could be placed on systems which are particularly destabilizing. For example, subceilings could be added providing that no more than half the permitted number of total weapons or total throwweight could be in ICBMs.

Representative forces. Attached are examples of forces which each side could deploy under the limits described above -- a 10,000 total weapon ceiling (near the current US level) declining by 30% to 7,000 by 1985, and a 6 million kilogram total throwweight ceiling (near the current Soviet level) declining by 30% to 4.2 million kilograms by 1985, with no more than half the total weapons or throwweight in ICBMs. The forces are adapted from US plans and NIE no-SALT projections of Soviet forces, with numbers deployed reduced to fit the ceilings. Where possible, the newest systems such as Trident and Typhoon have been retained. Forces can be arranged in many different ways to fit the ceilings, and it is impossible to predict precisely what either side would deploy under such an agreement. The representative forces are intended only to give a rough idea of how such an agreement would affect both sides, and what the resulting forces might look like.

Each side would have to make substantial changes in its plans. The effects are more dramatic than the 30% figure might suggest because in the absence of an agreement both sides are projected to significantly increase their forces above present levels. In the absence of SALT constraints, the Soviets are projected to expand their total number of strategic warheads from

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the present 9000 to 14,000 in 1985 by deploying additional SS-17s and 19s, increasing the number of warheads on the SS-18s and 19s, deploying new MIRVed medium and small solid-fuel ICBMs, a new bomber, and additional D-class and Typhoon submarines. The total throwweight would correspondingly grow from 6 to 7 million kilograms. (Most of this Soviet expansion would be prohibited under SALT II, an indication of the utility of interim constraints.)

As intended, the constraints would force substantial Soviet ICBM reductions. The number of MIRVed ICBMs would drop from a current 820, and a projected 1300, to less than 400. Soviet ICBM warheads would drop from a current 6400, and a projected 10,000, to 3500. The subceilings on ICBM warheads and throwweight are necessary to ensure that these ICBM reductions take place.

The Soviets could fill out the rest of their ceiling with D-class and Typhoon launchers, and would likely dismantle the rest of their SLBM submarines and bombers.

The US forces assume that we would emphasize SLBM and bomber forces, so that the Trident, B-1, and Stealth bomber programs could continue as planned. The Titans, some MM-II and III, some Poseidon SLBMs, and some B-52s could be retired.

It is obvious that such drastic restructuring of forces would only be contemplated in a long-duration agreement. In the long run, such an agreement would discourage large, highly fractionated systems, and encourage development and deployment of new, smaller, single RV systems. This would be a positive development. Over time, there could also be additional rounds of reductions.

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Refire missiles. Preparations for reload and refire of strategic ballistic missiles should be prohibited. This could be accomplished by permitting the total missile inventory to exceed the number deployed by, for example, no more than 25%. These excess missiles would be for such purposes as testing, training, maintenance, spares, etc. Only a very small number of excess missiles would be permitted near deployment areas, and facilities for storage of additional missiles and for rapid reload would be prohibited.

Data. We should propose that each side present a detailed data base, including for each type of missile and aircraft covered by the agreement the production, deployment, maintenance, testing, and storage locations; the numbers at each location; and characteristics (throwweight, fractionation, etc.) Each side should provide the data for its own forces early in the negotiations. Any differences could be addressed and resolved prior to signature. There should be periodic updates over the life of the agreement.

Verification and cooperative measures. With the above data base, the counting problem is divided into two parts -- verifying the accuracy of the data on the number of missiles and aircraft at the specified locations, and determining that no extra systems are hidden in other locations. Keeping track of the numbers at specified locations is, in principle, the easier of the two tasks. We should devote some ingenuity to devising ways to monitor such Soviet facilities with a minimum amount of intrusion.

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There should be no strategic missiles or bombers in the rest of the Soviet Union (except for those in transit between permitted locations). Confirming such a negative result is always difficult. A helpful point is that keeping strategic systems combat ready requires large amounts of specialized equipment and personnel (for missile and warhead handling, fuel, checkout, security, communications, etc.). Maintaining significant numbers of excess systems would require concealment of a major operation. We would have to rely largely on our traditional intelligence sources to search for clandestine deployments; the agreement could help by providing for arrangements which can be implemented if we uncover suspicious activities.

The key to verification of the ceilings is to establish procedures which will allow us to count with confidence the number of missiles and bombers deployed and the number produced. If we have confidence in these numbers, and the excess production is a small fraction of the number deployed, the possibility of significant evasion of the limits is minimized.

Verification of characteristics -- launch weight, throw-weight, and fractionation of missiles; weapon loading and throw-weight equivalent for bombers -- is accomplished primarily by monitoring testing. Additional cooperative measures could help ensure access to test data, such as restrictions on telemetry encryption.

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Duration. Since the lead times for strategic forces are typically 10 years from program initiation to IOC, and deployed lifetimes can approach 30 years, a START agreement must have a long duration to significantly affect the forces on the two sides. The best solution would be indefinite duration, with periodic review, e.g. every 5 years. The overall ceilings on capabilities discussed above are not likely to be undercut by technological innovation. Changes such as further reductions would be introduced by amendment or supplementary Protocol. If in the course of the negotiations we consider a provision which we cannot agree to indefinitely (e.g. on new types), the agreement could be drafted in such a way that that provision would expire on a fixed date, without calling into question the entire agreement.

