

# Ronald Reagan Presidential Library

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**Collection:** Executive Secretariat, NSC:  
Agency File

**Folder Title:** Secretary of State's Evening Reports  
(09/04/1984-09/28/1984)

**Box:** RAC Box 7

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*Last Updated: 6/6/2024*

# WITHDRAWAL SHEET

## Ronald Reagan Library

**Collection Name** EXECUTIVE SECRETARIAT, NSC: AGENCY FILE

**Withdrawer**

RBW 4/25/2013

**File Folder** SECRETARY OF STATE EVENING REPORT (09/04/1984-09/28/1984)

**FOIA**

M453

**Box Number** 7

SHIFRINSON

74

ID	Doc Type	Document Description	No of Pages	Doc Date	Restrictions
158192	MEMO	GEORGE SHULTZ TO RR <i>R 1/25/2016 M453/5</i>	1	9/4/1984	B1
158193	MEMO	GEORGE SHULTZ TO RR <i>R 1/25/2016 M453/5</i>	1	9/5/1984	B1
158194	MEMO	GEORGE SHULTZ TO RR <i>R 1/25/2016 M453/5</i>	1	9/6/1984	B1
158196	MEMO	GEORGE SHULTZ TO RR [COPY OF DOC. 158195] <i>R 1/25/2016 M453/5</i>	1	9/7/1984	B1
158195	MEMO	GEORGE SHULTZ TO RR <i>R 1/25/2016 M453/5</i>	1	9/7/1984	B1
158197	MEMO	GEORGE SHULTZ TO RR <i>R 1/25/2016 M453/5</i>	1	9/10/1984	B1
158198	MEMO	GEORGE SHULTZ TO RR <i>R 1/25/2016 M453/5</i>	1	9/11/1984	B1
158199	MEMO	GEORGE SHULTZ TO RR <i>R 1/25/2016 M453/5</i>	1	9/12/1984	B1
158200	MEMO	GEORGE SHULTZ TO RR <i>R 1/25/2016 M453/5</i>	1	9/13/1984	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]

B-4 Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]

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]

B-9 Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

# WITHDRAWAL SHEET

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ID	Doc Type	Document Description	No of Pages	Doc Date	Restrictions
158201	MEMO	DAM TO RR <i>R</i> 1/25/2016 M453/5	1	9/14/1984	B1
158202	MEMO	SHULTZ TO RR <i>R</i> 1/25/2016 M453/5	1	9/17/1984	B1
158203	MEMO	SHULTZ TO RR <i>R</i> 1/25/2016 M453/5	1	9/18/1984	B1
158204	MEMO	SHULTZ TO RR <i>R</i> 1/25/2016 M453/5	1	9/19/1984	B1
158205	MEMO	SHULTZ TO RR <i>R</i> 1/25/2016 M453/5	1	9/20/1984	B1
158206	MEMO	SHULTZ TO RR <i>R</i> 1/25/2016 M453/5	1	9/21/1984	B1
158207	MEMO	DAM TO RR <i>R</i> 1/25/2016 M453/5	1	9/24/1984	B1
158209	MEMO	DAM TO RR [COPY OF DOC. 158208] <i>R</i> 1/25/2016 M453/5	1	9/25/1984	B1
158208	MEMO	DAM TO RR <i>R</i> 1/25/2016 M453/5	1	9/25/1984	B1
158210	MEMO	DAM TO RR <i>R</i> 1/25/2016 M453/5	1	9/26/1984	B1

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

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# WITHDRAWAL SHEET

## Ronald Reagan Library

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RBW 4/25/2013

**File Folder** SECRETARY OF STATE EVENING REPORT (09/04/1984-09/28/1984)

**FOIA**

M453

**Box Number** 7

SHIFRINSON

74

ID	Doc Type	Document Description	No of Pages	Doc Date	Restrictions
158211	MEMO	DAM TO RR <b>R 1/25/2016 M453/5</b>	1	9/27/1984	B1
158213	MEMO	SHULTZ TO RR [COPY OF DOC. 158212] <b>R 1/25/2016 M453/5</b>	1	9/28/1984	B1
158212	MEMO	SHULTZ TO RR <b>R 1/25/2016 M453/5</b>	1	9/28/1984	B1

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C. Closed in accordance with restrictions contained in donor's deed of gift.

~~CONFIDENTIAL~~

158192

THE SECRETARY OF STATE  
WASHINGTON

84 SEP 5 A 9: 24

September 4, 1984

MEMORANDUM FOR: THE PRESIDENT

From : George P. Shultz *GPS*

1. Honecker Cancels Visit to West Germany. The GDR Permanent Representative in Bonn today said that September dates for President Honecker's visit were "no longer realistic" because of recent controversial statements and actions by leading FRG political leaders. Honecker had appeared to be standing up firmly to Soviet criticism of inner-German activism which cited FRG "revanchism." East and West German sources referred privately to dissatisfaction in Moscow with at least the timing of the visit and to Honecker's recent concerns at upsetting an uncertain Kremlin leadership at this time. The Bonn government has expressed regret at the "postponement" of the Honecker trip. The momentum for continued measured improvement in inner-German relations should outlast this setback, because both Kohl and Honecker have based their policies on what they perceive to be strong national interests. (C)

2. Vatican Denounces Marxist 'Liberation'. The September 3 Vatican document rejecting Marxist elements of 'Liberation Theology' is a careful positioning of the Roman Catholic Church against attempts to exploit its teachings for partisan political purposes. Rome's explicit condemnations of the "disastrous confusion between the poor of the Scripture and the proletariat of Marx" and of the "church of the people" as an arm of political action go to the heart of left-wing strategies, especially in Central America. Nicaragua is not mentioned specifically, however, and the statement warns that it "must not be taken as some kind of approval, even indirect, of those who keep the poor in misery...." The Vatican position against extremes of both left and right resembles our own in Central America. As with US policy, some critics may downplay the document's recognition of 'root causes' in an attempt to dismiss it as the result of a "conservative" Pope and hierarchy. (C)

DECL:OADR

~~CONFIDENTIAL~~

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NLRR M453/5# 158192  
BY RW NARA DATE 1/25/16



