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President Reagan (02/08/1984-03/23/1984)

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WITHDRAWAL SHEET

Ronald Reagan Library

Collection Name EXECUTIVE SECRETARIAT, NSC: SUBJECT FILE

Withdrawer

RBW 8/31/2011

File Folder MEMORANDUMS OF CONVERSATION - PRESIDENT
REAGAN (02/08/1984-03/23/1984)

FOIA

M10-351/M10-371

Box Number 52

JAUVERT/BROWER

32

ID	Doc Type	Document Description	No of Pages	Doc Date	Restrictions
117783	MEMCON	RE. PRESIDENT'S MEETING WITH AUSTRIAN OPPOSITION LEADER ALOIS MOCK <i>R 6/22/2015 M371/</i>	2	2/3/1984	B1
117784	MEMCON	RE. PRESIDENT'S MEETING WITH SWISS VICE PRESIDENT KURT FURGLER <i>R 6/22/2015 M371/</i>	2	2/3/1984	B1
117785	MEMCON	RE. PRESIDENT'S MEETING WITH BRITISH OPPOSITION LEADER NEIL KINNOCK <i>R 6/22/2015 M371/</i>	4	2/14/1984	B1
117786	MEMCON	RE. PRESIDENT'S MEETING WITH AUSTRIAN PRESIDENT RUDOLF KIRCHSCHLAEGER <i>R 6/22/2015 M371/</i>	6	2/28/1984	B1
117787	CABLE	STATE 069382 <i>R 6/22/2015 M371/</i>	6	3/9/1984	B1
117788	MEMCON	RE. PRESIDENT'S MEETING WITH PRESIDENT MITTERRAND <i>R 6/22/2015 M371/</i>	7	3/23/1984	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.

NSC/S PROFILE

~~SECRET~~ *W 2/11*

ID 8401164

UNCLASSIFIED UPON REMOVAL
OF CLASSIFIED ENCLOSURE(S)

RECEIVED 10 FEB 84 18

TO MCFARLANE

FROM COBB

DOCDATE 08 FEB 84

KEYWORDS **AUSTRIA**

MOCK, ALOIS

SUBJECT: **MEMCON OF MTG BTWN PRES & OPPOSITION LEADER MOCK 3 FEB**

ACTION: FOR DECISION

DUE: 13 FEB 84 STATUS S FILES

FOR ACTION

FOR CONCURRENCE

FOR INFO

MCFARLANE

COMMENTS

RLF# LOG NSCIFID (CL)

ACTION OFFICER (S) ASSIGNED ACTION REQUIRED DUE COPIES TO

FEB 18 1984
FEB 18 1984
Mcfarlane approved
Kennett sfd
CO, RK

DISPATCH *AP 2/18* W/ATTCH FILE *SA* (C)

984 CT

National Security Council
The White House

84 FEB 10 P 5: 02

System # I

Package # 1164

	SEQUENCE TO	HAS SEEN	DISPOSITION
Bill Martin	<u>1</u>	<u>N</u>	
Bob Kimmitt	<u>2</u>	<u>K</u>	
John Poindexter			
Wilma Hall			
Bud McFarlane	<u>4</u>	<u>M</u>	<u>A</u>
Bob Kimmitt	<u>5</u>	<u>K</u>	
NSC Secretariat	<u>6</u>		<u>D</u>
Situation Room			
<u>Rosie</u>	<u>3</u>	<u>Jone</u>	<u>Conventions</u>

I = Information A = Action R = Retain D = Dispatch N = No further Action

cc: VP Meese Baker Deaver Other M

COMMENTS

Should be seen by: _____

(Date/Time)

Bud: You had noted with pleasure the Bohmshy memcon on Speljah. I should tell you that, unlike NSC meetings, we have been getting memcons. However, John and I have not been sending you memcons of meetings you attend with the President. Do you wish to see those too, or just ones from meetings you do not attend?

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NATIONAL SECURITY COUNCIL

WASHINGTON, D.C. 20508

1164

3

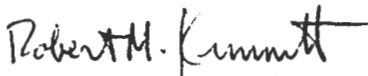
February 18, 1984

~~CONFIDENTIAL~~
W/SECRET ATTACHMENT

MEMORANDUM FOR CHARLES HILL
Executive Secretary
Department of State

SUBJECT: Memorandum of Conversation Between the
President and Austrian Opposition Leader
Alois Mock (C)

Attached at Tab A, for your information, is the memcon from the
President's meeting with Opposition Leader Alois Mock on February
3, 1984. (C)


Robert M. Kimmitt
Executive Secretary

~~CONFIDENTIAL~~
W/SECRET ATTACHMENT

Declassify on: OADR

DECLASSIFIED
Sec. 3.4(b), E.O. 12958, as amended
White House Guidelines, Sept. 11, 2006
BY NARA RW DATE 8/31/11

117783

~~SECRET~~

THE WHITE HOUSE
WASHINGTON

1164

4

~~SECRET~~

MEMORANDUM OF CONVERSATION

SUBJECT: Summary of President's Meeting with
Austrian Opposition Leader Alois Mock

PARTICIPANTS: The President
Vice President
John M. Poindexter
Deputy Assistant Secretary Thomas Niles
Tyrus W. Cobb, NSC

Dr. Alois Mock, Chairman of the
International Democratic Union

DATE, TIME AND PLACE: February 3, 1984, Oval Office
9:40-9:50 a.m.

The President welcomed Austrian Opposition Leader and Chairman of the International Democratic Union (IDU) Alois Mock to Washington and expressed appreciation for the work of the IDU in our common efforts to build democracy in Latin America. The President asked Mr. Mock to provide a summary of the recent meeting in Colombia that Mock attended. Mr. Mock noted that this conference, sponsored by the Konrad Adenauer Foundation, was unique in that it brought together for the first time Christian Democratic parties from Europe and Central/South America. As a result of the Bogota meeting, Mock said he was encouraged that cooperation would expand between European moderate parties and the Christian/Conservative parties of Latin America. (C)

Dr. Mock also described his recent visit to Nicaragua and El Salvador. Mock reviewed what he perceived as a steady Nicaraguan slide toward an increasingly repressive regime, a development that he characterized as typical for a Leninist party. (S)

Dr. Mock expressed concern over the outcome of the upcoming Presidential elections in El Salvador. He noted that should the moderate Duarte not emerge victorious, this could lead to a continuation of the turmoil in El Salvador for many years. (S)

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NLR M3711 # 117783
BY RW NARA DATE 6/22/15

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The President again expressed his appreciation to Dr. Mock for his efforts in Central America, and for his support of U.S. policy in that region. He asked that Mock continue to keep us informed regarding the IDU's contribution toward the democracy-building process in Central and South America. (C)

The meeting concluded at 9:50 a.m.

SECRET

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984 6

National Security Council
The White House

System # _____

Package # _____

	SEQUENCE TO	HAS SEEN	DISPOSITION
Bill Martin	_____	✓	_____
Bob Kimmitt	2	K	_____
John Poindexter	_____	_____	_____
Wilma Hall	_____	_____	_____
Bud McFarlane	4	M	A
Bob Kimmitt	5	K	_____
NSC Secretariat	6	_____	D
Situation Room	_____	_____	_____
Rosie	3	_____	Corrections

I = Information A = Action R = Retain D = Dispatch N = No further Action

cc: VP Meese Baker Deaver Other _____ *M*

COMMENTS

Should be seen by: _____
(Date/Time)

Bud: You had noted with pleasure the Dolmansky memo on Spizak. I should tell you that, unlike NSC meetings, we have been getting memos. However, John and I have not been sending you memos of meetings you attend with the President. Do you wish to see those too, or just ones from meetings you do not attend?

~~SECRET~~

1164

MEMORANDUM

NATIONAL SECURITY COUNCIL

~~CONFIDENTIAL~~
W/SECRET ATTACHMENT

ACTION

February 8, 1984

MEMORANDUM FOR ROBERT C. McFARLANE

SIGNED

FROM: TYRUS W. COBB *twc*

SUBJECT: Memorandum of Conversation Between the
President and Austrian Opposition Leader
Alois Mock

Attached at Tab A is the memcon from the President's meeting with
Opposition Leader Alois Mock on February 3, 1984. After your
review, please have Bob Kimmitt forward the paper to State with
his memo attached at Tab I.

RECOMMENDATION

That you have Kimmitt forward the memcon to State after your
review.

Approve

Disapprove

Attachments

Tab I - Kimmitt Memo to Hill

Tab A - Memorandum of Conversation

~~CONFIDENTIAL~~
W/SECRET ATTACHMENT
Declassify on: OADR

~~SECRET~~

DECLASSIFIED
Sec.3.4(b), E.O. 12958, as amended
White House Guidelines, Sept. 16, 2009
BY NARA *RW* DATE *8/31/11*

SECRET
UNCLASSIFIED UPON REMOVAL
OF CLASSIFIED ENCLOSURE(S)

RECEIVED 15 FEB 84 14

TO MCFARLANE FROM COBB

DOCDATE 13 FEB 84

KEYWORDS: SWITZERLAND

FURLER, KURT

SUBJECT: MEMCON OF PRES 3 FEB MTG W/ SWISS VICE PRESIDENT KURT FURLER

ACTION: FOR DECISION

DUE: 16 FEB 84 STATUS X FILES

FOR ACTION

FOR CONCURRENCE

FOR INFO

COBB

FORTIER

SOMMER

COMMENTS

REF# LOG NSCIFID (CB)

ACTION OFFICER (S)	ASSIGNED	ACTION REQUIRED	DUE	COPIES TO
Mcfarlane	X 2/15	For Decision		
		Mcfarlane approved		
	FEB 18 1984	Hammitt		CO, RR

DISPATCH *2/18* W/ATTCH FILE *RR*

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National Security Council
The White House