Definitions. Concise definitions are important in enforcing future compliance. Many of the definitions worked out for SALT II can be carried over, possibly with modifications, and new definitions added.

Heavy ICBMs. Under this approach, the ban on additional fixed, heavy ICBMs, resulting in an asymmetry in rights which was the subject of considerable criticism, could be dropped. The declining warhead and throwweight ceilings would automatically discourage such high throwweight, high-fractionation systems. Soviet heavy missiles would probably be reduced, and could be retained at present levels or increased only by drastically reducing all other components of their strategic forces.

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Other provisions. Many supplementary provisions could be carried over from the SALT II Treaty, including the point-in-time rules that determine when systems begin to count, the restrictions on test and training launchers, the SCC charter, etc. We could also forego for now complex new subjects such as ASW or air-defense limits. In this way we could focus attention (our own, the Soviets', and that of the world at large) on the central issues -- meaningful reductions in the measures that count, and the data and cooperative measures necessary to verify such reductions.

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RECEIVED 04 JAN 82 17

TO PRES

FROM ALLEN

DOCDATE 14 AUG 81

DECLASSIFIED
White House Guidelines, August 28, 1997
By CA NARA, Date 11/24/00

KEYWORDS: EAST WEST TRADE CENTRAL AMERICA

STRATEGIC FORCES USSR

OIL NSC

SUBJECT: PRES BRIEFING MEMO FOR 17 AUG NSC MTG

ACTION: FOR RECORD PURPOSES

DUE:

STATUS C

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AMERICA, STRATEGIC FORCES]

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<i>ID</i>	<i>Document Type</i> <i>Document Description</i>	<i>No of</i> <i>pages</i>	<i>Doc Date</i>	<i>Restric-</i> <i>tions</i>
944	CHART RE US AND USSR WEAPONS	2	ND	B1

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THE WHITE HOUSE
WASHINGTON

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August 14, 1981

MEMORANDUM FOR THE PRESIDENT

FROM: RICHARD V. ALLEN

SUBJECT: National Security Council (NSC) Meeting
Monday, August 17, 1981 - 11:30 AM - 2:30 PM

You will chair a meeting of the NSC at the Central Plaza Hotel at 11:30 a.m. on Monday, August 17, 1981. The agenda items will include:

- (a) East-West Trade
- (b) Central America Update
- (c) Strategic Forces

A. EAST-WEST TRADE

Siberian Pipeline

The decision directive at ~~Tab I~~ deals with the Siberian Pipeline and is predicated on your decisions at the NSC meeting on July 6 and 9. Your directive would implement the program agreed upon by the various agencies and incorporated in talking points given to you for use at the Ottawa Summit meeting.

The decision directive establishes a SIG and charges it with development of the proposals for our pipeline strategy. In addition, it charges the SIG with formulation of the implementing strategy and stipulates SIG guidance during the negotiating process on an ongoing basis. The final paragraphs of the directive specify that the SIG is to "immediately" consider and make recommendations on several possible actions. This mandates the SIG to deal promptly with some difficult topics and to restore momentum to U. S. efforts to eliminate the pipeline or reduce its potential negative effects.

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Review on August 14, 1987

DECLASSIFIED
NLRR F00-002 #945
BY RW NARA DATE 12/29/00

Allied Security Controls

The second decision directive (Tab II) would, in part, implement the "Allied Security Controls" decision which you made at the July 9 NSC meeting. At that meeting, you requested that the relevant agencies get together and come up with something between the second and third options set out in the original options paper. In response to your request, Secretaries Haig, Weinberger and Baldrige and Ambassador Brock, in their July 18 memorandum to you (Tab III) made recommendations that are reflected in the Security Controls draft directive. The memo also calls for implementing a strategy for impeding Soviet oil and gas production and exports through unilateral U.S. extension of security controls to both oil and gas equipment and technology where major export projects such as the Siberian Pipeline are involved. It stipulates U. S. restrictions on technology exports to the USSR, whether or not major export projects are involved. These unilateral oil and gas restrictions, as well as the strengthening of other security controls, would apply at least while negotiations with our Allies to impose similar restrictions are proceeding.

The actions specific in your directive are a compromise between Defense recommendations that would bar all oil and gas equipment and technology exports and the State position that would have licensed all oil and gas equipment, whether or not the items are to be used in major Soviet export projects. The restrictions that would be imposed by the directive are probably the minimum actions required to restore credibility and momentum to U. S. efforts to stop or minimize the effects of the Siberian Pipeline. The draft directive specifies that "to demonstrate the seriousness with which we view the (pipeline) matter," the Interagency Group at its first meeting will "consider and recommend" several potentially significant initiatives.

B. CENTRAL AMERICA UPDATE

The general situation in Central America has not improved during recent months. The best description of the situation is that it is stalemated with the long-term advantage being enjoyed by the guerrillas. In a recent memorandum to you, Secretary Haig gave you an assessment of the specific situation in El Salvador. He stated, given enough time at our current level of effort, the war would be lost with all that that implies for the rest of Central America. Secretary Haig recommends further action on the military, political, economic and diplomatic fronts.