DECLASSIFIED

~~SECRET~~

158193

THE SECRETARY OF STATE  
WASHINGTON

September 5, 1984

MEMORANDUM FOR: THE PRESIDENT

From : George P. Shultz *ups*

1. Meeting With Moroccan Envoy. I met today with Reda Guedira, sent by King Hassan II to explain the Libyan/Moroccan "Treaty of Union." His message was that King Hassan is courageous, wise and fundamentally devoted to the same principles and values that we uphold. Against this background, the Treaty is a vehicle by which Hassan hopes to impel Qadhafi towards responsible behavior. Hassan perceives himself as uniquely positioned to play a positive role in the Maghreb, the Arab world and Africa and believes his ability effectively to do so is enhanced by his Treaty with Qadhafi. I asked Guedira to convey to Hassan our deep concern about the Treaty. Qadhafi is reprehensible in every respect and his regime should be isolated. Through the Treaty, Hassan has cast his mantle of respectability over this mad man. I noted the possible transfer of technology, potential compromise of US intelligence, and the turn over of Libyan dissidents as points of particular concern. (S)

2. Philippine Developments. The typhoon that struck the Philippine islands of Mindanao and Cebu last weekend reportedly left more than one hundred dead and thousands homeless. No American casualties have been reported. Our Ambassador has indicated our willingness to help out, and we are urgently examining the options available should the Filipinos, who have been reluctant to seek foreign disaster assistance in recent years, request such aid. Meanwhile, the IMF negotiating team leader has returned from Manila with an agreed letter of intent, generating hope that the Fund management will soon approve the long-pending Standby arrangement. The Philippine Government has formally requested confirmation of US willingness to provide bridge financing linked to anticipated IMF drawings. The negative US vote on a \$150 million IBRD agricultural loan will have no effect on the Philippine financial situation since the loan was nonetheless approved with the support of other members. It is hoped, however, that our "no" vote, which conforms with Treasury's effort to ensure that all IBRD loans are linked to policy change, will encourage the Filipinos to adopt necessary reforms in the agricultural sector. (C)

3. Visit of New Zealand Secretary of Foreign Affairs. New Zealand Secretary of Foreign Affairs Merv Norrish met today with State, Defense and NSC officials to work toward resolution of problems posed by the Labor Government's refusal to grant port access to nuclear-propelled and nuclear-armed warships. Norrish said that while Prime Minister Lange's goal is to turn around Labor Party opposition to "nuclear ship" visits, he would have to move adroitly, beginning at local party conferences in January, to avoid serious risk to his party and government leadership. When I meet with Lange in New York on September 24, he is expected to present a plan outlining the actions his government will take with the aim of resolving the issue by the next ANZUS Council meeting in June/July 1985--six months beyond the time we had hoped. We made it clear to Norrish that the future of the US/New Zealand leg of the ANZUS alliance depends on full restoration of USN port access and that we would have to consider whether a further delay in resolving this issue can be accepted. (C)

DECL:OADR

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3  
SENSITIVE S/S 8424515

THE SECRETARY OF STATE  
WASHINGTON

September 6, 1984

MEMORANDUM FOR: THE PRESIDENT

From : George P. Shultz *gps*

84 SEP 7

A 7: 41

158194

9/7/84

1. Soviet Chief of Staff Ogarkov Replaced. In a tersely worded announcement, the Soviet press announced today that Chief of Staff and First Deputy Minister of Defense Nikolay Ogarkov had been replaced by one of his three deputies, Sergey Akhromeyev. It is most likely Ogarkov is being demoted. Soviet Charge Sokolov told Rick Burt that this is his reading of the announcement and that Ogarkov had been known in military circles for his "independent of the party" tendencies. Ogarkov's successor, Akhromeyev, is 61 and the youngest Marshal in the Soviet Army. He reportedly has had extensive arms control experience and major responsibility for operations in Afghanistan. Art Hartman and others who have met him describe him as candid, affable, less prone to polemics than other Soviets, with an unusually sophisticated grasp of strategic and arms control issues. (SENSITIVE)

2. US Vetoes Resolution on Lebanon. After six days of debate, the Security Council today voted 14 - 1 (US) on the Lebanese resolution about Israeli practices in south Lebanon. We vetoed because the text was fundamentally imbalanced: it mentioned humanitarian and security problems only in south Lebanon, and did not address equally severe problems elsewhere in the country. Last-minute changes in the draft induced the UK and The Netherlands to vote yes. After the vote, we explained that the US sympathized with Lebanon's problems, but considered the Lebanese resolution one-sided and unbalanced. We are taking necessary precautions in Beirut and Damascus to protect ourselves from possible hostile reactions. (C)

3. Demonstrations in Chile. Tuesday's and Wednesday's demonstrations were not widely supported by the middle class, which apparently has grown concerned about increasing violence by communists and weary of over one year of disorders. The demonstrations, therefore, are unlikely to force concessions from Pinochet on the transition timetable. Yet Pinochet's hardening position over the past few weeks has led to the defection of many conservative supporters who want a managed and orderly return to democracy. The opposition's inability to pressure Pinochet, coupled with Pinochet's intransigence and a deteriorating financial situation, is leading to a political impasse and further polarization. (C)

DECL:OADR

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NLR M45315 #158194  
BY RW NARA DATE 1/25/16



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S/S 8424651

NLRR M453/5 #158196  
BY fw NARA DATE 1/25/96THE SECRETARY OF STATE  
WASHINGTON158196  
September 7, 1984

MEMORANDUM FOR: THE PRESIDENT

From : George P. Shultz GPS

84 SEP 8 A9:01

1. My Meeting With Senator Heinz. Senator Heinz called on me today to discuss the Export Administration Act (EAA). Heinz said ~~WHICH~~ ~~HOUSE~~ EAA that emerges from the Conference Committee will be the only ~~SITUATION~~ ~~ROOM~~ get--that there is no possibility of extending the old act. He implicitly used as leverage the possibility of litigation if we continue to operate under the emergency powers now in force. The Senator probed extensively for a compromise on South African trade sanctions--he wanted us to include an element of compulsion. I restated our opposition to compulsory measures and said that we would not compromise here. Heinz said he agreed with our compromise positions on the nuclear export provision (Proxmire Amendment), but that Senator Garn needed further persuasion. I said that I would call him early next week. Finally, in response to a question from the Senator, I told him that we opposed the Senate-dominated National Security compromise package because we thought it conflicted with our successful policies on extraterritoriality and COCOM. The Senator left with the comment that while he now understood our positions more clearly, he still had no compromises to show his House counterparts. (c)

2. Meeting With Senator Baker. In a meeting with Ken Dam this morning, Senator Baker expressed interest in the Ogarkov dismissal and speculated on the coincidence of its timing with Chernenko's return to public view in Moscow. He asked about the Administration's position on the Genocide Convention, and his body language indicated little optimism over its chances during this session. Baker said he and Tip O'Neill had had a good meeting and there was a fair chance we would avoid having to handle the defense bill in the forthcoming CR. A compromise is being sought on MX, with O'Neill wanting to fence it. Baker had made clear he could not accept restrictions on expenditures that would close down production lines. As for the CR, O'Neill plans to finish the House version and get it to the Senate next week. Baker said he would then plan to get the CR through the Senate during the week of September 17. Baker said he had heard that Fascell will attempt to include the full aid authorization bill passed by the House in the CR; in that event, he would put the Jackson Plan authorization into the Senate version. He thought it would be better if Fascell confined his action to the Jackson Plan. (c)