8 FEB 14 P 2:37

System # I

Package # 1256

	SEQUENCE TO	HAS SEEN	DISPOSITION
Bill Martin	<u>1</u>	<u>LFM</u>	
Bob Kimmitt	<u>2</u>	<u>K</u>	
John Poindexter			
Wilma Hall	<u>4</u>		
Bud McFarlane	<u>5</u>	<u>M</u>	<u>A</u>
Bob Kimmitt	<u>6</u>	<u>K</u>	
NSC Secretariat	<u>7</u>		<u>D</u>
Situation Room			
<u>Rosie</u>	<u>3</u>	<u>done</u>	<u>correctness Tab I and A</u>

I = Information A = Action R = Retain D = Dispatch N = No further Action

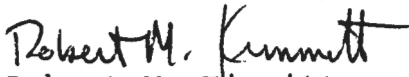
cc: VP Meese Baker Deaver Other _____

COMMENTS

Should be seen by: _____
(Date/Time)

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

February 18, 1984

UNCLASSIFIED
W/SECRET ATTACHMENTMEMORANDUM FOR CHARLES HILL
Executive Secretary
Department of StateSUBJECT: Memorandum of Conversation Between the President
and Swiss Vice President Kurt FurglerAttached at Tab A, for your information, is the memcon from the
President's meeting with Swiss Vice President Kurt Furgler on
February 3, 1984.
Robert M. Kimmitt
Executive SecretaryUNCLASSIFIED
W/SECRET ATTACHMENTRWJ
8/31/11

~~SECRET~~

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THE WHITE HOUSE

WASHINGTON

~~SECRET~~

MEMORANDUM OF CONVERSATION

SUBJECT: Summary of President's Meeting with
Swiss Vice President Kurt Furgler

PARTICIPANTS: The President
Ambassador John David Lodge
Ambassador Faith Whittlesey
John M. Poindexter
Deputy Assistant Secretary Thomas Niles
Tyrus W. Cobb, NSC

Swiss Vice President Kurt Furgler
Ambassador Anton Hegler
Ambassador Klaus Jacobi

DATE, TIME AND PLACE: February 3, 1984, The Oval Office
9:30 a.m.-9:45 a.m.

The President extended a warm welcome to Vice President Kurt Furgler and expressed his pleasure in receiving such a great friend of the United States. The President commented on the closeness of our two countries, borne of a mutual history of democracy and a common commitment to Western values. (C)

The President expressed particular appreciation to Switzerland for its special assistance in Cuba and in Iran, particularly during the hostage crisis. (C)

Vice President Furgler thanked the President for his kind invitation to the Oval Office and reiterated Switzerland's continuing strong support for U.S. policy. He expressed admiration for the President's policy of combining a commitment to global peace while maintaining a strong U.S. military deterrent. He noted that the Swiss people were encouraged by the President's recent initiatives to defuse East-West tensions and commented that Switzerland saw its security as closely linked to that of the U.S. He remarked on the importance of Central America, and expressed the hope that the President's policy package, which would be announced February 3, would meet with success. The President indicated that he would, indeed, be sending his proposals for increased assistance for Central America to the Congress. He noted that he anticipated some difficulty in securing passage of his Central American proposals in the Congress. (C)

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NLRR M37111 # 117784
BY AW NA/ DATE 6/22/15

Vice President Furgler turned next to trade problems, remarking on the importance for Switzerland of the maintenance of the free international trade system. He stressed that it is important that the European countries and the United States do not resort to protectionist measures which could pose a serious danger to their economies. (C)

The President agreed, noting that he was engaged in a constant struggle with Congress on trade issues. He indicated that despite strong pressures in the Congress for protectionist measures, he would resist these proposals in order to protect open markets. Vice President Furgler said he hoped the United States and Switzerland would be able to work together in the OECD and the GATT, where a strong U.S. voice in support of free trade was essential. Turning to the EC Ten, the President noted that the Europeans have some serious internal problems of their own which we hope they will be able to resolve. The President said he believed we had made some progress on trade issues with Japan. Prime Minister Nakasone supports freer trade, but the President said that Nakasone's political maneuvering room was somewhat restricted. Recalling his meetings in Japan with Prime Minister Nakasone, Vice President Furgler said he had met with the Japanese Prime Minister on the day of the shutdown of KAL Flight 007. He expressed admiration for the strong position which Nakasone took in response to the Soviet action and Nakasone's general support for Western positions. (C)

The President reiterated to Vice President Furgler his strong desire to achieve global peace and arms reductions. He remarked that Eisenhower had wisely noted that the world was coming to the point where the weapons of war were of such a magnitude that no longer could we envision success in war but only defeat. The President noted that traditional concepts of victory and defeat were devoid of meaning. It was now imperative that the nations of the world work together to find new ways to achieve arms control and preserve the peace. (C)

Ambassador Lodge agreed with the President and noted that when democracies were weak, the danger of war was the greatest. The President agreed and indicated that he felt we had laid the foundation of a strong democracy in many respects -- militarily, economically and, through a demonstrable will to employ power when required. (C)

Vice President Furgler agreed and praised the President for his policy of combining deterrence and dialogue. (C)

Vice President Furgler thanked the President for his kind invitation and reiterated Switzerland's appreciation for the strong leadership America was exerting in the world arena under President Reagan. (C)

The meeting concluded at 9:45 a.m. (C)

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1256

MEMORANDUM

NATIONAL SECURITY COUNCIL

~~CONFIDENTIAL~~
~~W/SECRET ATTACHMENT~~

ACTION

February 13, 1984

MEMORANDUM FOR ROBERT C. McFARLANE

SIGNED

FROM: TYRUS W. COBB

TWC

SUBJECT: Memorandum of Conversation Between the
President and Swiss Vice President
Kurt Furgler

Attached at Tab A is the memcon from the President's meeting with
Swiss Vice President Kurt Furgler on February 3, 1984. After
your review, please have Bob Kimmitt forward the paper to State
with his memo attached at Tab I.

RECOMMENDATION

That you have Kimmitt forward the memcon to State after your
review.

Approve PCM

Disapprove _____

Attachments

Tab I - Kimmitt Memo to Hill

Tab A - Memorandum of Conversation

~~CONFIDENTIAL~~
~~W/SECRET ATTACHMENT~~

~~SECRET~~

DECLASSIFIED
Sec. 34(b), E.O. 12958, as amended
White House Guidelines, Part
BY NARA RW, DATE 8/31/11

NSC/S PROFILE

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OF CLASSIFIED ENCI

ID 8401336

RECEIVED 22 FEB 84 18

DOCDATE 16 FEB 84

TO MCFARLANE

FROM COBB

KEYWORDS: GREAT BRITAIN

KINNOCK, NEIL

SUBJECT: MEMCON BTW PRES & BRITISH OPPOSITION LEADER KINNOCK

ACTION: FOR DECISION

DUE: 23 FEB 84 STATUS X FILES PA

FOR ACTION

FOR CONCURRENCE

FOR INFO

MCFARLANE

COMMENTS

REF# LOG NSCIFID (VL)

ACTION OFFICER (S) ASSIGNED ACTION REQUIRED DUE COPIES TO

C 2/22 Kinnitt sqd memo Co ✓

DISPATCH *ed* MJR 2/22 W/ATTCH FILE PA (C) m

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National Security Council The White House

84 FEB 22 P 2: 53

System # I
Package # 1336

	SEQUENCE TO	HAS SEEN	DISPOSITION
Bill Martin	_____	_____	_____
Bob Kimmitt	<u>1</u>	<u>K</u>	_____
John Poindexter	_____	_____	_____
Wilma Hall	_____	_____	_____
Bud McFarlane	_____	_____	_____
Bob Kimmitt	_____	_____	_____
NSC Secretariat	<u>2</u>	_____	<u>D</u>
Situation Room	_____	_____	_____
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I = Information	A = Action	R = Retain	D = Dispatch	N = No further Action
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cc: VP Meese Baker Deaver Other _____

COMMENTS Should be seen by: _____
(Date/Time)

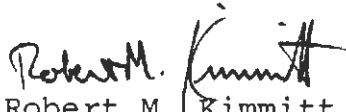
February 22, 1984

UNCLASSIFIED
W/~~SECRET~~ ATTACHMENT

MEMORANDUM FOR CHARLES HILL
Executive Secretary
Department of State

SUBJECT: Memorandum of Conversation Between the President
and Opposition Leader Neil Kinnock

Attached at Tab A, for your information, is the memcon from the President's meeting with Opposition Leader Neil Kinnock on February 14, 1984.


Robert M. Kimmitt
Executive Secretary

UNCLASSIFIED
W/~~SECRET~~ ATTACHMENT

RW 2/21/11

~~SECRET~~

117785

1336

~~SECRET~~

MEMORANDUM OF CONVERSATION

1r

SUBJECT: Summary of President's Meeting with
British Opposition Leader Neil Kinnock

PARTICIPANTS: The President
Secretary Shultz
Robert C. McFarlane
Tyrus W. Cobb, NSC
Deputy Assistant Secretary James Dobbins

British Opposition Leader Neil Kinnock
Patricia Hewitt, Kinnock Staff
Richard Clements, Kinnock Staff

DATE, TIME AND PLACE: February 14, 1984, The Oval Office
4:00-4:25 p.m.