Furthermore, he proposes our policies not be limited to El Salvador but deal with the Nicaraguan and Cuban problems as well. He describes in outline what is being proposed on those fronts with Nicaragua remaining the subject of a separate memorandum. Secretary Haig specifically requests strong White House help in removing disabling El Salvadorian amendments attached to the Foreign Assistance Act. That work must begin in September when Congress opens debate on this subject.

At [REDACTED] are the background papers on this agenda item.

C. STRATEGIC FORCES

[REDACTED]

cc: The Vice President
Ed Meese
James Baker
Michael Deaver
Richard Darman

1

THE WHITE HOUSE

WASHINGTON

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SIBERIAN PIPELINE POLICY

The Siberian Pipeline project is a serious potential threat to the Western Alliance. The U.S. should continue to vigorously express its concerns about the project to our Allies and to use the present delay in the project to work with our Allies to develop alternatives.

A senior Interagency Group is to be formed that will address, but is not limited to, the following areas of concern:

- o Alternative sources of supply for Western European natural gas requirements.
- o Increased substitution for natural gas of other forms of energy including coal and nuclear power.
- o Analysis of existing Western European contingency plans to protect against a Soviet threatened or actual curtailment of gas supply and development of recommendations for strengthening protection.

The Interagency Group should also:

- o Develop the strategy and tactics for advancing these proposals to our Allies.
- o Coordinate interagency support for discussions and negotiations with our Allies on an ongoing basis.

The Interagency Group will be chaired by the Department of State and will include representatives of the Departments of Defense, Commerce, Energy, the CIA and the NSC.

To achieve our overall long-term objectives and to promptly emphasize the strong continuing concern of the United States in this matter, the Interagency Group must move quickly and effectively. The U.S. should be able, before September 10, to make specific proposals to our Allies on the time and mechanisms for consultative meetings early this fall and should be prepared to effectively engage in these meetings when they are convened.

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DECLASSIFIED

NLRR F00-002#946

BY RW NARA DATE 12/29/10

To demonstrate the seriousness with which we view this matter, the Interagency Group will hold its first meeting no later than August 24, 1981. At that first meeting it will consider and recommend a series of preliminary measures, such as, but not limited to, the following:

- o Reiterate publicly and privately that our allies agreed at the Ottawa Summit to consult with us concerning excessive dependence on Soviet energy and explore alternative energy sources.
- o Publicize the restrictions we have placed on the Caterpillar license and reiterate that the license refers only to one order, not to any subsequent orders.
- o Ask the Japanese to apply similar restrictions on any Komatsu sales.
- o Approach Rolls Royce and the British Government to prevent compressor sales for the pipeline and offer additional DOD orders to make up for the lost sales.
- o Encourage U.S. companies to withdraw from competition for Algerian and Trinidadian gas and let the French and Italians know we are doing this on their behalf.
- o State publicly and privately that we want to help Nigeria develop its gas reserves, since it is in serious trouble over declining oil revenues, and that we realize that the bulk of this gas would go to Europe.
- o Publicize widely data on past and present interruptions in Soviet gas supply to Austria, Germany and other Central American countries.
- o Announce a policy of accelerating gas price decontrol here.

BY LJS NARA, DATE 6/6/06

THE WHITE HOUSE

WASHINGTON

~~CONFIDENTIAL~~SECURITY CONTROLS ON
EXPORTS TO THE USSR

The United States will strengthen restrictions on exports to the USSR by controlling (1) exports of technology and equipment critical to military production and use; (2) technology and equipment critical to production in defense priority industries which, through development, would significantly enhance Soviet military capability (defense priority industries include computers, communications, high-technology micro-electronics, aerospace, machine building, shipbuilding, metallurgy, chemicals, heavy vehicles); and (3) technology for production in defense priority industries even if it is not deemed critical, and irrespective of whether the Soviets already have such production technology. The U.S. will also make permanent its COCOM "no exceptions" policy.

The United States will also attempt to impede Soviet oil and gas production and projects producing for export and will place oil and gas equipment and technology under national security controls. There will be a presumption of license approval for equipment, except for major oil and gas projects for export such as the Siberia-West European gas pipeline. There will be a presumption of denial for oil and gas technology, regardless of end use.

An early approach will be made to COCOM to implement these policies. United States licensing policy will follow these guidelines while attempting to obtain Allied support. The United States position will be examined later in the light of Allied reactions.

While increasing restraints in the above mentioned areas, the United States may adopt and propose to its Allies a judicious loosening of controls on equipment not critical to defense related industries and on technology not needed for production in those industries.

To implement these policy guidelines, a Senior Interagency Group, chaired by the Commerce Department and including the Departments of State, Defense and Energy and the CIA and NSC is to be formed. The Interagency Group will undertake, among others, the following tasks:

- o Formulate the United States approach, including negotiating strategy and tactics for strengthening and redirecting the multilateral system of security controls.

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- o Develop the technically precise definitions necessary for multilateral review of COCOM controls.
- o Provide interagency support and guidance, on an ongoing basis, for the conduct of the COCOM negotiations.