3. British Pound Falls to \$1.285. Because the fall political season has not yet begun in London, there has been no official reaction to the pound sinking through the 1.3 floor. Financial markets started to get jittery last week because coal and dock strikes continued and the UK Central bank lowered the base interest rate 1-1/2%. The British (and other Europeans) perceive the US economy as strong, and believe US interest rates will rise. All of these factors--plus the expectation that a US President friendly to business will be re-elected in November--combined today to produce an exchange rate of \$1.285 to the pound. There has been a spate of editorials in the British financial press (when it has not stopped due to strikes) advocating that the UK join the European Monetary System to help dampen currency fluctuations. At the same time, some British commentators are beginning to acknowledge the benefits of this situation: that the US economy, by drawing in European and third world exports, is helping to fuel recovery globally. (u)

DECL:OADR



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~~CONFIDENTIAL~~

S/S 8424651

158195

MUGB/5#158195  
AW NARA DATE 1/25/16THE SECRETARY OF STATE  
WASHINGTON

September 7, 1984

MEMORANDUM FOR: THE PRESIDENT

From : George P. Shultz *GPS*

84 SEP 8 A9:01

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DECL:OADR

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S/S 8424874 158197

THE SECRETARY OF STATE  
WASHINGTON

September 10, 1984

MEMORANDUM FOR: THE PRESIDENT

From : George P. Shultz *GPS*

1. Israeli Unity Government Accord Near. Israel's national unity government appears close to becoming a reality. Labor's central committee approved this evening the Peres/Shamir compromise agreement worked out last week. Likud approval is also expected, and the agreement could be signed tomorrow. Peres hopes to present the new Cabinet to the Knesset on Wednesday, although this could slip a day or two. By offering Arik Sharon the Industry and Trade portfolio, Shamir has placated some of the grumbling within Likud. Dissatisfaction on the Labor side has been more serious, particularly over the inclusion of Sharon and the award of all major economic posts to Likud. Yet this dissatisfaction is unlikely to impair seriously Labor's leverage in the new government, since compromises on policy and portfolios have already been made. Peres has informed us privately that he wants to visit the US as soon as possible after taking office to discuss US-Israeli coordination on the Israeli economy, the peace process, and Lebanon. There may be scheduling problems because of the Jewish holidays (Rosh Hashanah, September 27, through Yom Kippur, October 6), the UNGA session, and the campaign. In any case, the GOI may ask to hold economic talks when new Finance Minister Modai visits Washington for IMF/IBRD meetings September 24-27. (C)

2. New Zealand and ANZUS. The New Zealand Labor Party, during its September 7-10 annual conference, adopted resolutions calling for New Zealand's withdrawal from the ANZUS alliance and closure of US military bases in New Zealand--including the US Air Force's Operation Deepfreeze flights through Christchurch. (In point of fact, there are no US bases in New Zealand). Although the conference's resolutions are not binding on PM Lange's Labor Government, these actions probably further erode Lange's ability and perhaps his will to reverse his government's policy of banning nuclear propelled and armed ships from New Zealand's ports and waters. Although I will be meeting Lange in New York at the end of the month to press for a policy change, he has signalled us in recent days that such action may not be possible until mid-1985. (S)

3. Ambassador Okawara's Demarche on Whales. At his request, Ambassador Okawara called on Allen Wallis today to seek urgent but quiet efforts to find a compromise solution to the whaling problem. The Japanese believe that the International Whaling Commission's decision to eliminate Japan's coastal sperm whaling quota was emotionally motivated and not based on scientific evidence. Japan's sperm whale fleet expects to sail in early October and, in the absence of evidence of US willingness to agree to a scientifically based compromise, Okawara said, the Government of Japan cannot ask its whalers not to catch whales. The issue is too emotional and political in Japan. Okawara specifically sought an early meeting of US and Japanese IWC scientists to find a solution which would avoid the US having to certify that Japan was undermining the whaling convention and thereby cutting Japan's fishing quota in half under the Magnuson Fishery Conservation and Management Act. Such an action, he said, would cause serious friction in the US-Japan relationship. We assured Okawara that we would work closely with Commerce to try to speed up the scientific meeting, and that we shared the desire to avoid confrontation on this issue by finding a satisfactory compromise. (C)

DECL:OADR

~~SECRET~~



DECLASSIFIED

~~CONFIDENTIAL~~

S/S 8424939

158198

BY AW 11/25/16  
NARA DATE 11/25/16THE SECRETARY OF STATE  
WASHINGTON

September 11, 1984

MEMORANDUM FOR: THE PRESIDENT

From : George P. Shultz GPS

84 SEP 11 P10:40

1. Refugee Consultations With Congress. I represented the Administration today in legally required consultations with the Congress on refugee admissions for FY 1985. During my presentation I announced two new initiatives: our willingness to take all Amerasian children in Vietnam and certain prisoners in Vietnamese "re-education" camps through our Orderly Departure Program. At the closed session with House Judiciary leaders (Rodino, Fish, Mazzoli and Lungren), there was firm, bipartisan support for the refugee program and our new initiatives. Chairman Rodino did, however, feel compelled to ask when the program would taper off, whether it could be further internationalized and whether sponsoring relatives could assume a greater burden for refugees in this country. There was also solid support from the Senate Subcommittee on Immigration and Refugee Policy, chaired by Senator Simpson of Wyoming. The thrust of his questioning in open session was whether we had the resources and numbers we needed to achieve our objectives. Senator Grassley expressed concerns about Soviet Jews and would-be Romanian emigrants. (C)

2. Soviet CDE Position. As the third CDE session opened today in Stockholm, Pravda issued a standard restatement of the Soviet CDE position. This suggests, as did our meetings here in Washington in late August with the head of the Soviet CDE delegation, that there will be no fundamental change in Soviet policy or tactics for the CDE in the short term. There is no substantive reaction to the offer in your Dublin speech to discuss reaffirming the principle of non use of force (NUF) in parallel with negotiations on our proposals for concrete measures. The article suggests that the West has made no answer to Soviet proposals. The Soviets are pressing for declaratory political measures including NUF but also no first use of nuclear weapons, reductions of military budgets and a chemical weapons ban in Europe which we have repeatedly rejected. Today's Pravda article also criticizes our proposed measures as attempts to spy on the military establishment of the Soviet Union and its Allies. (C)