The President welcomed Mr. Kinnock to Washington and indicated that he was delighted to exchange views on international affairs with the new Labor Party Leader. The President said that he had been informed that Kinnock had very useful discussions with several Administration policymakers while in Washington. (C)

Mr. Kinnock thanked the President for his hospitality and observed that he was very pleased with the substantive and fruitful discussions on a number of issues that he has had with U.S. officials. The President reiterated to Kinnock the security themes that he has stressed recently, particularly in his Tokyo Diet speech and his major address on American-Soviet relations in January. The President stressed the urgent necessity of securing global stability and a genuine peace. Should a conflict break out today between the superpowers there would be no real victor. There exists an urgent necessity to rid the earth of nuclear weaponry. However, he stressed he did not agree with the Labor Party's statements on unilateral nuclear disarmament. He noted that the U.S. had offered, when it was the sole nuclear power on earth, to turn its nuclear weapons over to an international authority. We were disappointed that the other side failed to respond. (S)

Mr. Kinnock said that he understood fully the President's position and wanted to make clear that he did not place the U.S. and the Soviets in the same category. Kinnock indicated he was very pleased with the President's State of the Union address which, in his mind, implicitly came close to endorsing a concept

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DECLASSIFIED

NLRR M3711 #117785

BY RW NARA DATE 6/20/15

of no first use of nuclear weapons. He wondered if the Soviet leadership would be as forthcoming. Kinnock continued that he fully recognized the necessity of maintaining Western military strength in order to provide an effective deterrent. This was particularly true in the case of conventional force improvements for the defense of Western Europe. However, from a British perspective, there is no role for nuclear weapons to play in this deterrent strategy. To be fair, Kinnock said, Britain should not ask to be placed under the U.S. nuclear umbrella if it were to rid itself of nuclear weapons. (S)

The President stated that we have had thirty-eight years of peace and, perhaps, the existence of nuclear weaponry has been a contributing factor. He said that when he discusses this issue with students he always asks them to consider whether or not the world has been a safer place because of the U.S. development of nuclear forces. We are prepared, and the Soviets understand this, to defend our Western sovereignty at any level. I wonder, the President said, that if the world had listened to Winston Churchill in the 1930s would we have been able to have prevented Hitler's maniacal schemes? Kinnock agreed that Churchill's words were prophetic and we had failed to heed them. (C)

The President said that following World War II, he often asked Japanese he came in contact with, "Why Pearl Harbor?", "Why did you launch that attack?" Their response invariably pointed out that they observed the U.S. Army training using cardboard tanks and mock-up machine guns, indicating that the U.S. was not serious in its determination to counter Japanese imperialism. (C)

Mr. Kinnock stated that he agreed absolutely with the President, particularly in his characterization of the pre-World War II period. The Spanish Civil War, in which many Americans participated, was a good example of an effort to halt the trend toward fascism in Europe. However, the analogy does not apply directly today. An exchange of weaponry at this time could mean the obliteration of mankind. He added that the President seemed to be saying this in his recent pronouncements. (S)

The President nodded agreement, but stressed that fear of the consequences of nuclear war should not be construed to mean that unilateral nuclear disarmament is the proper path to pursue. He agreed that it is true that we cannot think of victory or defeat as we had previously. Turning to Soviet views of deterrence, the President indicated that he was aware that the USSR may base much of its preparations on a fear of attack. After all, Russia had experienced invasions for centuries and has traditionally been surrounded by hostile foreign powers. However, the President added that he and Kinnock know that no one in the West is going to attack the Soviet Union. Thus, as in 1946, when the Soviets spurned our offer to share knowledge on atomic weaponry and pursued their own atomic arms programs, it appears that the Kremlin has other aims in mind besides a defensive mentality rising from this fear of invasion. (S)

Mr. Kinnock strongly agreed and pointed out that it was to the Soviets' discredit that they missed this opportunity. However, this should not mean that we should seriously adopt concepts such as a "war fighting" capability. This is a primary concern of European youth and has alienated many of them from our policies. Mr. Kinnock indicated he understood the President's position on nuclear weaponry and suggested that if he were in the President's chair, he might feel the same way regarding the role of these weapons. Nuclear deterrence makes sense for the United States, but not for the United Kingdom, said Kinnock. The British people can see no gain from a nuclear conflict or even a discussion of how such a conflict would take place. The arms race must be stopped immediately. An excellent initial step on this, said Kinnock, is the U.S. "build-down" policy enunciated in recent strategic arms proposals. (S)

The President responded that the existence of nuclear weapons has been a key factor in maintaining global stability and preventing war. He wondered if the U.S. would have seriously considered dropping the bombs on Japan if we knew that San Francisco or Chicago would be vulnerable to retaliation from Tokyo. (S)

Mr. Kinnock replied that he understood the President's logic, but that does not lead to the corollary assertion that every state should then have a nuclear weapon. For example, Qadhafi's Libya. We certainly don't want that. The spread of nuclear weaponry could make conflict more probable and lead to such consequences as the "nuclear winter" that has been widely discussed. (S)

The President responded that he was adamantly opposed to any further nuclear proliferation and endorsed all efforts to halt the spread of these arms. He indicated that he, too, had serious discussions on what the consequences would be on a nuclear conflict and agreed with Kinnock that a "nuclear winter" was theoretically possible. The President added, however, that he wished the Soviet leadership would study this question as carefully as he has and would understand better the horrible consequences of a superpower conflict. (S)

Mr. Kinnock, in shifting the discussion to the Middle East, told the President he was a strong supporter of the 1982 U.S. proposal. He recommended that once the affairs in Lebanon had settled, we should return to the essence of our 1982 policy package. Kinnock stated that a solution to the Middle East would likely involve Russian, and certainly Syrian, participation. He indicated that, although he was not a fan of Assad, Syrian security concerns needed to be taken into consideration. Further, he said, we must not overlook the critical questions regarding the Western Bank and the Gaza Strip, and the status of the Palestinians. (S)

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The President replied that this, indeed, was the subject of intense discussions in the White House over the last two days with President Mubarak and King Hussein. He indicated that a demonstrable willingness to negotiate by all sides was necessary, including a readiness to trade territory for secure borders. The President agreed with Kinnock that all of these other concerns should be given equal weight in our negotiations and pledged that the U.S. would do its best to achieve genuine peace and stability in the Middle East. Mr. Kinnock thanked the President warmly for his hospitality and for the leadership he has demonstrated in the Western Alliance. Kinnock noted that all of our lives depend on the President's decisions and he wanted him to know that he (Kinnock) had a great respect for the office and for the President himself. (S)

The meeting concluded at 4:25 p.m.

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~~SECRET~~

~~SECRET~~

1336

MEMORANDUM

NATIONAL SECURITY COUNCIL

~~CONFIDENTIAL~~
~~W/SECRET ATTACHMENT~~

ACTION

February 16, 1984

MEMORANDUM FOR ROBERT C. McFARLANE

SIGNED

FROM: TYRUS W. COBB *TWC*

SUBJECT: Memorandum of Conversation Between the President
and British Opposition Leader Neil Kinnock

Attached at Tab A is the memcon from the President's meeting with
British Opposition Leader Neil Kinnock on February 14, 1984.
After your review, please have Bob Kimmitt forward the paper to
State with his memo attached at Tab I.

RECOMMENDATION

That you have Kimmitt forward the memcon to State after your
review.

Approve RMK

Disapprove _____

Attachments

Tab I - Kimmitt to Hill Memo
Tab A - Memorandum of Conversation

~~CONFIDENTIAL~~
~~W/SECRET ATTACHMENT~~

DECLASSIFIED
Sec.34(b), E.O. 12958, as amended
White House Guidelines, Sept. 11, 2000
BY NARA *RW*, DATE *8/31/11*

SECRET

~~SECRET~~
RW 3/31/11
UNCLASSIFIED UPON REMOVAL
OF CLASSIFIED ENCLOSURE(S)

RECEIVED 12 MAR 84 17

DOCDATE 08 MAR 84

TO MCFARLANE

FROM COBB

KEYWORDS AUSTRIA

KIRCHSCHLAEGER, RUDO

SUBJECT: MEMCON BETWEEN THE PRES & AUSTRIAN PRES

ACTION: FOR DECISION

DUE: 15 MAR 84 STATUS X FILES

FOR ACTION

FOR CONCURRENCE

FOR INFO

MCFARLANE

COMMENTS

REF# LOG 8401284 NSCIFID (DW)

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Bob Kimmitt	<u>2</u>	<u>K</u>	
John Poindexter			
Wilma Hall			
Bud McFarlane			
Bob Kimmitt	<u>4</u>	<u>K</u>	
NSC Secretariat	<u>5</u>		<u>D</u>
Situation Room			
Tom Shull			
<u>Rosie</u>	<u>3</u>	<u>close</u>	<u>Conchmas</u>

I = Information A = Action R = Retain D = Dispatch N = No further Action

cc: VP Meese Baker Deaver Other _____

COMMENTS

Should be seen by: _____

(Date/Time)

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NATIONAL SECURITY COUNCIL


March 13, 1984

~~SECRET~~ ATTACHMENT

MEMORANDUM FOR CHARLES HILL
Executive Secretary
Department of State

SUBJECT: Memorandum of Conversation Between the
President and Austrian President
Rudolf Kirchsclaeger

At Tab A. is the memcon from the President's meeting with
Austrian President Rudolf Kirchsclaeger on February 28,
1984.


Robert M. Kimmitt
Executive Secretary

Attachment
Tab A - Memcon

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DECLASSIFIED
Sec. 3.4(b), E.O. 12958, as amended
White House Guidelines, Sept. 11, 2006
BY NARA RW DATE 8/31/11

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117786

1916

THE WHITE HOUSE

WASHINGTON

MEMORANDUM OF CONVERSATION

SUBJECT: Summary of President's Meeting with
Austrian President Rudolf Kirchsclaeger
(U)

PARTICIPANTS: U.S.
The President
The Vice President
Robert C. McFarlane
Ambassador Helene von Damm
Deputy Treasury Secretary McNamar
Thomas M. T. Niles, DAS
Tyrus W. Cobb, NSC

Austria
President Kirchsclaeger
Foreign Minister Erwin Lanc
Austrian Ambassador Thomas Klestil
Minister Heinz Fischer
Chancellery Minister Ferdinand Lacina

DATE, TIME February 28, 1984, The Oval Office
AND PLACE: 10:30-11:30 a.m.

