The United States and its allies have important political, commercial, and strategic interests in southern Africa, which are being threatened by the Angolan MPLA regime's hard-line policies and increased Soviet Bloc military assistance to that government. At this juncture, direct Soviet/Cuban challenges to our important interests in the region and the increased military confrontation inside Angola, coupled with the recent repeal of the Clark Amendment and continued uncertainty of U.S. negotiating efforts, make it necessary to reconsider and affirm U.S. southern Africa policy objectives in the Angolan context. These objectives are:

-- Reduce and possibly eliminate Soviet and Soviet-proxy influence and opportunities in Angola and southern Africa;

-- Encourage change away from apartheid and reform in southern Africa so as to enhance prospects for peace and improved relations between South Africa and its neighbors;

-- Promote regional stability and improved relations between South Africa and its neighbors, particularly by participating in efforts to achieve negotiated settlements to regional problems and broker rules of engagement for the peaceful resolution of disputes;

-- Seek an internationally acceptable solution to the Namibian problem based on UNSCR 435, and Cuban troop withdrawal from Angola.

In order to achieve these broad objectives, the U.S. will remain actively involved in southern Africa, and with respect to Angola, will pursue a two-track strategy of a) continuing to negotiate with the MPLA and South Africa on Cuban troop withdrawal in the context of Namibian independence while b) applying pressure on the MPLA to negotiate seriously and to accept a negotiated settlement.
This strategy will consist of the following elements:

-- Develop overt means of increasing pressure on and pursue openings offered by the MPLA, including in the negotiating track, to achieve an agreement on Cuban troop withdrawal;

-- Work actively with our allies, the Front Line States, and other parties to encourage them to press the MPLA regime for a peaceful settlement;

-- Expand contacts with UNITA, and assist UNITA politically in its efforts to increase its international stature and acceptance in order to make it clear that:

  o We have UNITA's interests in mind in the current negotiating process, which could set the stage for national reconciliation in Angola;

  o Peace cannot be imposed on Angola by suppressing UNITA or ignoring its interests; what is required is a national reconciliation based on a political settlement acceptable to all Angolan parties;

-- Continue U.S. development, security assistance, and humanitarian food relief programs consistent with our national values and objectives in the southern African region;

-- Intensify U.S. efforts to improve relations between South Africa and its neighbors, maintain an effective dialogue in support of U.S. objectives with all relevant parties, condemn and help minimize violence and terrorism by any party;

-- Pursue discussions with the Soviet Union in an attempt to diminish and eventually eliminate Soviet Bloc military assistance to Angola, and to promote national reconciliation between UNITA and the MPLA;

-- USIA should enhance international media attention to increase the international stature of UNITA's political goals and military accomplishments, and to explain to the Cuban people the real costs of the Angola war to Cuba;

-- The Department of State should develop a political strategy to bolster UNITA within the U.N. and the Organization of African Unity, working both unilaterally and through friendly governments;
Inform senior management of all major American companies with operations in Angola to be aware of all the risks involved in their positions there, including the risk that commercial dealings with Angola may someday be banned or restricted, depending on future developments in that country as they affect major U.S. interests and objectives;

Inform EXIM Bank that it should neither seek nor accept any new business in Angola which would, broadly construed, enhance the ability of the MPLA to wage war or acquire the military or economic resources necessary to sustain its war effort. (AX)

Accordingly, to further U.S. objectives, the following policies will apply. The U.S. will:

Apply pressure on the Angolan regime to cooperate in the current negotiations for a peaceful settlement in Angola/Namibia and restrict its ability to prosecute the war against UNITA through:

- Consideration of the use of economic measures available to the U.S. on a case by case basis.

- Use of all available means, including denial of export licenses, and use of other legal authorities, to prevent export of U.S. equipment, technology, projects or services which have end-user military application. (AX)