To provide a prompt follow-on to discussions at the Ottawa Summit and to achieve our long-term objectives, the Interagency Group must move quickly and effectively. The United States should be able before September 10 to propose to our Allies the time and mechanisms for consultative meetings early this fall and should be prepared to effectively engage in these meetings when they are convened.

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NSC 00020 8/17/81 [EAST-WEST TRADE, CENTRAL
AMERICA, STRATEGIC FORCES]

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<i>ID</i>	<i>Document Type</i> <i>Document Description</i>	<i>No of</i> <i>pages</i>	<i>Doc Date</i>	<i>Restric-</i> <i>tions</i>
948	MEMO ALEXANDER HAIG ET AL TO THE PRESIDENT RE SECURITY CONTROLS ON EXPORTS TO THE USSR	2	7/18/1981	B1

Freedom of Information Act - [5 U.S.C. 552(b)]

B-1 National security classified information [(b)(1) of the FOIA]

B-2 Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]

B-3 Release would violate a Federal statute [(b)(3) of the FOIA]

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B-6 Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]

B-7 Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]

B-8 Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]

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File Folder SECRETARY OF STATE EVENING REPORT (01/06/1983-01/24/1983)

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ID	Doc Type	Document Description	No of Pages	Doc Date	Restrictions
156205	MEMO	GEORGE SHULTZ TO RR [COPY OF DOC. 156185]	1	1/5/1983	B1
156207	MEMO	SHULTZ TO RR [COPY OF DOC. 156206]	1	1/6/1983	B1
156206	MEMO	SHULTZ TO RR	1	1/6/1983	B1
156208	MEMO	SHULTZ TO RR [COPY OF DOC. 156206]	1	1/6/1983	B1
156210	MEMO	SHULTZ TO RR [COPY OF DOC. 156209]	1	7/1/1983	B1
156209	MEMO	SHULTZ TO RR	1	7/1/1983	B1
156211	MEMO	SHULTZ TO RR	1	1/8/1983	B1
156213	MEMO	SHULTZ TO RR [COPY OF DOC. 156212]	1	1/10/2013	B1
156212	MEMO	SHULTZ TO RR	1	1/10/1983	B1

Freedom of Information Act - [5 U.S.C. 552(b)]

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IV

THE SECRETARY OF STATE
WASHINGTON

August 11, 1981

FOIA(b) (1)

FOIA(b) (3)

~~SECRET/SENSITIVE~~

MEMORANDUM FOR THE PRESIDENT

FROM: Alexander M. Haig, Jr. The Risk of Losing in El Salvador, and
What Can be Done About it1. At present, the war in El Salvador is stalemated.

Government troops have the initiative and are mounting frequent sweeps. Their morale is good, recruitment is excellent, desertion is almost unknown. They are not afraid of the enemy. Army has grown from 8,000 to 12,500 since the start of the year. But their intelligence is almost non-existent, they do not patrol at night, their officer corps is stretched too thin, they don't have enough mobility and discipline to mount effective envelopment operations. So far they have yet to destroy an insurgent unit.

Insurgent numbers remain about the same (estimated 4,500 full-time, 4,000 part-time), and they occasionally have difficulty recruiting. But they are showing progress in tactics and mobility, and larger units (100-200 men) appear more frequently. Resupply of arms and munitions, mainly from Nicaragua, is adequate to the current level of fighting, and equipment is being upgraded. The insurgents currently have no overall commander of their five separate groups. But their intelligence is good, their officer training may be effective, and they are causing substantial economic if little military damage. They roam at will, while avoiding set-piece battles.

2. If the stalemate continues, El Salvador may ultimately lose the war, as cumulative economic loss demoralizes the people and discredits the government.

Even with our \$144 million this fiscal year, the Salvadoran economy will produce 18 percent less than three years ago, a per capita loss of about 25 percent. Further

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NLS F00-002-949
By LOT, NARA, Date 6/6/06

losses are almost inevitable. No one knows how much Salvadorans can take -- they are clearly a lot tougher than the U.S. analysts that work on the problem -- but every one agrees that the economy is the achilles heel.

3. We have yet to give our current programs time to work, and there are some important additional actions we can take with existing U.S. domestic political parameters. These actions -- some in train and some just now being discussed -- include:

-- Strengthening the arms interdiction effort.

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-- Curtailling violence by security forces. We may not be able to hold the Congress for more than a year if massacre stories continue to be frequent. We are hammering away at this by every means we have. We can only do this by persuasion -- and better control by the army over the other services.

-- Shoring up the economy. We will need additional aid both this fiscal year and next. There is almost nothing left to reprogram this year, but we are looking at the possibility of leveraging our funds by using them to guarantee bank loans. Efforts to bring the private sector party into the government (see below) will be a help, as will the IMF mission and an IMF credit this summer.

-- Improving Army performance. Current weak spots are: intelligence, officer and noncom shortage, mobility -- most fundamentally the Army lacks a coherent strategy for winning. CIA/DIA training

teams are being prepared. We are encouraging the Army to abandon exclusive reliance on the military academy and go for an OCS. More trucks and choppers will be needed. Reprogramming of the FY 1982 assistance plan will enable us to get some more choppers in this fall. We will engage the Army chiefs in an effort to define a strategy.