After an initial exchange, President Kirchsclaeger observed that the band which had been playing at the welcoming ceremonies had, quite appropriately, played the Austrian "Radetsky March." This was the same tune which the U.S. military band had played as it marched out of Vienna, October 25, 1955. President Kirchsclaeger remarked that this march was an excellent bridge between that historic day and today's meeting. (U)

The President expressed U.S. appreciation for the Austrian role in receiving Eastern European refugees and for the position of Vienna as a focal point for East-West communication. President Kirchsclaeger noted that Austria's willingness to provide asylum for refugees was compatible with its policy of neutrality. The heavy influx of Hungarian refugees in November 1956 was a severe initial test. He noted that the Soviets terminated all visits to Austria after the Hungarian revolution until Deputy Prime Minister Mikoyan came in mid-1957 on a trade mission. President Kirchsclaeger said that now all of the Eastern European countries accept Austria as a point of asylum. (C)

The President welcomed the resumption of the MBFR negotiations in Vienna March 16, expressing the hope that the Soviets will ultimately return to START and INF as well. He said he could not

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NLRN M3711 #117786
BY RW NARA DATE 6/22/15

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believe that the Soviets meant their boycott to be permanent, and stressed his support for deep cuts in nuclear arsenals. He said that he still nursed the hope that once the U.S. and the Soviet Union can start down the road of real reductions, the Soviets will see the virtue of totally eliminating nuclear weapons. President Kirchsclaeger said that the ultimate Soviet decision regarding the resumption of START and MBFR talks will be influenced by the way the MBFR talks proceed. For the present, he said, the Soviets have strong reservations regarding the START and MBFR negotiations. (C)

At the President's request, Vice President Bush gave his impressions of his February 14 meeting with CPSU General Secretary Chernenko, stressing that while we are not euphoric as a result of this meeting, we were pleased that it was devoid of harsh Soviet rhetoric. Chernenko had taken familiar positions, the Vice President noted, calling for an agreement on non-first-use of nuclear weapons, but he did so without directly attacking U.S. positions. The Vice President added that Gromyko's February 27 "election" speech had been somewhat harsher and was a cause for some concern. (C)

Commenting further on U.S.-Soviet relations, Secretary Shultz reviewed the January 17 opening of the CDE in Stockholm. At that time, Gromyko's speech had been so harsh that even the Eastern Europeans criticized it privately. However, when he met with the Secretary, Gromyko was more reasonable, though he made no concessions. Their meeting, originally scheduled for 2 1/2 hours, stretched to five hours and concluded only because Gromyko had a previous appointment with Genscher. In addition to proposing the resumption of MBFR discussions, Gromyko engaged in a discussion of a full range of issues, and the Secretary said that there were parts of the conversation where they had useful exchanges of views. He added that the President's January 16 speech had set a good tone for the meeting with Gromyko, making clear that we are ready to discuss a wide range of issues with the Soviets in a serious way. While we were not seeking agreements for the sake of agreements, we were moving ahead, the Secretary noted, although he agreed with the Vice President that Gromyko's speech the day before had been quite harsh. (C)

Continuing on East-West relations, President Kirchsclaeger said that the power line-up within the Soviet leadership was not yet clear, and went on to express regret that a "real dialogue between the U.S. and the USSR on the main problems will not be possible this year." Secretary Shultz pointed out that President Reagan had never really had a dialogue partner in Moscow, since Brezhnev had been so feeble during his last years, and Andropov had never been able to actively engage in international affairs. President Kirchsclaeger agreed, adding that if Andropov had lived, he might have been able to make tough decisions, something which he was not so sure Chernenko will be able to do. He reported that the Soviet Ambassador in Vienna, obviously aware that Kirchsclaeger would

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soon be in Washington, had told him that the Soviet leadership was "still waiting to interpret President Reagan's speech of January 16." As far as the Eastern Europeans are concerned, President Kirchsclaeger added, they seemed to be totally uninformed about what was going on in Moscow, so much so that they even ask the Austrians for information. In this uncertain time, President Kirchsclaeger suggested that the Western countries should keep probing regarding Soviet attitudes in the hope that some positive decisions can be made. (S)

The President said that he intended to keep up his efforts to develop a dialogue with the Soviets, since the two countries must live together, although this does not mean we have to love each other. President Kirchsclaeger agreed, stating that coexistence and dialogue were the correct course. This required, however, that the Western countries stand firmly on the values of their societies. He stressed that it would be a mistake to ignore the ideological sphere in relations with the Communist countries. This was, he said, the great merit of the Austrian people's attitude; even during the 1945-55 period, they never lost sight of these fundamental values. He explained to the President that in 1945, the Soviets had permitted elections in Austria on the advice of the local Communist party only to find that the Communists got less than five percent of the total. At approximately the same time, the Communist party in Czechoslovakia got 36 percent of the vote in free elections. As Austrian Ambassador in Prague in 1968, President Kirchsclaeger said he had told the Czechs that if the Austrians had voted in 1945 as the Czechs had voted in 1946, "we would be in the same mess today as you are in." In conclusion, President Kirchsclaeger said that if you doubt your own principles, you will be in serious trouble in relations with the USSR. As a result, the Soviets call us capitalists, he said, and we Austrians do not reject this label. (C)

Picking up on Kirchsclaeger's reference to the importance of elections, the President expressed hope that Austria would send observers to the March 25 elections in El Salvador. He recalled the last election in El Salvador and the great popular enthusiasm which it engendered. Even those observers who were skeptical regarding that election, the President noted, came away convinced that it had been an important step toward democratization. President Kirchsclaeger nodded agreement with the President's comments. Turning to Nicaragua, the President noted that the Sandinistas were taking steps which could only be considered anti-democratic in that they were denying access by opposition groups to the media and rejected other essential aspects of the democratic process. President Kirchsclaeger asked whether the President saw any hope in Central America, to which the President replied affirmatively, noting his commitment to implement the recommendations of the Kissinger Commission. To do so, it would be necessary to provide a security shield, but the President stressed that the U.S. approach emphasizes economic and political development. (C)

Secretary Shultz said that the Kissinger Commission was part of an educational process which has called the attention of this country to its vital stake in Central America. The electoral component is the key to the legitimization of political solutions. This is why the guerrillas oppose the elections and why we hope that other countries will send representatives to observe the elections in El Salvador and Nicaragua as well. Secretary Shultz noted that Costa Rica presents an excellent model for the rest of the region. The President agreed, and recalled that when he was at a meeting in San Jose with President Monge, a Communist member of the parliament had interrupted President Reagan's speech, but he had not been taken away by the police, as this would have been contrary to the principles of Costa Rican democracy. The President said that he had then told his audience that this was an example of democracy in action, adding that if Costa Rica had the type of government which the Communist legislator advocated no one else could talk. (C)

Turning to the question of observers, Foreign Minister Lanc said that Austrians had some direct personal experience with non-democratic elections, notably the 1938 elections staged after the Anschluss, which gave the Nazis an overwhelming majority. There are, he said, some key aspects in addition to the voting itself, notably registration of voters and access to the media. This is true in Nicaragua as well, he said, and unless things changed there, the November 4 elections will be suspect. Lanc argued that Austria must treat the two countries identically. He recalled that he had asked some of the Salvadoran rebels why they did not participate in the elections, to which they answered that they feared for their lives. This element of security, he said, must also be a precondition for elections. (C)

The President observed that in the last elections in El Salvador, the political party which was believed to have links with the death squads was defeated. He noted the heavy press censorship in Nicaragua, which is not present in El Salvador, and pointed out that the Salvadoran guerrillas had been offered amnesty, but had rejected it. The Secretary urged that the Austrians talk with U.S. experts who are helping the Salvadorans organize the elections, trying to ensure as free, fair and honest an election as possible. Lanc agreed that this would be useful, and said he would designate someone to meet with our representatives to obtain a full report on what is being done in connection with the elections. Mr. McFarlane pointed out that Hans-Juergen Wischnewski of the SPD went to El Salvador and was extremely impressed with what he saw there. He added that the FRG was sending observers and returning its Ambassador to San Salvador. (C)

The Vice President observed that many Europeans seem to see the Sandinistas as something other than they themselves claim to be, i.e., Marxists-Leninists. He asked how the Austrians evaluated the Sandinistas. Lanc said that his sources, including Wischnewski, felt that the original revolution against Somoza had been a broadlybased national liberation struggle. There was a wide range of opinions within the Sandinista movement and the question now is

whether this diversity can persist. He asked whether it was possible to support the real democratic forces which the Austrians believe still exist within the Sandinista movement. Answering his own question, he argued that external military intervention would push the Sandinistas in a Marxist-Leninist direction, and thereby strengthen Marxist-Leninist tendencies within the movement. (C)

The President agreed that the original anti-Somoza movement had been a broad coalition. He recalled that it had appealed to the OAS for help and had received it on the condition that certain democratic practices be followed. Subsequently, much as Castro had done in 1960, the Sandinistas ignored their commitments to the OAS and rapidly eliminated the representatives of other political tendencies which had participated in the anti-Somoza struggle. These people, the President said, are now taking up arms to resist the Sandinista dictatorship; our only reason for supporting them is to force the Sandinistas to live up to their 1979 commitments. He noted the mistreatment of the Miskito Indians by the Sandinistas, and pointed out that the Sandinistas had by and large been successful in giving a false image to the outside world. The United States, he said, had initially given substantial help to the Sandinistas, but ceased this assistance when it became clear that the Sandinistas were intent on establishing a Marxist-Leninist dictatorship and spreading their revolution to other countries. He pointed out that, like Castro's revolution, democratic forces in the movement were exiled, jailed or executed and the totalitarian elements assumed control. Lanc said that Austria agreed with much of the President's analysis of post-1979 development in Nicaragua, adding that Austria had made clear to the Sandinistas that they must move on the path of democracy if they want Austrian support. This pressure, he said, rather than military intervention, was responsible for the Sandinista decision to proceed with the November 4 elections. (S)

President Kirchsclaeger expressed his thanks to the President for including Austria in the youth exchange initiative. Such contacts, he said, were a "precious thing" and he recalled that his son had spent a very useful year in the U.S. under an AFS program. He expressed the hope that the program could be broadened and involve not only students, but young workers and farmers -- specifically, to include handicapped youth. (U)