3. Demonstrators Force US Destroyer Out of Argentine Port. Several hundred demonstrators gathered September 10 in Puerto Madryn, a small town in southern Argentina, to protest the presence of the USS Thorn, a Spruance class destroyer. The Thorn was in the Argentine port taking on provisions in between exercises with Chilean and Uruguayan naval units. The exercises are part of Unitas, the annual US-Latin American naval exercise. Argentina declined to take part in Unitas this year, but did allow the port visit. The demonstrators shouted and hurled objects at the Thorn. Three crewmen received slight injuries. The Thorn then cast off and anchored in the bay some distance from shore. Our Embassy in Buenos Aires has been in constant touch with Argentine authorities on the incident, and we intend to lodge a protest with the Argentine Embassy here once the facts become clearer. The demonstrators were mainly a small group of Falklands/Malvinas war veterans with some local Peronist support. The incident does show sensitivity to our role in the war still runs high in some quarters and could cause the GOA to be more cautious about high-level US military visitors or military cooperation in the future. (C)

DECL:OADR

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THE SECRETARY OF STATE  
WASHINGTON

September 12, 1984

158199

RR 9/13/84

84 SEP 12 P10:49

MEMORANDUM FOR: THE PRESIDENT

From : George P. Shultz *GPS*

1. Meeting With Carrington. I had a very productive discussion with NATO Secretary General Carrington this morning. He clearly understands the present opportunity--and need--to take an initiative to improve the conventional defenses of the Alliance. He appreciates your commitment to NATO. He is preparing short-term defense measures for announcement this December, but believes that the broader problems of Alliance defense will require a longer term effort. The latter, however, will have to have a firm timetable over the next two years, so that problems cannot simply be postponed. Although Carrington is willing to lead the effort himself, he thinks it politically important that he be formally asked to do so by the Allies, particularly the Germans, this December. To overcome anticipated Allied reluctance to allocate greater resources as well as bureaucratic resistance, Carrington believes it essential that the program have the blessing of heads of state and government, and that the national representatives to his special committee be of Minister of State rank. Carrington will be consulting with key Allied governments in preparation for December's NATO meetings. (S)

2. Rumors But No Confirmation on Sakharov's Condition. Family members and most observers have discounted recent rumors alleging that Soviet dissident Andrei Sakharov had died. Similarly, there is nothing to confirm Victor Louis' September 11 statement to the German press that Sakharov has left a hospital in Gorkiy and has rejoined his wife, Elena Bonner, in their apartment there. If Sakharov has in fact rejoined his wife at home, this could lay the basis for a Soviet claim in meetings with us that their situation has been "normalized." In fact of course, their situation is worse than before as Mrs. Bonner cannot even go to Moscow for medical treatment, much less abroad. Nor can she sustain their contact with Westerners in Moscow. Sakharov's step daughter, Tatyana Yenkelevich, has advised us that Mrs. Bonner's mother informed the Soviet Consulate in Washington that she wants to return to the Soviet Union to visit Bonner and Sakharov, but only if she can be accompanied by Tatyana and her son-in-law. After some initial blustering, the Soviets have agreed to consider the request. We are not optimistic that the Soviets will permit Mrs. Bonner's mother to visit the Sakharovs, but if such a visit takes place, at least it would provide independent verification of his condition. (C)

3. Likud Splits Weaken Shamir. Last minute divisions with the Likud Coalition are unlikely to prevent formation of a national unity government, but they do indicate troubles ahead for the new Cabinet. Arik Sharon disrupted the Likud Central Committee meeting last night by challenging Shamir's choice of Cabinet ministers. Sharon and his supporters are also unhappy with the compromises worked out on settlements, negotiations with Jordan, and rotation of the Office of Prime Minister. This open split in the Likud leadership has weakened Shamir at a critical time, and Sharon's latest gambit is a harbinger of the disruptive role he is likely to play in the new Cabinet. (C)

DECL:OADR

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NLRR M453/5 #158199

BY RW NARA DATE 1/25/16

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~~SECRET~~

SENSITIVE

9

M453/5#158200

NARA DATE 1/25/06

THE SECRETARY OF STATE  
WASHINGTON

S/S 8425185

158200

September 13, 1984

MEMORANDUM FOR: THE PRESIDENT

From : George P. Shultz

gps

04 SEP 14

A7: 55

RR 9/14/84

1. Successful End to Carrington Consultations. Peter Carrington left Washington tonight highly satisfied with his consultations, and with the opportunity which his visit offered to exchange views with the Congress. In a meeting at the end of his visit, we discussed the next steps needed to move forward on NATO conventional defense. We agreed that it was essential to confirm German support for the effort first--which we are convinced can be accomplished on the basis of consultations we have had with the Germans. Once German support is confirmed, we would move to secure British and possibly Italian support. In addition, it would be useful for the Germans themselves to approach the French to see whether and if so to what degree they might be prepared to participate in the effort, despite their non-membership in the integrated NATO military structure. With the support of these principal allies, it should be possible to bring the others along; one device for doing this might be a letter from the Secretary General to all Alliance heads of state and government. The objective would be to achieve endorsement of a mandate for the Secretary General at the NATO Ministerial meetings in Brussels in December, enabling him to set up the high level group I noted in my report to you yesterday. (SENSITIVE)

2. Congressional Breakfast. At breakfast for Congressmen Gibbons and Thomas we discussed the Israel free trade area bill and GSP renewal legislation. Gibbons was pleased that his subcommittee had approved the Israel free trade area yesterday. The Senate version is broader in providing additional authority to negotiate sectoral free trade arrangements with Canada, but Gibbons argues that his bill is better procedurally in following the Cordell Hull system on tariff bills which would allow the President to act without having to come back to Congress. Gibbons said he would be glad to help on Canada in conference, but has problems in his committee with Democratic members having strong labor ties. Gibbons emphasized the need to identify an American constituency for GSP as we have done for foreign aid. Thomas has worked out a consensus on the agricultural portion of GSP, but American labor's insistence on labor standards is the problem on industrial aspects. The basic issue is high US wages in steel, copper, etc., and Gibbons said the situation is worse than in the 1970's. His problems are with his own party members rather than with Republicans. His strategy is to get to conference with the best GSP he can work out. He counts on help from Rostenkowski. I made clear the importance we attach to getting GSP passed. (C)

