I WITULACUIA ILU

90929

THE WHITE HOUSE

HACLASSIFIED

WASHINGTON

November 30, 1982

Adonal Becurity

icisto Pitective

National Security Decision Directive 71

JULILION

## U.S. Policy Toward Latin America In the Wake of the Falklands Crisis (S)

The Falklands crisis has strained relations with several Latin American countries and resulted in uncertainty regarding the long-range policy goals of the United States in the region. This in turn has increased the potential for instability in Central and South America. (C)

U.S. national interests in Latin America and the region dictate policies that achieve the following objectives:

- a region free of Soviet-dominated or hostile governments;
- the development of stable and democratic political systems and institutions which promote respect for basic human rights;
- cooperative bilateral relations to deal with security and other issues flowing from geographic proximity;
- advancement of major U.S. trade and investment;
- access to raw materials;
- prevention of nuclear proliferation;
- maintenance of stable balances of power among the states in the region; and
- receptivity to U.S. leadership. (S)

Achieving these objectives has been complicated by the Falklands crisis. Accordingly, our policy must be aimed at ameliorating the following specific problems:

- Instability and irredentism in Argentina, which implies new opportunities for the USSR to gain access to a strategic for position in the Southern Cone;
- Disillusionment with U.S. leadership in Venezuela and elsewhere, which provides tempting opportunities for Cuba to reduce its inter-American isolation;

THE ACCIFIED OADR

Declassified/Released on 1 11/99
under provisions of E.O. 12958
by R. Soubers, National Security Council
F 98-471

HICLASSIFIED

cy 17 of 5 copies

## LANGARONE

- The need to improve U.S. relations with Brazil, recognizing and Brazil's increased importance as a potential stabilizing factor or an in South America at a time when mounting economic and financial difficulties are eroding our ties and influence there and in the region as a whole.
- The vulnerability of burgeoning free enterprise economies by of burgeo and developing political institutions to radical insurgent of burgeo movements supported by the Soviet Union and/or its supported by the surrogates.
- The interdiction threat to U.S. aerial and maritime routes threat to in the Caribbean Basin by potentially hostile airbases and the in by printroduction/augmentation of Soviet Bloc tactical aircraft and seven weaponry. (TS)

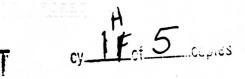
In redressing these problems, the highest priority for the United States will continue to be the reduction -- and eventual elimination -- of the influence and presence of the Soviet Union or its client states in our immediate environs -- Central America, the Caribbean and Mexico. This will be accomplished through a coordinated application of our diplomatic, economic, military, intelligence and informational resources in the Caribbean Basin and Central America. (TS)

Our second priority is to restore and reassert United States influence in South America. To this end we will:

- Maintain our diplomatic position on the fundamental Falklands issues as it existed prior to the crisis. Specifically: The U.S. will continue as a neutral on the question of sovereignty over the islands and support negotiations, mediation or other peaceful efforts to resolve this dispute;
- Attempt to preserve a regional political and military balance, by seeking certification for Argentina and Chile, as eligible for U.S. military sales, jointly if possible, and as early in the new Congress as feasible. In order to progress on this initiative, the State Department will intensify efforts to resolve those issues that currently proscribe arms transfers to Chile and Argentina.
- Rebuild a close relationship with Brazil, through: a close rel
  - increased Cabinet-level, government-to-government consultations
  - renewed cooperation in economic trade and military training on in a
  - enhanced cooperation in science and technology (particularly in in space activities)
  - a dialogue on nuclear issues, and a dialogue on nuclear is
  - exploration, over time, of arms co-production agreements.

TOP SECRET





To develop this process, the U.S. will seek appropriate positive action by Brazil on the issue of nuclear non-proliferation (e.g., restraint in exports to sensitive regions and progress in discussions on the Treaty of Tlatelolco and safeguards). We will further attempt to resolve the matter of nuclear supply and permit resumed nuclear cooperation with Brazil. As contacts on these issues show progress, in order to encourage significant movement on non-proliferation concerns, consideration will be given to seeking waivers to the Glenn/Symington amendment, permitting the Glen enhanced military training cooperation.

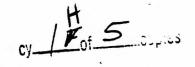
- The U.S. will continue to seek prevention of regional arms races, to preserve sub-regional arms balances and to upgrade bilateral military ties. In order to support the legitimate security needs of democratic governments, the Department of State, in coordination with the Department of Defense, will use flexibility, within NSDD-5 guidelines, to respond promptly to arms transfer requests. Measures will specifically be taken to reduce Peru's dependence on Soviet arms supplies.
- Within resource constraints, the U.S. will maintain assistance efforts in such economically weak states as Bolivia, Ecuador, and Paraguay. (S)

The aforementioned program -- aimed first at the Caribbean Basin/ Central American region, and second at South America -- will be effected in concert with the following overall hemispheric actions:

- The United States will pursue more active bilateral diplomatic contacts throughout the continent in order to stay efforts to alter the Inter-American System. We will use a series of ad hoc bilateral cabinet-level meetings with substantial -- though not exclusive -- economic focus to show that dialogue with the U.S. is possible. Our Caribbean Basin Initiatives will serve as the framework for these discussions with the Central American States. In South America, the U.S. will lead with Brazil, Colombia, Peru, Venezuela, and then Argentina. Throughout, our goal is to support free enterprise economies and foster the investment and trade necessary to their growth.
- U.S. global sugar policy will be reviewed to assess its foreign and domestic impact on states in the region. If advantageous to our foreign policy goals, consideration will be given to leave establishing more flexible sugar import levels.
- We will use our influence through traditional diplomatic channels at the promote development of democratic institutions and human rights in order to facilitate U.S. public support for expanded, closer U.S. relationships with the governments concerned.

**JUNGLASSIFIED** 





- A concerted effort will be made to increase U.S. military influence in the hemisphere through promotion of U.S. military training and go doctrine, greater use of small mobile training teams, expanded of smallitary personnel exchanges and increased International Military Education and Training (IMET) resources. To implement this program the Department of Defense, in cooperation with the Department of asset State and the Director of Central Intelligence will develop a tor of Comprehensive prioritized list of defense requirements, by country, and propose a strategy for implementation.
- In order that we can take a pro-active stance in our relations take a with Central and South American states, the DCI will improve outh American intelligence collection on and analysis of Soviet bloc and Cuban on actions which may create internal instability or problems in create in bilateral relations with the U.S. (TS)

Ronald Reagan

UNCLASSIFIED UNCLASSIFIED

TAD CEPPET

cy\_f\_f\_ccpies