At the conclusion of the meeting, President Kirchsclaeger noted that there was one issue which he felt he had to raise. He recalled that when he had been in East Berlin last fall, he had been able to resolve numerous humanitarian issues involving the two countries. However, he had not been able to resolve the problem of an Austrian national, Hans Sieberer, who had been arrested by the GDR and imprisoned for espionage. He said that he would appreciate anything the USG could do to secure Sieberer's release. Secretary

Shultz said that he had discussed the case the day before with Minister Lanc and assured him that we are aware of Austria's concerns and were doing all we could through an intermediary to secure the release of Mr. Sieberer. President Kirchsclaeger expressed appreciation for this assistance. (S)

The meeting concluded with a strong expression of appreciation by President Kirchsclaeger for the invitation to visit the United States and for the excellent reception he and his colleagues had received in Washington. The meeting concluded at 11:35 a.m. (U)

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MEMORANDUM

NATIONAL SECURITY COUNCIL

~~CONFIDENTIAL~~
~~W/SECRET~~ ATTACHMENT

ACTION

March 8, 1984

MEMORANDUM FOR ROBERT C. McFARLANE

FROM: TYRUS W. COBB TC (PA)

SUBJECT: Memorandum of Conversation Between the
President and Austrian President
Rudolf Kirchschaeger

Attached at Tab A is the memcon from the President's meeting with Austrian President Rudolf Kirchschaeger on February 28, 1984. After your review, please have Bob Kimmitt forward the paper to State with his memo attached at Tab I.

RECOMMENDATION

That you have Kimmitt forward the memcon to State after your review.

Approve RMC Disapprove _____

Attachments

Tab I - Kimmitt to Hill Memo
Tab A - Memorandum of Conversation

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~~W/SECRET~~ ATTACHMENT

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DECLASSIFIED
Sec.3.4(b), E.O. 12958, as amended
White House Guidelines, Sept. 11, 2008
BY NARA RW, DATE 8/31/11

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RW 8/31/11
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OF CLASSIFIED ENCLOSURE(S)

RECEIVED 14 MAR 84 09

DOCDATE 13 MAR 84

TO KIMMITT

FROM LAUX

KEYWORDS NEW ZEALAND

MULDOON, ROBERT

SUBJECT: MEMCON OF PRES MTG W/ PM MULDOON ON 24 FEB 1984

ACTION: FOR INFORMATION

DUE:

STATUS IX FILES

FOR ACTION

FOR CONCURRENCE

FOR INFO

MCFARLANE

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John Poindexter			
Wilma Hall			
Bud McFarlane			
Bob Kimmitt			
NSC Secretariat	<u>3</u>		<u>N</u>
Situation Room			
Tom Shull			

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cc: VP Meese Baker Deaver Other _____

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MEMORANDUM

NATIONAL SECURITY COUNCIL

INFORMATION

March 13, 1984

NOTED

MEMORANDUM FOR ROBERT M. KIMMITT

FROM: DAVID LAUX *DL*

SUBJECT: Memorandum for the Record of President's Meeting
with New Zealand Prime Minister Sir Robert Muldoon

The attached State telegram constitutes the official record of the President's meeting with New Zealand Prime Minister Sir Robert Muldoon, on February 24, 1984. It was compiled from the notes taken by State Deputy Assistant Secretary Bill Brown and myself.

Gaston *JS* Sigur concurs.

OK. Thanks.
mm

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Sec.3A(b), E.O. 12958, as amended
White House Guidelines, Sept. 11, 2000
BY NARA RW DATE 8/31/11

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NATIONAL SECURITY COUNCIL
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TAGS: US, NZ, ANZUS, XP, RP, EAID, ECON, EFIN, EFIS,
EGEN, EPAP, XF
SUBJECT: THE PRESIDENT'S MEETING WITH NEW ZEALAND
PRIME MINISTER MULDOON

1. (S - ENTIRE TEXT)

2. THE PRESIDENT AND NEW ZEALAND PRIME MINISTER SIR ROBERT MULDOON MET IN THE CABINET ROOM OF THE WHITE HOUSE FOR 45 MINUTES ON FEBRUARY 24. (PM MULDOON WAS IN WASHINGTON FOR A THREE-DAY OFFICIAL WORKING VISIT.) THE U.S. PARTICIPANTS WERE: PRESIDENT REAGAN, VICE PRESIDENT BUSH, SECRETARY OF STATE SHULTZ, SECRETARY OF COMMERCE BALDRIGE, USTR BROCK, AMBASSADOR BROWNE, DEPUTY SECRETARY OF AGRICULTURE LYNG, DEPUTY SECRETARY OF DEFENSE TAFT, DEPUTY SECRETARY OF THE TREASURY MCNAMAR, ASSISTANT SECRETARY OF STATE WOLFOWITZ, DEPUTY ASSISTANT SECRETARY OF STATE BROWN, AND NATIONAL SECURITY COUNCIL STAFF MEMBER LAUX. THE NEW ZEALAND PARTICIPANTS WERE: PRIME MINISTER MULDOON; NEW ZEALAND AMBASSADOR ADAMS-SCHNEIDER; GERALD HENSLEY, PERMANENT HEAD, PRIME MINISTER'S DEPT; E. A. WOODFIELD, DEPUTY SECRETARY OF DEPT OF TRADE AND INDUSTRY; AND T. GROSER, ASSISTANT TO THE PRIME MINISTER. FOLLOWING IS A SUMMARY OF THE MEETING.

3. THE PRESIDENT OPENED BY STATING THAT WE HIGHLY VALUE OUR RELATIONSHIP WITH NEW ZEALAND AND OUR PARTNERSHIP IN ANZUS. WE ARE GRATEFUL FOR NEW ZEALAND'S SUPPORT FOR OUR POSITIONS, INCLUDING THE RESCUE OPERATION IN GRENADA, HER REPRESENTATION IN THE MFO IN THE SINAI, THE NEW ZEALAND BATTALION IN SINGAPORE, AND THE LEADERSHIP ROLE WHICH PRIME MINISTER MULDOON PLAYS IN THE SOUTH PACIFIC.

4. PRIME MINISTER MULDOON THANKED THE PRESIDENT FOR HIS REMARKS, SAID HE HAD HAD GOOD TALKS WITH SEVERAL MEMBERS OF THE PRESIDENT'S CABINET, AND WELCOMED THIS OPPORTUNITY FOR DISCUSSIONS WITH THE PRESIDENT KNOWING WHAT AN IMPORTANT TIME THIS WAS AND HOW BUSY THE PRESIDENT WAS.

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BY RW NARA DATE 6/22/15

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NATIONAL SECURITY COUNCIL
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PAGE 02 OF 06 SECSTATE WASHDC 9382 DTG: 090456Z MAR 84 PSN: 027692

PRIME MINISTER MULDOON SAID THAT NEW ZEALAND HAD VERY LITTLE IN THE WAY OF DIFFICULTIES IN ITS BILATERAL RELATIONS WITH THE U. S. HIS COUNTRY'S ABILITY TO STAND ALONGSIDE THE U. S. HAS BEEN CONSTANT. REGARDING GRENADA, HIS GOVERNMENT HAD NO HESITATION WHATSOEVER IN SUPPORTING THE U. S. FROM THE MOMENT THE SITUATION WAS CLARIFIED. "THAT'S WHAT FRIENDSHIP IS ALL ABOUT AND WE WILL DO THAT." THE ONLY DIFFICULT ISSUE OF THE MOMENT WHICH HE WANTED TO DISCUSS HAD TO DO WITH THE LATEST U. S. PROPOSAL FOR DISPOSING OF DAIRY PRODUCTS IN JAMAICA. HE UNDERSTOOD THE U. S. PROGRAM AND TOTALLY SUPPORTED THE NECESSITY FOR PROPERLY ASSISTING COUNTRIES IN THAT SITUATION BUT NOT AT THE EXPENSE OF NEW ZEALAND'S MARKETS. WHILE NEW ZEALAND REMAINED VERY CONCERNED OVER THE POLITICAL AND ECONOMIC SITUATION IN THE PHILIPPINES, "PLEASE, WHATEVER ASSISTANCE YOU GIVE THE PHILIPPINES, DON'T LET IT BE DAIRY PRODUCTS." WHEREAS NEW ZEALAND'S DAIRY PRODUCTS TRADE WITH JAMAICA WAS \$5 MILLION DOLLARS ANNUALLY, THAT WITH THE PHILIPPINES WAS \$50 MILLION--- IT WAS THEIR BIGGEST MARKET IN SOUTHEAST ASIA. THE PRIME MINISTER SAID HE WAS REASSURED BY SECRETARY SHULTZ'S REMARKS EARLIER THAT DAY ON THIS SUBJECT.

5. SECRETARY SHULTZ SAID THAT WE HAVE NO PLANS THAT HE WAS AWARE OF TO DO ANYTHING WITH THE PHILIPPINES INVOLVING DAIRY PRODUCTS. WE WOULD DEVELOP AIR-TIGHT PROCEDURES TO PREVENT MOVING UNILATERALLY ON DAIRY PRODUCT DISPOSAL PROGRAMS SUCH AS WE WERE CONTEMPLATING FOR JAMAICA. "BEFORE ANYTHING HAPPENS, AND I DON'T EXPECT IT WILL, WE WILL DISCUSS SUCH MATTERS WITH YOU THOROUGHLY." PRIME MINISTER MULDOON SAID THAT SECRETARY SHULTZ'S RESPONSE WAS "PERFECT."