3. Israeli Unity Government Takes Office. Shimon Peres today presented his national unity cabinet to the Knesset and received its approval. The Labor-Likud unity pact was signed only after an all-night bargaining session over assignment of the Religious Affairs Ministry. The near breakdown in the negotiations and the split within the Likud leadership (Shamir versus Sharon) do not augur well for the success of the new government. Personal and ideological differences and the even distribution of cabinet seats will contribute to deadlock. Peres may not have long to wait for controversy: Likud has indicated it intends to push for approval of 27 settlements previously authorized by Shamir's administration. Labor has agreed to fund only 5 to 7 of these, all in Labor's Jordan Valley "security zone" (away from areas heavily populated by Arabs). (C)

DECL:OADR

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S/S 8425333

158201

84 SEP 15 11:49

~~SECRET~~DEPARTMENT OF STATE  
WASHINGTON

RR

September 14, 1984

MEMORANDUM FOR: THE PRESIDENT

FROM: Kenneth W. Dam, Acting *KWD*

1. Under Secretary Armacost's Trip. Mike Armacost returns Saturday from a brief West European swing--London, Paris, Rome, Bonn, and Brussels. He found universal satisfaction at the prospect of your re-election and continued strong U.S. leadership. Your upcoming meeting with Gromyko was also welcomed at all his stops. There was widespread recognition of the need for the NATO allies to improve their conventional defense capability, but slow economic growth, limited budgets, and residual high unemployment will make increasing defense expenditures very difficult--at least in the short term. While Mike heard occasional complaints about the U.S. budget deficit and the strong dollar, these were accompanied by a growing recognition that Europe's economic problems are rooted in structural difficulties. Despite doubts that there are national solutions to these problems, he saw little impetus for any forward movement toward European integration. Nevertheless, Mike sensed an improvement in European morale with greater optimism for the future. (SECRET)

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DECL: OADR

DECLASSIFIED

NLRR M453/5 #158201

BY *RW*

NARA DATE 1/25/16



158202

WASHINGTON

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84 SEP 18 A 7: 53

RR 9/18/04

NLRR 11453/5 #158202

NARA DATE 1/25/14

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DECLASSIFIED

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S/S 8425650

158203

THE SECRETARY OF STATE  
WASHINGTON

September 18, 1984

MEMORANDUM FOR: THE PRESIDENT

From : George P. Shultz *GP*

1. Argentina's IMF Agreement. Our Charge in Buenos Aires reports that the Government of Argentina and an IMF technical team have resolved all outstanding differences on an economic program, and that the team and an Argentine delegation are en route to Washington to present the agreement to the Fund Managing Director. Reportedly, Alfonsin forced his Cabinet Ministers to accept deep program and spending cuts for 1985. Although the agreement is an important development, it only sets the stage for what are expected to be difficult negotiations between Argentina and the commercial banks. (S)
2. Korean Representatives Meet. For the first time in over five years Red Cross representatives from North and South Korea met September 18 in Panmunjom. The meeting followed South Korea's unprecedented acceptance of a North Korean offer of flood disaster relief assistance, which was probably a propaganda rejoinder to President Chun's recent offer of economic assistance to North Korea. Although the meeting was remarkably free of polemics, it deadlocked after six hours on the means of delivery of the relief supplies. The North Korean side suggested that the meeting reconvene on September 21, but South Korean representatives later told the press they would not respond unless North Korea dropped the demand that it be allowed to truck the supplies all the way to Seoul. South Korea is undoubtedly wary of letting North Korean trucks much below the DMZ line. (C)
3. Gulf of Suez Mine Discovery. Late last week British Navy divers discovered a ten-foot long, torpedo-shaped object on the bottom of the northern Gulf of Suez. British experts agree that it is of a type manufactured in the Soviet Union. Unlike the several old mines that have been located by the multilateral mine-clearing effort, this mine appears to have been newly laid. Over the next week to ten days it will be X-rayed, dragged to shore, and disassembled. Egyptian Defense Minister Abu Ghazala has announced the discovery of the mine but has not commented publicly on its suspected origin. Neither we nor the British have provided any information to the press about this discovery. (S)
4. Jewish Claims Against East Germany. Rabbi Israel Miller called on me today to urge support for claims against East Germany by Jewish victims of World War II. Unlike West Germany, the GDR has never paid a cent to Miller's Conference on Jewish Material Claims against Germany. If our current, quiet dialogue with the GDR goes well, we may be able to help the Jewish groups as well as settle our own official claims involving US citizens. I assured Miller I would make both sets of claims an issue in my meeting with East German Foreign Minister Fischer at the UNGA in October. (LOU)

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S/S 8425755

158204

THE SECRETARY OF STATE  
WASHINGTON

September 19, 1984

MEMORANDUM FOR: THE PRESIDENT

From : George P. Shultz *GPS*84 SEP 20 A7:31 *RR*

1. International Reaction to the Steel Decision. Early reaction to your decision on steel was strongly positive. In Canada, where steel is considered the major economic issue with the US, commentary was highly favorable. Canadian officials, elated at the distinction between fair and unfair trade, have remarked that the US market is open and fair, and that US goods can expect like treatment in Canada. New International Trade Minister Kelleher, whose constituency contains major steel mills, gave you full credit for a difficult decision and expressed a belief that it reflects a firm decision to reject protectionism. The EC Commission issued a press statement welcoming your decision as safeguarding the US-EC Arrangement on steel and confirming that negotiations on pipe and tube will continue. A Brazilian Government spokesman praised the US for taking a position in favor of free trade. The Mexican Government has not yet reacted publicly, but informally has expressed pleasure with the decision based on its understanding that there will be no additional restrictions on Mexican steel exports beyond existing voluntary restraints. We do not have reactions from Japan or Korea so far. (LOU)

2. Philippine Developments. In his meeting today with Mike Armacost, Prime Minister Virata acknowledged that the most recent press accounts implicating the Philippine military in the Aquino assassination are on the mark. We pointed out that our ability to obtain support for the Philippines on the Hill is difficult already and will be directly related to decisive and responsive measures by President Marcos in response to the investigative report. Armacost asked Virata to pass that view directly to President Marcos. Virata also related that the Philippines will need \$700 to \$1 billion in new bilateral and multilateral loans to meet their IMF goals in light of (a) the extension of the arrangement by one year through 1985, and (b) the commercial banks' refusal to come up with any more than the \$1.65 billion to which they committed themselves when negotiations began a year ago. (S)