- Broadening the governing coalition to include the private sector party. This would both strengthen the Junta and lay the basis for resumption of some investment. Our Ambassador is moving in vigorously to help broker a deal with the Christian Democrats.
- Improving our domestic and international political position by emphasizing a political solution as our goal, and offering negotiations about elections (but not about power-sharing).

4. We think these actions can be taken without adding to our roughly 55 instructors (the most sensitive part of the package in domestic political terms), particularly with an increase in out-of-country training.

5. We are separately proposing to you actions to be taken against Nicaragua, the proximate source of arms for El Salvador.

Nicaragua has so far been successful in focusing the fighting in El Salvador, while consolidating its revolution at home. We should now try to make Nicaragua -- rather than El Salvador -- the focus.

6. Action to put Cuba -- the ultimate source of support for the insurgency -- on the defensive is also necessary.

We are nearing completion on the package of limited actions you authorized in June -- Radio Free Cuba, protecting against a new Mariel boatlift, various limited military preparedness measures, public exposure of Cuba's covert war in the Hemisphere, and tightening the economic sanctions. Clearly we will have to do more early on -- depending on

the response I get when I take Gromyko on about Cuba September.

7. We will review progress in October. If we are not making gains by then, we will either have to up the ante either on the ground -- or more likely, against Nicaragua and Cuba.

8. At present, what we need above all is strong White House help in removing disabling El Salvador amendments now attached to the Foreign Assistance Act. These provide for repeated Presidential determinations on human rights, negotiations, and control of violence, and would at a minimum embarrass us, at a maximum abort our programs. Debate is scheduled for September.

President Duarte could help with Congress and public relations problems in the United States. An early visit by him is required. You would only need to give him a photo opportunity.

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GUATEMALA

The situation in Guatemala has worsened in recent months. The level of insurgency is up. In mid-July the guerrillas demonstrated an ability to disrupt much of the country, occupying two large towns blocking traffic in three departments, and attacking police stations in Guatemala City. In July and early August, leftist forces have mounted a major campaign of bombings in Guatemala City and tourist centers. As a result of this -- and in the aftermath of the killing of an American priest -- the Department has advised US citizens to exercise extreme care if they travel to Guatemala.

The human rights problem continues to impede our efforts to create a better structure of relations with the Guatemalan Government. During General Walters' visit to President Lucas last May, we agreed to go ahead with FMS sales beginning with helicopter spare parts and physiological testing of pilots if Lucas would give his assurance that he would take steps to halt unjustified violence. We went ahead with the physiological training in July. Action on helicopter spares must

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BY LOI NADA, DATE 6/6/06

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await the end of the Congressional recess and is certain to spark a major effort in the Congress to restrict security assistance to Guatemala. In the meantime, while Lucas reportedly issued an order to GOG forces to exercise restraint, there has not yet been any perceptible reduction in the level of violence and terrorism by the right and the GOG's own security forces. (There is, however, some evidence of an improved performance by the Armed Forces in avoiding unnecessary civilian casualties.) The problem is of course compounded by the rise in violence and provocation from the left.

It does not now appear that next year's elections will produce a government which will be any more likely to try to moderate right wing violence and terrorism than the current regime. The GOG is lining up behind Defense Minister General Guevarra as the next President. He is reportedly convinced that counter terror is the only effective way to deal with the insurgency.

A positive note is the evidence of continued Guatemalan flexibility on Belize. President Lucas has indicated he wants to solve the issue as soon as possible, and to sign an agreement after Belize gains its independence on September 21. Lucas

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- 3 -

is apparently prepared to settle for guaranteed access to the sea and non-military use of the Ranguana and Sapodilla cays for fifteen years, with a promise of later renegotiation. We are pursuing this with Belize, the UK and the Guatemalans.

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NLS F00-002#951BY KDJ NARA, DATE 6/6/06

HONDURAS

Honduras continues its march toward November 29 elections, with its internal problems compounded by its violent neighbors and the region's economic malaise. Honduras can play a significant role in the interdiction of arms traffic from Nicaragua to El Salvador and Guatemala, but fears international opprobrium should it openly cooperate with the Salvadoran military. Honduras also fears an invasion from Nicaragua, and wants to structure its forces in preparation for an unlikely war. We are reprogramming FMS credits in an effort to leverage greater politico-military cooperation with El Salvador.

Honduras is strapped by capital flight and the extremely high level of investment in infrastructure which it has undertaken with the support of AID and the IFIs. It continues to have a pipeline of roughly a half-billion dollars, but is hard pressed to come up with sufficient revenue to make the counterpart payments required for the major projects. An emergency tax increase last winter saved an IMF agreement. The recent freeze in Brazil, which has briefly arrested the decline of coffee prices has helped, but hardly returned the prices to their traditional levels. Unusually high levels of graft and bribe-taking have hurt the economy, as has the preference of tourists for non-Central American countries.