6. TURNING TO ANZUS, THE PRIME MINISTER SAID HE THOUGHT THINGS THERE WERE IN GOOD SHAPE. THE NEW AUSTRALIAN LABOR GOVERNMENT HAD COME IN WITH LOTS OF BAGGAGE AND MADE THEIR REASSESSMENT OF ANZUS, BUT FORTUNATELY PRIME MINISTER HAWKE HAD TAKEN CHARGE, TACKLED HIS LEFT WING AND NOW ANZUS IS OK. THERE WAS A MINOR PROBLEM WITH THE NEW ZEALAND LABOR OPPOSITION LEADER LANGE, WHO WAS INEXPERIENCED. LANGE HAD DECLARED THAT IF HE BECAME PRIME MINISTER, U. S. NUCLEAR-POWERED WARSHIPS WOULD NOT BE ABLE TO VISIT NEW ZEALAND UNLESS THE U. S. DECLARED THAT THESE HAD NO NUCLEAR WEAPONS. OBVIOUSLY THE UNITED STATES COULD NOT MAKE SUCH A DECLARATION AND SO LANGE'S STATEMENT WAS FOOLISH. PROBABLY LANGE, IF HE CAME INTO POWER, WOULD LEARN THE HARD WAY THAT HE COULD NOT CONTINUE TO LIVE WITH SUCH A POLICY. "I DON'T THINK LANGE WILL WIN THE ELECTIONS, BUT HE MIGHT."

7. REGARDING THE SOUTH PACIFIC ISLANDS, PRIME MINISTER MULDOON SAID THAT HE WAS CLOSE TO THEIR SITUATION. WITHIN THE LAST YEAR OR TWO HE HAD SEEN THEM ACCEPT ANZUS AS AN UMBRELLA EVEN THOUGH THEY WERE NOT MEMBERS OF ANZUS THEMSELVES -- AND THEY LIKED IT. THIS WAS OF CONSIDERABLE SIGNIFICANCE. THE SOVIET UNION WAS KEEN TO GET A SATELLITE RELATIONSHIP SOMEWHERE WITHIN THE SOUTH PACIFIC, E. G., A LAND-BASED FISHING FACILITY. NEW ZEALAND WAS DETERMINED NOT TO LET THEM HAVE ONE. MUCH DEPENDED THEREFORE ON THE SOUTH PACIFIC FORUM WITH WHOSE LEADERS MULDOON HAS A CLOSE PERSONAL RELATIONSHIP. ANY U. S. ASSISTANCE TO THE SOUTH PACIFIC WOULD HELP CONTINUE THE STABILITY WHICH PREVAILS IN THIS VAST, CRITICAL AREA.

8. THE PRESIDENT SAID WE VERY MUCH APPRECIATED PRIME MINISTER MULDOON'S EFFORTS. WE COULD NOT RETREAT FROM

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PAGE 03 OF 06

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OUR NEITHER-CONFIRM-NOR-DENY POLICY ON NUCLEAR ARMS ON BOARD NAVAL VESSELS, FOR TO DO SO WOULD PROVIDE OUR ADVERSARIES WITH AN INTELLIGENCE WINDFALL. THE PRESIDENT EMPHASIZED THAT WE WERE DEADLY SERIOUS IN OUR ADVOCACY OF THE NON-USE OF NUCLEAR ARMS AND WE HOPED TO PERSUADE THE USSR TO GO ALL THE WAY IN REDUCING SUCH ARMS.

9. THE PRIME MINISTER SAID THAT THIS HAD BEEN NEW ZEALAND'S LINE CONSTANTLY AND THAT HE SUPPORTED OUR EFFORTS. NEW ZEALAND WAS ONE OF THE FIRST TO SIGN NON-PROLIFERATION TREATIES. HIS GOVERNMENT WELCOMED USG WARSHIPS AS A SIGN OF FRIENDSHIP, AND IN POPULAR POLLS OVER 70 PERCENT OF THOSE QUERIED RESPONDED FAVORABLY. THE "DIAL-A-SAILOR" PROGRAM, WHEREBY NEW ZEALAND FAMILIES OFFERED U. S. SAILORS INVITATIONS TO THEIR HOMES FOR DINNER, WAS SO POPULAR THAT THERE WERE MORE OFFERS THAN SAILORS. THE "PROTEST MOVEMENT" GOT THE HEADLINES, BUT THE PUBLIC ATTITUDE WAS QUITE CLEAR.

10. REGARDING THE EXPORT INCENTIVES PROGRAM AND HIS GOVERNMENT'S OBLIGATION TO THE U. S. GOVERNMENT, THE PRIME MINISTER SAID HE WAS IN A BIT OF A TANGLE WITH HIS NATIONAL ASSOCIATION OF MANUFACTURERS, PARTICULARLY THOSE BELOW THE TOP LEADERSHIP LEVELS. TWICE, IN 1957 AND 1972, THE NATIONAL ASSOCIATION OF MANUFACTURERS HAD PUT HIS PARTY OUT OF GOVERNMENT. HE HAD DISCUSSED THIS PROBLEM WITH USTR BROCK ON THE PREVIOUS DAY AND HAD ACHIEVED SOMETHING WHICH WAS ACCEPTABLE TO THE U. S. SIDE AND WHICH WOULD GET HIM OFF THE HOOK SO THAT HIS GOVERNMENT COULD DO SOMETHING POSITIVE. "IF I HAD TO ABORT THIS PROGRAM THIS YEAR, I'D BE IN REAL TROUBLE." MEANWHILE, HE WAS MOVING TO REMOVE PROTECTIONISM STEP BY STEP IN CONSULTATION WITH THE NAM, BUT THE MATTER WAS A BIT DELICATE, AS IT WAS IN THE U. S. THERE ARE THOSE IN THE NAM WHO KNOW THEY CAN APPLY THE HEAT IN AN ELECTION YEAR, AND THEY'RE DOING IT.

11. MR. BROCK NOTED "WE'LL SOLVE THE PROBLEM, MR. PRESIDENT."

12. THE PRIME MINISTER THEN TOOK UP THE INTERNATIONAL ECONOMY, ESPECIALLY THE ISSUE OF PAYMENTS AND TRADE. AS A GOVERNOR OF THE IMF SINCE 1967, HE HAD PUT CONSIDERABLE STUDY INTO THIS PROBLEM WHICH, IN THE CASE OF TURKEY, HAS CAUSED GOVERNMENTS TO FALL, THE OPPOSITION TO TAKE OVER, THE ARMY TO STEP IN, ALL IN A SITUATION WHERE TURKEY WAS STRATEGIC TO WESTERN INTERESTS. THIS HAD ALERTED HIM TO THE FACT THAT, APART FROM THE DANGERS OF ECONOMIC AND POLITICAL DISRUPTION, THERE WERE IN SOME CASES POSSIBILITIES OF STRATEGIC DESTRUCTION. HE WAS HOPING THAT VARIOUS WORKING GROUPS WOULD COME TO GRIPS WITH THE MATTER, E. G., THE GATT, THE IMF, THE NON-ALIGNED MOVEMENT, THE G-77, THE G-10, AND THE COMMONWEALTH HEADS OF GOVERNMENT WHICH IN NOVEMBER OF 1983 FOUNDED AN EIGHT-COUNTRY COMMITTEE OF WHICH HE WAS CHAIRMAN. HIS PURPOSE WAS TO FIND A MECHANISM, PROBABLY RELATED TO THE MEMBERSHIP OF THE "INTERIM COMMITTEE" OF THE IMF WHERE IN SOME INSTANCES ONE COUNTRY WOULD REPRESENT A GROUP -- SO WE CAN GET 145 COUNTRIES INTO A 22-MAN COMMITTEE. HE WAS HOPEFUL OF ATTAINING AGREEMENT WHEREBY THE COMMITTEE WOULD EXAMINE OPTIONS FOR PROGRESS.

13. IN THE TRADE FIELD, THE PRIME MINISTER NOTED THAT THE U. S. ADMINISTRATION WAS DETERMINED TO MODERNIZE THE GATT. "WE ARE TOTALLY WITH YOU." THE IMF NEEDED TO BE

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GIVEN A NEW MANDATE TO ATTACK STRUCTURAL PROBLEMS SO THAT WHEN ANOTHER RECESSION OCCURRED -- AS IT INEVITABLY WOULD -- WE COULD PREVENT COLLAPSE. "IN THAT LIGHT, I HOPE I CAN SAY THAT YOU DON'T OPPOSE WHAT WE'RE DOING."

14. DEPUTY SECRETARY MCNAMAR SAID WE WELCOME THE PRIME MINISTER'S INITIATIVE AND ACKNOWLEDGED THAT THE PRESENT MEANS WERE NOT FULLY ADEQUATE. OUR CONCERNS WERE: WOULD THIS BE A WHOLESALE OR PARTIAL OVERHAULING OF STRUCTURE, E.G., WOULD WE CHANGE THE IMF OR INCREASE ITS QUOTAS TO CONSTRUCT A SAFETY NET? REGARDING GATT, OUR VIEWS WERE SOMEWHAT DIFFERENT FROM THOSE OF THE PRIME MINISTER BUT WE SHARED THE PRIME MINISTER'S CONCERNS REGARDING BRINGING IN THE DEVELOPING COUNTRIES. CONTINUED STUDY WAS WORTHWHILE.

15. THE PRIME MINISTER SAID HE WAS GLAD TO HEAR MR. MCNAMAR'S COMMENT. HE HAD BEEN IMPRESSED WITH PRESIDENT REAGAN'S STATEMENT TO THE IMF LAST YEAR. SENATOR GARN OF THE SENATE BANKING COMMITTEE HAD BEEN VERY SUPPORTIVE IN TALKS ON THE PREVIOUS DAY. THE PRIME MINISTER UNDERSTOOD THAT THERE WAS SOME REAL POLITICAL DIFFICULTIES, BUT IT WAS IMPORTANT TO ASSIST THE WORLD ECONOMY IN SUCH A WAY THAT WE DIDN'T GET ANOTHER DEPRESSION OF THE 1930'S. HE WAS TALKING ABOUT MOBILIZING RESOURCES OF "THOUSANDS AND THOUSANDS" OF INDIVIDUALS TO CREATE CAPITAL RESOURCES AND HOPED THAT THE U.S. GOVERNMENT WOULD SUPPORT THIS. HE SAID THIS WAS NOT AN OPERATION TO BAIL OUT THE BANKS, IT WAS A PROGRAM TO HELP THE WORLD READJUST -- TO AVOID ANOTHER DEPRESSION. "WHO ARE THE BANKS? THEY'RE SIMPLY THOUSANDS OF DEPOSITORS AND SHAREHOLDERS."