3. Chad: Franco-Libyan Withdrawal Agreement. All French and Libyan troops are to be withdrawn from Chad by November 9. The agreement, which is only an agreed set of minutes, avoids sensitive issues like the Aozou Strip, but does provide for the reintroduction of French forces should the Libyans not withdraw. The French have told us the agreement does not affect their military and economic assistance programs in Chad. Meanwhile, Habre is still awaiting detailed information from the French and is highly suspicious of the agreement. If the Libyans actually depart, Habre believes the north will rally to his side and the situation in the south will be more open to reconciliation. Habre has not yet agreed to the introduction of an observer force. We have assured the Chadian government of our continued support. (S)

4. Visit of the Dalai Lama. Ed Derwinski met today with the Dalai Lama. He characterized his relations with the Chinese as "delicate and complicated," but acknowledged that conditions in Tibet have improved somewhat in recent years. When the Dalai Lama visited the US in 1979, the Chinese Embassy protested any treatment of him as a head of state. If today's meeting becomes public, we can expect another protest from the Chinese. Our response will be that we are meeting the Dalai Lama in his capacity as a religious leader, and that no recognition of his claim to political authority over Tibet is intended. (C)

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DECLASSIFIED

~~SECRET~~THE SECRETARY OF STATE  
WASHINGTON

September 20, 1984

MEMORANDUM FOR: THE PRESIDENT

From : George P. Shultz

84 SEP 21 A7:46

158205

1. Greek Port Calls Will Continue. In response to a demarche today by Ambassador Stearns, Greek Prime Minister Papandreou agreed to continued port calls by US nuclear powered warships. Earlier the Embassy had been told the GOG intended to ban NPW visits--a move which would have broken with NATO practice and hindered Sixth Fleet operations. Accordingly, Rick Burt called in Greek Ambassador Papaoulias Wednesday and stressed our concerns over this apparent alarming shift in Greek Government policy. Papoulias then called Papandreou and alerted him to our displeasure before the Stearns' meeting. It appears that we have headed off trouble for now, and the visits will proceed. (S)

2. UK-PRC Agreement on Hong Kong's Future. We believe--based on detailed consultations with the British--that the UK-PRC agreement addresses the most important concerns of the Hong Kong people and that it will be well-received in London, Beijing, and Hong Kong when it is made public next week. The British are content that they obtained sufficient assurances from the Chinese to satisfy businessmen concerned about the prospects of transfer of sovereignty to China in 1997. The British will announce the agreement's initialling either September 25 or 26. They want us to make a supportive statement shortly thereafter. We intend to make a statement welcoming the agreement and lending our carefully phrased support to it. We will stress the importance of the agreement to the \$4 billion in US investment in Hong Kong and the annual bilateral trade in excess of \$8 billion. We will suggest that the agreement will provide American investors with sufficient confidence to maintain their active commercial involvement in Hong Kong. (S)

3. Americans Held by Soviets Return Home. The five American crewmen of the Frieda-K have been safely escorted by the Coast Guard cutter Sherman enroute home. We have not yet received the Coast Guard's debriefing report, but on the basis of their press statements thus far, it appears the five were subjected to pressure to sign a statement admitting they had intentionally violated Soviet borders, which they refused to do, but were not physically mistreated. Apparently the seismographic tapes the barge was carrying as cargo were also returned. The Soviet Minister Counselor in Washington, Sokolov, has been suggesting that we express appreciation for the release to counter press hostility, and the Embassy may have in fact weighed in. Yet the tough and generally uncooperative manner in which the Soviet authorities handled the case provides another manifestation of the current suspicious anti-foreign attitude and hard line approach to border violations. (C)

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S/S 8426161

158206

M45315 #158206  
NARA DATE 1/25/16THE SECRETARY OF STATE  
WASHINGTON

September 21, 1984

MEMORANDUM FOR: THE PRESIDENT

From : George P. Shultz

SEP 22 A 8:02

1. Sub-Cabinet Level Trade Talks with Japanese. A week-long series of meetings with the Japanese on various trade issues culminated Thursday and today in Sub-Cabinet level sessions chaired by Allen Wallis. These were the most wide-ranging meetings ever and accomplished three primary objectives: (a) built momentum to resolve contentious trade issues promptly, (b) identified for early attention at the political levels issues which may emerge as problems (such as in the telecommunications trade area), and (c) brought about a greater congruence of views on critical global economic issues. The tone was positive; our discussions were frank and to the point. Allen and other USG officials privately discussed with senior Japanese the increased political pressures which will be created by the record annual bilateral trade deficit. We made it clear that the US will continue to press improved market access, including the elimination of remaining formal and informal barriers affecting industrial and agricultural products, services and investment. We will do so in full recognition of the already productive partnership we share in trade and investment. (C)

2. CONTADORA: Current Status. The Contadora Group is pushing for early signature by the Central Americans of the September 7 revised draft agreement. While the revised text is an improvement, serious flaws remain: negotiations on the reductions of arms and troop levels and on a calendar for withdrawal of foreign military/security advisers are deferred until after an agreement is signed; the verification mechanism remains weak. Such an agreement would immediately address the security interests of Nicaragua while deferring negotiations on those issues of great concern to us. Honduras and El Salvador share our analysis and will hold firm. The Costa Ricans have given some indications that they might sign the revised draft, however, and the Guatemalans are also vacillating. We are urging the Contadora Group to continue negotiations toward a truly comprehensive agreement. We are also asking the European foreign ministers to encourage continued negotiations when they meet with the Central Americans and the Contadora Group in San Jose. (S)

3. Poland: The Polish press routinely condemns US policy towards Poland as well as US foreign policy in general. The Poles upped the rhetorical ante in two recent articles published in Trybuna Ludu, the party newspaper. One piece asserted that Polish American relations had reached an all-time postwar low because of US policies. Another denounced US foreign policy in unusually strong terms, specifically mentioning Afghanistan and South Africa. These articles may have been written to cover Polish tracks with Moscow while the Poles contemplate conciliatory gestures toward us. It is also possible that the Poles feel they have little to lose by blasting the US in their attempt to find foreign scapegoats for domestic problems. (C)

4. Cyprus: The current round of proximity talks in New York between UN Secretary General Perez de Cuellar and President Kyprianou and Turkish community leader Rauf Denktash ended yesterday. While little was accomplished substantively, the process at least is still intact. Perez de Cuellar has appealed to us through Ambassador Kirkpatrick to press the two sides for concessions between now and October 15 when another round is scheduled. I will meet separately with the Turkish and Greek Foreign Ministers and President Kyprianou next week at the UNGA and will stress the need for compromises. (C)

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**SECRET**DEPARTMENT OF STATE  
WASHINGTON

September 24, 1984

MEMORANDUM FOR: THE PRESIDENT

FROM: Kenneth W. Dam, Acting *KWD*

1. Under Secretary Wallis' Meeting With Egyptian Economic Ministers. Allen Wallis met Planning Minister Ganzouri and Finance Minister Hamed today in conjunction with the IMF/IBRD annual meeting. The Egyptians confirmed they are still on a gradualist approach to economic reform. They pressed for relief from FMS interest payments and were reminded of our switch to an all-grant FMS program in FY '85 and were told that we are considering what else might be done. They declined to assure us that existing arrears would be paid before we have to report the arrearage to Congress on September 30. They did assure us, however, of their desire to conclude soon negotiation of the Bilateral Investment Treaty.