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Large numbers of Salvadoran refugees are being cared for by the UNHCR on the Salvadoran border. The GOH proposes that the refugees be moved further from the border itself to ease control of the refugees and to prevent the misappropriation of relief supplies by the guerrillas. That movement may rekindle Honduran fears of a Salvadoran land invasion. On the Nicaraguan border raids by Sandinista forces against ex-Somocistas and in search of smuggled cattle continue to exacerbate relations between the two countries, raising fears in each. The Gulf of Fonseca has been the scene of shoot-outs between coastal patrol boats from Nicaragua and Honduras. To the east, about 2000 Nicaraguan Miskito Indians seem to have settled in Honduras, and fishermen fight over ownership of boats and use of shrimping grounds. Recent reports of significant numbers of Guatemalans entering Honduras in flight from Guatemalan Army repression are cause for additional concern.

Roberto Suazo Cordoba, long-time leader of the Liberal Party and of the constituent assembly which prepared a new constitution and election laws will probably be elected president. The new laws call for proportional representation of each party in the unicameral legislature, making it unlikely that any party will hold a majority. Coalition government seems inevitable. Many fear that Suazo is not a strong enough personality to hold the government together, and expect a military coup in response to the first significant crisis.

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TO AGENCIES FROM ALLEN DOCDATE 13 AUG 81
HAIG, A 18 JUL 81
HAIG, A 11 AUG 81

KEYWORDS: AGENDA CENTRAL AMERICA
EAST WEST TRADE OIL
STRATEGIC FORCES NSC

DECLASSIFIED
White House Guidelines, August 28, 1997
By CLS NARA, Date 11/27/04

SUBJECT: AGENDA FOR 17 AUG NSC MTG IN LOS ANGELES

ACTION: ALLEN SGD MEMO TO AGENCIES DUE: STATUS C FILES IFM O

FOR ACTION

FOR CONCURRENCE

FOR INFO

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THE WHITE HOUSE
WASHINGTON

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August 13, 1981

MEMORANDUM FOR THE VICE PRESIDENT
THE SECRETARY OF STATE
THE SECRETARY OF DEFENSE
THE COUNSELLOR TO THE PRESIDENT
THE DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET
THE DIRECTOR OF CENTRAL INTELLIGENCE
THE UNITED STATES REPRESENTATIVE TO THE
UNITED NATIONS
THE CHIEF OF STAFF TO THE PRESIDENT
THE CHAIRMAN, JOINT CHIEFS OF STAFF
THE DIRECTOR, ARMS CONTROL AND
DISARMAMENT AGENCY
THE DEPUTY SECRETARY OF DEFENSE

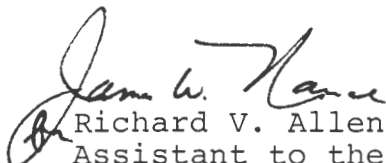
SUBJECT: National Security Council Meeting
Monday, August 17, 1981 - 11:30 a.m. to 2:30 p.m.
Century Plaza Hotel - Los Angeles, California

There will be a National Security Council meeting on Monday, August 17, 1981, 11:30 a.m. to 2:30 p.m. in Room 1402/04 of the Century Plaza Hotel, Los Angeles, California. The agenda will be as follows:

- (1) Central America Update
- (2) East-West Trade
- (3) Strategic Forces

Luncheon will be served during the meeting.

FOR THE PRESIDENT:


Richard V. Allen
Assistant to the President
for National Security Affairs

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Review on August 13, 1987

DECLASSIFIED
White House Guidelines, August 23, 1997
By CAS NARA, Date 11/29/04

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NLS F00-002 #952

BY LOT, NARA, DATE 6/6/06

COSTA RICA

Costa Rica, Latin America's model democracy, is in trouble. The economy is suffering from 40 percent inflation, rising unemployment, 150 percent devaluation of the currency, low prices for key exports (coffee prices have dropped more than 20 percent in the last two months and will go lower), labor strife and other social dislocations stemming from budgetary cutbacks. Terrorism began with the March 17 attack on U.S. Embassy Marine Guards and the deaths of six persons in June. President Carazo's leadership has been controversial and his government scandal-ridden. Labor disputes, now beginning to occur with greater frequency, are handled in an ad hoc manner which promotes confrontation and leads to political settlements with adverse economic implications in which management has generally been perceived as the loser. Costa Rican elections will be held in February 1982 and the current opposition party is expected to win.

On May 11, the GOCR broke relations with Cuba, and is now delaying approval of a new Soviet Ambassador as evidence of its unhappiness with Soviet activities. The GOCR strongly supports the Duarte government in El Salvador, and has made those views known in Europe. Costa Rica, and President Carazo in particular,

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played a crucial role in the success of the 1979 Sandinista Revolution in Nicaragua. The GOCR is therefore anxious that the U.S. follow a conciliatory path that will reinforce a hoped-for pluralistic outcome.

In mid-June, Costa Rica and the IMF signed an agreement marking the essential first step toward economic recovery. The GOCR is now seriously engaged in austerity efforts, but finds itself with a short term critical \$80 million financing gap that may force a debt moratorium unless aid is forthcoming from outside sources. Crucial international banking and credit sources will be unavailable until Costa Rica meets its initial IMF targets, making financing difficult for productive enterprise and essential services. To improve the balance of payments situation, Costa Rica is seeking a recision of the tuna embargo levied by the U.S. on February 1, 1980 in response to the GOCR seizure of several U.S. fishing boats.