16. MR. BROCK REPLIED IN THE AFFIRMATIVE BUT NOTED THAT WE HAD DIFFICULTIES REGARDING LINKAGE.

17. MR. MULDOON SAID THAT HIS RECENT DISCUSSIONS WITH COMMONWEALTH MEMBERS RESULTED IN BRINGING IN THE BRITISH AND CANADIANS FOR THE FIRST TIME IN TERMS OF POSITIVE ATTITUDE. HE HAD TALKED WITH PRIME MINISTER THATCHER AND THE CHANCELLOR OF THE EXCHEQUER NIGEL LAWSON, BOTH OF WHOM WERE POSITIVE. SO WERE THE FRENCH, THE NORDICS AND SCANDINAVIANS, ALTHOUGH GERMAN ECONOMIC MINISTER LAMBSDORFF WAS A PROBLEM. IF ONLY THE WORLD COMMUNITY COULD GET MOVEMENT ON THE GATT, THE JAPANESE WOULD NOT BE ABLE TO STAND OUT AS THEY HAD. MRS. GANDHI WAS DOING A GOOD JOB OF PERSUADING THE NON-ALIGNED MOVEMENT NOT TO SHOUT. SHE HAS A COMMITTEE OF FIVE AND IS MAKING GOOD PROGRESS.

18. SECRETARY SHULTZ REFERRED TO MR. BROCK'S EFFORTS TO BRING THE TRADE RELATIONSHIP AND MONETARY EFFORTS TOGETHER, FOR THESE WERE TWO SIDES OF THE SAME COIN AND IT WAS ARTIFICIAL TO SEPARATE THEM INTO DIFFERENT BINS. WE NEEDED A MECHANISM WHEREBY WE COULD DISCUSS THEM TOGETHER. UNFORTUNATELY GOVERNMENTS HAD DIFFERENT ORGANIZATIONS RELATED TO TRADE AND MONEY MATTERS. THE PRIME MINISTER REPLIED THAT WAS WHY HE HAD ALWAYS RAISED TRADE AND PAYMENTS AS ONE ISSUE. HE SAID, "WE'RE TALKING ABOUT 40 COUNTRIES, A SLICE OF THE WORLD ECONOMY" -- ALL OF LATIN AMERICA, AND AFRICA, AND PARTS OF ASIA AND EUROPE WITH A TOTAL GNP SUCH THAT, IF THEY WERE UNDER RESTRAINT, THEY WERE CAPABLE OF BLUNTING AN UPTURN IN THE WORLD ECONOMY. THE ISSUES WERE OF SUCH IMPORTANCE THAT RESOLUTION WOULD NOT WAIT MUCH LONGER. AMBASSADOR BROWNE COMMENTED THAT THE PRIME MINISTER'S LEADERSHIP IN THIS AREA HAD BEEN VERY HELPFUL. THE PRIME MINISTER REPLIED

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PAGE 05 OF 06 SECSTATE WASHDC 9382 DTG: 090456Z MAR 84 PSN: 027692

THAT TIME WAS A PROBLEM. IT TOOK TIME TO EDUCATE PEOPLE TO THE PROBLEM -- "BUT WE'RE MAKING PROGRESS."

19. THE PRESIDENT SAID HE WAS GLAD TO HEAR THE PRIME MINISTER'S REFERENCES TO FIGHTING PROTECTIONISM. HE WOULD NEVER FORGET WHAT THE SMOOT HAWLEY ACT DID TO THE WORLD SCENE IN THE 1930'S.

20. THE PRIME MINISTER SAID HE WAS NOT SURE THAT WE WERE SUFFICIENTLY AFRAID OF A WORLD DEPRESSION AS WE HAD BEEN IMMEDIATELY AFTER WORLD WAR II. HE FELT TOO MANY COUNTRIES TODAY FELT THEY COULD INSULATE THEMSELVES. HE FEARED THAT THERE WAS TOO MUCH OF AN INTROSPECTIVE ATTITUDE IN EUROPE, ESPECIALLY AMONG GERMANS, WHO WERE PRONE TO TAKE VERY HARD ATTITUDES.

21. AT THE PRESIDENT'S LUNCH, SECRETARY SHULTZ ASKED THE PRIME MINISTER FOR HIS VIEWS ON HANDLING THE IRAN-IRAQ CONFLICT.

22. THE PRIME MINISTER SAID HE WAS VERY APPREHENSIVE OVER THE CONTINUANCE OF RELIGIOUS FANATICISM IN IRAN EVEN AFTER KHOMEINI. NEW ZEALANDERS HAD TO "KEEP OUR HEADS DOWN" BECAUSE THEY ARE CURRENTLY SELLING 144,000 TONS OF LAMB, AS WELL AS MUCH BUTTER AND WOOL TO IRAN (IN COMPARISON WITH 245,000 TONS TO THEIR LARGEST CUSTOMER, THE EEC). "ONE FALSE STEP AND WE COULD BE SHUT OUT OVERNIGHT." IN THE PAST NEW ZEALAND HAD SOLD 30,000 TONS OF LAMB ANNUALLY TO IRAQ. HIS CURRENT WORRY WAS THAT IN CERTAIN CIRCUMSTANCES, BAHRAIN WITH ITS SHIITE POPULATION AND CONSERVATIVE RULING FAMILY WAS MADE TO ORDER FOR UNREST. HOPEFULLY BAHRAIN WOULD STAY TOGETHER AS A WINDOW ON THE WEST. IN RESPONSE TO SECRETARY SHULTZ'S REQUEST FOR HIS ANALYSIS ON HOW WELL OR FULLY THE IRANIAN ECONOMY WAS RUNNING, THE PRIME MINISTER SAID THAT NEW ZEALANDERS WERE LACKING DETAILED ANALYSIS BUT IT SEEMED THAT THE IRANIANS WERE LESS UNDER PRESSURE THAN PREVIOUSLY. THEY WERE GETTING MORE OIL AND MORE ASSETS. AS AN EXAMPLE THEY WERE PAYING CASH FOR NEW ZEALAND LAMB THIS YEAR WHEREAS LAST YEAR THEY COULD ONLY PAY WITH OIL, SOME OF WHICH NEW ZEALAND HAD TO REEXPORT. IN RESPONSE TO THE VICE PRESIDENT'S QUESTION WHETHER IRAN WAS KEEPING ITS WORD IN TRADE MATTERS, THE PRIME MINISTER SAID, "THEY ARE, WITH US."

23. MR. WOODFIELD SAID THAT THE IRANIANS SEEMED TO BE REACHING OUT IN IMPROVING THEIR RURAL ECONOMY AND DOING SOME TRADE WITH THE WEST. SUPERFICIALLY, THERE WERE CERTAIN ENTERPRISES WHICH SEEMED REASONABLY OPERATIONAL. IT WAS HARD TO DETERMINE, HOWEVER, WHAT WAS GOING ON UNDERNEATH THE SURFACE. VICE PRESIDENT BUSH NOTED THAT A FRIEND OF HIS REPORTED THAT THE HILTON HOTEL IN TEHRAN IS STILL PROFITABLE AND THAT THERE WAS A VIGOROUS MARKET FOR LAND. MAYBE THERE WAS SOME FUTURE HOPE AMONG FIELD-GRADE ARMY OFFICERS WHO HAD BEEN WELL TRAINED UNDER THE SHAH.

24. IN RESPONSE TO A QUESTION WHETHER IRAQ COULD DISRUPT IRANIAN OIL, SECRETARY SHULTZ OPINED THAT THEY COULD INDEED DO SO. ONE NEED NOT BE A MARKSMAN WHEN USING AN EXOCET MISSILE. THE PRESIDENT HAD BEEN FIRM REGARDING U.S. REACTION TO POSSIBLE OIL DISRUPTION IN THE PERSIAN GULF AND THIS FIRMNESS GAVE US A CERTAIN DETERRENCE.

25. THE PRIME MINISTER NOTED THAT THE USSR AND CHINA WERE TWO EXCELLENT MARKETS FOR NEW ZEALAND AGRICULTURAL PRODUCTS. HE RHETORICALLY ASKED, "WHY DO WE SELL?"

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PAGE 06 OF 06 SECSTATE WASHDC 9382 DTG: 090456Z MAR 84 PSN: 027692

BECAUSE WE HAVE NO ALTERNATIVE." HE HIMSELF HAD ORDERED
THE SOVIET AMBASSADOR TO NEW ZEALAND EXPELLED WHEN HE
LEARNED THAT THE AMBASSADOR HAD BEEN CAUGHT RED-HANDED
HANDING OVER MONEY TO LEFT-WING ELEMENTS. THE SOVIETS
HAD RETALIATED BY EXPELLING THE NEW ZEALAND AMBASSADOR.
NOW BOTH SIDES WERE EXCHANGING AMBASSADORS AGAIN.
"MEANWHILE OUR TRADE IS FLOURISHING."

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DEPARTMENT OF STATE

OFFICE OF THE SECRETARY

MEMORANDUM OF CONVERSATION

Date: March 23, 1984
Place: White House

SUBJECT: Space, International Economics, Terrorism

PARTICIPANTS: FRANCE

President Mitterrand
Foreign Minister Cheysson
Elysee Secretary General Bianco
Ambassador Vernier-Palliez
Elysee Adviser Vedrine
Elysee Adviser Attali
Elysee Adviser Guigou

US

President Reagan
Vice President Bush
Secretary Shultz
Counselor Edwin Meese
Ambassador Galbraith
National Security Adviser McFarlane
Deputy Treasury Secretary McNamar
Ambassador Vernon Walters
Acting Assistant Secretary of State for European
Affairs John H. Kelly
National Security Staff Member Ty Cobb

(U) The President said that the US would be pleased to accommodate a French astronaut on a forthcoming flight of the space shuttle. This could be in connection with a French medical experiment which will be on board a shuttle flight next year.