2. Nicaragua Acceptance of Contadora Draft Agreement. On September 21, Nicaragua announced it would accept the Contadora draft agreement ("Acta"), provided the United States also signed it and the other Central Americans did not change it. At the same time, Nicaragua also rejected the election postponement that was a key part of election conditions required by the opposition. The intent of the Nicaraguan tactic appears to be to minimize negative reaction to its failure to have free elections and to freeze the Contadora negotiating process. Although the September 7 revised Contadora draft agreement is improved, it would postpone negotiations on foreign military advisers and military force levels. Moreover, its weak verification provisions would not prevent continued Nicaraguan support for subversion. Accordingly, we have rejected the Nicaraguan gesture as a transparent attempt to undermine the Contadora process and to hide Nicaragua's failure to allow free elections. While avoiding direct criticism of Contadora, we will make clear the current draft is not a finished product. We will also continue to stress publicly our support for the comprehensive implementation of the 21-point Document of Objectives.

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DECL:OADR

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NLRR M453/5 #158207

BY *LW*

NAPA DATE 11/25/16



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NLRR M493/5 #158209

158209

BY AW NARA DATE 1/25/16

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9/26/84

DEPARTMENT OF STATE

WASHINGTON

September 25, 1984

84 SE 28 A 9: 48

MEMORANDUM FOR: THE PRESIDENT

FROM: SITUATION ROOM Kenneth W. Dam, Acting *KWD*

1. Soviet Reaction to Your UNGA Speech. Soviet reaction to your speech has been generally devoid of the polemics we have seen in recent months. Before you spoke on Monday, Chernenko made relatively restrained remarks on US-Soviet relations in a speech to Soviet writers. The September 25 TASS report, however, was much more negative in tone. It accused you of using the UN as a platform for electioneering and suggested the speech was more form than substance. This reaction suggests the Soviets have not yet decided how to handle your approach and are temporizing until Gromyko has had the opportunity to explore these issues with you personally. Eastern European media reaction has been cautious. Romanian special envoy Manescu's private characterization of your speech as "inspiring" goes far beyond anything the Romanians are likely to say in public. We can expect to see some different shadings develop within Eastern Europe over the next few days.

2. Beirut Bombing Testimony. Under Secretary for Management Ronald Spiers, accompanied by three senior staff members just returned from Beirut, testified Tuesday before a closed session of the House Appropriations Subcommittee on Commerce, Justice and State chaired by Neal Smith. The Committee focused on concerns that security measures in Beirut had been insufficient to prevent the bombing last Thursday. The Members probed deeply into the physical details of the Embassy site in East Beirut, the decision to move there, and the exact nature of our counter-terrorist measures. Several Members argued that Beirut's security history obliges us to evaluate the size of our embassy staff and consider further security measures. The State contingent gave a fairly detailed account of what occurred as well as what security arrangements had been in place. We were advised to take immediate additional precautions at other high-threat posts. The Committee's leadership, Messrs. Smith and O'Brien, went on record to say they would take immediate (and apparently sympathetic) action if a security supplemental package comes before them this season.

3. Discussion with JDA Director General Kurihara. I met today with Japan Defense Agency Director General Yuko Kurihara, who is in Washington at the invitation of Cap Weinberger. Kurihara told me South Korean President Chun's visit to Japan had strengthened the Korea-Japan relationship, but said the meeting between Korea and Japan's top military officials had been purely ceremonial. He similarly downplayed Japanese Defense Forces chief Watanabe's upcoming visit to Korea. I expressed our appreciation for Japan's efforts to increase its defense budget and told him we hope the Japanese Government would be successful in reaching its target of a seven percent increase in defense spending next year.

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S/S 8426586

158208

NLRR M45315#158208  
BY RW NARA DATE 1/25/16~~SECRET~~

DEPARTMENT OF STATE

WASHINGTON

September 25, 1984

84 SEP 26 A 9: 48

MEMORANDUM FOR: THE PRESIDENT

FROM: Kenneth W. Dam, Acting

WHITE HOUSE  
SITUATION ROOM

1. Soviet Reaction to Your UNGA Speech. Soviet reaction to your speech has been generally devoid of the polemics we have seen in recent months. Before you spoke on Monday, Chernenko made relatively restrained remarks on US-Soviet relations in a speech to Soviet writers. The September 25 TASS report, however, was much more negative in tone. It accused you of using the UN as a platform for electioneering and suggested the speech was more form than substance. This reaction suggests the Soviets have not yet decided how to handle your approach and are temporizing until Gromyko has had the opportunity to explore these issues with you personally. Eastern European media reaction has been cautious. Romanian special envoy Manescu's private characterization of your speech as "inspiring" goes far beyond anything the Romanians are likely to say in public. We can expect to see some different shadings develop within Eastern Europe over the next few days.

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S/S 8426746

15821D

DEPARTMENT OF STATE  
WASHINGTON

September 26, 1984

MEMORANDUM FOR: THE PRESIDENT

FROM: Kenneth W. Dam, Acting *KWD*

1. Peru. In anticipation of your meeting with President Belaunde, I discussed Peru's problems with Prime Minister Mariategui. The Prime Minister stressed that 4 years of civilian government have not sufficed to undo the damage of 12 years of leftist military rule, during which foreign enterprises were nationalized and Soviet armaments purchased. Today's Peru is saddled with this military legacy as well as the depredations of Shining Path terrorists, narcotics trafficking and a serious economic decline. The Prime Minister emphasized Belaunde's commitment to wage the war against terrorism without engaging in human rights violations. I expressed our strong desire to help Peru preserve and stabilize its democracy and noted that, to a large extent, external assistance hinges on the government's management of Peru's economy.