We and others are exploring ways in which we can be helpful during Costa Rica's short term economic crisis. Possibilities include a small ESF grant, quick disbursement of AID loans, reduction of AID loan counterpart requirements, and liaison with multilateral lending institutions to encourage a sympathetic hearing for Costa Rica. In the longer term, the Caribbean Basin

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initiative, if successful will involve Costa Rica as a recipient nation.

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SIBERIAN PIPELINE

The decision directive at Tab I deals with the Siberian Pipeline and is predicated on the decisions of the President at the NSC meeting on July 6 and 9. This directive would implement the program agreed upon by the various agencies and incorporated in talking points given to the President for use at the Ottawa Summit meeting.

The decision directive establishes a SIG and charges it with development of the proposals for our pipeline strategy. In addition, it charges the SIG with formulation of the implementing strategy and stipulates SIG guidance during the negotiating process on an ongoing basis. The final paragraphs of the directive specify that the SIG is to "immediately" consider and make recommendations on several possible actions. This mandates the SIG to deal promptly with some difficult topics and to restore momentum to U. S. efforts to eliminate the pipeline or reduce its potential negative effects.

Allied Security Controls

The second decision directive (Tab II) would, in part, implement the "Allied Security Controls" decision which the President made at the July 9 NSC meeting. At that meeting, the President requested that the relevant agencies get together and come up with something between the second and third options set out in the original options paper. In response to his request, Secretaries Haig, Weinberger and Baldrige and Ambassador Brock in their July 18 memorandum to the President (Tab III) made recommendations that are reflected in the Security Controls draft directive. The memo also calls for implementing a strategy for impeding Soviet oil and gas production and exports through unilateral U.S. extension of security controls to both oil and gas equipment and technology where major export projects such as the Siberian Pipeline are involved. It stipulates U. S. restrictions on technology exports to the USSR, whether or not major export projects are involved. These unilateral oil and gas restrictions, as well as the strengthening of other security controls, would apply at least while negotiations with our allies to impose similar restrictions are proceeding.

The actions specified in the directive are a compromise between Defense recommendations that would bar all oil and gas equipment and technology exports and the State position that would have

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Review on August 14, 1987

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BY 101 NARA DATE 6/6/08

licensed all oil and gas equipment, whether or not the items are to be used in major Soviet export projects. The restrictions that would be imposed by the directive are probably the minimum actions required to restore credibility and momentum to U. S. efforts to stop or minimize the effects of the Siberian Pipeline. The draft directive specifies that "to demonstrate the seriousness with which we view the (pipeline) matter," the Interagency Group at its first meeting will "consider and recommend" several potentially significant initiatives.

THE WHITE HOUSE

WASHINGTON

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SIBERIAN PIPELINE POLICY

The Siberian Pipeline project is a serious potential threat to the Western Alliance. The U.S. should continue to vigorously express its concerns about the project to our Allies and to use the present delay in the project to work with our Allies to develop alternatives.

A senior Interagency Group is to be formed that will address, but is not limited to, the following areas of concern:

- o Alternative sources of supply for Western European natural gas requirements.
- o Increased substitution for natural gas of other forms of energy including coal and nuclear power.
- o Analysis of existing Western European contingency plans to protect against a Soviet threatened or actual curtailment of gas supply and development of recommendations for strengthening protection.

The Interagency Group should also:

- o Develop the strategy and tactics for advancing these proposals to our Allies.
- o Coordinate interagency support for discussions and negotiations with our Allies on an ongoing basis.

The Interagency Group will be chaired by the Department of State and will include representatives of the Departments of Defense, Commerce, Energy, the CIA and the NSC.

To achieve our overall long-term objectives and to promptly emphasize the strong continuing concern of the United States in this matter, the Interagency Group must move quickly and effectively. The U.S. should be able, before September 10, to make specific proposals to our Allies on the time and mechanisms for consultative meetings early this fall and should be prepared to effectively engage in these meetings when they are convened.

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NLRR F00-002 #954
BY RW NARA DATE 12/29/10

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To demonstrate the seriousness with which we view this matter, the Interagency Group will hold its first meeting no later than August 24, 1981. At that first meeting it will consider and recommend a series of preliminary measures, such as, but not limited to, the following:

- o Reiterate publicly and privately that our allies agreed at the Ottawa Summit to consult with us concerning excessive dependence on Soviet energy and explore alternative energy sources.
- o Publicize the restrictions we have placed on the Caterpillar license and reiterate that the license refers only to one order, not to any subsequent orders.
- o Ask the Japanese to apply similar restrictions on any Komatsu sales.
- o Approach Rolls Royce and the British Government to prevent compressor sales for the pipeline and offer additional DOD orders to make up for the lost sales.
- o Encourage U.S. companies to withdraw from competition for Algerian and Trinidadian gas and let the French and Italians know we are doing this on their behalf.
- o State publicly and privately that we want to help Nigeria develop its gas reserves, since it is in serious trouble over declining oil revenues, and that we realize that the bulk of this gas would go to Europe.
- o Publicize widely data on past and present interruptions in Soviet gas supply to Austria, Germany and other Central American countries.
- o Announce a policy of accelerating gas price decontrol here.