(U) President Mitterrand responded that space is a grand enterprise. He saw no counter indications to accepting the US offer. Mitterrand added that France has astronauts who are already trained. "I accept very readily."

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(C) Mitterrand continued that NASA Administrator Beggs had discussed with him French participation in a manned space station. Mitterrand said the French are examining the proposal. It was discussed by the EC-10 at the Brussels Summit this week. The proposal lies several years ahead and has significant financial implications, but the two projects (the shuttle and the space station) should not compete one with another. Mitterrand concluded by saying he would examine the issue but that for both real and symbolic reasons, he thought it a good idea.

(C) President Reagan said that with regard to the space station, this would be good for international cooperation and a real step forward. He suggested that it could be discussed at the London Economic Summit in June. Mitterrand repeated that it had not yet been fully studied by the French.

(U) President Reagan said that we would appreciate a readout on this week's Summit.

(U) Mitterrand responded that all of the unresolved issues were settled except one: reimbursement to the UK for its contribution to the Community. Mitterrand said that he at his Brussels press conference listed the 16 points of agreement, including major issues such as budgetary problems, monetary pressures, and mundane problems like cross-border travel.

(C) When the UK issue is settled, continued Mitterrand, then all issues will be settled. The Irish milk production problem is more difficult but may be separable. The Summit meeting was more positive than is generally thought, but at Stuttgart last year it was agreed that a global solution to all issues would be found. Thus, the remaining disagreement on the UK contribution blocks settlement of all the other issues.

(C) Mitterrand noted that concerning the UK reimbursement problem, because it is a major producer, the UK pays substantial sums to the EC. Since 1980 the UK has asked that payments and reimbursements be equalized. There is no question among any of the 10 of not helping the UK, but not on a permanent basis. The other 9 all agreed on that point. It was West Germany which formulated the principal refusal to the UK position and Holland had supported it.

(C) Beyond the current difficulties, there are interesting and positive potential solutions among the 9. The

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UK says that the EC will soon be short of funds. This is an attempt to frighten the poorer countries, e.g., Greece, into believing that when the Community runs out of cash, it will have to accept the UK position. We will have to see, said Mitterrand.

(C) Mitterrand said that he will go to London on April 10 for an important and amicable meeting. There will be the June 6 Day ceremony, the London Economic Summit of June 8, and the EC Summit later that month. There is no great crisis in the EC.

(S) Mitterrand said that each time in the past Mrs. Thatcher has gotten everything she asked for. This time she did not and that is part of the problem.

(C) The EC has discussed the admission of Spain and Portugal. The aim is to wrap up the negotiations this year so that they can enter the EC in January 1986.

(C) President Reagan stated that we are in a battle against protectionism, as discussed at the Williamsburg Summit. The Administration is beating back protectionist efforts in the Congress. This was the case with the pressure for the wine equity act. We were happy we were able to defeat that. Besides, no civilized human being should want to make it more expensive to buy good French wine. (Laughter)

(C) Mitterrand responded that the US is importing more German and Italian wine -- but that is free trade.

(C) Mitterrand continued that on protectionism on both sides of the Atlantic he believed that we should organize a serious concentration of views. He finds that when he talks with Europeans, they accuse the Americans of protectionism. When he talks to Americans, they accuse the Europeans of protectionism. The fact is that neither should be protectionist. We need a serious consultation on this. That is the reason Mitterrand wanted to visit US agricultural areas in the Middle West.

(C) Mitterrand said that when he visits Secretary Block's farm, he does not fear demonstrations by farmers with pitchforks as happens in France -- on the other hand, there may be no pitchforks left in the US. (Laughter)

(C) President Reagan answered that if President Mitterrand wishes, we can arrange a demonstration. (Laughter) Protectionism is a worldwide problem and we should work for its elimination. President Mitterrand said that he is fully determined to make his contribution to clearing the air. The President said, "We will join you."

(C) President Mitterrand said that he wanted to raise with the US Government the question of reenactment (extension) of the Export Administration Act. We have discussed in COCOM the problems that would be created by new rules on East-West sales which could create new difficulties. Mitterrand continued that he did not know the intent of Congress, but he would say that we should proceed with great caution. In fact, we do not sell enough to the Soviets.

(C) Secretary Shultz commented that we too do not know how the Act will emerge from Congress, but the legislation is vital to the President's capacity to regulate US exports on national security or foreign policy grounds. Without that authority, our ability to participate in COCOM would be curtailed. There are occasions when our export controls take shape outside the COCOM framework. These are appropriate for us and up to you to decide on your own.

(C) Secretary Shultz continued that, for example, Libya's conduct is out of bounds, so we have dramatically curtailed our sales to Libya. We wish you would do so also, but that is different from a COCOM issue. The key to the various controversies stems from US components or US licensed products which are sold by a second country to a third. We take the view that we can exercise export controls on such components or licensed products. The firms involved know when they are undertaking a commitment to abide by US export controls. The key element in all this is the President's power to control and regulate exports, but we use these at a minimum and only as a last resort.

(S) President Mitterrand said that relations with Libya are ambiguous. (Several sentences inaudible.) Qadhafi makes no distinction as to East and West when he sells his oil. Qadhafi is unpredictable. He buys aircraft from France and wants France to train his pilots. The problem is in training pilots who then attack our own troops. If the US intends to discuss sales to Libya, let us know so that we will be prepared. It will be a difficult problem unless the issue only concerns strategic items.

(S) President Mitterrand said that he does not know Qadhafi, but that Qadhafi is not all negative and not altogether rational. He has made no serious alliance with the Soviets, but he has Soviet weapons and materiel. Libya now occupies the north of Chad, which has only 150,000 people and 20 percent of Chad's productivity. The south has 4 million people and 100 percent of Chadian productivity.

(S) Mitterrand continued that the day the risk was highest that the French and Libyan armies would clash, Qadhafi sent a message to say that Mrs. Qadhafi and their children were coming to Paris and that he hoped they would be well-received, assisted with their shopping, and provided security. (Laughter) Mitterrand said that Qadhafi must be taken seriously, as Islamic fundamentalism is highly contagious.

(S) President Reagan agreed and noted that terrorism is a major problem in the Middle East. Mitterrand assented and added that the head of government in Algeria worries about both the Shiites and Qadhafi. Perhaps Syria is also worried. Fundamentalism is one of the important phenomena of our times. If it sweeps the Arab world, we will have to redraw the political and strategic maps. It has ramifications also in Africa, especially Nigeria which is two-thirds Muslim.

(S) Secretary Shultz said that terrorism is used by some both as a tool and a tactic. We would welcome closer discussions of ideas and ways to deal with terrorism. There are various fora in which we can discuss this with France or among the Allies. Mitterrand answered that he favored such discussions. We share information among our police and security services. France is a definite target of terrorists. Secretary Shultz commented that we are, too.

(S) Mitterrand stated American and Israeli diplomats in France are targets. In addition, both Armenian and Basque terrorists cause trouble. As we learned in Corsica, the different terrorist groups have pooled their efforts on arms procurement and the forging of documents. We have decided to be very stern.

(S) Mitterrand, citing Carlos, said that two and a half years ago France arrested by chance two of his friends. Since then there have been terrorist attacks and we have been told that if we release the friends of Carlos, the attacks will stop. Such bargains used to be the case, but we have decided to stand firm.

(S) President Reagan observed that Carlos has been so successful that one wonders if there is possibly more than one Carlos. Mitterrand answered that he wondered also, but the person of Carlos is at the center. He is not in business for himself. He is a professional. If we were in need of his services, we could hire him.

(S) President Reagan recounted that several years ago the New York police discovered a car bomb near the Empire State Building. The police removed it to an isolated area and detonated the explosive. They learned that if the bomb had gone off everyone within 100 meters would have been killed. This received no publicity, but imagine how horrible it would have been. This was an unadvertised success.

(C) President Mitterrand commented that relationships among our security services are excellent. Sometimes terrorism stems from ideology. Iran is so inspired, and ideological terrorism is the most dangerous and hardest to control. Those who blew up the American and French soldiers in Beirut were members of suicide squads. President Reagan agreed that it is hard to combat a belief in a free ticket to heaven. Mitterrand observed that a good Christian ought not to resort to such actions. A good Christian might believe the sooner he reaches heaven, the better, but Mitterrand did not know any Christians who were in a hurry. (Laughter)

(C) Mitterrand stated that we had good conversations and that as far as we can foresee, the ratio of "noes and yeses" will be a very low ratio. President Reagan expressed support for Mitterrand's economic programs and said that he hoped the results will be satisfactory.

(C) President Mitterrand said that the economic situation in France has been described in overly pessimistic terms. People believe that France produces only strikes. In the last two and a half years there have been fewer strikes than the average over the preceding 25 years. The strike rate is half of that which prevailed under de Gaulle, but the public is convinced that there are four times as many strikes in current days.

(C) Mitterrand continued that when the truckers block the roads it is page one news, but similar things happen in all countries. France has a unique "democracy Gaulloise." All we do is argue about our national identity which has been going on for 2,000 years.

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(C) President Reagan noted that a recent study of television news broadcasts in the US indicates a high statistical incidence of immediately following a report of favorable economic statistics by bad news. For example, a reported drop in the unemployment rate will be followed by an interview with someone who is unemployed. Mitterrand commented that it is the same in France or worse, but one gets used to it. By the time our successors sit in our place, we will listen to the news with greater equanimity.

The meeting ended with President Mitterrand expressing admiration for President Reagan's ability to communicate with the people on television.

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