2. Manescu Visit. I met this morning with Manea Manescu, the Romanian Special Emissary who had a photo opportunity with you yesterday. Manescu was obviously pleased and impressed by his brief meeting with you, and repeated the invitation for you and Mrs. Reagan to visit Romania in 1985. Speaking under Ceausescu's instructions, Manescu said the decision to send a team to the Olympics reflected Romania's desire to expand Romania's political independence from the Soviets, as well as good relations with us. Asking that the U.S. relax its export license procedures for Romania, he pointed out there are no Soviet troops in Romania, that Romania has not for many years sent troops to Warsaw Pact maneuvers or allowed Pact maneuvers in the country, and affirmed that Romania does not transfer Western-acquired technology to the Soviets.

3. Lunch With Tunisian Foreign Minister Essebsi. Tunisian Foreign Minister Beji Caïd Essebsi told me at lunch that as a result of the Moroccan-Libyan Treaty of Union, Qadhafi would ultimately be more aggressive. Essebsi drew my attention to Qadhafi's September 1st National Day speech which had references to the abolition of national borders. Essebsi said that King Hassan had first gone to Algeria with a similar proposal.

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DECL:OADR

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NLRR M453/5 #15821D

BY *RW* NARA DATE 1/25/16

**SECRET**DEPARTMENT OF STATE  
WASHINGTON

September 27, 1984

MEMORANDUM FOR: THE PRESIDENT

FROM: Kenneth W. Dam, Acting *KWD*

1. Foreign Affairs Aspects of the Continuing Resolution.  
The House has voted out its version of the Continuing Resolution, which endorses the unacceptable mark established by the House Appropriations Committee. The House adopted two major foreign policy amendments: (1) Fascell's, which attaches the House-passed Authorization Bill to the CR, and (2) Brown's, which cuts foreign aid 2% worldwide (no cuts for Israel and Egypt).

The Senate Appropriations Committee has marked up its CR, providing funding generally at levels requested by the Administration. The Senate will debate the CR tonight and Friday, with a vote expected Friday. Final floor votes on the CR Conference Report are expected in both Houses early next week. Although we have problems with both CRs, the Senate version is generally acceptable to us. We will try to defeat or water down troublesome amendments to the CR which might be proposed on Pakistan, Jordan, Turkey and Nicaragua.

2. Withdrawal from Chad. French forces have moved somewhat southward from positions near the sixteenth parallel. Libyan forces have not yet moved, and the French reportedly will maintain their current positions until the Libyans begin to evacuate northward. On the diplomatic front, we have passed to Chad the assurances we received from Cheysson that France will react strongly if the Libyans again attack Chad, and that France will continue its civil and military assistance to Chad. While still annoyed by the cavalier manner in which they were treated by Paris, Chad officials appear ready to cooperate with the withdrawal.

3. UK and PRC Initial Agreement on Hong Kong's Future.  
Both the British and Chinese are pleased with Secretary Shultz's statement (made at British request) welcoming the agreement on Hong Kong's future. Chinese Foreign Minister Wu indicated his pleasure with the statement during his meeting with Secretary Shultz in New York yesterday. Initial indications in Hong Kong suggest an upbeat response to initialing of the agreement. Beijing has acted swiftly to describe the agreement as a precedent for reunification with Taiwan. Taiwan's reaction to the agreement is skeptical.

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BY *RW* NARA DATE 11/25/16



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S/S 8427003

158213

THE SECRETARY OF STATE  
WASHINGTON

September 28, 1984

MEMORANDUM FOR: 47 THE PRESIDENT

From : George P. Shultz *GPS*

1. Testimony before the Senate Foreign Relations Committee. Under Secretary for Management Ronald Spiers, testifying this morning before the Senate Foreign Relations Committee, spoke in favor of substantially increased security funding for our embassies overseas. Although concerned at the Beirut bombing, Senator Mathias was strongly supportive of our request for additional funds. Senator Biden was more critical. He wanted to know the extent to which the Department of State requests for security funding had been cut by OMB, whether Lebanese security guards had been carefully screened, and why the Department was requesting a \$366 million authorization, but only a \$110 million appropriation. At the close of the hearing, Senator Biden offered an amendment to the bill which would require you to certify either that security funding for our overseas embassies is sufficient or that funds are insufficient and more money is being requested. The Committee subsequently passed the bill with all funding intact--and authority for the Attorney General and me to pay rewards for terrorist information--but defeated the Biden amendment. (U)

2. Discussions with Japanese on Whales. A Japanese delegation led by the Japanese Whaling Commissioner and the Deputy Foreign Minister was in Washington yesterday and today to discuss the potential US-Japan confrontation on whaling. If Japanese take sperm whales, as they are likely to do in early October, Japan could be certified under the Packwood Amendment and could lose half or more of its allocation of US fish, lending to intense resentment in Japan. The Japanese emphasized that whaling is an intensely emotional and political issue in Japan. Though the industry is economically insignificant and has been declining, it has strong support in the Diet and among the people. Consequently, the Japanese Government cannot force the whalers to stop whaling immediately. The US delegation noted continued strong Congressional and public support for the IWC moratorium, and said that the US Government must enforce the law. Although a settlement of our differences is by no means certain, both sides are working seriously towards a compromise. (C)

3. Bolivia Promises Reform. Bolivian Foreign Minister Fernandez told Ken Dam today that Bolivia will set its financial house in order and continue combatting narcotics efforts. Fernandez insisted that President Siles will not allow the communists in his government to undermine Bolivian democracy, but warned that any reforms would fail without our assistance. We have heard promising remarks from the Bolivians before; Ken will follow these up when he travels to La Paz in November. (C)

DECL:OADR

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NLRR M453/5 #158213

BY *RW* NARA DATE 1/25/16

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S/S 8427003

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158212

THE SECRETARY OF STATE  
WASHINGTON

September 28, 1984

MEMORANDUM FOR: THE PRESIDENT

84 SEP 29 A 8:47  
From : George P. Shultz *GPS*

1. Testimony before the Senate Foreign Relations Committee. Under Secretary for Management Ronald Spiers, testifying this morning before the Senate Foreign Relations Committee, spoke in favor of substantially increased security funding for our embassies overseas. Although concerned at the Beirut bombing, Senator Mathias was strongly supportive of our request for additional funds. Senator Biden was more critical. He wanted to know the extent to which the Department of State requests for security funding had been cut by OMB, whether Lebanese security guards had been carefully screened, and why the Department was requesting a \$366 million authorization, but only a \$110 million appropriation. At the close of the hearing, Senator Biden offered an amendment to the bill which would require you to certify either that security funding for our overseas embassies is sufficient or that funds are insufficient and more money is being requested. The Committee subsequently passed the bill with all funding intact--and authority for the Attorney General and me to pay rewards for terrorist information--but defeated the Biden amendment. (U)

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NLR 11/5/84 #158212

BY *RW* NARA DATE 11/25/16

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