~~SECRET~~

~~SECRET~~

DECLASSIFIED
NLS FOO-002#955

BY LOI NATA, CTF 6/6/06

CENTRAL AMERICA UPDATE

The political instability in Central America is of significant concern. Of primary interest are El Salvador, Guatemala, Honduras, and Costa Rica. These papers, which are attached, will be discussed at the NSC meeting.

~~SECRET~~

Review on August 14, 1987

MEMORANDUM

NATIONAL SECURITY COUNCIL

~~SECRET~~ACTION

August 14, 1981

MEMORANDUM FOR ADMIRAL NANCE

FROM: ROGER FONTAINE *RF*

SUBJECT: State Papers for August 17 NSC Meeting

Attached are the briefing papers prepared by State for the August 17 NSC meeting.

At Tab A is Secretary Haig's memorandum to the President on the current situation in El Salvador, along with recommendations for further action. Also included are my attached memo to RVA and RVA's memorandum to the President transmitting Secretary Haig's memorandum to the President.

At Tab B are short descriptions of the current situation in three critical Central American countries: Guatemala, Honduras, and Costa Rica, prepared by State/ARA.

RECOMMENDATION:

That you use these memoranda when you compile the package for the NSC meeting.

APPROVE _____

DISAPPROVE _____

Attachments

Tab A Fontaine memo to RVA dated 8/12/81 (#4784)

Tab B Situation Reports on Guatemala, Honduras, and Costa Rica

~~SECRET~~

Review August 14, 1987

DECLASSIFIED

NLRR F00-002# 2513BY LT, NARA, DATE 2/22/08

MEMORANDUM

NATIONAL SECURITY COUNCIL

~~SECRET~~

August 12, 1981

ACTION

MEMORANDUM FOR RICHARD V. ALLEN

FROM: ROGER W. FONTAINE *RF*

SUBJECT: Secretary Haig's Recommendations on El Salvador

Secretary Haig has written a memorandum analyzing the situation in El Salvador and then spells out what can be done about it.

He describes the war as stalemated with the long-term advantage being enjoyed by the guerrillas. In short, given enough time at our current level of effort, the war would be lost with all that implies for the rest of Central America.

Secretary Haig recommends further action on the military, political, economic, and diplomatic front. Furthermore, he proposes our policies not be limited to El Salvador but deal with the Nicaraguan and Cuban problem as well. He describes in outline what is being proposed on those fronts with Nicaragua remaining the subject of a separate memorandum.

Secretary Haig specifically requests strong White House help in removing disabling El Salvadoran amendments attached to the Foreign Assistance Act. That work must begin in September when Congress opens debate on this subject.

NSC staff strongly concurs with the Secretary's analysis and his recommendations. (Not too surprising since much of the presentation is based on analysis and ideas Gen. Schweitzer and I contributed in the inter-agency process.) Bill Stearman objects to the clandestine attacks on Nicaraguan airfields. He believes this will alienate Mexico, among others, and provide the FSLN an excuse to bring in the MIGs.

Attached at Tab I is your memorandum to the President supporting the Secretary's recommendations at Tab A.

RECOMMENDATION

That you sign the memorandum to the President at Tab I.

Approve _____

Disapprove _____

Attachments

Tab I - Memorandum to the President

A - Memorandum from Secretary Haig

~~SECRET~~

NLRR F00-002 #956
BY *ADT*, NARA, DATE *2/27/08*

THE WHITE HOUSE
WASHINGTON

DECLASSIFIED

NLS 100-002 #957~~SECRET~~BY hjt, NAFA, DATE 12/6/06INFORMATION

MEMORANDUM FOR THE PRESIDENT

FROM: RICHARD V. ALLEN

SUBJECT: Secretary Haig's Recommendations on El Salvador

Secretary Haig has prepared for you a detailed memorandum on the current situation in El Salvador and what can be done about it.

He describes the war as stalemated while the economy continues to deteriorate. His judgment is that at current levels of effort we can lose the war in the long run through economic attrition.

The Secretary describes further actions we can take -- some already in train -- others in the discussion stage. They include further military, economic, diplomatic, and political steps focussed not only on El Salvador but Nicaragua and Cuba as well. (A separate paper on Nicaragua will be sent to you soon.)

Secretary Haig specifically requests strong White House support in removing the disabling El Salvadoran amendments attached to the Foreign Assistance Act. That work must begin in September when debate opens on the subject. (Concerning the Foreign Assistance Act recommendation, State, Defense, NSC, and OMB are preparing a plan of action to redress this unacceptable situation. That plan will be ready for NSC review and subsequent presentation to the Congress in September.)

Secretary Haig further proposes a review of our policy in October to test its effectiveness and to weigh further measures.

The NSC staff strongly concurs with Secretary Haig's analysis and recommendations.

Attachment

Tab A - Memorandum from Secretary Haig

~~SECRET~~

Review August 12, 1987

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Department of State
By Cts 21, 1997
11/27/97

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ACTION: FCB DECISION

DUE: 17 AUG 91 STATUS & FILE

FCB ACTION

FCB CONCURRENCE

FCB INFO

ALLEN

STEVENSON

BAILEY

LENZ

CURRENT

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8/24 returned for record purposes 17/17/91

DISPATCH

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(C) A.